



Indo-Iran and US: A New Strategic Triangle

Bhat Tawseef Ahmad

S.S. in Pol. Sc. and Public Administration, Vikram University, Ujjain, MP, INDIA

Available online at: www.isca.in, www.isca.me

Received 1st July 2015, revised 6th August 2015, accepted 6th September 2015

Abstract

India and Iran have a long close historical relation right from the ancient times. Nuclear weapons are an essential part of India's national security and will remain so, until non-discriminatory and global nuclear disarmament. Iran insists that it only intends to develop its nuclear programme for peaceful purposes, but the International Atomic Energy Agency (IAEA) claims that it has not been able to verify the country's claims. Iranian nuclear issue came into the international attention in August 2002, when the existence of the Natanz uranium enrichment plant was exposed by an Iranian opposition group. India voted against Iranian Nuclear issue in IAEA which in long run hampered latter's relation with India. Recently, the signs of nuclear deal with US ended the draconian sanctions on Iran and boosted her confidence to the heights and gave the latter an edge in the region. If Iran continues on its current path, Iran will be a nuclear state within near future and it is very close to be called a power hub of Central Asia due to its energy rich resources, strong military and strategic developments

Keywords: IAEA, nuclear deal, nuclear non-proliferation treaty, nuclear weapons, technology.

Introduction

India and Iran have a long close historical relation right from the ancient times. The contacts between the people and civilization of these two regions 'go back to the dawn of history'¹. The people of the two civilizations have been enjoying close historical harmony through ages. They had common motherland and shared a common linguistic and ethnic history. The two civilizations have the same foundation which is traced back to the Aryans. As such a lot of likeness and similarities are found between these nations not only in their customs, traditions and languages but also in approach towards life. However at various stages the relation got turned into less cordial manner due to some ordinary issues. However, in current era, India is attempting to intensify its ties to Tehran for two reasons, which include India's high energy needs for which Iran has been an important supplier and India's desire to have Iran as a partner in Afghanistan as a sort of balance against Pakistan's influence in that country as reasons for India's efforts to constrict relations with Iran. But India must walk a fragile line between pursuing these goals and maintaining critical ties, with the West. International Organization and UN Security Council shall strengthen the NPT regime which is also a need of the hour in current world scenario and instigate efforts to delay as much the Iranian nuclear programme. From beginning both the nations stand against nonproliferation. As far the phenomena of non-proliferation is concerned, efforts from all over the world are being aimed at eliminating nuclear arsenals race in the world in order to maintain international peace and security. The main boost to the non-proliferation process came in 1970 after the enforcement of the Nuclear Non-Proliferation Treaty (NPT) on 5th March, 1970. The NPT is an international treaty aimed at preventing the spread of nuclear weapons and weapons

technology, to further the goal of achieving nuclear disarmament and general and complete disarmament².

The treaty has been ratified by 189 states so far and these states fall in two categories viz; Nuclear weapon states (NWS) including the permanent five members of Security Council and Non-Nuclear Weapon States (NNWS) include the countries which did not possess any kind of a weapon but are trying to achieve such ammunition by one way or the other way. The three countries which never signed the NPT are India, Pakistan and Israel. Both India and Pakistan have already shown about their nuclear capabilities latest in 1998, however Israel has not publicly carried out a nuclear test but has never admitted or denied possessing nuclear weapons. The two countries that are under abrupt proliferation scrutiny are North Korea and Iran. North Korea withdrew from the treaty on January 10, 2003. Iran being the signatory of Treaty is not known to possess any nuclear weapons or adequate fissile material to build any. However from last few years certain rounds of talks were being held between US and Iran in particular to reach a historic nuclear agreement between them.

