

The United States and India have become closer than at any time in recent history. But two magnets can repel as well as attract.

Friendship, Warily

■ By Bruce Stokes

NEW DELHI—The effects of a decade of unprecedented economic growth are strikingly evident to repeat visitors to India's capital. The elevated highway from the airport, under construction for years, is almost complete, bypassing choked secondary roads. Far fewer cows graze on downtown medians. And everyone, it seems, is jabbering on a cellphone, running the gamut from a businessman in his chauffeur-driven Ambassador sedan to a schoolgirl in an auto rickshaw. ■ But a far more important transformation has also occurred in the Indian psyche, one that portends a promising new era in Indo-American relations.

Indian handlers of visiting foreigners are no longer officious bureaucrats with chips on their shoulders, who, in obstinate displays of postcolonial defensiveness, would say black if Americans said white, just to demonstrate that they could. Pragmatic, transaction-oriented Indian leaders have come to the fore, of-

ficials who are open to working with Americans on issues of mutual concern when it is in India's interest.

"The U.S.-Indian relationship has reached a point that even the most optimistic proponents would have been reluctant to predict," said Nicholas Burns, undersecretary of State dur-

■ Geopolitics of the Subcontinent

■ Washington's deepening ties to both Pakistan and India pose a problem: **What if the two rivals should again go to war?**

■ **Indians worry that the United States will eventually cut and run from Afghanistan,** leaving a strategic vacuum that Pakistan, and possibly China, will seek to fill.

■ India has close ties with Iran, and has its own nuclear weapons, **making it harder for the U.S. to gain New Delhi's cooperation in curbing Tehran.**



ing President George W. Bush's second term, speaking on the sidelines of the Aspen Institute's U.S.-India Strategic Dialogue, which was conducted here in early January.

"We have indeed come a long way," Nirupama Rao, India's chief career diplomat, said in a speech the next day. "We are at a very important juncture in a transformed India-U.S. relationship.... It is clear that never before has there been such a convergence of interests or a need for a coordinated approach between India and the U.S.A. on some of the biggest challenges facing us."

For the Indian on the street, the United States has become the nation's most important global partner. Pro-American sentiment in India reached 76 percent in 2009, up from 56 percent as recently as 2006; it's the highest favorable rating that Indians have ever accorded the United States, according to the

■ **ROYAL TREATMENT:** The Obamas greet Indian Prime Minister Manmohan Singh and his wife Gursharan Kaur at the White House state dinner last November.

Pew Global Attitudes survey. Moreover, Indians, more so than people in two dozen other countries that Pew surveyed, believe that Washington now respects them and takes their views into consideration before making foreign policy.

Yet beneath the comity lie serious differences between New Delhi and Washington on major international issues: Afghanistan, Iran, Pakistan, China, nuclear disarmament, trade, and climate change.

Indian foreign-policy experts and former government officials complain about Washington's lack of strategic vision for the relationship and express uncertainty about future U.S. en-

agement in South Asia. For their part, Americans gripe about Indians' failure to develop a global vision of their own commensurate with their emerging economic strength. In addition, Americans' expectations for tightening the relationship clearly exceed the intentions of most Indian policy makers.

"We need to define how the United States and India meet global challenges in the future," said Burns, who also directs the Aspen Strategy Group. That will require identifying compatible interests and then jointly working on those problems, in the process building constituencies in both countries that will back further deepening of the relationship.

But in so doing, warned Stephen Biegun, the vice president of international governmental affairs for Ford Motor who was chief foreign-policy adviser to 2008 Republican vice presidential candidate Sarah Palin, "we in the United States need to avoid setting needlessly high expectations for the relationship, and the Indians need to avoid setting artificial ceilings."

If Washington and New Delhi can find that sweet spot, then, as Rick said to Louie at the end of *Casablanca*: "I think this is the beginning of a beautiful friendship."

A Budding Relationship

Over the past half-century, the United States and India have often been at loggerheads. New Delhi's assertive nonalignment during the Cold War and frequent flirtations with the Soviet Union were a constant thorn in Washington's side. Successive U.S. administrations opposed India's development of a nuclear weapons arsenal. In recent years, Indian foot-dragging in the Doha Round of multilateral trade talks and in climate-change negotiations has

embittered American officials. Indians, on the other hand, have been frustrated by Washington's simplistic "you are either with us or against us" mentality. They have also resented the Pentagon's deepening ties with the Pakistani military.

Now, such antagonisms are largely in the past. "The transformation of the U.S.-India relationship over the last decade, from estrangement to wide-ranging engagement, is one of the more remarkable geopolitical developments of the post-Cold War era," noted Marshall Bouton, president of the Chicago Council on Global Affairs.

