

## **MEMO**

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**DATE:** August 13, 2008

**TO:** The Foreign Ministers of the Nuclear Suppliers Group

CC: The Defense Ministers and Permanent Representatives to the UN Missions

in Vienna

FROM: Hon. Douglas Roche, O.C., Chairman of the Middle Powers Initiative and

Jonathan Granoff, President of the Global Security Institute

RE: The India/US Nuclear Deal and the Nuclear Non-proliferation Regime

## Dear Foreign Minister:

As a member of the 45-nation Nuclear Suppliers' Group (NSG), which governs the transfer of nuclear materials and technology globally, you are charged with a momentous decision at your upcoming meeting in Vienna this month. An alteration of existing NSG rules which constrain the proliferation of dangerous nuclear materials and technology is required if the nuclear energy deal between the United States and India is to advance. Modifying these security-enhancing rules could stimulate the proliferation of nuclear weapons, but it need not.

Your country's support of nuclear non-proliferation efforts, such as its ratification of the Comprehensive nuclear Test-Ban Treaty (CTBT) and support of the nuclear Non-Proliferation Treaty (NPT), represents a cornerstone for a secure future, the integrity of which should remain inviolate.

The US-India deal can either corrode the norm-setting foundation of the non-proliferation regime or strengthen it depending on the behavior of the Nuclear Suppliers Group. If serious non-proliferation conditions are not placed on the deal then how can anyone in the future take commitments to promote non-proliferation seriously? When political leverage is available, the failure to use it indicates a failure to believe in the policies that could be advanced.

Part of the core bargain of the non-proliferation regime is to reward countries that reject nuclear weapons with the perceived benefits of peaceful uses of nuclear

technology and materials and hinder such opportunities to those who proliferate. The US-India deal cuts at this core bargain. As other proliferators that are not party to the NPT, such as Israel and Pakistan, are already preparing the groundwork for similar bilateral deals, parties to the Treaty have to wonder what value the Treaty really holds for them. What message is being sent to non-nuclear weapon states party to the Treaty? Is it that if an economic opportunity is valuable enough, it will even trump the integrity of the non-proliferation regime specifically designed to keep the world safe from the spread of nuclear weapons?

The NSG is asked to approve a bilateral agreement that might contain some US generated legislative checks pursuant to the Hyde Act. However, the political agenda in India makes it very clear that their domestic goal is to become as free as possible from international intrusive constraints on its nuclear activities, particularly relating to expanding its nuclear weapons arsenal. Even if the NSG approves the deal with Hyde Act requirements and India later violates them and the deal collapses then what will be the principled position to constrain the next deal from a country that does not have Hyde Act principles and is solely governed by economic concerns?

Some NSG member states, cognizant of India's strategic importance, are wary of opposing the deal out of fear of economic reprisals. How likely are these so-called reprisals? They are certainly less likely than the dropping of reprisals arising from the proliferation activities of India and Pakistan that nuclear weapons states so rapidly exhibited when trade opportunities arose. India will similarly be guided in the future by trade concerns should any NSG member exercise its rights to constrain the deal for international security concerns.

The approval of the deal will undermine specific non-proliferation policies in exchange for a speculative economic benefit. At what price does the remainder of the non-proliferation regime get sold?

If you agree that the costs of this deal as presently proposed are unacceptably high, we urge that your approval be contingent on obtaining several important non-proliferation benefits. Or, we urge that you simply reject the proposal as is and demand that the parties return later with a proposal that sufficiently meets non-proliferation concerns. They can certainly craft a deal that does better than frontally attack a core bargain of the NPT.

A legitimate position might be that which was expressed by Congresswoman Ellen Tauscher, Congressman Sam Farr and Congressman Ed Markey, who, in a letter to you dated October 4, 2007, who urged that entry-into-force of the CTBT and negotiation of a Fissile Material Cut-off Treaty become necessary conditions of the deal.

Your country is a steadfast supporter of the CTBT and is strongly committed to achieving its entry-into-force. Unlike 43 countries of the NSG, neither India nor the US has ratified the CTBT. Thus, the US-India deal is an unprecedented opportunity to advance the CTBT's entry-into-force. The sincerity of your country's commitment to

the CTBT's entry-into-force will inevitably be thrown into doubt should you bypass this historic opportunity to advance it.

Respectfully submitted,

Jonathan Granoff

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