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# India's Vote in the IAEA

## The Balance Sheet

Summary of a Round Table Organised by Observer Research Foundation

### INTRODUCTION

A ROUND TABLE DISCUSSION on the topic “India's Vote in the IAEA – The Balance Sheet” was organised by Observer Research Foundation at New Delhi on October 10, 2005. The participants included leaders of political parties, former diplomats, academics, journalists and strategic experts.

In his opening remarks, ORF Chairman R.K. Mishra said the purpose of the round table was to initiate a public policy discussion on analysing the impact of India's vote on Iran in the IAEA on September 24, 2005. He pointed out that the debate even invoked the Cold War idiom, and at times, was reminiscent of the animated discourses two years ago on Iraq. Regrettably, he felt, the debate has called into question,

even if marginally, the very authenticity of India's strategic partnership with Iran. He said ORF has a tradition of providing a platform for informed discussions on contentious issues that are of concern to India as well as the international community.

In the three-hour discussion that followed divergent views, supportive of or opposed to, the vote in Vienna found expression. These were underpinned by a shared belief that India faced a defining moment in chartering the course of its foreign policy for decades to come.

Reflecting these views, this brief is divided into two sections:

- Endorsement of India's Vote in the IAEA
- Criticism of India's Vote in the IAEA

Observer Research Foundation is a public policy think-tank that aims to influence formulation of policies for building a strong and prosperous India. ORF pursues these goals by providing informed and productive inputs, in-depth research and stimulating discussions. The Foundation is supported in its mission by a cross-section of India's leading public figures, academics and business leaders.

## ENDORSEMENT OF INDIA'S VOTE IN THE IAEA

### 1. What constitutes an 'independent' foreign policy?

India is today a strong country, having overcome major national security challenges and economic crisis, with vast experience in nation building. It is therefore preposterous to suggest that India can succumb to external pressure or can be anyone's surrogate. If the argument is that India must never be aligned or be supportive of the US on any issue, it is erroneous and unrealistic. Flexibility in India's foreign policy would mean that at times the country finds itself in agreement with the US while, at other times, retains the right to disagree with US policies. The concept of an 'independent' foreign policy, therefore, needs to be revisited in the present geo-political context.

### 2. How relevant is non-alignment?

To criticise India's IAEA vote as a departure from the non-aligned principles is unfair. Indira Gandhi had realised by 1980, following the Soviet intervention in Afghanistan, that India's so-called non-aligned foreign policy was a mistake. By the early 1980s, India began moving away from the Soviet Union and had started entering into weapons deals with the Western countries. The trend was, in fact, towards creating an 'independent' foreign policy based on the premise that it was not structurally possible for a large country like India to be manipulated by outside powers.

NAM might, in fact, have become irrelevant even earlier. In 1962, when China invaded India, none of India's friends in the NAM came forward even to offer sympathy. Instead, they practised non-alignment between India and China. That was the beginning of the end of non-alignment as the driving spirit of India's foreign policy.

India parted company with the Non-Aligned Movement a long time ago over the issue of nuclear policy. NAM had supported the NPT while India was opposed to the treaty. NAM showed no sensitivity to India's stance and kept passing resolutions against India's refusal to sign the treaty. Equally so, NAM was party to the indefinite extension of the NPT in 1995. Even with regard to the Iran vote in the IAEA, the non-aligned countries lacked the courage to vote against the resolution; they merely abstained.

### 3. India-US nuclear agreement

Admittedly, the India-US nuclear agreement would have generated compulsions leading to India's IAEA vote. But, the agreement itself emanated out of an imperative need for India to find a way around its acute shortage of nuclear fuel. If the US has given India a lifeline in this regard, there is no denying that it is clearly out of Washington's self-interest. But that should not detract from India's own critical need for nuclear fuel and technology. Besides, the hard reality is that powers that could help India access nuclear fuel and technology-- Russia, France or China -- too have pleaded helplessness until and unless the US agreed to lift the embargo.

The Left parties' opposition to the India-US nuclear agreement, which stipulates mandatory separation of military and civil nuclear facilities (assuming that the stipulation may "cap" India's nuclear weapon programme), is inconsistent with its earlier opposition to India's nuclear weapons programme as such.

### 4. Iran nuclear issue

Iran's actual conduct as a signatory of the NPT has been duplicitous. Iran's failure to report on its import of natural uranium in 1991; its activities subsequently in the processing and use of the imported uranium; failure to declare the Kalai Electric Company Workshop or the laser enrichment plant -- all these were violations of Iran's NPT obligations.

Secondly, IAEA has been deeply suspicious of Iran's conduct with regard to the P-II centrifuges or the Kasheen uranium-milling mill. The IAEA report is critical of Iran. India cannot but take note of it as IAEA has a track record of independent judgement. If available indications point towards Iran developing a clandestine nuclear programme, India has no choice but to act. It is simply not in India's national interest that Iran becomes a nuclear weapons state.