Rapprochement started with the Clinton administration, but it bore its first fruit when the Bush White House agreed to civilian nuclear cooperation with India. The deal lifted a 30-year U.S. moratorium, enabling American firms to sell dual-use nuclear technology—processes that can have civilian and military applications—to the Indians under international inspection.

The Obama administration has attempted to build on this foundation. In November, Indian Prime Minister Manmohan Singh was accorded the only state visit hosted by President Obama during his first year in office. At that meeting, Obama called the U.S.-India relationship "one of the defining partnerships of the 21st century."

More concretely, defense cooperation between the two countries is deepening. The scale and complexity of joint naval exercises have grown over time. The Indian air force recently expressed interest in buying 10 heavy-transport aircraft from Boeing, and U.S. firms are competing to supply New Delhi with fighter planes. Such sales usually lead to technological upgrades and embellishments that further deepen military interdependence.

The Washington summit, however, produced no new bilateral initiatives. Some fear longtime students of the relationship fear that the accomplishments of the past 10 years could be wasted if both sides don't continue to build on them.

"It will be a challenge to keep the relationship on its current high plateau," warned Robert Blackwill, a senior fellow at Rand and a former U.S. ambassador to India. "The bilateral relationship is more fragile than some believe."

That fragility derives from deep disagreement over some crucial issues.

Pakistan

Posing the greatest challenge to U.S.-India relations is Pakistan. Deepening ties between Washington and New Delhi and Islamabad have raised questions about whether

AFP/GETTY IMAGES/DIPENDU DUTTA



In northeast India, the Nathu La frontier with China has been the site of frequent tensions between the two Asian powers.



“We are a responsible nuclear power... We have never proliferated nuclear weapons technology to any country... And we continue to be committed to full nuclear disarmament.”

—Meera Shankar, Indian ambassador to the U.S.

United States might have to referee the next Indo-Pakistani confrontation.

Indians fear that Washington’s military engagement with Islamabad will cause Americans to view India through the prism of the “India-Pakistan problem.” Being so pigeonholed offends Indians’ burgeoning pride in their emerging status as an economic and strategic power.

They also worry that America’s need for Pakistani cooperation against the Taliban will lead Washington to demand settlement of the long-running Kashmir border dispute between India and Pakistan. Such U.S. interference is anathema to New Delhi, which believes that the issue can be resolved only through direct Indo-Pakistani negotiations, which India recently proposed.

New Delhi thinks that Washington coddles Islamabad by tolerating Pakistani transgressions that are inimical to both Indian and American security interests. (This fear is not shared by the Indian public: The 2009 Pew Global Attitudes survey found that only 18 percent of Indians thought that U.S. policy favored Pakistan.)

“We are committed to a moderate, stable, prosperous Pakistan,” said Meera Shankar, the Indian ambassador to the United States. “We have supported the development assistance that the United States is giving to Pakistan. With regard to the security assistance, we have felt that it should be more narrowly focused on building counterinsurgency capabilities rather than providing conventional defense equipment, which, as experience shows, has really just been deployed against India.”

Indians allege that terrorist groups, which have orchestrated attacks against India in the past, maintain training camps in Pakistan with the protection of Pakistani intelligence agencies. Indians also complain about the slow pace of Pakistani trials involving the accused plotters of the November 2008 terrorist attacks in Mumbai. The series of coordinated assaults across the city killed 166 people and permanently scarred psyches in what was the Indian equivalent of America’s 9/11.

“We are ready to walk more than halfway,” Shankar said, “but first we need to see some sincerity of intent on the part of Pakistan to deal with the terrorists.”

In 2008, despite evidence that the Mumbai atrocities were orchestrated from within Pakistan, New Delhi did not respond militarily, ignoring public cries for vengeance. But during a late-January visit to India, U.S. Defense Secretary Robert Gates acknowledged: “I think it’s not unreasonable to assume that Indian patience would be limited were there to be further attacks.” If terrorists were to strike at India’s political leadership, as they did in a December 2001 attack on the Parliament in New Delhi; or at an iconic India symbol, such as the Taj Mahal; or in a major urban center again with great loss of life, India is very unlikely to turn the other cheek a second time.

If another terrorist incident occurs and New Delhi retaliates, U.S. experts believe that India wouldn’t need to deploy nuclear weapons because of its conventional military superiority. Containing the crisis, however, may depend on whether the Indian air force limits its retaliation to a strike at suspected terrorist bases in Pakistan or whether it attacks Pakistani intelligence services and other conventional military targets. Pakistani officials would undoubtedly deny any responsibility for a terrorist attack, and then would be under great public pressure to respond to an Indian reprisal.

