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No Australian Uranium to India: "Creative Middle Power Diplomacy" in Action? by David Santoro

The Rudd government's decision to reverse its predecessor's pledge to sell uranium to India has triggered controversy in Australia. Some applaud the step as a bold initiative, while others dismiss it as dogmatic and shortsighted. It may, however, constitute one of the first manifestations of Prime Minister Kevin Rudd's so-called "creative middle power diplomacy," a sharp contrast to his predecessor's "practical" and "realistic" foreign policy.

Supporters of Rudd's decision call it fair and bold. Fair, because it comports with traditional nonproliferation rules. Simply, Australia should not sell uranium to India because Delhi is not a signatory to the Nuclear Non-Proliferation Treaty (NPT) and because it refuses to open all its nuclear sites to international inspections. The decision is bold because it seeks to uphold nonproliferation principles and norms despite the U.S. determination to carve out an exception to nuclear trade laws for India under the "U.S.-India civil nuclear cooperation agreement."

At the other end of the spectrum, Rudd's decision is characterized as dogmatic and shortsighted. Dogmatic because India is a booming economy and the world will be better off if it relies more heavily on nuclear power, which would reduce greenhouse gas emissions. Moreover, uranium will be traded only in exchange for stringent safeguards and transparency. Some also charge that Rudd's decision will damage Australia's relations with the U.S., which is deeply committed to the deal, and rapidly expanding relations with India, which has become Australia's fastest-growing export market and its fourth largest export destination.

Rudd's stance on India is not a zealous willingness to uphold traditional nonproliferation rules at all costs. Rather, it is a manifestation of the new government's "creative middle power diplomacy" – its commitment to position Australia as a leader in international affairs, not just a follower.

Unlike his predecessor, sometimes derided as the "deputy sheriff" for following seemingly unconditionally the U.S. lead (whether the subject was the Kyoto Protocol, the War in Iraq or, the nuclear deal with India), Rudd has stressed that his government will not measure the quality of the alliance with Australian loyalty to the U.S. Instead, he insisted that it will be measured against how much Australia can contribute to the realization of common goals *with* the U.S.

Rudd's decision to maintain the embargo against Australian uranium sales to India should be understood in this light. By taking this position, Canberra is sending a strong message. After all, it is difficult to ignore the voice of a country that controls some 40 percent of the world's known uranium supplies.

At the same time, however, the Rudd government has not decided whether it will vote against the deal in the Nuclear Suppliers Group (NSG), an international nuclear association of countries to which Australia belongs and whose unanimous support is necessary. This has led one observer to conclude that NSG policy will really determine whether Rudd is deeply committed to changing policy toward India.

The Rudd government is well aware that it cannot afford to oppose the deal in the NSG – and that it is not in its interest to do so. Moreover, the government should have worked out that, from a nonproliferation perspective, it is better to strike a deal with India than to continue to push for it to join the NPT, a policy that has produced no results for over 40 years. Put differently, there is more to gain by moderating, as far as possible, the effects of a problem that has defied a cure.

This does not mean that the Rudd government's stand against Australian uranium sales to India is mere rhetoric. While the U.S. may try to lean on Canberra to reverse its decision, Australia can try to convince its ally that it is no less determined to work with it toward the same goal of nonproliferation and that the current stand can be negotiated against additional demands to India. The current terms of the deal cry out for improvement: they do not require India to stop producing weapons-usable fissile material or to declare a moratorium on nuclear testing and they do not bar it from expanding its nuclear arsenal.

Skillful, concerted, and diligent U.S.-Australian efforts could attempt to plug these gaps, in exchange for an Australian green light to uranium sales. One observer has suggested that given India's huge chemical and biotech industries, the Rudd government would do well to encourage India to join the "Australia Group," an association of countries under permanent Australian chairmanship designed to control chemical and biological exports.

Rudd's stand against Australian uranium sales is placing Australia at the heart of the negotiations, giving Canberra the opportunity to play a leading role in nudging India toward nonproliferation rules.

This is Rudd's "creative middle power diplomacy" in action. It is based on the idea that being a follower and acting as a leader are not mutually exclusive postures. Middle powers like Australia are bound to follow greater powers. But they can – and must – actively share their views and participate with them in the construction of the future. More often than not, great powers will even be thankful.

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