



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University

RSIS COMMENTARIES

RSIS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of the S.Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS. Due recognition must be given to the author or authors and RSIS. Please email: RSISPublication@ntu.edu.sg or call 6790 6982 to speak to the Editor RSIS Commentaries, Yang Razali Kassim.

Japan and India: Towards Nuclear and Security Cooperation

C. Raja Mohan

29 June 2010

Japan's global and strategic partnership with India is acquiring two new features — cooperation in civil nuclear energy and the establishment of a 'Two plus Two' dialogue. The new elements will mean Japan-India relations will no longer be marginal to the security politics of East Asia.

JAPAN HAS underlined its determination to deepen its security partnership with India, launching negotiations with New Delhi on civil nuclear cooperation at the end of June and unveiling the first comprehensive strategic dialogue in quick succession in early July.

Despite the frequent changes in Japan's political dispensation during the last few years, Tokyo has persisted with its decision over the last decade to establish a strategic and global partnership with Delhi. Tokyo's talks with Delhi on 28-29 June were about ending Japan's past reservations over atomic energy cooperation with India. Its 'Two plus Two' dialogue with Delhi next week (5-6 July) is focused on building an institutional framework for security cooperation in the future.

'Two Plus Two' Strategic Dialogue

India is only the third country, after the United States and Australia, with which Japan has a 'Two plus Two' dialogue, which brings ministers and officials from the foreign and defence ministries of Japan and its partner countries into one room at the same time.

Japan's latest outreach to India brings into relief the growing importance of their bilateral relationship that has long been marginal to the geopolitics of East Asia. As major power relations in Asia enter a period of flux amidst the rise of China and the widely perceived American decline, Japan and India appear to be drawing closer. Yet, there is no denying the fact that Prime Minister Naoto Kan's government has chosen to court a bit of domestic political controversy early in its tenure by opening negotiations with India on civil nuclear cooperation.

Opposition to nuclear cooperation with non-members of the Nuclear Non-Proliferation Treaty (NPT) has been a long-standing policy of Japan. Although the NPT itself does not bar civil nuclear cooperation with non-members of the treaty, Japan, in an effort to demonstrate its arms control credentials, has insisted on such a policy. India has not signed the NPT and is unlikely to ever do so.

After India conducted five nuclear tests in May 1998, Japan denounced them strongly, announced sanctions and suspended high level exchanges with India. As India gradually broke out of its international isolation after the nuclear tests, Japan too began to reconsider its harsh approach to India. It slowly withdrew sanctions and eventually normalised bilateral relations. During then Prime Minister Junichiro Koizumi's visit to India in April 2005, the two sides announced their plans to establish a strategic and global partnership.

Nuclear Commerce

Even as Tokyo and Delhi intensified their engagement since then, it seemed that there would be little room for nuclear energy cooperation between Japan and India. The announcement of the historic US-Indian nuclear initiative in July 2005 by US President George W. Bush and Prime Minister Manmohan Singh, however, began to pose new challenges for Japan's nuclear policy towards India.

Tokyo eventually endorsed, somewhat grudgingly, the Indo-US civil nuclear initiative at the Nuclear Suppliers Group in September 2008. As Russia, France and the United States rushed to conclude commercial nuclear agreements with India, Japan seemed to stand aloof.

But it could not do so for too long because of a number of reasons. For one, the French and American reactor vendors have complex tie ups with leading Japanese nuclear engineering companies for the supply of components. Put simply, the French company Areva, the US corporations Westinghouse and General Electric can't sell in the Indian market until Japan has a formal agreement for nuclear cooperation with India.

Besides the demands from Washington and Paris, Japanese companies too have been lobbying for a new approach towards India. Meanwhile under pressure to create more jobs in Japan, Prime Minister Kan's cabinet approved on June 18 a new economic growth strategy that among many other things called for increasing exports of infrastructure packages. Nuclear power plants are part of this package.

The dangers of Japan falling behind the rest of the international community in taking advantage of the nuclear commerce with India were brought to Tokyo's attention when Seoul announced plans in mid-June to conclude a bilateral agreement on atomic energy with Delhi.

Implications for Asia

While Japan's prospective nuclear cooperation with India is important, the expansion of their bilateral security cooperation might be far more consequential for the future of Asian geopolitics over the longer term.

During Dr. Singh's visit to Tokyo in 2008, the two sides unveiled a declaration on bilateral security cooperation that pointed to many shared interests, including the free flow of energy and natural resources and the protection of sea lines of communication in the Indian and Pacific Oceans. Peacekeeping, disaster relief, anti-piracy, and humanitarian operations are among the other areas identified by the two sides.

The intent to expand the interaction between the security establishments of the two countries was fleshed out in greater detail when then Prime Minister Yukio Hatoyama visited India at the end of 2009. As part of that detailed work plan, top officials of the Japanese and Indian foreign and defence

ministries will meet in Delhi during the first week of July for the so-called 'Two plus Two' dialogue. The opening round of the dialogue is to be held Delhi at the level of vice ministers, but the conclave is likely to see both sides setting the stage rather than announcing any major decisions.

Both the Japanese and Indian national security bureaucracies tend to be cautious in undertaking new ventures and t ponderous in implementing them. The progress the two sides make on defence cooperation, then, is bound to be measured rather than dramatic in the near term. Nevertheless the possibility of deeper security cooperation between Japan and India will draw attention in Beijing and other East Asian capitals.

C. Raja Mohan is Adjunct Professor of South Asian Studies at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University in Singapore and Strategic Affairs Editor of The Indian Express, New Delhi.