Indo-Iran Ties and nonproliferation

The basic aim of India's nuclear policy since before and now is peaceful use of nuclear power and no first use of nuclear weapons. India envisions non-proliferation as a step towards nuclear disarmament. In the Indian context, nuclear disarmament and nuclear non-proliferation 'intersect and reinforce each other' because they are "not mutually exclusive". India's relationship with the NPT itself is full with controversy, the call for universal disarmament and India's bond with nuclear proliferation go back a long way. A national debate about Indian option regarding NPT ended without any immediate result. The

prime objective of the government was that the treaty did not conform to the principles enunciated in the UN General Assembly resolution 2028, of 1965. The proclamation of then PM Indira Gandhi revealed that India's denial to sign the NPT was based on liberal self-interest and the considerations of national security; however nuclear weapon powers were adamant on their right to continue to produce more nuclear weapons. However after India conducted its first nuclear test in 1974, then leadership of the country declared such test as Peaceful Nuclear Explosion (PNE). Following that, United States (US) in 1978 by the Nuclear Non-Proliferation Act banned on its civil nuclear trade with India for almost 22 years.

Iran was not known to possess any nuclear weapons. Her nuclear weapons programme traces back to the times of Shah, who in the very beginning of NPT in 1970 signed contracts with US, France and Germany to build nuclear power plants in Iran³. Now in the present international relations after a full of rich resources country start emerging as a nuclear power, the western nations particularly US started efforts to sign sanctions against such weapon programme of Iran. However, the International Atomic Energy agency (IAEA) concluded in 2003 that Iran had tried to set up the capacity to build fissile material. Iran tried hard to clear its purpose of developing nuclear programme for peaceful purposes, but IAEA claims that it has not been able to verify the country's claims. The ability of a nation to pursue a nuclear weapon policy depends on two primary elements and these are access to nuclear materials and access to the technology of nuclear explosions. As far the nuclear weapon nations are concerned, Iran is not amongst them, in considering Iran's nuclear options it is significant to mention here that Iran signed the NPT on 1st July 1968, ratified in 1970 and signed the safeguards agreements with IAEA in 1973. Iran has thus judged to renounce the acquisition of nuclear weapons under any circumstances and has obliged itself to put all its nuclear services under international safeguards. In December 1972, Iran announced its intention to acquire nuclear power plants within the next decade and in the following years Iran signed agreements for the construction of various reactors of different capacities. Iran is entirely defensible in claiming that we have an exact authority to build up nuclear energy, as all states do.

The main concern that has strained maximum contemplation on Iran recently is its attempt to set up uranium enrichment ability. Iranian nuclear issue came into the international attention in August 2002, when the existence of the Natanz uranium enrichment plant was exposed by an Iranian opposition group. Since then, many efforts have been made in bilateral and multi-lateral fore to address the concerns of the international community as to its content and purpose. These efforts have included diplomatic-political efforts to assessments spearheaded by the IAEA, the lead technical assessment agency entrusted with ensuring that the nuclear non-proliferation treaty (NPT) signatories live up to their obligations⁴. Apart from an active part by US in putting together a multi-lateral sanctions regime targeting Iran, the US has continued to strengthen provisions of

its domestic Iran-related non-proliferation and economic sanctions laws. US concerns about Iran's weapons of mass destruction (WMD) programmes and efforts to contain them herald the August 2002 revelations about the Natanz uranium enrichment plant. Because such weapons development programme of Iran will have a lasting effect on the world, it will boost the confidence of various such bodies who did not want to see international peace and harmony in the world. Both Russia and China have decisively opposed unilateral sanctions as imposed by US and the European Union (EU) among others, and have insisted that a political solution to the issue is the only viable option. The year 2004 turned out to be one of the most darkest in the non-proliferation community when world traced down that Pakistani scientist Abdul Qadeer Khan had, in fact, supplied nuclear-weapons-related technology to various countries. Till Khan's arrest in 2004, the scientist operated a clandestine international nuclear weapons supply network that provided nuclear technology and materials to nuclear weapons programme in Iran, Libya and North Korea⁵. Iran has been undertaking underground enrichment of uranium beyond the levels tolerable for pursuing peaceful usage of nuclear technology. There have been certain infractions by Iran that breach its commitments under the NPT and Additional Safeguard Protocols. After Iran failed to satisfy the IAEA, the United Nations Security Council imposed sanctions on Iran in 2006 vide Resolution 1737, which intended Iran to straight away bring an end to its proliferation activities as well as research and development⁶.