EU-3, which has been negotiating with Iran, involves two powers -- France and Germany -- that do not hesitate to stand up to the US pressure. Yet, they say they have reached a dead-end in negotiations with Iran. They were even prepared to offer nuclear fuel to Iran on the condition that the spent fuel would be taken out of the country, but Iran did not accept it. Thus, the onus rests on Iran today.

### 5. India's vote at Vienna

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cannot but be concerned about the proliferation of nuclear weapons in its neighbourhood. From the economic angle, there is the imperative need to harness the nuclear deal of July 2005 with the US. A power crisis is staring India in the face. One way the crisis can be meaningfully addressed is by developing the nuclear energy option for which the nuclear agreement with the US becomes important.

In any case, the IAEA resolution of September 24 is not the end of the road for Iran. Iran has not been referred to the UN Security Council yet. In fact, a referral may take a long time in coming. The basic purpose of the resolution was to give more time to the IAEA.

The question is about Iran fulfilling its international obligations. From this perspective, India has indeed adopted a consistent stand, which is that the UPA government respects Iran's right to develop nuclear energy but also expects Iran to fulfil its international obligations.

The IAEA vote has showed up for the first time the type of decision-making that India has to get used to if and when it sits in the UN Security Council as a member with veto power. It is the beginning of a process heralding India's rise to power. The agonising over the vote, therefore, tends to overlook the actual track of how India's national interests would be served in any given situation in the coming decades.

## 6. India's relations with Iran

The vote will not affect India's friendship with Iran, which rests on deep-rooted historical, cultural and civilisational moorings. The India-Iran friendship has outlived differences earlier also, such as when India had differences with Iran's stance on the Kashmir issue. India's relations with Iran are a mutually beneficial working relationship. It has been working well. But, it is an exaggeration to 'romanticise' it. India's decision-making should bear in mind not only that Iran has not always been helpful to India, but Iran also needs India.

## 7. Energy cooperation with Iran

Iran needs a market for its LNG. India, as a huge potential market for LNG, will always hold attraction for Iran notwithstanding the IAEA vote. Iranians are great pragmatists and will move on with India after a few hiccups.

As for the Iran-India gas pipeline project, it was bound to remain a 'pipedream' in any case. It was unrealistic to fancy

that a pipeline could be set up through the troubled Balochistan province in Pakistan. India would be creating 'energy insecurity' by predicating its needs on the Iran-India gas pipeline project.

## 8. India's national interests

The national interest dictates that India gives priority to removing roadblocks in the trade and transfer of technology between India and the Western world – blocks that have been in existence in varying degrees from the 1950s. India's defence and nuclear agreements with the US are an attempt to bypass these roadblocks. There are no guarantees that the effort will succeed. India cannot trust the US either. India realises that with the change of presidency in Washington, there may be new directions to US policies.

Moral posturing apart, India always acted in its national interest. Every Indian Prime Minister (except Morarji De-sai) stood for India's nuclear weapons programme. Today's world consists of multiple alliances. For example, the talk of India and the US getting together to curb China is as much a plausible scenario as that of the possibility of Washington aligning with Beijing to counter-vail India. Thus, both the US and China would have difficulty with India's candidature to the UN Security Council.

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## CRITICISM OF INDIA'S VOTE IN THE IAEA

### 1. Lack of consensus in foreign policy

Foreign policy has become a contentious issue within India as a result of such decisions like the IAEA vote. It is not only the UPA government's Common Minimum Programme but also the Congress Party's election manifesto which spoke of the need for a national policy. Although the Prime Minister has justified the vote in his statements, there is a need to mobilise public opinion on the subject. In today's world, non-alignment may not be relevant in the manner in which it worked in the past but today too India is saying that it is promoting "multi-lateralism" (which was at the core of the principles of non-alignment). There is a need, therefore, to mobilise public opinion on issues like the IAEA vote.

### 2. What constitutes "national interest"?

Although the Common Minimum Programme of the UPA government clearly spells out the commitment to pursue an

‘independent’ foreign policy, the government in reality has been succumbing to the pressure and dictates of the US and other Western powers. The India-US defence agreement is a case in point. Although the Indian Defence Minister has claimed the document to be “just a framework”, the US retains the option to interpret it in its interest and persuade India to comply with its provisions.

India’s strategic relationship with the US needs to be properly explained. The issue is not of developing a mutually beneficial relationship with the US but the kind of relationship India wants to have with the US. It should not be predicated on the assumption that India should agree with the US on every issue.

### 3. India’s vote at the IAEA

The IAEA resolution on Iran is unjustified. Iran has been extending cooperation to the IAEA and has declared repeatedly that it does not aspire to acquire nuclear weapon capability. This was a solemn assurance that the international community should have taken note of.

The entire issue of the IAEA vote has been handled in a very inept fashion. India should have handled the situation in a different way; it should have created national consensus to begin with. Besides, the issue raises certain very sensitive and pertinent questions concerning the NPT. The US move to push a resolution of this nature could well be indicative of an attempt to surreptitiously redefine the NPT’s scope without having to effect a formal amendment to the treaty. The most worrisome question is as to why Iran has been singled out for the alleged violation of the NPT.