Whatever happens, America’s regional interests would be hurt. Most of the U.S. military effort in Afghanistan is supplied through Pakistan. An Indo-Pakistani military confrontation could close Pakistan’s ports and choke off U.S. overland supply routes to Afghanistan. Moreover, Indian attacks could destabilize the Pakistani government, encouraging the population to turn to extremist alternatives. And any imminent collapse of the Pakistani state might tempt Islamabad’s longtime ally, China, which has its own problems with India, to intervene to maintain the balance of power in South Asia.

In this nightmare scenario, Washington would be in the un-

■ Nirupama Rao



AFP/GETTY IMAGES/MANAN VATS/ANNA

“Never before has there been such a convergence of interests or a need for a coordinated approach between India and the USA.”

enviable position of trying to separate two warring friends while keeping Beijing at bay. Threats of diplomatic, economic, and military sanctions against the combatants could achieve little in the heat of battle. To restrain New Delhi, observed Daniel Markey, a senior fellow at the Council on Foreign Relations, Washington may need to deliver a more menacing ultimatum to Islamabad: “Deal with your terrorists, or we will.” But that could mean U.S. strikes against anti-Indian groups in Pakistan, further poisoning Pakistani public opinion against America and strengthening Al Qaeda.

Afghanistan

Afghanistan casts its own ominous shadow over U.S.-India relations, thanks to India’s hypersensitive relations with Pakistan and the looming international confrontation with Iran.

“If we don’t get Af-Pak right,” warned Raja Mohan, an Indian scholar at the John W. Kluge Center at the Library of Congress, “it has the potential to ruin everything else.”

Only 42 percent of the Indian public supports the Afghanistan war, according to last year’s Pew Global Attitudes survey. Coupled with that, Indian foreign-policy elites lack faith in the U.S. counterinsurgency strategy in Afghanistan. They argue that it is facile for Americans to think they can draw a distinction between good and bad Taliban in the hope of reconciling with some of the enemy. They also object to American criticism of Afghan President Hamid Karzai, contending that the country has no viable alternative leader.

Indian experts worry that the United States will eventually cut and run from Afghanistan, leaving a strategic vacuum that Pakistan, and possibly China, will seek to fill. So, New Delhi is hedging its bets. India is the sixth-largest aid donor to Afghanistan, having committed more than \$1.2 billion in assistance there since 2001. New Delhi has four consulates in the country, and several thousand Indians are trying to help rebuild the Afghan economy. Indians tell anyone who will listen that they will not let Afghanistan become a staging ground for anti-India terrorist groups.

But India’s activities in Afghanistan feed Pakistan’s fears of encirclement. “Increasing Indian influence in Afghanistan is

likely to exacerbate regional tensions and encourage Pakistani countermeasures in Afghanistan or India,” U.S. Army Gen. Stanley McChrystal said in an August 2009 assessment of the Afghan situation.

India’s skepticism about American staying power in Afghanistan has broader implications. Indian experts speculate that in the wake of a U.S. drawdown, India would rebuild its ties with the Northern Alliance in Afghanistan, New Delhi’s traditional allies in the country, and that would further undermine Kabul’s control. Moreover, doubts about Washington’s long-term commitment to the region reinforce India’s reluctance to antagonize Iran, which sits on Afghanistan’s western border.

As the Obama administration fleshes out its Afghanistan strategy, Richard Fontaine, a senior fellow at the Center for a New American Security in Washington and the leader of the organization’s initiative on U.S.-India relations, advised that it “should take into account India’s dominant role

in South Asia, its long-standing ties to Afghanistan, and the positive role India might play there.”

Iran

India has long had close ties with Iran. In the 11th century, Islam came to India through Persia. In the 16th century, Persian was the court language of the Mughal empire that ruled much of northern India. Today, there are more students in India from Iran than from any other country

The Indian economy is deeply dependent on the Iranian neighborhood. Nearly 4 million Indian nationals live in the Persian Gulf states, and they account for the bulk of the \$55 billion that India takes in annually in overseas remittances, a sum that exceeds yearly foreign direct investment in India. More than two-thirds of the country’s imported oil comes from the Persian Gulf. New Delhi hopes to tap Iran’s natural-gas fields some day, either through a pipeline or by importing liquefied natural gas.

