CHAPTER 6

AUSTRALIA'S RESPONSE TO NUCLEAR TESTS IN SOUTH ASIA

Australia's security interests are, for example, served by strengthening regional institutions, pursuing outward-looking and growth-creating trade and investment policies, encouraging habits of dialogue, expanding institutional linkages, and facilitating people-to-people links within the region.¹

Introduction

6.1 In this chapter, the Committee examines Australia's response to the Indian and Pakistani nuclear tests and the basis for that response. It also assesses some of the comments made about Australia's response.

Australia's Response to the Indian Nuclear Tests

6.2 The Australian Government together with the Labor Party and other nongovernment parties strongly condemned India's nuclear tests. The Australian Government described the tests as 'outrageous acts' - as an ill-judged step 'which could have most damaging consequences for security in South Asia and globally'.² It urged India to cease all further testing; to sign the Comprehensive Test Ban Treaty (CTBT) without delay; and to join the international nuclear non-proliferation regime.³

6.3 On 12 May 1998, within hours of the announcement of the tests, the Australian Minister for Foreign Affairs called in the Indian High Commissioner to convey the Australian Government's 'condemnation of the tests in the strongest possible terms'. The Australian Government also recalled its High Commissioner from New Delhi for consultations.⁴ After India's second series of tests, the Government announced that it had decided:

• to suspend bilateral defence relations with India, including the withdrawal of Australia's Defence Adviser stationed in New Delhi;

¹ Commonwealth of Australia, In the National Interest: Australia's Foreign and Trade Policy, White Paper, Canberra, 1997.

² Press Release (Prime Minister), 'Indian Nuclear Tests', 12 May 1998; Media Release, Minister for Foreign Affairs, Alexander Downer, FA 59, 14 May 1998.

³ Press Release (Prime Minister), 'Indian Nuclear Tests', 12 May 1998; Media Release, Minister for Foreign Affairs, Alexander Downer, FA 58, 13 May 1998.

⁴ Press Release (Prime Minister), 12 May 1998.

- to cancel ship and aircraft visits, officer exchanges and other defence-related visits;
- to withdraw Australian Defence Force personnel currently training in India;
- to request the immediate departure of three Indian defence personnel currently at defence colleges in Australia;
- to suspend non-humanitarian aid; and
- to suspend ministerial and senior official visits.⁵

6.4 Concerned that Pakistan would respond to India's nuclear explosions by conducting its own tests, the Minister for Foreign Affairs announced a substantial increase in Australia's development assistance program to Pakistan in 1998–99. He told a visiting Pakistani parliamentary delegation that the Australian Government welcomed the restraint that Pakistan had shown in not testing a nuclear device in response to India's actions. To encourage its continued restraint, he stated that the Government had put together a package of measures to assist Pakistan. This included a move to more than double Australia's bilateral aid during the next financial year by providing an additional \$2.6 million, bringing Australia's bilateral aid to \$5 million. He made it clear that this additional aid would be contingent upon Pakistan not conducting nuclear tests.⁶

6.5 In a further endeavour to persuade Pakistan not to retaliate, the Australian Government made direct representations to the Pakistani Government. The Prime Minister wrote twice to the Pakistani Prime Minister urging restraint, and the Foreign Minister spoke to his counterpart to reinforce this message.⁷

Australia's Response to Pakistan's Tests

6.6 When Pakistan did retaliate by detonating its own nuclear devices, Australia strongly condemned Pakistan's 'ill advised decision'. It asserted that Pakistan's action flew in the face of internationally accepted norms against nuclear weapon testing and would have serious implications for global and regional security.⁸ The Australian Government responded to the tests by taking actions against Pakistan similar to those it had taken against India. It decided:

• to recall Australia's High Commissioner from Islamabad for consultations;

⁵ Press Release (Minister for Foreign Affairs), FA 59, 14 May 1998.

⁶ Press Release (Minister for Foreign Affairs), AA42, 27 May 1998.

⁷ Submission no. 33, vol. 3, p. 18.

⁸ Media Release, Minister for Foreign Affairs, Alexander Downer, FA 67, 28 May 1998; Press Release (Minister for Foreign Affairs), FA68, 29 May 1998.

- to suspend bilateral defence relations with Pakistan, including the recall of Australia's defence adviser stationed in Islamabad and to cancel officer exchanges and other defence-related visits;
- to withdraw Australian Defence Force personnel currently training in Pakistan and to cancel all planned visits to Australia by Pakistani defence personnel;
- to cancel its decision to double aid to Pakistan;
- to suspend ministerial and senior official visits; and
- to discontinue the visit of the Pakistani parliamentary delegation then in Australia.⁹

6.7 The Minister for Foreign Affairs conveyed to the Pakistani High Commission Australia's 'strong condemnation of Pakistan's action'. He called on both Pakistan and India to sign immediately and ratify the CTBT without conditions and accede to the Nuclear Non-Proliferation Treaty (NPT).¹⁰

6.8 Australia was also active in multilateral fora and called for an early 'special' session of the Conference on Disarmament to discuss the recent nuclear tests. Forty-five countries co-sponsored an Australian/New Zealand statement condemning the tests. Australia also wanted the tests to be placed on the agenda of the IAEA June meeting of the Board of Governors.¹¹

The Basis of the Australian Government's Response

6.9 Australia's response in taking a firm stand against the nuclear tests was consistent with the responses of countries such as the United States, Japan and Canada. DFAT informed the Committee that Australia's response had registered strongly with India and Pakistan. It went on to explain its approach:

Australia is pursuing a number of objectives, the most important of which is to defend the integrity of the non-proliferation regime, including by ultimately drawing India and Pakistan into adopting nuclear nonproliferation norms.

Another key objective of Australian policy is to support credible international efforts to reduce tension in South Asia. Australia will also work to support efforts to impede any potential flow-on proliferation effects into East Asia and the Middle East. To further these objectives, Australia is participating in a task force of senior officials from a broad based group of

⁹ The Pakistani Foreign Minister described this action as 'undiplomatic'. See PPI, 'Pakistan's Sixth Nuclear Test', 31 May 1998.

