



India and the United States: Ascending the Plateau

*Dr. Stuti Banerjee**

In today's evolving geopolitical sphere the relationship between India, the most populous democracy and the US, the oldest democracy, is viewed as a key element in the unfolding international dynamics. The geopolitical changes after the fall of the Soviet Union opened the diplomatic arena for new collaborative initiatives between India and the US. Symbolic of these changes, the two countries have since 2004 been pursuing a "strategic partnership" that incorporates numerous economic, security, and global initiatives. As part of its 'Pivot to Asia' foreign policy, the US is paying attention to the growing capabilities of the Indian economy and defence forces.

The US views security cooperation with India in the context of common principles and shared national interests and strategic objectives such as defeating terrorism, preventing weapons proliferation, and maintaining regional stability¹. The US wants to build upon the good relations it had with the first National Democratic Alliance (NDA) government led by Prime Minister Atal Bihari Vajpayee. It was during this period that India and the US laid the foundation of the relationship that continues to grow today. This was, perhaps, the primary reason for Secretary of State John Kerry, Secretary of Commerce Penny Pritzker and Secretary of Defence Chuck Hagel visiting India within the first 100 days of the second NDA government assuming office. It is indicative of the desire in Washington to 're-energise' the relationship and "... build a truly

strategic India-US partnership... (that would be)... a significant contributor to regional peace, stability and prosperity in the South Asian region, Asia, and globally.”ⁱⁱ Officials from both the US State Department and Defence Department agree there is a natural convergence of India's "Look East Policy" and the "Asia Pacific Re-balance" of the US.ⁱⁱⁱ

Under the new government of India, there is renewed optimism in the two countries that the relationship would be able to transcend the hiatus it is experiencing since the nuclear deal. The optimism stems from the stress laid by the Indian government on strengthening India's ties with nations to augment its security interests and economic development. The US is aware of the goodwill India has in the region, and wants to leverage India's relations to help stabilise it, especially given the fact that, South Asia is witnessing a visible rise in the radical religious school of thought, the increasing strategic presence of China and a relatively receding influence of the United States.

During his maiden visit to the US, Prime Minister Modi ‘emphasized the priority India accords to its partnership with the United States, a principal partner in the realization of India's rise as a responsible, influential world power. President Obama recognized that India's rise as a friend and partner is in the United States' interest. They endorsed the first “Vision Statement for the Strategic Partnership” as a guide to strengthen and deepen cooperation in every sector for the benefit of global stability and people's livelihoods over the next ten years. They committed to a new mantra for the relationship, “*Chalein Saath Saath: Forward Together We Go.*”^{iv}

It is critical to rejuvenate the partnership and establish a vision to define the ‘strategic partnership’. To achieve this goal certain recommendations are suggested.

a) Defence and Security Relations:

A vital and perhaps, the leading aspect of the partnership is the security relations shared by the two countries. They have shared interest in the security of Asia, and while they might not be tied together in a formal alliance, security relations form an important pillar of the partnership. Defence cooperation has been moving in a positive and mutually beneficial direction. Military to military cooperation has expanded, counter-terrorism operations have

increased and dialogues on regional security issues have improved tremendously over the past few years. The joint statement released at the end of Prime Minister Modi's visit proves the strength of the cooperation in this arena. To further facilitate deeper defence cooperation, India and the US have decided to renew for ten more years the 2005 Framework for the US-India Defence Relationship and directed their defence teams to develop plans for more ambitious programs and activities.

The two countries need to continue the momentum by conducting more military to military interactions to achieve greater degree of trust between the armed forces of the two countries, as well as better understanding of each other's equipment and doctrines. India and the US have jointly participated in Red Flag exercises but they have not developed into regular interactions. This collaboration would also need to be supplemented with enhanced defence trade. The bureaucratic hurdles in this aspect are the common woe of both countries and needs to be addressed by the respective governments. The US should further modify its export control regimes to export more defence technology and goods to India. The US has delisted some Indian entities from the Entity List but in terms of technology exports it is still hesitant in sharing cutting edge technology. This has meant that the relationship has been one between a buyer and seller. India reciprocally could increase the limit of foreign direct investment in the sector. However, India has to continue to take steps of its own to reach its full potential in defence production.

Intelligence sharing for counter terrorism operations has been a highlight of this relation. There is also enhanced cooperation between the two navies patrolling to guard against the threat of piracy. The naval joint operations have been the most successful of all collaborations, including the MALABAR naval exercise.

b) Economic Relations

The relationship in the economic sphere has grown over the past few years to reach a trade of about US \$ 100 billion but it is yet to reach its full potential of expected US \$ 500 billion by 2020. Bilateral trade and investment between India and the US could be in such sectors as, green technology, infrastructural development, agricultural production, aircraft industry and

protection of intellectual property rights which is a long standing contentious issue for the US. The need to develop low cost life saving drugs for diseases like AIDS and malaria are part of this debate on generic vis-a- vis brand named drugs.