On the security front, Indian foreign-policy experts believe that Tehran can act as a counterweight to Islamabad and is New Delhi’s natural partner in stabilizing the region. So India is wary of pressuring Iran about its nuclear weapons program. The government reluctantly went along with past United Nations sanctions against Tehran, but New Delhi has not yet given its support to a new round of penalties. Indian officials contend that such measures end up hurting average Iranians while bolstering the popularity of the Tehran leadership.

“We are very clear,” an Indian official said. “We do not want another nuclear power in our neighborhood. And we want to ensure that the situation in Iran does not implode. But Iran has the right to the peaceful use of nuclear energy.”

U.S. experts on Indo-American relations complain that India has chosen to be a follower, rather than coming up with its own initiatives to help defuse the confrontation over Iran’s nuclear program. They say that India is not shouldering responsibility in the manner of a country that aspires to be a full, veto-wielding member of the U.N. Security Council. These experts predict that if the U.N. imposes a new set of largely weak sanctions on Iran, Washington will look to New Delhi to join with Europe and

Japan to impose their own stronger, multilateral restrictions. They believe that India will not want to be isolated, but they worry that its failure to join in such a “coalition of the willing” could create new frictions with the United States.

Nuclear Proliferation

India’s stance on nuclear weapons fueled much of the opposition on Capitol Hill to the U.S.-India civil nuclear agreement, and nuclear issues may again prove an irritant in bilateral relations in the months ahead.

India is thought to possess an arsenal of nearly 100 nuclear weapons. But it is one of three nuclear weapons states, along with North Korea and Pakistan, that have not signed the Comprehensive Test Ban Treaty, which prohibits nuclear weapons testing. Moreover, India is one of four nuclear states—Israel, North Korea, and Pakistan are the others—that are not signatories to the Nuclear Nonproliferation Treaty.

“We cannot sign the nonproliferation treaty,” Ambassador Shankar said. “We have a modest strategic program, which we need to maintain because of our security environment. But we are a responsible nuclear power. And even though we are not a member of the treaty, our behavior has been consistent with the treaty provisions as they apply to nuclear weapons states. That is, we have never proliferated nuclear weapons technology to any country. We have exported dual-use technology only under [International Atomic Energy Agency] safeguards. And we continue to be committed to full nuclear disarmament.”

Indian officials say that Obama’s speech in Prague last April in which he called for strengthening the Nuclear Nonprolifera-

tion Treaty and envisioned a world without nuclear weapons was well received in India. With a test-ban treaty review conference coming up in May, Indians do not rule out eventually signing the accord. These officials say that the summit on nuclear security to be hosted by Obama in Washington in April could help them build a domestic consensus against nuclear testing.

But they are quick to note that neither the United States nor China has ratified the test-ban agreement. Many Indian experts do not believe that the Obama administration can get Senate approval for the treaty any time soon, giving New Delhi little incentive to act. “Should the U.S. and China ratify the [test-ban treaty], a new situation will emerge,” Indian Prime Minister Singh said in late December, putting the onus back on Washington and Beijing.

China

China is the big imponderable in future U.S.-India relations. On trade and climate change, Sino-Indian joint resistance gives Washington heartburn. But when it comes to broader strategic concerns, Indian and American interests are aligning. “China is going to bring us together,” Mohan, the Indian scholar, predicted. “Not today or tomorrow, but eventually.”

New Delhi and Beijing have both been quite vocal in their concerns that trade liberalization and curbing carbon emissions could undermine their short-term economic growth. But the Doha Round of multilateral trade negotiations is moribund, not in small part because neither India nor China stands to gain much from what is on the bargaining table. Even if the negotiations somehow stumble to a conclusion, the Indians and Chinese have divergent economic interests when it comes to the details of an agreement.

At the recent Copenhagen global climate summit, New Delhi and Beijing stood shoulder to shoulder, a fact that Indian officials proudly tout. But privately some fret that such a partnership may not be in India’s long-term interest. India “not only aligned itself with the wrong group but it also presented itself inadvertently as a major global polluter by making common cause with China,” Brahma Chellaney, a professor of strategic studies at the New Delhi-based Center for Policy Research, wrote in a recent column in the *Economic Times of India*.

The Indian public, meanwhile, is increasingly wary of China. Only 46 percent of Indians see China in a favorable light, according to the 2009 Pew Global Attitudes survey, down from 56 percent in 2005.

Indians fear being overwhelmed by Chinese products that are contributing to the country’s rising trade deficit with China. In response, since

Terrorist Attack 2008



Smoke and flames billow from the Taj Mahal hotel in Mumbai after Indian commandos attacked Islamic militants holed up inside.

AFP/GETTY IMAGES/SALUAD HUSSAIN

the global recession began, India has initiated 37 trade actions that adversely affect Chinese interests either directly or indirectly, more such measures than New Delhi has taken against any other nation.

