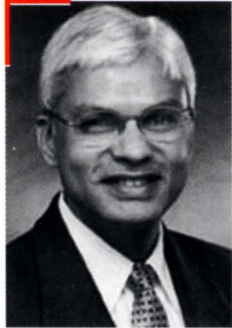


Seeking Breakthroughs

The meandering US-India relationship needs a fresh impetus



■ Ashley J. Tellis

For almost 50 years, the United States and India had a difficult relationship. While both states shared democratic values, they did not share a common geopolitical worldview. During the Cold War, both countries found themselves on opposite sides

divided by competing perceptions of global order, the nature of the Soviet Union, the value of nuclear weapons, and the role of Pakistan. The end of bipolarity eliminated some elements that contributed to strained bilateral relations. It took US-India ties away from their previously natural condition of being almost automatically conflictual, but it has not yet brought them to the point where they are invariably cooperative. Cooperation and conflict instead remain in uneasy coexistence, a function of specific American and Indian interests on particular issues. During the Clinton Administration, when bilateral relations began a gradual upswing, nuclear issues continued to remain a source of conflict, whereas economic opportunities, Indian democracy, and Pakistan's descent into chaos and its irresponsible behaviour at Kargil, provided opportunities for enhanced cooperation.

US-India relations reached their highpoint during the first two years of the Bush Administration, driven by the President's strong conviction about the value of Indian democracy, the possibility of India functioning as a future counterweight to China, the presence of a driven American ambassador in New Delhi, and the willingness of the Indian government to support many aspects of Bush's international agenda. The transformation in US-India relations that occurred as a result of these factors found its sharpest manifestation in changed mili-

tary-to-military ('mil-mil') ties, which even today remain perhaps the most conspicuous example of the improved relationship. The greatest achievements here have been in the area of bilateral exercises, personnel exchanges, high level and unit visits, military education and training, and officer and unit exchanges. The objective of these multifarious activities has been to increase mutual familiarity between the armed forces on both sides in order to advance the goal of interoperability, which is essential if the two militaries have to 'combine arms' in peace and stability missions at some point in the future.

That these efforts have been successful is not in any doubt – as the long list of joint exercises undertaken since February 2001 amply attests – but even flourishing mil-mil relations cannot function as the 'driver' of a transformed bilateral relationship. The diplomatic interactions between the United States and India are simply too complicated and intersect in far too many areas of high politics to lend themselves to being transformed simply by successes, even if ongoing, in mil-mil relations. This is not a criticism of such cooperation since nothing would be more satisfying than to watch the recent mil-mil achievements blossom even more fully in the future. But, it is a cautionary reminder that while good bilateral relations can lead to further improvements in mil-mil relations, the reverse is not yet true. Inter-military cooperation is not a robust enough reed on which the hope of continuing transformation in bilateral ties can be based. Rather, as the experience of the early-to-mid 1990s demonstrated, even steady improvements in mil-mil relations can be rapidly reversed if the overarching political relationship between the two countries is not durably anchored in mutual interests and common values.

In any event, and in some contrast to the successes achieved in the mil-mil arena, two other areas of the emerging defence relationship have lagged behind.

Although India did purchase twelve AN-TPQ/37 counter-battery radars from the United States during the last two years, and will acquire GE-404 jet engines for the Light Combat Aircraft, deep submersible rescue capabilities, and various kinds of special forces equipment, a continuing reluctance on the part of the United States to license high-leverage military technologies for fear of undermining regional stability has combined with New Delhi's worries about Washington's reliability as a dependable supplier to prevent defence trade from taking off in a way that mil-mil cooperation has done. Moreover, the Indian military procurement system is viewed as far too Byzantine and the process of negotiating contracts excessively long-drawn to sustain American corporate interest, particularly in comparison with other defence consumers in the industrialised states. Unfortunately, there is still no galvanising example of a major defence procurement deal to inspire confidence on both sides or to strengthen the interest of major US defence manufacturers in the Indian market. This is indeed a chicken and an egg problem: India remains afraid of embarking on major defence procurement with the United States because of fears about supplier reliability especially during a crisis, while large American defence manufacturers cannot prove their political clout in Washington because no significant export opportunities have yet been consummated with India. Resolving this conundrum will not be easy and whether the prospective sale of P-3 Orions can function as a path-breaker in this regard still remains to be seen.

Defence industrial collaboration has also been stymied for a variety of reasons. Although India has opened up its public sector defence industry to foreign direct investment up to a limit of 26 per cent of equity, American defence companies thus far have been less than enthusiastic about investing. For starters, the levels of equity