India and the US should work together to build more multilateral trading systems which would not just enhance bi-lateral ties but also engaged other nations of the region. If nations invest in each other's economies, they are more likely to promote peace and stability. This would encourage the free flow of goods and help build linkages with other countries. The two countries, as part of the World Trade Organisation (WTO) and the G-20 should work to encourage free and properly regulated flow of products across borders in their region. India would also be joining the Regional Comprehensive Economic Partnership (RCEP) and is looking for options under the Trans-Pacific Partnership (TPP). As India's share in the world economy, increases it is in a better position to state its points in such forums as the World Bank and International Monetary Fund (IMF). It has to use this position to highlight the challenges of developing world. It has to persuade the US and the developed nations to reduce agricultural subsidies and other tariffs, while at the same time reciprocating similar concessions within its own agricultural sector. American scientists assisted India in launching the first 'Green Revolution' which transformed agricultural production in the 1960s. As India debates the need for a second such revolution, India and the US should collaborate once again.

The US government welcomes India's offer for U.S. industry to be the lead partner in developing smart cities in Ajmer (Rajasthan), Vishakhapatnam (Andhra Pradesh) and Allahabad (Uttar Pradesh). The Prime Minister will welcome two trade missions in 2015 focused on meeting India's infrastructure needs with US technology and services.

c) Nuclear Issues

The Civil Nuclear Agreement was a major step forward in the relations and is viewed as the symbol of the trust the two countries have in each other. Failure to achieve the potential of the agreement has raised questions on the need to provide India with exceptions from the Nuclear Suppliers Group (NSG) and other nuclear monitoring regimes. The Indian nuclear liability law has been seen as the primary reason for the lack of bids from American firms. India

has to take steps to discuss this issue to achieve the twin goals of protecting its citizen's interests while ensuring the deal is also fully realised.

The export control regime of the US has been a concern for India. The US has a fear of the spread of sensitive technology; nonetheless it has removed some controls consistent with its laws. Both the countries have to continue to be patient and take small measure in this direction. Limiting the access to dual use technology is a legitimate concern of the two countries. It would help significantly in the area of nuclear trade, non-proliferation and nuclear disarmament.

As active participants in the Nuclear Security Summit process, the US and India welcome the progress toward reducing the risk of terrorists acquiring nuclear weapons or related materials, and noted their shared commitment to improving nuclear security nationally and globally. The US has brought India into the mainstream of global non-proliferation regimes but it should withdraw from asking India to become a party to the Nuclear Non-Proliferation Treaty (NPT). India on its part should announce its commitment to work closely with the US and the international community to prevent the spread of nuclear weapons. India should rework and propose a revised version of the 'Rajiv Gandhi Action Plan for Nuclear Disarmament'.

d) Political Relations

Former Prime Minister Atal Bihari Vajpayee said, India and the US, the two biggest democracies of the world were '*natural allies*'. Democracy, as the common inherent political feature that these two countries share, forms the foundation of their relationship. Nonetheless, there are differences in their approaches to the idea of democracy and the concept of human rights. These varied points of views have led to disagreements in the past, and may continue to do so in the future as well. It has to be accepted by both nations that occasional difference would arise and should be discussed. However, these divergences should not be allowed to hold the larger partnership to ransom. The relationship has the capacity to foster greater stability, security and economic prosperity in South Asia, including in Pakistan, Afghanistan, Nepal, Bangladesh and Sri Lanka.

The talks on regional issues should also incorporate their respective bilateral relationships with Pakistan and China. Both, India and the US have different approaches to these two countries. It is important that both India and the US understand and are conscious of each other's interest and nature of the relationship they share with the other Asian nations. With respect to Afghanistan, the US has to involve India, to seek further development contributions as well as to ensure a stable democratic influence of a yet unstable country. India, for its security, should ensure that the US does not overlook it on matters which pertain to its neighbourhood. It has to become more pro-active within the region's political and economic arena.

The relations between India and the US are propelled by their mutual interest, especially in Asia. The relationship has shown some results but it is one that still needs nurturing.

**Dr. Stuti Banerjee is a Research Fellow at the Indian Council of World Affairs, New Delhi.*

Endnote

ⁱ K. Alan Kronstadt & Sonia Pinto, "US-India Security Relations: Strategic Issues", Congressional Research Service, Washington DC, 2013), p.01

ⁱⁱ US Department of State, "Joint Statement on the Fifth India-U.S. Strategic Dialogue", Accessed on 12 September 2014, <http://www.state.gov/r/pa/prs/ps/2014/07/230046.htm>

ⁱⁱⁱ NDTV, "Stronger India is Beneficial For World Peace: US", Accessed on 12 September 2014, <http://www.ndtv.com/article/india/stronger-india-is-beneficial-for-world-peace-us-585519>

^{iv} Office of the Press Secretary, The White House, 'US-India Joint Statement', Accessed on 01 October 2014, <http://www.whitehouse.gov/the-press-office/2014/09/30/us-india-joint-statement>