¹⁰ Press Release (Minister for Foreign Affairs), FA 68, 29 May 1998.

¹¹ ibid.

countries to discuss how to respond further to the South Asian nuclear tests. $^{\rm 12}$

6.10 According to DFAT, the nuclear tests had cast a shadow over Australia's relations with India and Pakistan and political relations had cooled since the tests and Australia's response to them. It noted, however, that apart from diplomatic and defence aspects, other areas of Australia's bilateral relations with the two countries remained unchanged. DFAT made the point that the Australian Government 'expressed its displeasure with the action taken by the Indian and Pakistan governments and not with the people of those two countries, and does not wish to take any measures which would impact adversely on people to people links or other Australian interests'. DFAT emphasised that:

A major factor in the restoration of normal interaction with India and Pakistan will be significant indications of a commitment on the part of India and Pakistan to playing a responsible role in the nuclear non-proliferation and disarmament regime.¹³

6.11 The Australian Government had placed a high priority on upholding the nuclear non-proliferation regime. Mr John Griffin, Director, Conventional and Nuclear Disarmament, DFAT, explained that the Government had rejected the notion that the recent nuclear tests had changed the non-proliferation paradigm and stressed that Australia wanted to preserve this regime. He told the Committee:

If India and Pakistan are made to realise that their behaviour is unacceptable, that they are paying an important price in terms of essential national interest in what they have done, if over time, because of the weight of national opprobrium and demonstration, the regime is still in business and functioning - it is not dead, as has been claimed - then those ambit claims, which basically amount to recognition as nuclear weapon states under the NPT and admission to the Security Council as permanent members, can be worn down and the paradigm protected.¹⁴

6.12 The Australian Government believed that to protect the integrity of the nuclear non-proliferation regime, it was necessary to ensure that no other country would be encouraged by the Indian and Pakistani examples to follow them down the nuclear weapon path. It was Australia's view that India and Pakistan should not be seen to be rewarded for their behaviour in terms of enhanced international status or recognition as nuclear weapons states.

6.13 According to Ms Deborah Stokes, First Assistant Secretary, International Security Division, DFAT, the Australian Government was prepared to be patient

¹² Committee Hansard, 21 July 1998, p. 86.

¹³ Committee Hansard, 21 July 1998, p. 86.

¹⁴ Committee Hansard, 21 July 1998, p. 88.

while international pressure was exerted on India and Pakistan to rejoin the international community's consensus on matters concerned with nuclear weaponry.¹⁵

6.14 DFAT acknowledged that Australia had only a limited capacity to convince either the Indian or Pakistani Governments to change its nuclear weapon policy. Ms Stokes said that by drawing on its history of active involvement in arms control and disarmament issues, Australia was playing an active role in helping to shape the international community's response to the nuclear tests. She stated:

We will use our bilateral relations with countries that will have potentially more significant influence on India and Pakistan to try to help shape their perspectives. That will be a second prong to our approach.¹⁶

6.15 Unlike the United States, Australia did not impose economic and investment sanctions on the two countries. DFAT told the Committee that there was no evidence of Australian commercial interests being harmed. This assessment was confirmed by the Australian Chamber of Commerce and Industry (ACCI) which maintained that no sustainable prejudice had been suffered by Australia's commercial interests in India or Pakistan.¹⁷ Mr Alister Maitland, Chairman, Australia-India Business Council, told the Committee that the Council had contacted its members to ascertain whether there had been any commercial repercussions from Australia's reaction to the nuclear tests on the subcontinent. He said that of the 18 major companies contacted, the common response was 'not conscious of any impact' or 'no effect at this stage'. One mining company thought it might have lost a contract because of Australia's reaction to the tests.¹⁸ Nevertheless, Professor Vicziany, Monash Asia Institute, told the Committee that Australian companies were worried about the possible consequences of Australia's response to the nuclear tests on bilateral commerce.¹⁹

6.16 On 4 December 1998, at a second appearance before the Committee, DFAT further underlined the point that Australian business interests had not suffered because of Australia's response to the tests.

6.17 Ms Stokes pointed out that DFAT was continuing its 'normal diplomatic dialogue with India in New Delhi and other places' and noted that, only recently, Australia's High Commissioner had called on the second level officer of the Ministry of Foreign Affairs in New Delhi. According to Ms Stokes, the High Commissioner and his officers continue to have an active dialogue with a whole range of other ministries.²⁰

18 Committee Hansard, 7 August 1998, p. 363.

20 Committee Hansard, 21 July 1998, p. 117.

¹⁵ *Committee Hansard*, 21 July 1998, p. 89.

¹⁶ Committee Hansard, 21 July 1998, p. 89.

¹⁷ ibid, p. 122.

¹⁹ ibid, p. 280.

Reactions to the Australian Government's Response

Insensitive and harsh language

6.18 The Australian Government's response to the tests received wide press coverage throughout Australia. In particular, newspapers reported the Prime Minister's description of the Indian Government as playing 'fast and loose with international safety and security in the interests of a short-term political gain'.²¹ The press also reported the Prime Minister as saying that the Pakistani tests were crazy, and 'it is unbelievable that a country as dirt poor as Pakistan should be diplomatically or strategically romancing the idea that, in some way, it has reached a pinnacle of respectability by acquiring nuclear capability'.²² The *Hindustan Times* reproduced this quote.²³

6.19 Overall, however, Dr Peter Friedlander found very little coverage of Australia's response to the Indian and Pakistani nuclear tests in the Hindi press. He noted that any mention of Australia's response to the tests tended to be included in alphabetically organised listings of international responses.²⁴

6.20 Although Australia's response did not attract significant attention in the South Asian press, a number of Australians strongly criticised it. Professor Ian Copland argued:

our heavy-handed advice to Pakistan that it would face reprisals if it went ahead and tested, and Mr Howard's gratuitous outpourings, on our behalf, of 'disgust' and 'outrage' at the developments in both countries (the *Age*, 1 June 1998), were not only unhelpful - since they failed to deter either party - but actually counter-productive, since we have lost whatever little influence we had there. Again, one wonders why it was in Australia's interests to alienate simultaneously, two of the key players in the Indian Ocean region at a time when a third, Indonesia ...was in crisis.²⁵

6.21 In support of this argument, Professor Marika Vicziany stressed that Australians needed to be more sensitive in how they express their own strategic and security interests. She noted that the sharpest criticism of Australia had been made not because it took a strong stand against nuclear proliferation but because of the inappropriate language that was used in condemning India and Pakistan.²⁶ She noted

For example, see the *Australian*, p. 1, the *Sydney Morning Herald*, p. 8 and the *West Australian*, p. 4, all dated 15 May 1998. The *SMH* and *West Australian* used the phrase 'short-term domestic political game.'