Till up to the end of 20th century, Iran was not a strategic partner of India and the relations between the two can be viewed through the twin lenses of the nuclear non-proliferation treaty, as Iran is signatory to the NPT but India never signed the treaty. India has a sturdy curiosity in the Persian Gulf's political stability, as a country that has six million nationals working in the Gulf region and an economy that is highly dependent on foreign energy. Iran's notorious nuclear programme had been a susceptible matter with India since latter's vote against Iran at the IAEA in 2005. Iranian insight has been that because of its historical ties and as a founding member of the Non-Aligned Movement, India should have been more receptive towards Iran and not have followed the Western line. However, the impact of voting against Iran on the part of India created a barrier in the bilateral relation and hence in 2009, India was pulled out of the Iran gas pipeline deal altogether. In the meantime, Iran was referred to the UN Security Council which resulted in imposition of UN sanctions on it. In May 2010, US President Barrack Obama signed a bill imposing draconian sanctions on Iran which include cutting off Iran's admittance to refined petroleum imports, and bans US banks from doing trade with overseas banks that make available services to the Revolutionary Guards. In response to these sanctions Reserve bank of India issued some directions in 2010. Iran had been supplying crude oil to India on credit and India was making payments through the Asian Clearing Union (ACU) to avoid being targeted by the American sanctions, However, RBI

guidelines said that oil payments will no longer be settled by means of the longstanding clearinghouse system known as the ACU. The ACU was established to ease expenses among its members for appropriate dealings on a multiparty basis, thus economising of the use of foreign exchange reserves, transfer costs and promoting trade among the participating countries⁷. RBI's justification for the circular was that importers and exporters were facing difficulties in making payments to and receiving money from Iran⁸. The RBI directions aimed that all payments for crude oil imports from Iran would have to get completed in some in legalized currency outside ACU device. This shaped an stalemate not only in oil payments to Iran but also in the supply of oil, and created a crisis of sorts in Indo-Iranian relationships. The RBI according to media reports had issued the decree 'under US pressure to act against Iran's ambition'⁹. However, RBI's decision brought the government under strain from local oil companies and Iran. Members of the opposition also criticized the RBI's decision. Consequently, in early 2011, India determined to recompense for Iranian oil using Euros through the German-based Europisch-Iranische Handelsbank AG (EIH Bank). However, the EIH too buckled under US pressure. Subsequently, India used Turkish and UAE banks to settle its oil debts with Iran, but these banks were not, able to handle such large transactions of money. Therefore, on 28 October 2011, according to the *Tehran Times*, India cleared all its debts through Gazprombank of Russia¹⁰. India's decision to stop using the ACU for making oil payments to Iran was hailed in the US.

Indo-US Nuclear Deal and aftermath

In the beginning of the 21st century, Indo-US strategic partnership reached a new epoch after the agreement of the historic Indo-US Nuclear Deal. The Civil Nuclear Cooperation Agreement is historical and unprecedented in many senses, it is a landmark for both countries as the leadership of both the nations has managed to challenge heavy odds to push it through¹¹. The deal makes India the only country in the world that has a recognized (de facto) nuclear status without having entered the global non-proliferation regime. Indo-US nuclear deal is all about civilian nuclear energy cooperation but it can be a problem for the non-proliferation system that India has a corrective measure to maintain its nuclear stockpile under the nuclear deal. By this deal, the US is exclusively looking to strengthen India into its alliance club to encourage its strategic interests in the region. However, India and Iran have become close partners after that Indo-US Nuclear agreement. India started to favour the Iranian nuclear programme under the IAEA safeguards after its deal with US. India strengthened their favour by claiming that Iran can uphold the nuclear programme for peaceful purposes and civilian use. With the Iranian nuclear issue at an uncertain crossroads, India on its part has continued to express its support for certain policy positions, including negotiations, opposition to unilateral sanctions and having the IAEA as the leading technical agency to address concerns. From

India's point of view, a quick resolution of Iran's nuclear imbroglio is the best solution.

