



## A rocky road for strategic partners

(This editorial is based on the article "[A rocky road for strategic partners](#)" which appeared in "The Hindu" on 4th June 2019. The article talks about changing dynamics in India-U.S. relations.)

The U.S. administration's insensitive approach towards its allies in Western Europe by attacking the North Atlantic Treaty Organisation (NATO) and the European Union (EU), threatening to impose tariffs on EU goods in connection with trade disputes and Europe's relations with Russia, and Washington's unilateral withdrawal from the Iran nuclear deal seems to be part of a pattern progressively visible in American foreign policy in which bullying friends has become the name of the game.

The similar actions by U.S. administration towards India have threatened the foundation of trust and flexibility on which India-U.S. relations are premised.

### India-US Relations

- [Indo-US relations](#) began taking shape after India got independence from Britain in 1947. The immediate relations were overshadowed by Cold War politics.
- The Indo-Soviet friendship and the US-Pak alliance were the two major irritants in the relations of both the countries. Though 'aid relations' prevailed during the 1950s and 1960s, New Delhi and Washington saw each other on opposite sides of the fence during this period.
- Dramatic turn occurred in the 1990s when the Cold War terminated with the disintegration of the Soviet Union and US-Pak relations nosedived, because of the latter's clandestine nuclear programme.

### What prompted the thaw in relations

- The end of the Cold War provided an opportunity to both countries to review their relationship in the light of changing global and regional realities.
- Second, with the opening of the Indian economy, the American private sector began to look at India with greater interest. Trade grew and today stands at more than \$120 billion a year with an ambitious target of touching \$500 billion in five years.
- The third factor is the political coming of age of the three-million-strong Indian diaspora. Its influence can be seen in the bipartisan composition of the India Caucus in the U.S. Congress and the Senate Friends of India group.

### Relations Post-1998

- India's nuclear tests in May 1998 brought this cooperation to a complete halt as the US imposed severe trade sanctions on India and it also withheld spares for the Indian Naval ships' equipment undergoing repairs and overhaul in the UK.
- However, this changed significantly after Bill Clinton's visit of India in 2000, after he recognised India of its new-found status after its nuclear tests, that is, India was now a major power because of its nuclear capability.

- India-U.S. bilateral relations since then have developed into a "global strategic partnership", based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues.
- The emphasis placed by the Government in India on development and good governance has created opportunity to reinvigorate bilateral ties and enhance cooperation with the US.
- The Indo-US defence relationship gained momentum after the signing of the New Framework for Defence Cooperation in 2005 and more particularly after the US Congress passed the Hyde Act in December 2006 also known as India Us civil nuclear deal to enable bilateral cooperation on nuclear issues.
- In recent times India had come to be seen as a pillar of American policy in Asia. The term 'Indo-Pacific region' has come to replace the term 'Asia-Pacific region' in American foreign policy jargon.
- The Pentagon has too changed the name of the U.S. Pacific Command to U.S. Indo-Pacific Command, emphasising not only the strategic linkage between the Indian and Pacific Oceans but also the geopolitical prominence of India in the U.S.'s Asian strategy.

## Areas of cooperation

### ▪ Counter-terrorism and internal security

Cooperation in counter-terrorism has seen considerable progress with intelligence sharing, information exchange, operational cooperation, counter-terrorism technology and equipment. India-U.S. Counter-Terrorism Cooperation Initiative was signed in 2010 to expand collaboration on counter-terrorism, information sharing and capacity building.

### ▪ Trade and Economic

India-US bilateral trade in goods and services has increased from \$104 billion in 2014 to \$114 billion in 2016. Two-way merchandise trade stood at \$66.7 billion. Of this, India's exports of goods to the US were valued at \$46 billion and India's imports of goods from the US were valued at \$21.7 billion. Both countries have also made a commitment to facilitate actions necessary for increasing the bilateral trade to \$500 billion.

### ▪ Science & Technology (S&T)

The India-U.S. S&T cooperation has been steadily growing under the framework of U.S.-India Science and Technology Cooperation Agreement signed in October 2005. There is an Indo-U.S. Science & Technology Joint Commission, co-chaired by the Science Advisor to U.S. President and Indian Minister of Science and Technology.

### ▪ People to people ties

The 3.5-million-plus strong Indian American community is an important ethnic group in the U.S., accounting for about 1% of the total population in the country. Indian American community includes a large number of professionals, business entrepreneurs and educationalists with increasing influence in the society.

## Foundational agreements signed between India and US

- General Security Of Military Information Agreement (GSOMIA). It allows militaries to share the intelligence gathered by them. It was signed by India in 2002.
- Logistics Exchange Memorandum of Agreement (LEMOA). It allows both countries to have access to each other's designated military facilities for refuelling and replenishment. It was signed by India in 2016.
- COMCASA(Communications Compatibility and Security Agreement) is the India specific version of CISMOA (Communications and Information Security Memorandum of Agreement). COMCASA aims to provide a legal framework for the transfer of highly sensitive communication security equipment from the US to India that will streamline and facilitate interoperability between their armed forces. The agreement is valid for 10 years and was signed by India in 2018.
- Basic Exchange and Cooperation Agreement (BECA) is the fourth foundational agreement which is

yet to be signed by India.

## Roadblocks

However, Indo-US relations have seen a reversed course in recent months. U.S. unilateral actions on three fronts have simultaneously demonstrated what amounts to downgrading India in American strategy.

### Jeopardizing India's time tested relations

- The U.S. government has opposed India's import of S-400 missile defence system from Russia for which a deal has already been signed by India and Russia.
- U.S. has argued that India's purchase of the S-400 systems will violate the Countering America's Adversaries Through Sanctions Act (CAATSA), a U.S. federal law that requires the country to impose sanctions on states entering into major military deals with Russia.
- If India buckles under American pressure and cancels the S-400 deal, it will have major negative implications for India's relations with Russia, its largest arms supplier and a time-tested friend.

### India's Energy Woes

- US government's decision not to renew the exemption that it had granted India and seven other countries regarding import of Iranian oil will severely impact India's energy requirement which stands at 10% of India's total oil import.
- Iran is not only important for India's energy requirements but is also has strategic importance in Indian foreign policy.
- Iran's strategic location and the common concerns of both countries regarding the future of Afghanistan and the threat of terrorism emanating from Pakistan make Tehran an ideal geopolitical ally of New Delhi.

### Trade hurdles

- Another important development has been U.S. government's decision to remove India from the preferential trade programme, known as the Generalised System of Preferences (GSP), which gives developing countries easier access to the U.S. market and lowers U.S. duties on their exports.
- India is the largest beneficiary nation under the GSP scheme, and exported goods worth \$6.35 billion to the U.S. under the preferential regime last year. This is close to 10% of the goods exported by India to the U.S.

## Conclusion

- India is on its way to become a global power and it is important for it, therefore, maintain its strategic autonomy and hence should look to balance between American demands, long-term friendship with Russia and its own strategic necessities in the neighbourhood and beyond.
- It should seize maximum opportunities from its relations with global powers while not putting its trust on entirely one nation which might create overdependence on one partner and ultimately underserve Indian interests.