²² For example see the *Courier Mail*, p. 17 and the *Weekend Australian*, p. 12, both dated 30 May 1998.

^{23 &#}x27;Australia, New Zealand for UN disarmament', the *Hindustan Times*, 30 May 1998.

²⁴ Submission no. 44, vol. 3, p. 205.

²⁵ Submission no. 4, vol. 1, p. 18.

²⁶ Submission no. 28; vol. 2, p. 62. Also see comments by Dr Battacharya, *Committee Hansard*, 20 July 1998, p. 3.

that complaints had been raised about descriptions of Pakistan as being 'dirt poor' and about India's 'outrageous act of nuclear bastardry'. The Australian view that India was not really concerned about national or regional security but was either seeking a 'grotesque status symbol' or was playing 'fast and loose with international safety and security' also attracted criticism. She argued that such strong words have contributed to a virtual standstill in Australia's bilateral dialogue.²⁷ In brief, Professor Vicziany submitted:

...western responses to the nuclear tests in South Asia have brought to the fore some of the strongest expressions of 'orientalism' that we have seen for some time and India has been shocked by this. In these circumstances, it would have been very helpful had we in Australia adopted a more sympathetic attitude towards India even while repudiating the use of nuclear technology as a way of resolving defence insecurities.²⁸

Professor Vicziany also pointed out that Australia reacted to the tests too 6.22 quickly; that there was a perception that Australia's 'handling of official bilateral matters in recent weeks has been high handed'. She stated: 'there is a presumption that we had a pre-formed view of the tests. Had we delayed a little, it would have indicated that we were thinking about our bilateral relationship and considering a range of alternative strategies'.²⁹

6.23 Professor Robin Jeffrey regarded Australia's response as 'needlessly strident and unlikely to produce desirable results'.³⁰ He maintained that 'the lack of knowledge of languages and cultures leads to unfortunate outbursts such as the attack on Pakistan as a "dirt poor" country'. ³¹ He explained:

The chances are good that the 'dirt' aspect would be picked up by translators - a 'dirty' country, which would be highly offensive to both Muslims and Hindus, concerned as both are with ritual purity. Alternatively, the 'poor' element could easily have led to a translation that had nuances of 'like a beggar' - again, the way to anger, not influence, people in India or Pakistan. Such clumsiness distracts people in India and Pakistan from the main issue - the threat to their own well-being of nuclear proliferation.³²

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²⁷ Submission no. 28, vol. 2, p. 60. The reference about nuclear bastardry was contained in a press release from the Shadow Minister for Foreign Affairs. The statement came after India's second set of nuclear tests and read 'Coming on top of India's three tests on Monday, this is an outrageous act of nuclear bastardry'. Laurie Brereton, News Release, 21/98, 13 May 1998.

²⁸ Submission no. 28, vol. 2, pp. 56-7.

²⁹ Submission no. 28, vol. 2, pp. 58, 62. See also Dr Jim Masselos, Submission no. 31, vol. 2, p. 147.

³⁰ Submission no. 32, vol. 2, p. 153.

³¹ ibid. p. 154. ibid.

6.24 Dr Debesh Bhattacharya³³ and Ms Angelina $Tang^{34}$ expressed similar sentiments.

6.25 Not all witnesses who gave evidence to the inquiry thought that the language used by Australians to criticise the nuclear tests was inappropriate. Mr Alister Maitland, Chairman of the Australia-India Business Council, thought that the language used was probably the right language needed to register Australia's displeasure. Mr Alan Oxley, Director, International Trade Strategies, described it as fitting.³⁵ Mr Brent Davis, Head of International Group and Director, Trade and Policy Research, Australian Chamber of Commerce and Industry, argued that the maturity of the relationship and the professionalism of diplomatic representatives on both sides would lead to an understanding that Australia's response was in context and appropriate.³⁶

6.26 The Committee considered carefully the criticism that Australia's use of language in condemning the tests was inappropriate. It notes that the language used in such circumstances does provide an opportunity for people to deflect attention away from the central issue - in this case, the nuclear tests themselves. It also notes that in view of different cultural mores and sensitivities, such language could be misconstrued and be unhelpful in influencing the behaviour of either India or Pakistan. Nevertheless, the Committee endorses the substance of the Government's forceful condemnation of the nuclear tests.

Nestling under a nuclear umbrella

6.27 Some witnesses considered that Australia's ability to convey its message and engage effectively with India and Pakistan was constrained by Australia's lack of credibility on the issue of nuclear disarmament.

6.28 They argued that Australia's close association with the United States and its reliance on the American nuclear umbrella placed Australia in a weakened moral position and limited its influence.³⁷ The Hon. Jim Kennan, QC, asserted that Australia, sitting so snugly under the United States defence umbrella, will always have some difficulty in advancing arguments for non-proliferation and nuclear disarmament with a straight face.³⁸

³³ Submission no. 35, vol. 3, p. 153.

³⁴ ibid., p. 148.

³⁵ Committee Hansard, 7 August 1998, p. 363; Alan Oxley, Committee Hansard, 7 August 1998, p. 354.

³⁶ Committee Hansard, 21 July 1998, p. 133.

³⁷ See People for Nuclear Disarmament, Submission no. 9, vol. 1, p. 52; Mr Paddie Cowburn, Submission no. 13, vol. 1, p. 154; Medical Association for Prevention of War, (WA Branch), vol. I, p. 213; Mr Denis Doherty, Submission no. 23, vol. 1, p. 238; Mr Hamish McDonald, Submission no. 37, vol. 3, p. 158; Mr Senaka Weeraratna, Submission no. 8, p. 46 and The Australian Greens, Submission no. 15, p. 160.

