



# Australia and India: A Nuclear Alliance?



September 17, 2014    *Topic:* Security    *Region:* India    *Blog Brand:* The Buzz

"The uranium deal is first and foremost a diplomatic gesture meant to jumpstart Australia's broader engagement with India."

by Kyle Springer

By using this website, you agree to our use of cookies. This use includes personalization of content and ads, and traffic analytics.

**R**

Recently Australian Prime Minister Tony Abbott signed a nuclear agreement with India, allowing Australia for the first time to export uranium to India for civil nuclear purposes. The agreement is touted as a win for Australia's small uranium sector and a needed step towards improving Australia-India relations. India's refusal to sign the NPT constrained relations for decades. It's widely understood that the uranium deal is more directly related to diplomacy than boosting Australia's mining sector, so what's next now that the safeguards agreement has been signed?

The uranium deal is first and foremost a diplomatic gesture meant to jumpstart Australia's broader engagement with India. Both countries share an interest in Indian Ocean maritime security and bilateral military relations can be built around that common interest. We should expect to see strengthened dialogue between India and Australia on security issues. And we can expect that more joint military exercises and military-to-military exchanges will also be announced. A bilateral naval exercise is already scheduled for 2015.

There's also potential for increased economic engagement between Australia and India. Trade Minister Andrew Robb plans to lead a business delegation of 300 to India early next year. Australia recognizes a need to diversify its trade partners, and bilateral trade with India trails far behind that with other major Asian partners. India could become a large-scale market for Australian goods and services. And its surging need for energy security coupled with Australia's competitive advantage in energy-supply potentially makes for a strong partnership. In the short term, we can expect coal to continue to be a significant export and later LNG will emerge to fuel India's economy.

Although this agreement will spark some optimism in the struggling uranium business, it won't make anyone rich anytime soon. Uranium prices are extremely weak due to decreased global demand in the wake of the Fukushima disaster in Japan and there's a global excess of supply.

Although Australia's known resources are the world's largest, uranium's only a small part of Australia's massive mining sector.

Moreover, it'll take some time before uranium shipments to India begin. Australian mining company Toro Energy said shipments could start within five years. Things will likely change for Australia's uranium sector as India and China deliver on their prospective nuclear power projects.

There's been some concern that the uranium will be used not just for civil purposes. That's a point of controversy given concerns about India's nuclear arsenal. However, this June India signed the additional protocol with the International Atomic Energy Agency (IAEA) placing its ten reactors under the agency's safeguards. That agreement also allows inspectors into the country and requires India to report to the IAEA all uranium within its control that is redirected for export to a third-party country. Australia also has its own watchdog, the Australian Safeguards and Non-Proliferation Office (ASNO). To ensure Australian uranium isn't used for military purposes, ASNO accounts for it as it moves through the fuel cycle. India will be obliged to report to ASNO on the uses of uranium purchased from Australia.

## Related



**Ash Carter's Visit to India Appears to Have Been a Win-Win**



**Modi's Big Win: A Chance for Stronger Ties with America?**



**Moving Past "Potential": Can America and India Become Real Partners?**

While Australia can't be completely certain uranium will never be diverted for military use, India knows there would be serious diplomatic consequences if it was discovered that such diversion had occurred.

The nuclear safeguards agreement is a diplomatic tool meant to build trust with India and move bilateral ties forward. As an economic tool, it's a forward-looking measure to supplement India's energy needs with Australian resources.

*Kyle Springer is the program associate at the new Perth US Asia Centre at The University of Western Australia. This piece first appeared in ASPI's The Strategist here.*

*Image: Office of the PM, India.*

---

20 Comments

The National Interest

1 Login ▾

♥ Recommend

🐦 Tweet

f Share

Sort by Newest ▾



Join the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS (?)

Name

**Padmanaabh Chatterjee** • 4 years ago

Why give India uranium if you're not "completely certain" it won't be used for military use?! You're argument is absurd and self-defeating!

^ | ▾ • Reply • Share ▾

**Alsikhali Rama** • 4 years ago

The reasons to be wary of this Nuclear Alliance are manifold.

1. Perhaps the most immediate impact of civilian nuclear cooperation with India will be the accelerated production of bomb ingredients.

2. This decision is a setback to the efforts toward a fissile materials cut-off treaty (FMCT).

3. This decision refelects Bush Administration's policy of selective nonproliferation.

Nonproliferation efforts, thus, are not to be guided by a set of rules that applies equally to all, but

are to be based on judgments about good guys and bad guys. There is no doubt that the nuclear nonproliferation regime has been seriously undermined by the NSG decision

^ | v • Reply • Share ›

**ron ban** → Alsikhali Rama • 4 years ago

True. Islamic nations must be deprived of nuclear weapons at all times. This does not apply to non Islamic nations. That only makes sense.

1 ^ | v • Reply • Share ›

**Alsikhali Rama** → ron ban • 4 years ago

India should roll back its nuclear programme... because Nehru and Gandhi were against these nukes.. Hindus are peace loving.. nuclear weapons are not in a match with Hindu ideologies.

^ | v • Reply • Share ›

**vetiarvi** → Alsikhali Rama • a year ago

Are you a Chinese pretending to be Indian? Nehru was one of the worst things to happen to independent India. Let's not talk about his views.

1 ^ | v • Reply • Share ›

**ron ban** → Alsikhali Rama • 4 years ago

Wrong. The holy Hindu text, the Gita, the entire text is a discussion between Arjuna and Krishna re the concept of just war.. ie: a debate on when is it acceptable to fight and kill if necessary. In the end Lord Krishna won the argument and righteous war was waged.

