



US withdrawal from Iran nuclear deal – Impact on India

Description

Theme :-

- Trump government withdrew US from Iran nuclear deal in May 2018. This move was attracted a lot of criticism.

What exactly is Iran nuclear deal :-

- Iran signed “Nuclear Non-Proliferation Treaty” (NPT) in 1968. NPT is an international agreement to stop producing nuclear weapons and to never the share the technology to build them.
- When “International Atomic Energy Agency (IAEA)” reported that Iran is carrying out nuclear program to create nuclear weapons, United Nations Security Council (UNSC) imposed sanctions against Iran’s trade in nuclear-related materials & technology in 2006.
- When Iran rejected these sanctions, world leaders started to implement tougher sanctions against Iran. At one point of time, many countries stopped their trade and other economic ties with Iran.
- Till today sanctions against Iran were the toughest sanctions the United Nations has imposed on any country. Iran was made isolated.
- At last, with the efforts of Iran leaders and the UNSC countries(China, Russia, France, UK & USA) along with Germany & European Union, “Joint Comprehensive Plan of Action (JCPoA)” was brought in 2015. Under this agreement Iran agreed to the nuclear disarmament and sanctions against Iran were lifted. This agreement is popularly is called as “Iran nuclear deal”.

Why Trump is against the Iran nuclear deal :-

- Trump thinks that Iran is building its nuclear program. This accusation has no evidence. Even IAEA confirmed that Iran is not building nuclear weapons and is using uranium only for energy purposes.

Support & Opposition for the Trump government on Iran nuclear deal :-

- Among all the countries that made this deal possible, only US withdrew itself from it. All other countries are in favor of the Iran nuclear deal.
- US allies Israel and Saudi Arabia are in support of Trump's decision because they think that Iran is not in compliance with NPT.

Consequences :-

- The major negative impact is not on the Iran, but on the US itself. Because withdrawing from International agreements without any valid reason is a foolish thing. Now everyone is losing trust on US. This is reducing the political dominance of US in international affairs.
- Iran gave a warning reply to US. If Iran starts making nuclear weapons, there will be a nuclear arms race in the middle east.
- Iran is already facing a lot of problems such as internal conflicts, terrorism etc. Troubling it even more will make it a turbulent region.

Impact on India :-

- As Trump brought new sanctions against Iran, Iranian oil sector was targeted. It stopped US energy companies to do business with Iran. This reduces the supply of oil and hence increases the price of oil that is exported from Iran. Iran is the third biggest supplier of crude oil for India. So, now India has to pay more for the crude oil from Iran. This can also depreciate the value of rupee.
- India is building Chabahar port in Iran to get access to Central Asia. This is very important for India to improve trade relations with Central Asia and to counter China's efforts on Gwadar port in Pakistan. At this time, when US is against Iran, India may slowdown the project to avoid disturbance in Indo-US trade relations.
- If India slows down the Chabahar project, Iran may invite Pakistan to carry on with this project. Iran did like this in the past.
- As China wants Iran as a member of "Shanghai Cooperation Organization (SCO)", China with the help of Russia may help Iran in countering the efforts of US. If China does like this, its political dominance will increase and India may feel cornered.

Conclusion :-

As of now, only US is out of the Iran nuclear deal and the other countries are on stronger side and are supporting the deal. So, there is a thin chance of Iran nuclear deal getting collapsed. As India has economic ties with both US and Iran, it should take cautious decisions while dealing with this issue. Because India do not afford to lose the ties with either of these countries.

Afterwords :- Do you think Iran nuclear deal will be collapsed? Express your thoughts in the comment section below. Subscribe to our blog to read answers to trending GD topics.

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