³⁸ Submission no. 43, vol. 3, p. 200.

6.29 Professor Vicziany advised that Australia should take note of Indian criticism that Australia is in 'no position to take the high moral ground because it has located itself so firmly under the American nuclear umbrella'. She suggested that: 'Australia's dependence on United States nuclear protection strikes our Indian colleagues as hypocritical and contradictory. Certainly we do not have the right, according to them, to take the high moral ground and to do this as loudly as we have done.'³⁹

6.30 In developing this argument, she maintained that Australia's unquestioning attachment to the notion of 'nuclear non-proliferation' causes problems for Australia in its relationship with India because the Indian understanding of the term is so very different. She explained:

The Indian view of nuclear non-proliferation is that it is a posture which fosters non-proliferation horizontally amongst the non-nuclear states whilst simultaneously tolerating and actively *encouraging* nuclear proliferation vertically amongst the existing nuclear club nations.⁴⁰

She went on to point out:

The language which we use is important. In articulating our policy within the paradigm of 'nuclear non-proliferation' we are further identifying ourselves with the nuclear haves and this, in turn, undermines our capacity to be taken seriously by the nuclear have-nots and those who were nuclear have-nots before May 1998.⁴¹

6.31 The Medical Association for Prevention of War (WA Branch) argued that India will not accept criticism of its nuclear arms program from the nuclear weapon states or from those nations that shelter under their nuclear umbrella for their own security. It suggested that Australia should accept these sentiments from India - and do much more for global nuclear disarmament.⁴²

6.32 Dr Debesh Bhattacharya stated succinctly that Australia must answer the charge of double standards. He drew attention to the Maralinga nuclear tests in Australia in the 1950s and the visits to Australian shores of nuclear fleets from the United States. He noted that India has been campaigning for total elimination of nuclear weapons in all relevant fora for over the last 40 years.⁴³

6.33 Mr Denis Doherty, National Co-ordinator, Australian Anti-Bases Campaign Coalition and State Secretary, Pax Christi New South Wales, also argued that Australia, as a medium power that does not possess nuclear weapons, could be in a position to help abolish nuclear weapons but that it has muddled the waters. He

- 41 ibid.
- 42 Submission no. 21, vol. 1, p. 213.
- 43 Submission no. 35, vol. 3, p. 153.

³⁹ Submission no. 28. vol. 2, p. 58.

⁴⁰ ibid., p. 59.

regarded Australians as being 'very, very strongly implicated in the nuclear weapons cycle'.

6.34 He said he could understand why Indians ask 'What right has one country to have nuclear weapons and to say to other countries that they cannot have them'. According to him, the subcritical tests conducted by the United States was also a matter of concern, pointing out that there have been over 30 such tests since the NPT was signed and 'not a word of complaint has come from countries like our own'.⁴⁴ He submitted in evidence an extract from a letter from the Indian High Commissioner to peace and environmental groups in Sydney, which sheds light on India's perceptions of Australia's commitment to nuclear disarmament:

I hope you will not mind my saying that it has been our experience that in disarmament negotiations the Non Aligned countries like India seldom, if ever, receive support or understanding from Australia for measures that we propose for nuclear disarmament, within a reasonable time frame. There is a general feeling that because of Australia's dependence on an extended US nuclear security guarantee for its own security and for the promotion of its regional security interests, it is just not in a position to urge the need for nuclear disarmament within a reasonable time frame, as Senator Evans had urged before the International Court of Justice. There is, in our view, a contradiction of virtually depending on the nuclear deterrent of a foreign power on the one hand, and being enthusiastic about the nuclear disarmament on the other. In our view, we should aim at the total elimination of all nuclear weapons by the year 2010.⁴⁵

6.35 Dr McPherson found it difficult to refute India's contention that if its 'critics are so concerned by the spectre of a new nuclear race, why don't they vigorously pursue the goal of total nuclear disarmament which India claims to have championed since it sponsored the first CTBT proposal in 1954?⁴⁶

6.36 DFAT rejected the notion that Australia's reputation as a staunch advocate of nuclear disarmament was tarnished because of its association with the United States. In answer to this criticism it made plain that 'Australia is committed to the objective of the eventual elimination of all nuclear weapons as embodied in Article VI of the Non Proliferation Treaty, and to seek security conditions which would permit this'. It pointed out, however, that Australian Governments have recognised the reality of the existence of nuclear weapons and thus have attached high importance to the maintenance of a stable nuclear balance between the nuclear weapon states until such time as nuclear weapons are ultimately eliminated. It stressed that Australia contributes in practical ways toward maintaining this stable nuclear balance by assisting in the monitoring of arms control and disarmament agreements, ballistic

⁴⁴ *Committee Hansard*, 20 July 1998, p. 31.

⁴⁵ ibid, p. 32.

⁴⁶ Submission no. 5, vol. 1, p. 28.

missile launches and underground explosions.⁴⁷ Mr Griffin emphasised that Australia strongly supports the progressive balanced reductions in existing nuclear arsenals.⁴⁸

6.37 Mr Alan Oxley rejected any notion of Australian hypocrisy. He told the Committee:

If you then look at the way in which successive governments have pursued our nuclear interests through the United Nations, the last expression was the Canberra Commission but there is a whole history before that. The position we took on nuclear testing, the position we have taken on the nuclear test ban treaty, the position we have taken on the nuclear non-proliferation treaty - where we have been one of its strongest advocates - indicates that we have been a very responsible activist for a nuclear order which recognises the reality.⁴⁹

6.38 Dr Marianne Hanson supported this view. She noted Australia's reputation as an active player in international fora for pursuing security issues and cited contributions in the United Nations, in the Conference on Disarmament and with the Canberra Commission.⁵⁰ She maintained that Australia is held in high regard because it has consistently called for a series of phased arms reductions and was prominent in the successful conclusion to the Chemical Weapons Convention. Because of Australia's recent contributions to the disarmament debate, and its strategic and diplomatic position, she suggested to the Committee that it now has an exceptional opportunity to move international arms control forward by pursuing a program of active and constructive diplomacy fully supported by the Government.⁵¹

6.39 Dr Hanson pointed out in July 1998 that India had approved of many of the resolutions that Australia had put forward in the United Nations General Assembly, but 'since May it still sees us as one of the enemies, it still sees us as being very closely aligned with the United States and not pushing strongly, or strongly enough, for more nuclear reductions.'⁵²

6.40 The Committee is in no doubt that Australia has played a significant role in recent years in international efforts aimed at nuclear non-proliferation and disarmament. In November 1995, Australia and New Zealand joined non-aligned states such as Costa Rica, Egypt, Indonesia, Iran, Malaysia, Mexico, the Philippines, and Zimbabwe in arguing forcefully for the illegality of nuclear weapons before the

⁴⁷ Submission no. 33, vol. 2, p. 15.