Hinduism is pragmatic and DOES allow the deployment and usage of weapons for self defense. ALSO Nehru launched the nuclear research program of India which led to nuclear weapons, so your history is wrong also.

1 ^ | v • Reply • Share ›

**Alsikhali Rama** → ron ban • 4 years ago

Oh my God... same is the ideology of Muslims... is it coincidence? and by the way Jawaharlal Nehru, was among the first in the world to appreciate the dangers that nuclear weapons posed to humanity. India's foreign policy was shaped by Pandit Nehru and nuclear global disarmament was a significant part of it.

<http://www.usiofindia.org/A...>

^ | v • Reply • Share ›

**Ravistichagan** • 4 years ago

Australian uranium sale to India will be subjected to weak monitoring safeguards or 'facility specific' of IAEA, contrary to nuclear deals Australia has with other countries. Andrew Davies from the Australian Strategic Policy Institute highlighted IAEA's inability to screen exactly where uranium sent to India from Australia if comprehensive monitoring safeguards are not applied.

^ | v • Reply • Share ›

**IAF101** → Ravistichagan • 4 years ago



That is the failure of IAEA - not India and India should not be punished because IAEA cannot do its job. Further, whatever arrangement Australia has with other countries, it is irrelevant, since India is an exception - there is no nation in the world like India when it comes to the NPT and its exemption.

^ | v • Reply • Share ›

**Aarish Mehthab** • 4 years ago

This growing brotherhood is fruitful for these two countries only. For rest of world, this growing affection is nothing than the violation of nuclear nonproliferation norms. Australia simply needs a customer to sell its uranium and India is best prospective candidate for this. Why India needs to sign NPT, it enjoys full benefits in not signing NPT. This nuclear alliance is categorically hysterical on all nonproliferation accords.

^ | v • Reply • Share ›

**IAF101** ➔ Aarish Mehthab • 4 years ago

There is no "violation" when India has been granted exemption by the IAEA, the NSG and various other bodies. Further India has not signed the NPT and thus cannot be in breach of rules it never signed up to.

Its a shame that so many people are still so confused about the basics of the issue.

^ | v • Reply • Share ›

**chinpin ginpin** • 4 years ago

A potential proliferator will always remain a proliferator, no matter how much it takes measures to remove this tag. India had used its Canadian supplied fuel in its reactors which later on were being used for military purposes and in response to India's proliferation international community stepped up to launch a Nuclear supplier group. This is all fake whatever is going on under the cover diplomatic ties and cooperation. This is once again a serious blow to the efforts and initiatives done in the field of nuclear non-proliferation regime. Country who usually voices too loud about global disarmament is actually the very entity making this notion difficult to implement.

^ | v • Reply • Share ›

**H. Haris Flynn** • 4 years ago

Giving nuclear deal a benefit by creating a doubt that it is a diplomatic tool meant to build trust with India and move bilateral ties is only a fool's argument. This nuclear deal is a clear violation of Treaty of Raratonga and NPT. Nuclear proliferation can never be justified; making the world hazardous place to live should not be included in bilateral ties.

1 ^ | v • Reply • Share ›

**vetiarvi** ➔ H. Haris Flynn • a year ago

NPT is a joke. India has been a reliable nuclear power for decades now. Instead of admitting to the ground reality the NPT seeks to maintain a relic status quo of the post WW2 period.

Well done Australia for showing some common sense. A prosperous India can only help Australia as a potential trade partner that it can rely on instead of the devious Chinese Commie party.

^ | v • Reply • Share ›

**IAF101** → H. Haris Flyn • 4 years ago

NPT is just words on a page - nothing more! And the NPT itself is inherently unjust and discriminatory in the extreme. In fact if the NPT was a "law" in Australia the Australian supreme court would strike it down - as would ANY legal body across the democratic world for being patently discriminatory and arbitrary.

The fact that Australia's "greens" would gladly handover Uranium by the freighter load to China - a autocratic regime that has used tanks to crush its own people, while grandstanding on supplying Uranium to India based on the flimsy "promises" of some shiny sheep skin is absurd and hypocritical.

India's refusal to sign the NPT is its RIGHT. And by developing nuclear weapons India has broken no laws, violated no treaties or commitments it has made. As such Australia's absurd argument that everybody necessarily sign the NPT is undemocratic and dictatorial and disregards the sovereignty and freedom of nations to decide their own future.

India didn't sign the NPT and hasn't reaped its rewards from the international community. India has also not sold or exported its nuclear technology despite not being under any commitment not to do so - unlike China that actively aided the nuclear program of Pakistan despite it being a NPT member.

3 ^ | v • Reply • Share ›

**Rakesh Sinha** → H. Haris Flyn • 4 years ago

"Nuclear proliferation can never be justified"  
EXACTLY.

That has been the consistent position of India all along. A so called "non-proliferation treaty" which is an apartheid system giving exclusive club privileges to 5 countries and discriminating other countries is a non-starter. India advocates a nuclear weapon free world where every one abandons nuclear weapons.

1 ^ | v • Reply • Share ›



**Guest** • 4 years ago

Nuclear power is unlikely to contribute significantly to electricity generation in India for several decades. Most importantly no one knows what would be the lasting impact of the policy on India-Australia relations? The deal thus represents a step backward for non-proliferation and disarmament. However, apprehension over uranium sales to India could threaten the country's leadership, reducing the credibility and clarity of its otherwise strong voice.

^ | v • Reply • Share ›

**Arka Dyuti Sarkar** • 4 years ago

Prior to international sanctions being lifted where exactly did India get uranium for its nuclear weapons from? I'm no nuclear weapons scientist but I imagine there are other substances to make a radioactive weapon with.

^ | v • Reply • Share ›

© Copyright 2018 Center for the National Interest All Rights Reserved