



Civil-Nuclear Deal Between India and US

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Abstract:

The India-US Civil Nuclear Deal signed in 2008 marked a significant milestone in the bilateral relations between the two countries. This research paper aims to explore the background, significance, benefits, challenges, and implications of the civil nuclear deal between India and the United States. The paper will provide a comprehensive analysis of the strategic partnership between India and the US, focusing on the political, economic, and security aspects of the deal. Through a detailed examination of the historical context, negotiations, and outcomes of the agreement, this paper will shed light on the implications of the civil nuclear deal for both countries and the broader international community. The India-US civil nuclear deal remains a key pillar of the strategic partnership between the two countries, demonstrating their shared commitment to promoting economic growth, energy security, and global non-proliferation goals. While the deal has faced challenges and criticism, its long-term implications for the bilateral relationship and the international nuclear order are likely to be profound. As India and the US continue to deepen their cooperation in the nuclear energy sector and explore new opportunities for collaboration, the civil nuclear deal will continue to shape their strategic partnership in the years to come.

Introduction

The civil-nuclear deal between India and the United States, officially known as the "123 Agreement," was signed on July 18, 2005. This agreement marked a significant shift in the relationship between the two countries and opened up new opportunities for cooperation in the field of nuclear energy. The deal was seen as a crucial step towards India's integration into the global nuclear order and its quest for energy security.

The civil nuclear deal between India and the United States was a landmark agreement that brought together two global powers in a strategic partnership aimed at enhancing cooperation on civil nuclear energy and promoting economic growth and development. The deal, officially known as the "United States-India Peaceful Atomic Energy Cooperation Act," was



signed in 2008 after years of negotiations and diplomatic efforts by both countries. The deal lifted restrictions on India's access to civilian nuclear technology and fuel and paved the way for increased trade and investment in the nuclear energy sector.

Background

India had been excluded from the international nuclear trade regime since it conducted its first nuclear test in 1974. This exclusion had severely constrained India's nuclear energy program, which was unable to access the necessary technology and fuel for its reactors. In response to India's growing energy needs and concerns about climate change, the Indian government began seeking to normalize its nuclear relationship with the international community. The roots of the India-US civil nuclear deal can be traced back to the early 2000s when India faced a severe energy crisis and sought to expand its nuclear energy program to meet the growing demand for electricity. However, India's nuclear program had long been constrained by its status as a non-signatory to the Nuclear Non-Proliferation Treaty (NPT) and its subsequent isolation from the global nuclear trade regime. The US, on the other hand, was keen to strengthen its ties with India, a key strategic partner in the region, and saw an opportunity to advance its non-proliferation goals through engagement with India on nuclear issues.

Negotiations

Negotiations for the civil-nuclear deal began in 2005, with both countries seeking to overcome the significant differences in their nuclear policies. The United States was concerned about India's nuclear weapons program and sought assurances that any cooperation would not contribute to India's military capabilities. India, on the other hand, was unwilling to accept any restrictions on its nuclear program that were not imposed on other nuclear weapon states.

The final agreement, known as the 123 Agreement, struck a delicate balance between these competing interests. India agreed to separate its civil and military nuclear facilities and place its civil facilities under international safeguards. In return, the United States agreed to assist India in developing its civil nuclear energy program and to supply it with nuclear fuel and technology. The negotiations for the civil nuclear deal between India and the US were



complex and protracted, lasting for several years before culminating in the final agreement in 2008. The deal required India to separate its civilian and military nuclear facilities, thereby allowing international inspections of its civilian nuclear program in exchange for access to nuclear technology and fuel from the US and other countries. The agreement was met with strong opposition from some quarters, both in India and the US, who raised concerns about its implications for non-proliferation norms and regional security.

According to some US nuclear specialists, providing nuclear assistance to India would mark a significant policy shift. Michael Krepon, Director of the South Asia Programme at the Henry L. Stimson Centre, expressed fears that “The problem is, if you change the rules for India there are other countries that would love to play by the same rules but have far worse proliferation issues. France, Russia, China and other countries will want to play by the same rules for Iran, Pakistan, or Syria”.¹ George Perkovich, Vice-President of studies at the Carnegie Endowment for International Peace, said “The strongest country can’t keep changing the rules. We tell the Russians not to sell X, Y, and Z but we sell them to India. My objection isn’t in principle”.² He further added that “The question is whether it can be done without undermining the rules-based system. This administration tends not to operate that way”.³ The Los Angeles Times in its editorial entitled. “The Wrong India Deal” on July 22nd 2005 criticized that “US President Bush took the wrong path to a desirable goal, bowing to India’s requests for assistance in developing nuclear energy but getting nothing in return, a reversal of long standing US policy on stopping the spread of nuclear weapons”.⁴ It is conspicuous to note that there had been no reaction in Islamabad to the deal.

On the other hand the advocates of the deal especially the officials of Bush administration defended the deal. Karl Inderfurth, Assistant Secretary of State for South Asia from 1997 to 2001 welcomed the nuclear cooperation initiative. He said “The time is right to have a serious discussion about how to reconcile India’s energy needs with out global non proliferation concerns and do it in a way that will allow us to work with India in a

¹ *Boston Globe*, 19th July 19, 2005.