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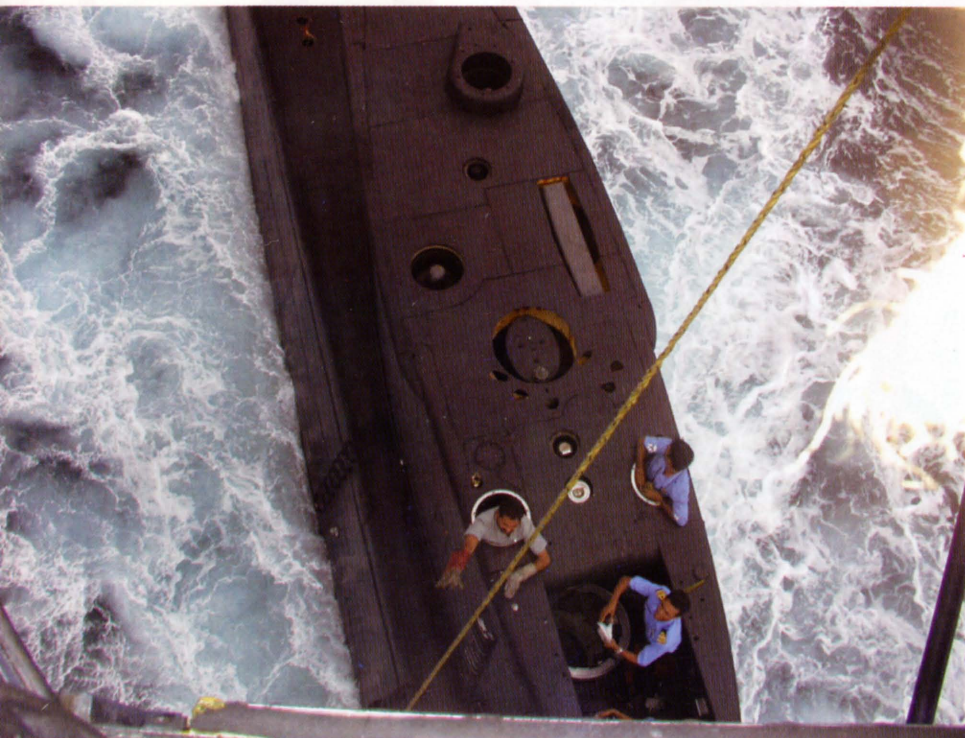
permitted are viewed as too low to warrant serious expressions of interest. As far as major American defence contractors are concerned, the Indian military's acquisition budget is also judged to be far too small, particularly in comparison with the scale of business enjoyed with their primary clients, the US and European armed forces. And, finally, any effort to parley foreign equity participation into major technology transfers would inevitably run up against the same kinds of policy restrictions, namely the US Department of Commerce's controls on dual-use technologies and the US

tion – is still fragile and needs a lot of tending if it is to reach its full potential. While there are many specific issues that must be resolved if the impediments to robust engagement in defence trade and cooperative defence production are to be erased, perhaps the single most useful contribution in this regard would be for both sides to acquire, in Undersecretary of Defence Douglas J. Feith's words, 'a deeply rooted appreciation of common strategic interests' coupled with a purposeful willingness to collaborate in attaining them. A political determination on both sides to embark on

poses that are ultimately its own as well. The answer to both questions is neither obvious nor foreordained. Yet they must be answered – with any luck positively – both because of the position of the United States in the international system and because of the disparities in relative power between India and the United States.

The momentum in transforming US-India relations on this score, however, appears to have plateaued, at least at the moment. Hopefully, the September meeting between President Bush and Prime Minister Manmohan Singh in New York will help to reignite the heady passions that drove the bilateral relationship to the heights reached in 2001-2002. In part, the current coasting is produced by the administration's present preoccupations with Iraq, the forthcoming elections in the United States, and the interruptions associated with the change of government in New Delhi. What must be admitted, however, is that the Vajpayee government's decision, after much introspection, not to contribute Indian troops to US stability operations in Iraq also took the wind out of the rapidly transforming relationship and disappointed many of the strongest partisans of enhanced US-India ties within the administration. One can only wish that India's formal acceptance of the Next Steps in Strategic Partnership (NSSP), as indicated by the recent launch of Phase 1 of that programme, would have the effect of once again jumpstarting the relationship into achieving new levels of intensity. If one or both sides fail in this endeavour, US-India defence cooperation will either atrophy over time or, even if it flourishes within a niche of its own, will be condemned to subsist as an oddity many degrees removed from the core geopolitical interests of the two countries. And that would be truly regrettable as Washington and New Delhi reorient their strategies to confront what will be the three most important common threats to their security for many decades to come: terrorism, weapons of mass destruction, and the balance of power in Asia. ●

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Department of State's licensing of Munitions List items, which currently inhibit the defence commodity trade. For the foreseeable future, therefore, US defence industrial collaboration will likely be restricted mainly to niche participation. In this context, the Joint Technical Group has made some efforts to promote collaborative defence research, development and production, but these endeavours too have only borne modest fruit thus far.

On balance, then, it is not at all inappropriate to conclude that the US-India defence relationship writ large – despite the many improvements in mil-mil coopera-

tion – if witnessed at the level of policy on issues important to both Washington and New Delhi – would do more to transform US-India defence cooperation than fixing any of the minutiae that concerns primarily the bureaucracies in the two countries. In fulfilling the goal of becoming 'natural allies,' however, both sides will have to address a fundamental question, albeit from opposite ends. The United States will have to ask itself whether it views India as a true partner in the exercise of its global management responsibilities. India will have to ask itself whether it seeks to be relevant to those American pur-