It is also highly regrettable that Iran was not taken into confidence by the UPA government about its decision to vote for the resolution in the IAEA. Not only had the External Affairs Minister gone to Iran but Ali Larijani, Iran’s chief negotiator on the nuclear issue and the Secretary General of Iran’s National Security Council, was in Delhi prior to September 24..

It would have been far better for India to have let the US Congress go ahead on the nuclear agreement on its merits and vote against it as the agreement contains elements that militate against India’s interests.

There is deep irony in India’s decision to vote against Iran in so far as that India was the first country to successfully destroy the American or Western positions on nuclear

energy and military power. India certainly acted in its “national interest” at that time. Many countries are today being forced to go nuclear to protect themselves – exactly as India itself was compelled to do. India must bear in mind that what is being done to Iran today can as well be applied to it. India is not officially recognised as a nuclear weapon state. The US stands opposed to granting such a recognition.

The vote will impact on India’s relations with China and Russia. China is already concerned over India’s nuclear deal with the US. China will see the IAEA vote as a further development of India’s strategic relations with the US. India is also in danger of losing old friends like Russia.

**Iran has complied with IAEA. It also signed an Additional Protocol and has been given a certificate of good cooperation by the IAEA. IAEA investigations are still continuing and there is no evidence to indicate that Iran is “weaponising”.**

### 4. Iran nuclear issue

Iran’s stance rests on certain valid arguments. Firstly, NPT originally created two categories of countries – nuclear weapon states and non-nuclear weapon states. Since 1978, the US administration under President Ford arbitrarily and suo moto imposed a further division among the non-nuclear weapon states – between those which were allowed to have a complete nuclear cycle and those which could have only a truncated cycle. Japan and Germany, for instance, belonged to the first privileged category. By its actions, Iran has questioned the legality of this discrimination among the NPT non-nuclear weapon

states.

Second, Iran was guilty in not reporting its clandestine nuclear activities that were in violation of the NPT safeguards, but once this came to light, Iran did comply and began providing full information to the IAEA. Iran also signed an Additional Protocol and has been given a certificate of good cooperation by the IAEA. Third, IAEA investigations are still continuing and there is no evidence to indicate that Iran is “weaponising”. A referral to the UN Security Council under XIII.B.4 of the IAEA charter (as envisaged under the resolution) is uncalled for on this ground alone.

Fourth, the present situation came about due to the impasse in the Iran-EU-3 negotiations. This impasse came about because Iran, like any self-respecting country, refused to accept the EU’s conditionalities that: (a) Iran must refrain from all nuclear fuel cycle activities except light water reactor; (b) it should close down its heavy water research plant; and (c) it should never exercise the sovereign prerogative to pull out of NPT.

### 5. The regional and international context

India should look beyond the Iran nuclear issue. There is an emerging global situation where “unipolarity” is being imposed and there is no scope for “multi-lateralism”. The US is not accepting even the so-called UN reforms. In such a global situation, India has an important role to play and therefore, in the name of ‘strategic partnership’, India cannot become a camp follower of the US.

Secondly, there is a very real possibility that the US is going to “expand” the Iraq war into the neighbouring region. It is entirely conceivable that such a war may engulf the land-mass stretching from the border of Amritsar to the Levant. Afghanistan and Iraq are already at war. If the US now goes into Iran, the war will certainly spill over into India’s neighbourhood..

Thirdly, such a potentially large conflagration would be similar to what happened in World War I. Everyone will be drawn into it. Being on the edges of the zone of conflict, the three nuclear powers – India, Pakistan and Israel – will certainly be drawn into it as the US would consider it to be in its interest to neutralise any of these three nuclear powers which might come in the way of its exercise for dominance.

The question which confronts India at this juncture, is , therefore, of immense consequence. India must understand that if Iran today is striving to stand up against a declared process of semi-occupation and oppression, it is fundamentally entitled to do so in its national interest.

### 6. India’s nuclear deal with the US

The Prime Minister’s recent statement that by 2010 India’s nuclear power generation will amount to 27% of the country’s entire power generation is not borne out by facts. The assumption that India will produce an additional 30,000 MW of nuclear power is simply incorrect. No attention has been paid to questions like the cost per MW of nuclear power; whether nuclear power is the preferred mode of generation of power in comparison to hydro or thermal power, or other modes. Therefore, we cannot simply extrapolate that producing nuclear power is the major aspect of our energy security strategy, for justifying the India-US nuclear deal.

The aspect of the India-US nuclear agreement that insists on the separation of India’s civil and military nuclear facilities merits particular attention. It presages a paradigm that could be in the offing – that the US will support India’s peaceful use of nuclear energy but will remain opposed to its military programme. Therefore, if India implements the agreement in this form, it is tacitly going along with the American line that refuses to recognise India’s status as a nuclear power.

### 7. India’s relations with Iran

India’s relationship with Iran is bound to suffer. Though the government is putting a brave face on it, the IAEA vote can impact on India’s ability to access the hydrocarbon reserves in Iran. The Prime Minister has even otherwise expressed doubts about the feasibility of the India-Iran gas pipeline.

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