



AUKUS: A DIPLOMATIC CRISIS OR A PANDORA'S BOX OF PROLIFERATION?

By
Ghazala Yasmin Jalil

Research Fellow
Arms Control & Disarmament Centre (ACDC), ISSI

Edited by
Malik Qasim Mustafa

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The United States, United Kingdom and Australia formed a new trilateral security partnership, AUKUS, on September 15, 2021. Under the agreement Australia will acquire nuclear powered submarines and the three countries will also share advanced nuclear technologies. The security partnership is problematic on many levels. It has triggered a diplomatic crisis with France that has a multi-billion-dollar conventional submarine deal scrapped with Australia. The alliance is meant as yet another effort to counter China's rising influence. Last but not the least, it will open a Pandora's box of nuclear proliferation that would best be left closed. It is, thus, imperative to examine the agreement and what it means in the diplomatic, strategic and non-proliferation arena.

According to the joint statement released by the three countries on AUKUS, the initial efforts will focus on cyber capabilities, artificial intelligence, quantum technologies and additional undersea capabilities. The three countries will work on developing nuclear-powered submarines for Australia at the earliest.¹ The AUKUS is aimed at diplomatic, security and defense cooperation in the Indo-Pacific region in order to meet the challenges of the twenty-first century. In fact, the alliance is meant to counter Chinese influence and power in the Indo-Pacific region.

¹ "Joint Leaders Statement on AUKUS," September 15, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aucus/>

Understandably, France is unhappy with the AUKUS. AUKUS scrapped a 2016 French-Australian deal worth at least US\$59 billion to supply 12 French-made diesel-electric submarines to Australia. Just a few weeks ago, the Australian defence and foreign ministers had reconfirmed the deal to France. Also, French President, Emmanuel Macron, hosted Australian Prime Minister, Scott Morrison, in June and lauded decades of future cooperation. It is, thus, ironic that the deal was scrapped weeks later and France found out at the last moment. It reacted strongly and showed its extreme displeasure. French Foreign Minister, Jean-Yves Le Drian, said, "It's a stab in the back. We created a relationship of trust with Australia and that trust has been broken."² "This brutal, unilateral and unpredictable decision reminds me a lot of what Mr. Trump used to do," "I am angry and bitter. This isn't done between allies."³ France has subsequently cancelled a defence meeting with the UK that was scheduled in September.

This has not only triggered a diplomatic crisis, with France recalling its ambassadors from Washington and Canberra but has also larger implications for the already downward trajectory of US and Europe ties. There have been concerns in recent months that Biden is not being forthright with his European allies. French relations with the UK are already strained over the latter's exit from the EU. AUKUS is likely to further strain transatlantic ties. The EU's foreign policy chief, Josep Borrell, said that the EU was not consulted over the deal and understands why France is disappointed by the deal. He further said that "This forces us once again... to reflect on the need to make the issue of European strategic autonomy a priority. This shows that we must survive on our own."⁴

The AUKUS is being widely viewed as an effort to counter China's influence in the South China Sea. The contested region has been a flashpoint for many years. However, China has issued a strong statement against the pact. Chinese Foreign Ministry spokesman, Zhao Lijian, said the alliance risked "severely damaging regional peace... and intensifying the arms race" and hurting international non-proliferation efforts. He further criticised "the obsolete Cold War... mentality" and warned the three countries were "hurting their own interests."⁵ By alienating France and EU, the US, Australia and UK might indeed be unwittingly playing to the benefit of China who may capitalize on the fissures. The pact will also likely intensify economic sanctioning of Australia by China since Canberra has formally become part of an anti-China military alliance.

² "France says Biden Acted like Trump to Sink Australia Defence Deal," *Reuters*, September 17, 2021, <https://www.reuters.com/world/us-move-dislodge-france-australia-submarine-deal-is-incoherent-french-ministers-2021-09-15/>