⁴⁸ *Committee Hansard*, 21 July 1998, p. 114

⁴⁹ Committee Hansard, 7 August 1998, p. 359.

⁵⁰ Committee Hansard, 20 July 1998, p. 63.

⁵¹ Submission no. 20, vol. 1, p. 196.

⁵² *Committee Hansard*, 20 July 1998, p. 67.

International Court of Justice.⁵³ The establishment of the Canberra Commission in 1995 also demonstrates clearly Australia's determination to progress nuclear weapon disarmament. Australia also played a leading role in negotiations for a CTBT in the Conference on Disarmament and in the procedural manoeuvring which led to the treaty's adoption in the United Nations General Assembly. No country has done more than Australia towards achieving nuclear non-proliferation and disarmament.

6.41 Australia's close ties with the United States and its place under the American nuclear umbrella does not in any way reduce Australia's ability to play a continuing constructive role towards further nuclear weapon non-proliferation and disarmament. The fact that Australia has been prepared to initiate and press forward with non-proliferation and disarmament measures against the interests of its nuclear weapon allies is evidence of Australia's integrity in this area. Australia's strong ties with the United States and the United Kingdom place Australia in a position where it may actually be able to exert some influence on these nuclear weapon states on disarmament issues.

6.42 The Committee rejects any notion that it is hypocritical for Australia, while under an American nuclear umbrella, to criticise India and Pakistan for developing a nuclear weapon capability and for conducting nuclear weapon tests. India at one time had close ties with the Soviet Union but, unfortunately for India, with the demise of the Soviet Union, it no longer has a nuclear weapon friend. It should not be forgotten hat most countries do not rely on nuclear weapons for their security. And, as argued by the Canberra Commission, one cannot always rely on nuclear umbrellas for protection.

Withdrawal of officials

6.43 Several witnesses criticised the Australian Government's decision to withdraw defence personnel and cancel official visits with India and Pakistan. Mr Hamish McDonald was particularly concerned about Australia severing its military ties with India and Pakistan. He stated:

Our precipitous cutting of military connections I think will be selfpunishing. I do not think that any other Western country has followed suit. We have really closed a window for ourselves into India and Pakistan by shutting down the exchanges of military attaches and military students. I believe it will take many years to replace that window.⁵⁴

6.44 He explained that Australia will now have little insight into military thinking on the subcontinent and will have to rely on its allies for intelligence. Moreover, he argued that our ability to influence India and Pakistan at a time of heightened tensions

⁵³ John Burroughs and Jacqueline Cabasso, 'Nukes on Trial', *Bulletin of the Atomic Scientists*, March/April 1996.

⁵⁴ *Committee Hansard*, 20 July 1998, p. 75.

in South Asia, which could escalate toward nuclear exchange, have been curbed rather than improved. He estimated that it could take ten years to rebuild 'this lost intelligence capacity'.⁵⁵

6.45 Dr Makinda told the Committee that Australian defence attaches had done a lot to cultivate relations with India and 'now it has taken about two minutes without consultation with them to withdraw those people'.⁵⁶ Mr Jim Kennan also questioned the appropriateness and effectiveness of Australia's response concluding that by cutting official, including defence, ties with India, Australia effectively took itself 'out of the loop'.⁵⁷

6.46 Dr Maley suggested that it would be useful if Australia were to move relatively quickly to return defence advisers to India and Pakistan 'simply because they tend to be useful gatherers of information which can then be fed into our own policy making process, which can permit our diplomats in the field, and also officials in Canberra...to offer as informed a nuanced response as possible to developments which might occur at the time'.⁵⁸

6.47 As testing nuclear bombs is a defence-related matter, the Committee understands the symbolism surrounding the suspension of defence relations with India and Pakistan. These and other measures, which comprised Australia's response to the tests, sent a strong signal to both states. The Indian and Pakistani Governments were left in no doubt that the tests were anathema to Australia. It is questionable, however, as asserted by a number of witnesses, whether some of the defence-related measures were in Australia's long-term interests. A short-term withdrawal of the Defence Adviser, similar to the High Commissioner's return to Australia for consultations, might have made the point but allowed the Defence Adviser to continue to gather information useful to the Government on nuclear and other security matters in South Asia.

6.48 The training of officers from regional countries has long-term benefits for Australia, as Australian Governments have explained to the public, particularly in relation to the training of Indonesian officers in Australia. Those benefits include having senior officers in defence forces in the region who have an understanding of Australian thinking in military, political and social terms and who have a store of good will towards Australia.

6.49 Indian officers on training assignments in Australia might have reached a better understanding of Australia's position on nuclear tests and non-proliferation of nuclear weapons if they had been allowed to stay in this country. As it is, those officers' views about Australia and Australian views on nuclear weapons and their

⁵⁵ Submission no. 37, vol. 3, p. 158.

⁵⁶ *Committee Hansard*, 22 July 1998, p. 204.

⁵⁷ Submission no. 43, vol. 3, p. 199.

⁵⁸ *Committee Hansard*, 21 July 1998, p. 163.

personal feelings towards Australia would be clouded by the unceremonious termination of their attendance at courses here.