² *Ibid.*,

³ *Ibid.*,

⁴ *Los Angeles Times*, 22nd July, 2005.



cooperative way in nuclear power”.⁵ Among other advocates of concessions to India was defense secretary Donald H. Rumsfeld and Robert Black will, a former ambassador to India. Mr. Black will said that “I frequently battled with the State Department on nuclear issues, describing opponents of giving India wider latitude in the nuclear area as ‘nagging nannies’”.⁶ The US National Security Adviser Stephen J. Hadley Cleared the doubts of the opponents, who looked at the deal as an impediment to future non-proliferation activities, when he said “exempting India from the non- proliferation norms should not create problems for the administration’s other efforts to try to get Iran and North Korea to adhere to Non-Proliferation Treaty obligations. Both countries, he said, had signed the treaty but then cheated. North Korea later withdrew from it”.⁷

The proposed deal attracted and attention of both the ruling coalition and opposition parties in India. Indian media also reported that even some members of Congress party expressed some dissatisfaction over the deal. The initial reaction of coalition partners was not so harsh. They only expressed doubts keeping in view of Tarapur experience. The general Indian public has some high expectations initially over the deal.

In terms of the Indian polity both former Prime Ministers and some Coalition partners of the ruling Congress Party have come on record, opposing current US pressures on what should go in the civilian list of India’s nuclear facilities. Former Prime Minister Mr. A.B. Vajpayee, as early as July 20, 2005 had raised serious reservations on this deal. Some of his most significant observations were as follows.⁸

- “It is difficult to resist the feeling that while India has made long term and specific commitments on the Joint Statement, the US has merely made promises which it may

⁵ *Boston Globe*, 19th July, 2005.

⁶ *Ibid.*,

⁷ *Ibid.*,

⁸ Kapila, Subhash, “USA-Indian Nuclear Deal Generates Great Indian Divide”, *South Asian Analysis Group*, paper from [http:// www.southasiananalysis.org](http://www.southasiananalysis.org).



not be able to see through either in the US Congress or with its friends in the exclusive nuclear club”.

- “Though we believe in minimum credible deterrent, the size of our deterrent must be determined from time to time on the basis of nation’s threat perception. This is a judgment that cannot be surrendered to anyone else”.
- Describing Prime Minister Mr.Manmohan Singh’s “offer to identify and separate India’s civilian and military nuclear facilities and programme” Mr. A.B. Vajpayee said that, the Joint Statement has caused concerns even among India’s nuclear scientists”.⁹

The supporters of the deal see it as offering a way to sustain and expand the nuclear energy programme, while not unduly restricting the building of what they see as a ‘minimum’ nuclear weapons arsenal. The Indian Prime Minister Mr. Manmohan Singh laid it out clearly to Parliament on 29th July 2005, saying “our nuclear programme is unique. It encompasses the complete range of activities that characterize an advanced nuclear power.¹⁰ The expected international support, both as nuclear fuel and nuclear reactors would help to enhance nuclear power production rapidly. At the same time he made it clear that “there is nothing in the Joint Statement that amounts to limiting or inhibiting our strategic nuclear weapons programme

Benefits

The civil-nuclear deal brought significant benefits to both countries. For India, it offered access to much-needed nuclear fuel and technology, which would help meet its growing energy needs and reduce its dependence on fossil fuels. It also helped India improve its relations with other nuclear suppliers and enhance its standing in the global nuclear order.

For the United States, the deal opened up new opportunities for collaboration with India in the field of nuclear energy. It also strengthened the strategic partnership between the two countries and increased their cooperation on a wide range of issues, including defense and counterterrorism. The India-US civil nuclear deal was hailed as a significant achievement for

⁹ Mian Zia, Ramana M.V, “Feeding the Nuclear Fire”, *Economic and Political Weekly*, 27th August, 2005, pp. 3908-3809.

¹⁰ *Ibid*, p.3809



both countries, as it opened up new opportunities for cooperation in the nuclear energy sector and bolstered their strategic partnership. For India, the deal represented a major breakthrough in its efforts to access advanced nuclear technology and fuel, which was essential for meeting its growing energy needs. The agreement also helped to improve India's standing in the global nuclear order and pave the way for expanded trade and investment in the nuclear energy sector.

Challenges

Despite the many benefits of the civil-nuclear deal, it also faced significant challenges. The deal was controversial in both countries, with critics in the United States raising concerns about India's nuclear weapons program and its record on nonproliferation. In India, there were fears that the deal would compromise the country's strategic autonomy and subject its nuclear program to external control. Despite its promise, the India-US civil nuclear deal also faced several challenges and implications that have shaped the trajectory of the bilateral relationship in the years since its signing. The deal spurred a debate within India about the implications of closer ties with the US on its strategic autonomy and non-aligned foreign policy. It also raised concerns about the implications of increased nuclear cooperation for regional stability and the global non-proliferation regime. In the US, the deal faced scrutiny from lawmakers and non-proliferation advocates who questioned the wisdom of engaging with India on nuclear issues given its status as a nuclear-armed state outside of the NPT.

Conclusion

The civil-nuclear deal between India and the United States marked a significant milestone in the relationship between the two countries. It opened up new opportunities for cooperation in the field of nuclear energy and helped India meet its growing energy needs. While the deal faced significant challenges, it ultimately laid the foundation for a closer partnership between India and the United States in the years to come. The India-US civil nuclear deal remains a key pillar of the strategic partnership between the two countries, demonstrating their shared commitment to promoting economic growth, energy security, and global non-proliferation goals. While the deal has faced challenges and criticism, its long-term implications for the bilateral relationship and the international nuclear order are likely to be profound. As India and the US continue to deepen their cooperation in the nuclear energy sector and explore new



opportunities for collaboration, the civil nuclear deal will continue to shape their strategic partnership in the years to come.

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