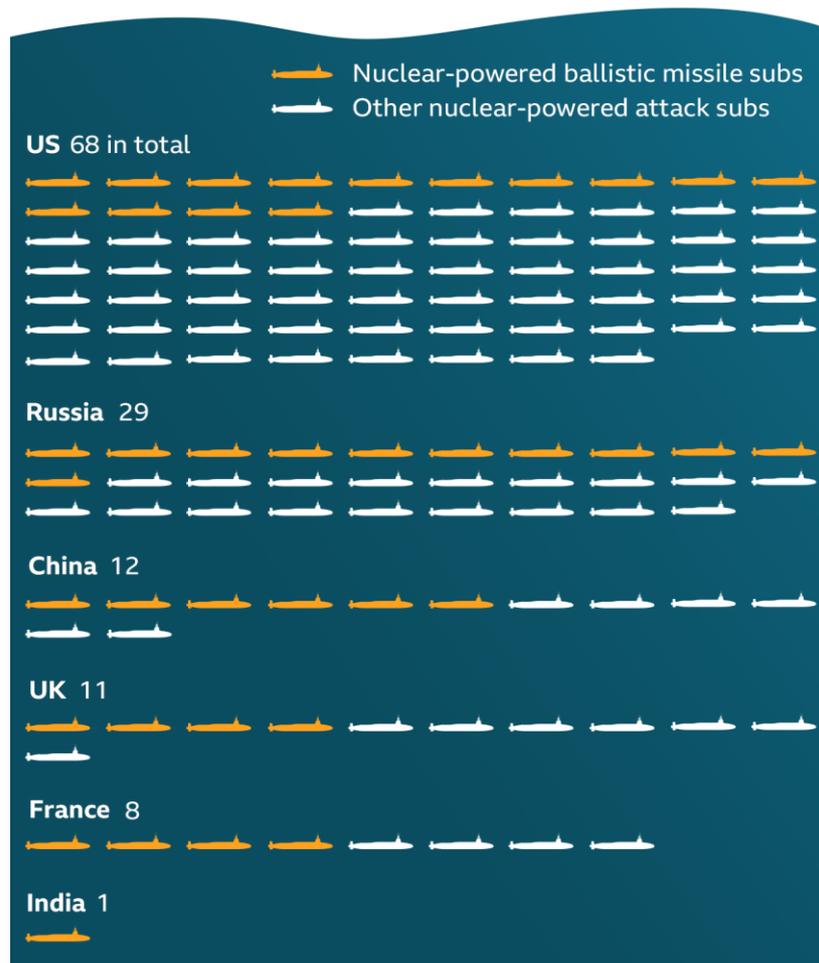
³ Ibid.

⁴ "Aukus: China denounces US-UK-Australia pact as irresponsible," *BBC*, September 16, 2021, <https://www.bbc.com/news/world-58582573>

⁵ Ibid.

Last but not least, AUKUS opened a Pandora's Box of non-proliferation issues that must be looked into. Since Australia is a non-nuclear weapon state and is signatory to the Non-Proliferation Treaty (NPT) as such, the nuclear-powered submarines (SSN) that the AUKUS promises to Australia is a nuclear proliferation risk. Will it be allowed to maintain a nuclear fuel cycle, or provide the nuclear fuel for the submarines? Would it be highly enriched uranium (HEU) or low enriched uranium (LEU)? Would it be safeguarded by the International Atomic Energy Agency (IAEA)? In any case, it will allow a non-nuclear weapon state to possess and handle nuclear materials that could potentially be used for military purposes. Despite Australia's commitment to "adhering to the highest standards for safeguards, transparency, verification and accountancy measures to ensure the non-proliferation, safety and security of nuclear material and technology" and commitment to "fulfilling all of its obligations as a non-nuclear weapons state, including with the International Atomic Energy Agency,"⁶ it sets a dangerous precedent. It is much harder to put nuclear submarines under IAEA safeguards. It also questions the US and UK's commitment to nuclear non-proliferation.

Who has nuclear submarines?



⁶ "Joint Leaders Statement on AUKUS."

While Australia may or may not use the nuclear materials for weapons use, some analysts argue that the AUKUS submarine deal will inflict serious damage on the nonproliferation regime: “In the future, would-be proliferators could use naval reactor programmes as cover for the development of nuclear weapons—with the reasonable expectation that, because of the Australia precedent, they would not face intolerable costs for doing so.”⁷ The US and UK cannot encourage Australia to exploit the naval propulsion loophole while trying to punish an adversary for doing the same. It will create double standards that will weaken any strong action against a state that develops nuclear technology for submarine propulsion.

The US and UK submarine power reactor designs are based on HEU. Thus, it can be assumed that the Australian submarines would also use HEU which can be used in nuclear weapons. It, thus, creates a proliferation risk and sets a dangerous precedent by states like the US and UK that are supposed to be torchbearers for nuclear non-proliferation.

The narrow strategic gains promised by AUKUS have not only set in motion a diplomatic crisis with France but have also reinforced perceptions among European allies that they need to have their independent military force and that the US is no longer a reliable security partner. They have exposed the fissures in the transatlantic relationship which leaves room for China to make diplomatic inroads into the EU. Australian choice of a military alliance with US and UK would further heighten tensions in China-Australia relations with possible economic fallout for the latter. Most of all, the decision to supply Australia with nuclear-powered submarines goes against the spirit of the NPT and runs the risk of leaving a precedent that proliferators can exploit. It undermines the already weakened nuclear non-proliferation regime. It opens a Pandora's Box of proliferation risks that the world is ill-prepared to deal with.

⁷ James Acton, “Why the AUKUS Submarine Deal Is Bad for Nonproliferation—And What to Do About It,” September 21, 2021, <https://carnegieendowment.org/2021/09/21/why-aukus-submarine-deal-is-bad-for-nonproliferation-and-what-to-do-about-it-pub-85399>