6.50 The Committee notes information received from Ms Stokes at the hearing on 4 December 1998 where she said the United States Government had, on 1 December 1998, decided, among other matters:

to waive aspects of the military sanctions imposed on India and Pakistan so as to permit the reinstatement of US international military education and training - IMET - programs in respect of both India and Pakistan. The United States will review these waivers in a year.

US sanctions remaining in place include measures preventing all transfers of dual-use technology and military sales to both India and Pakistan.⁵⁹

6.51 In view of the long-term benefits to be gained from having Indian and Pakistani participation in our military education and training programs and in light of the United States' reinstatement of Indian and Pakistani participation in IMET, the Committee believes Australia should also reinstate Indian and Pakistani participation in its military education and training programs. It would also be a gesture that would not be lost on the incoming government in India to replace the BJP-led government.

Recommendation

The Committee recommends that the Australian Government re-instate its Defence Advisers in India and Pakistan.

Recommendation

The Committee recommends the Australian Government re-establish education and training exchange programs between Australian Defence Force officers and officers from the defence forces of India and Pakistan.

6.52 The Committee does not recommend, however, any reinstatement for the time being of other joint defence-related activities, such as ship visits, joint exercises, arms sales and the like. Such highly symbolic activities would send the wrong signal to the Indian and Pakistani Governments that they have done enough to return to a normal bilateral relationship. This should be reviewed once a new government is established in New Delhi, following the recent fall of the BJP-led government.

Poor understanding of South Asia and little interest in India and Pakistan

6.53 The importance of establishing and maintaining strong networks with India and Pakistan became more evident in light of comments indicating that Australians have a poor understanding of the South Asia region. Professor Jeffrey submitted:

⁵⁹ *Committee Hansard*, 4 December 1998, p. 376.

Close understanding of the domestic scene offers a chance to foresee - and therefore take action to prevent - developments like the nuclear explosions. It also enables governments like ours to avoid giving gratuitous and attention-diverting offence. Finally, closer understanding enables us to recognize groups in India and Pakistan who support - or come close to - our positions.⁶⁰

6.54 Supporting this argument, Professor Vicziany suggested that a better knowledge of India's policies and expenditures on foreign and defence issues, together with a systematic analysis of Indian foreign policy at the highest levels of Australian Government, might have produced a different set of reactions.⁶¹ She asserted that it has been said that Australians:

...made too much of the role of the newly elected BJP government and failed to pay sufficient attention to the long term evolution of nuclear technologies in the region and what has compelled this...We have also underestimated the degree of national consensus behind the tests in South Asia. Above all, we have simply failed to accept the views of India and Pakistan that they have reasonable concerns for their national defence.⁶²

6.55 In a similar vein, Dr Bhattacharya maintained that Australia failed to understand the complexities of realpolitic in South Asia, especially India's commitment to the global elimination of nuclear weapons and its growing concern about what it perceived as the encirclement of its territory.⁶³

6.56 Dr Kenneth McPherson maintained that while Australia's reactions in part emanated from a genuine horror at the spectre of a new nuclear arms race, they were also shaped by other considerations, such as ignorance of events and opinions in South Asia and a degree of pseudo-colonial paternalism towards India and Pakistan. He pointed out that India is the world's largest democracy and as such its actions and policies reflect the will of the people unless proved otherwise.⁶⁴ He was concerned that in recent years successive Australian Governments had paid little attention to South Asia compared to the resources they have expended on East and South East Asia and the Middle East. He noted:

During the last decade, the Department of Foreign Affairs and Trade (DFAT) under Gareth Evans, Bob McMullan, Alexander Downer and Tim Fischer has made considerable efforts within tight budgetary constraints to promote a good relationship with India, but it seems to me that any positive moves on the part of these ministers and DFAT have been diluted in the broader political environment in Australia - most particularly at the federal

⁶⁰ Submission no. 32, vol. 2, p. 154.

⁶¹ Submission no. 28, vol. 2, p. 55.

⁶² ibid., p. 62.

⁶³ Submission no. 35, vol. 3, p. 153; and *Committee Hansard*, 20 July 1998, pp. 3–4.

⁶⁴ Submission no. 5, vol. 1, p. 24; *Committee Hansard*, 22 July 1998, p. 216.

level - which has been dismissive, if not outright hostile, of any concerted effort to develop our national understanding and expertise with respect to South Asia.⁶⁵

6.57 Dr McPherson stressed that without a full understanding of the Indian position, particularly in Australia: 'we are less able to deal with the consequences and to perhaps change future developments'. Further, he argued that Australia must incorporate India and Pakistan in its pattern of dialogue much more effectively; that it has been too intermittent and inconsistent. He felt that at the present time Australia's ability to converse with both Pakistan and India had been severely curtailed.⁶⁶ Put simply, he argued that the more Australia can engage India in dialogue then it is better able to take on the very important role of interlocutor especially in South East Asia and with respect to APEC.⁶⁷

6.58 Dr Maley endorsed this view. He thought it unfortunate that Australia was not engaged in a political fashion in the subcontinent to the degree that it has been engaged in South East Asia. He suggested that Australia needs to address this area of neglect as a longer-term priority because the recent tests have demonstrated the capacity of that part of the world to create all sorts of political contingencies which can have far reaching implications for Australia.⁶⁸ Dr Maley argued that Australia suffers to some extent from not being a long-term major player in the region. He thought it was important for Australia to seek to pay more attention to developments on the subcontinent because:

the events of May 1998 do drive home the extent to which the possibility of significant security problems for Australia could arise from that particular point. That is not so much in terms of any direct military attack on Australian territory but in terms of the possibility of population displacements on a grand scale...⁶⁹

6.59 Adding weight to this argument, Mr Hamish McDonald believed that Australia's overall approach to India in recent years had been marked by a high level of discontinuity - by 'a rather desultory approach to the assessment of the importance of India, and a diffidence in embracing conclusions that many officials and advice have pointed the government towards'.⁷⁰ Finally, Mr Peter Prince noted that at a time when Australia is facing two major challenges - the Asian financial crisis and the open

70 Committee Hansard, 20 July 1998, p. 74.

⁶⁵ Submission no. 5, vol. 1, p. 29; *Committee Hansard*, 22 July 1998, pp. 214–15.