But the real public worry is strategic. In 2008, 62 percent of Indians considered China's rising military power a bad thing—and that was before current border tensions involving dueling territorial claims in India's northwest and northeast. The Indian government has attempted to play down the situation. "Reports about issues on the border were exaggerated," Shankar said. "However, we have seen more diplomatic noise by China on the border issue."

In 1962, Indian and Chinese troops clashed over these same borders, and the Indian foreign-policy community remains concerned. "We need to better understand what China is up to," noted another Indian official, "especially on the military side, so a mistake is not made."

More broadly, Indians are uncomfortable with China playing a larger role in South Asia. Beijing provided the Sri Lankan government with the arms it used to finally quell its long-running civil war with the Tamil Tigers; expanded its naval operations in the Indian Ocean while building civilian port facilities in a number of coastal countries; deepened economic ties with Burma and Afghanistan while maintaining a close strategic relationship with Pakistan; and excluded India from the East Asian diplomatic structures that China is championing.

Indians also complain about what they see as Beijing's efforts to meddle in Indian affairs, citing an uptick in anti-Indian rhetoric from China in the wake of the civilian nuclear deal with the United States and criticism after the ruling Congress Party strengthened its hand in the recent Indian election.

Evolving Indian perceptions of China create opportunities for closer regional cooperation with the United States and its allies. New Delhi wants a multipolar Asia to offset Beijing's rising influence; thus, it is scrambling to bolster ties with Tokyo. It also needs Washington to stay the course in Afghanistan and keep a strong U.S. naval presence in the Indian Ocean.

Indians, however, wonder about their country's role in the Obama administration's strategic vision. To nervous Indians, the U.S.-China joint statement issued during the president's visit to Beijing in November appeared to grant China a newfound role in influencing the future of South Asia. In that regard, Mohan said, "there is a concern that the United States does not believe in the balance of power view that India subscribes to and that was the success of the Bush administration."

American officials say that such concerns are unwarranted. The Beijing statement merely pledged strengthened U.S.-Chinese cooperation on regional issues, they say. That hardly consigns South Asia to China's sphere of influence. Further, the Obama administration's first-year policy of seeking Chinese

cooperation on a range of global issues may be headed for a course adjustment in the wake of mounting administration frustration with Beijing's assertiveness. That can only rebound to India's interest.

What's the Big Idea?

The economic environment will, in part, shape the future of U.S.-India strategic cooperation. Recent Indian self-assuredness is a byproduct of having enjoyed the world's second-fastest-growing economy over the past decade, having weathered the global recession much better than most nations, and having every reason to believe that their economy will double in the next decade. If this economic scenario plays out, as most of the country's economists expect, India will prove to be an increasingly confident strategic player. If, however, the economy falters, India may become even more wary of China, more skittish about Pakistan, more vulnerable to leverage from Iran, and less capable of contributing to the security of the Indian Ocean and Southeast Asia.

To enhance U.S.-India strategic ties, whatever the economic future, some longtime students of Indo-American relations suggest that Washington and New Delhi need a new joint project. Negotiation of the civilian nuclear agreement provided an organizing principle for the relationship for the past half-decade, allowing both sides to sublimate their myriad differences while they worked on the deal.

But the next Big Idea, which might help to manage inevitable bilateral frictions, is proving elusive. A formal military alliance, similar to what the United States has with Australia, Europe, Japan, and South Korea, is problematic for India, with its long history of nonalignment. It is also unlikely that the United States would be willing to promise to come to India's defense if it ever has a war with Pakistan or China.

The Confederation of Indian Industries supports a bilateral free-trade agreement, but India would want to exclude agriculture from such a deal and include immigration issues, both nonstarters from the U.S. perspective.

Singh, meanwhile, has suggested U.S. cooperation on a second Green Revolution as a future joint endeavor. Unlike the civil nuclear accord, which created huge commercial winners in both countries who then mobilized political support to finalize the agreement, it is not clear that the prime minister's idea, however noble, will animate either the American or the Indian business community.

So, the deepening Indo-American relationship may simply have to muddle through, with officials pursuing an increasing array of common objectives in parallel but not necessarily hand in hand. "We shouldn't allow differences in ambition to undermine practical steps toward deeper cooperation," Ford's Biegun said.

In the 1950s, the United States had high hopes for its relationship with India, seeing the latter as a bulwark of democracy. More than half a century later, those hopes may finally be realized, as Indian and American strategic interests become increasingly aligned. ■

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—Nicholas Burns,
former undersecretary of State

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