Iran-US Deal

Recently it was obvious from pretty much number of rounds of negotiations that a 'nuclear deal' between the US and Iran has almost worked out. Nuclear commentators hailed the Geneva Agreement (24 November 2013) as a breakthrough. It was for the first time since 2002 a formal agreement curtailing Iranian nuclear capability, was signed between Iran and the six world powers (P-5+1). However, in international relations, domestic politics impinges on foreign policy choices. While the Obama Administrations appears closer to achieving a comprehensive solution to the Iranian nuclear crisis, the possibility of "Weapon Free Iran Act of 2013" becoming a law might end up jeopardizing President Obama's nuclear diplomacy achievement. Reports based on official briefings from both Washington and Tehran in the last couple of months had suggested that only a few differences remained to be ironed out. Finally, after hard bargaining over details in the eleventh hour, an interim deal was announced in the Swiss city of Laussane on April 2, with the deadline of 30 June for the final argument of the interim accord, but the US keeps all options open if any suspect of the deal is ignored¹².

Under the draft nuclear accord, Iran has agreed to reduce by around 40 percent of the centrifuges that it can operate to produce enriched uranium and to substantially cut its stockpile of low-enriched uranium. The US claims that Iran has agreed to reduce the stockpile from 10,000 kilograms to 300 kg for the next ten years. Iran had not yet confirmed that it has made such a commitment. However, the duration of the nuclear deal will be for 15 years, the Obama administration was pressing for 20 years and it wanted Iran to curtail its missile programme. So after 15 years, Iran will be allowed to produce as much enriched uranium as it wants to. The US promised to lift most of the draconian sanctions it has imposed on Iran after the framework agreement comes into force. Meanwhile, on 14 July, 2015 P5 + 1 (US, UK, China, France, Russia and Germany), EU and Iran inked a Joint Comprehensive Plan of Action (JCPOA) nuclear agreement. Iran can be a precursor for US in the region in coming future after the final enforcement of the deal. Potentially, a nuclear Iran is expected to gravely obscure the security milieu in West Asia and is improbable to be in the security concern of the region. Such a maturity can worsen anxiety between Iran and Middle-east. India's posture hence is not going to be disliked in Central Asia whose security would be exaggerated if Iran were to either withdraw from the NPT or go back on its safeguards obligations under the IAEA. The Iranian nuclear issue which is presently hovering at a fragile stage continues to be the chief strategic precedence for nations of the region. It is hard to predict that a country like Iran would be enthusiastic to face international rage for producing nuclear power, while holding huge reserves of oil and gas in maintaining its energy and economic subsistence. Its

announcements about the creation of an additional enrichment facility under a mountain have created further concern among the international community. If it continues on its current path, Iran will be a nuclear state within near future and it is very close to be called a power hub of Central Asia due to its energy rich resources, strong military and strategic developments. Iran on the one hand has the chance to consider rising as a regional influence somewhat than exclusively pursuing complex military exercises to defend Iranian sovereignty and the establishment and maintain its impact in the Central Asian region but on the other hand the growing power of Iran will definitely harm the nuclear non-proliferation efforts as Iran being one of its signatory state. The availability information on the nuclear programme of Iran explains by reservations regarding its peacefulness raised by the international community. It is quit evident Iran has been looking to build all elements of the nuclear fuel cycle, though its development in different areas cannot be empirically determined. Nevertheless, the towering stakes attached to this issue make it lucid that the coming time period would not be entirely downy vis-a-vis yielding tangible results. The sheer complexity of the Iranian nuclear issue clouds the future with reference to peace and stability in West Asia.