⁶⁶ *Committee Hansard*, 22 July 1998, pp. 212, 215.

⁶⁷ ibid, p. 216.

⁶⁸ Committee Hansard, 21 July 1998, p. 165

⁶⁹ ibid, p. 159.

assertion of nuclear capability by India and Pakistan - and is in need of important policy advice, policy resources have been cut back to their lowest levels.⁷¹

6.60 The Committee notes that towards the end of 1998, DFAT downgraded South Asia from a branch to a section in its departmental structure.

6.61 In making a broad analysis, the National Centre for South Asian Studies touched on many of the points made above and offered the following reasons for Australia's poor understanding of Indian needs and sensitivities:

- Australia has too few experts who properly understand the logic behind India's defence and foreign policies;
- Australian governments, companies and journalists are reasonably well informed about matters of Indian trade, economy and society but there is little understanding of security issues in South Asia;
- Australian foreign policy concerns have focused on the East Asian region and little attention has been paid to South Asia moreover, the exclusion of India from regional forums such as APEC have meant that at the highest levels of government there has been little opportunity for Australia to come to an understanding of how India herself views East Asian countries, such as China and Korea.⁷²

6.62 Mr Timothy George, then Assistant Secretary, South Asia and Indian Ocean Branch, DFAT, refuted the suggestion that the Australian Government had allowed its interests in trade to lead to a lapse in intelligence gathering and Australia's ability to assess India's domestic situation. He cited the success of the New Horizons program and the visit by the Foreign Minister in 1997 as evidence of a 'very healthy degree of bilateral activity'. He pointed out that there may have been a doubling of trade over the last five years. He also drew attention to the Australia–India Council which he described as 'a very robust, well-funded body with some excellent programs across the board, improving ties in a whole range of areas', such as the scientific, technological, legal and cultural.⁷³

6.63 The evidence presented to this Committee builds on an existing body of substantial evidence taken by previous committees of inquiry that points to Australia's ignorance and neglect of South Asia. In 1990, the Senate Committee on Foreign Affairs, Defence and Trade found that 'expertise on India in Australia was at best fragmented between government departments and tertiary institutions or, from a less charitable perspective, simply not comprehensively developed and maintained.'⁷⁴

⁷¹ Seminar, Coombs Building, ANU, Canberra, 1998.

⁷² Submission no. 28. vol. 2, pp. 62–3.

⁷³ *Committee Hansard*, 21 July 1998, pp. 98–9.

⁷⁴ *Australia India Relations - Trade and Security,* Senate Standing Committee on Foreign Affairs, Defence and Trade, Canberra, July 1990, p. 10.

More recently, the findings of the Joint Standing Committee on Foreign Affairs, Defence and Trade which inquired into Australia's trade relationship with India also indicated a lack of awareness by Australians of the South Asian region.⁷⁵

6.64 The Committee acknowledges that the Australian Government has undertaken a number of initiatives such as the New Horizons promotion of Australia in India in 1996 and the Government's year of South Asia, which have improved commercial relations between the two countries and raised the level of understanding. However, the Committee remains sceptical about the Department's commitment to South Asia in the light of its downgrading of South Asia in its departmental structure.

6.65 The Committee believes that more needs to be done to cultivate strong social, cultural, educational, commercial and political ties with the countries of South Asia. Furthermore, it believes that Australia needs to build up a body of expertise on South Asian affairs that can be called upon readily to help decision-makers in the formulation of government policy.

Recommendation

The Committee recommends the Australian Government review its funding to study and research centres that focus on South Asia with a view to ensuring that a pool of expert advice on South Asia is readily available in Australia and that important educational and cultural links are established with the countries of South Asia.

Re-establishing dialogue

6.66 Having looked critically at Australia's immediate response to the nuclear tests, many witnesses, in their submissions and in the hearings in July and August 1998, suggested it was time for Australia to re-establish and strengthen its links with India and Pakistan. Witnesses who criticised Australia's response as too harsh together with those who deemed Australia's reaction to the nuclear tests as appropriate agreed that Australia should now focus its energies on forging closer relations with South Asia. For them the challenge was to build strong links with India and Pakistan and to bring them into the international non-proliferation regimes.

6.67 Mr Maitland, Chairman of the Australia–India Council, told the Committee in August 1998 that Australia's response to the nuclear tests was 'absolutely correct', and that it had every right to express its abhorrence at the nuclear blasts that took place in both India and Pakistan. He noted, however, that while Indians understood the need and reasons why Australia would react the way it did, there is 'just a little feeling that we are continuing a little longer in persisting with pointing out the faults of their ways'.⁷⁶ In supporting the views of many witnesses, he added that Australia should be

⁷⁵ *Australia's Trade Relationship with India*, Joint Standing Committee on Foreign Affairs, Defence and Trade, Canberra, June 1998, pp. 163–64; also see recommendations 6, 7, 14, 32, 33 and 34.

⁷⁶ *Committee Hansard*, 7 August 1998, p. 369.

thinking more of the future than the past and the best way for Australia to convey its point of view was through active engagement. He told the Committee he would be 'keen to see ministerial and official level visits recommence at the earliest opportunity.'⁷⁷

6.68 Dr Yasmeen told the Committee that the Australian Government must move to 'a new stage of encouraging the two South Asian states to create conditions for limiting the long-term negative effects of their decisions'. She pointed out that the Americans are setting an example and cited the visit of Mr Strobe Talbot to India and Pakistan and the preparedness of the United States to explore different options. To her this keenness to converse with India and Pakistan indicated that:

...Americans are willing to move beyond condemning to working out some solution. I think the Australian government needs to actually encourage that role rather than say 'Because we were upset we'll continue to remain upset.'⁷⁸

6.69 Professor Vicziany supported this view, especially in light of India's sense of isolation in the region and its failure to gain membership of regional organisations and fora. She suggested that Australia could have assumed a more helpful role by increasing its dialogue with India and Pakistan instead of reducing its involvement through the impositions of sanctions and the withdrawal from joint defence exercises. Put simply she asserted 'we could have voiced our concerns and criticisms but still insisted on a *further engagement* with India and Pakistan rather than a *disengagement*'.⁷⁹

6.70 In contrast to the enthusiasm of witnesses for Australia to re-establish links and actively engage India and Pakistan, Ms Stokes told the Committee on July 1998 that Australia was prepared to be patient while international pressure was exerted on India and Pakistan to rejoin the international community's consensus on non-proliferation. She maintained that Australia would continue to apply the sorts of pressures that the international community had agreed to. As noted earlier, she acknowledged that Australia's influence was not going to be significant but Australia would, by building on its history of active involvement in arms control and disarmament issues, work bilaterally with countries that have potentially greater influence on India and Pakistan.⁸⁰

6.71 When she appeared again before the Committee in December 1998, Ms Stokes announced that the Australian Government had decided that 'it would be appropriate to relax our suspension of ministerial and senior official visits'. She went on to explain:

⁷⁷ *Committee Hansard*, 7 August 1998, p. 367.

⁷⁸ *Committee Hansard*, 22 July 1998, p. 187.

⁷⁹ Submission no. 28, vol. 2, pp. 55, 61.

⁸⁰ Committee Hansard, 21 July 1998, p. 89.

The resumption of high level bilateral dialogue will allow more regular discussions about our concerns arising from the nuclear tests and the tensions between India and Pakistan, and the implications for Australia and the region of the nuclearisation of South Asia, as well as on the range of economic, political, security and other matters in which we have a mutual interest with Pakistan and India.⁸¹

6.72 The Committee welcomes the restoration of high-level communication between Australia and India and Pakistan and notes that the Deputy Prime Minister, the Hon. Tim Fischer, MP visited India in early 1999.

6.73 The Committee notes that both the Government and the Opposition made strong statements voicing their opposition to the tests. It also appreciates the need for the Government to have taken firm measures that would put both India and Pakistan in no doubt about Australia's position. The Committee acknowledges that a fine balance was required as the critics, too, had a valid point in arguing that it is in Australia's future interests to have strong lines of communication with South Asian states.

6.74 The Committee appreciates that since the fall of the BJP-led government, the opportunity to discuss security issues with the Indian Government is limited until a new government is elected. However, once a new government is installed in New Delhi, the Australian Government should seek to hold security discussions with both the Indian and Pakistani Governments. The Committee does not believe that Australia should assume it has no influence in South Asia and that it should work mainly through third parties. The Committee notes passages from the Government's *White Paper* on foreign affairs and trade:

An international reputation as a thoughtful and creative country, genuinely committed to the peace and prosperity of its region, and a source of practical ideas enhances Australia's capacity to influence the regional and global agenda in ways which promote the interests of Australia.

and,

Australia's security interests are, for example, served by strengthening regional institutions, pursuing outward-looking and growth-creating trade and investment policies, encouraging habits of dialogue, expanding institutional linkages, and facilitating people-to-people links within the region.⁸²

6.75 The Committee agrees with the sentiments expressed in the above passages from the *White Paper*. Australia has shown time and time again, through its creativity, perseverance and application of resources that it has an influence, both in the region and globally, well beyond the size of its population and economy. Even

⁸¹ *Committee Hansard*, 4 December 1998, p. 377.

⁸² Commonwealth of Australia, In the National Interest: Australia's Foreign and Trade Policy, White Paper, Canberra, 1997, pp. 13, 39–40.

though Australia may not have been a close regional partner of India or Pakistan, that is not a reason to shrink from seeking solutions to difficult security problems in South Asia and the wider region. Finding such solutions is, of course, in Australia's own security and economic interests.

Economic and trade sanctions

6.76 The Australian Government did not include economic or trade sanctions among the measures taken against India and Pakistan following their nuclear tests. The United States did, however, impose such sanctions. As some witnesses commented on the imposition of economic sanctions in such circumstances, the Committee decided to include comment in the report on this topic.

6.77 The Australian Chamber of Commerce and Industry welcomed the pragmatism and restraint of the Australian Government in discounting the use of economic and trade sanctions against India and Pakistan. It viewed trade sanctions as generally ineffectual and often counterproductive in that the imposition of sanctions has the potential to lift the fervour of the target country, galvanise national identity and commitment around the government. In this way it makes it difficult for that government to be seen to give way to outside pressures.⁸³ ACCI submitted:

The prompt statements by key Ministers ruling out the use of economic and trade sanctions were reassuring to commerce and industry, whilst still sending a clear signal to the Governments and people of India and Pakistan.

Diplomatic, economic and trade experience indicates sanctions are generally ineffective, with demanding thresholds for effective implementation as well as being costly for those imposing them.

• • •

As is becoming increasingly well-recognised, commercial and trade engagement rather than political ostracism and economic isolation are likely to prove more effective means for persuading countries of whose conduct Australia disapproves around to our way of thinking.⁸⁴

In summary, the ACCI saw little merit in trade sanctions and had little regard for them. 85

6.78 An indication of this reaction can be seen in a comment by Dr Abdul Kalam when replying to a question about economic sanctions imposed by the United States and other nations. He stated:

⁸³ *Committee Hansard*, 21 July 1998, pp. 120, 124.

⁸⁴ Submission no. 7, vol. 1, pp. 34–5.

⁸⁵ Committee Hansard, 21 July 1998, p. 122.

In retrospect, I would like to thank these nations for imposing sanctions on us. It helped us become self-reliant this time round too we must show these countries what we are capable of (meeting challenges), then they will not attempt to place sanctions on us again.⁸⁶

6.79 The Committee agreed with the view that the imposition of economic sanctions against India and Pakistan would have been counter-productive. Economic sanctions would not have improved security in the region; indeed, they might have contributed to political and social instability and so heightened insecurity. Nor would they have induced India or Pakistan to disavow their nuclear weapon programs. Finally, as pointed out by DFAT, Australia's argument has not been with the people of these two countries but with their governments and it has not been the wish to impose any unnecessary hardship on the people of South Asia.

⁸⁶ Rashme Sehgal, 'Abdul Kalam Hits Out at Anti-Nuclear Zealots', *Times of India*, 8 August 1998.