Indian views on the Iran-US Deal

India welcoming the deal and revealed this is something that we been wanting for a long time. Lots of India's national and regional aspirations were frequently found trapped due to sanctions on Iran. With Pakistan insistent in its antagonism on regional matters especially Afghanistan, India found it hard to convey and implement its benevolence in Afghanistan. Iran has been the only substitution¹³. And if Iran were to be part of the mainstream, then things become quite comfortable for India. Also, India's 'Connect Central Asia' project begun in 2012 could acquire the preferred connectivity alternatives and momentum to enhance trade and cooperation with Central Asian Republics through Iran.

Conclusion

International Organization and UN Security Council shall renegotiate and strengthen the NPT regime which is also a need of the hour in current world scenario and initiate efforts to keep eye on the Iranian nuclear programme by organizing broad-based international initiatives to gain Iran's devotion to the IAEA enhanced safegurads programme. Iran after going out for deal with the US shall maintain consistent peaceful use of its nuclear programme, the deal with US boosts confidence of Iran to a large extent and it will definitely push Iran in a driving seat in the region. On the other hand, India pins a heartfelt hope of using Iran as its strategic partner in balancing Pak-Afghan impact. The Iran-US nuclear deal may give rise to a severe tension in West Asia and it can have a deep impact on the

region. The phenomena of non-proliferation shall not be misused by the P5 in general and US in particular for their own standards. The United Nations Security Council shall consistently maintain its policies and sanctions against the proliferation programmes of the rogue countries so that the process of nuclear non-proliferation can achieve a big boost.

References

1. Nehru Jawaharlal, India's Foreign Policy, selected speeches, September 1946-September 1961, the Publications Davison, Ministry Of Information and Broadcasting, Government of India, Delhi, 84, (1961)
2. http://en.wikipedia.org/wiki/treaty_on_the_non_proliferati_on_of_nuclear_weapons (2015)
3. Oliver Thranert, Iran the bomb and the future of Nuclear Non-Proliferation, in E., Whitlock (ed.), Iran and its Neighbours: Diverging views on a Strategic Region, Stiftung Wissenschaft and Politik German Institute International and Security Affairs, Berlin, 42-52, (2003)
4. Samuel S. and Rajiv C., In Pursuit of a Chimera: Nuclear Imbroglia between Sanctions and Engagement, *Strategic Analysis*, 36(6), 911-929 (2012)
5. Chansoria Monika, Iranian Nuclear Policy: a Historical Overview, in Anwar Alam (ed.), Iran and Post-9/11 World Order, New Century Publications, Ansari Road Daryaganj, New Delhi-110002, 14, (2009)
6. Bansal Alok, Iran: Its Strategic Importance, *Strategic Analysis*, 36(6), 848-858, (2012)
7. Asian Clearing Union', at <http://www.rbi.org.in/scripts/FAQview.aspx?Id=50>. (2015)
8. http://rbidocs.rbi.org.in/docs/notification/PDFs/C1271210_F.pdf. (2015)
9. Sidharta, RBI's Iran Move Runs into Trouble, *Times of India*, 29 (2010)
10. India Clears Oil Debt to Iran through Russia's Gazprombank', 28 October 2011, at <http://tehrantimes.com/index.php/economy-andbusiness/4026-India-clears-oil-debt-to-iran-through-russian-gazprombank>, (2015)
11. Yusuf Moeed, The Indo-US Nuclear Deal, *ISYP Journal on Science and World Affairs*, 3(2), 47-56, (2007)
12. Cherian John, Iran-US: A Deal for Now, *Frontline*, 32(8), 123-25, (2015)
13. Agarwal Rajeev, The Iran Nuclear Deal: An Indian Perspective, IDSA Comment, (2015)