

India and the U.S. — it's complicated-Creative thinking will be needed in the 2+2 dialogue to overcome challenges in bilateral ties

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Highlights

- The first round of the India-U.S. 2+2 talks at the level of External Affairs Minister Sushma Swaraj and Defence Minister Nirmala Sitharaman and their counterparts Secretary of State Mike Pompeo and Defence Secretary James Mattis is scheduled for September 6 in Delhi.
- It is a significant development but one that appears perfectly logical when seen against the two-decade-old trend line of India-U.S. relations.
- True, the trend line has not been smooth but the trajectory definitively reflects a growing strategic engagement.
- From estranged democracies, India and U.S. can worst be described today as prickly partners.

Strategic convergence

Three factors have contributed to the emerging strategic convergence.

1. End of Cold War

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.

2. Opening Of Indian Economy

Second, with the opening of the Indian economy, the American private sector began to look at India with greater interest and Trade grew and today stands at more than \$120 billion a year with an ambitious target of touching \$500 billion in five years.

3. Indian Diaspora

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.

Yet, the engagement has not been smooth sailing. Both countries also consider themselves to

be 'exceptional'. Despite this, significant progress has been registered over the years resulting in the 60-plus bilateral dialogues, to which the 2+2 is now being added.

India-US Engagement in Defense Sector

Growing defense cooperation

- Two parallel tracks of dialogue began in the 1990s.
- The strategic dialogue covering nuclear issues shifted gears following the nuclear tests of 1998 and imposition of sanctions by the U.S.
- The over a dozen rounds of talks between Jaswant Singh and Strobe Talbott during 1998-2000 marked the most intense dialogue between the two countries which helped to change perceptions leading to the gradual lifting of sanctions.
- The next phase was the Next Steps in Strategic Partnership steered by the then National Security Advisers, Brajesh Mishra and Condoleezza Rice.
- The momentum received a new impulse, thanks to the warmth between Prime Minister Manmohan Singh and President George W. Bush, eventually leading to the conclusion of the India-U.S. bilateral civil nuclear cooperation agreement in 2008.

Defense Dialouge

- The defence dialogue began in 1995 with the setting up of the Defence Policy Group at the level of the Defence Secretary and his Pentagon counterpart and three Steering Groups to develop exchanges between the Services.
- A decade later, this was formalised and enlarged into the India-U.S. Defence Framework Agreement which was renewed for 10 years in 2015.
- Today, the U.S. is the country with which India undertakes the largest number of military exercises which have gradually evolved in scale and complexity.

Major Arsenal Shift

- During the Cold War, more than three-fourths of India's defence equipment was of Soviet origin. This gradually began to change, and in recent years, the U.S. and Israel emerged as major suppliers.
- From a total of less than \$400 million of defense acquisitions during 1947-2005, the U.S. has signed defence contracts of over \$15 billion since.

Major Defense Partner

- During the Obama administration, Defence Secretary Ashton Carter became a strong votary of closer defence cooperation between the two countries.
- He soon understood that a defence supply relationship needed to be backed by technology sharing and joint development and came up with the Defence Technology and Trade Initiative (DTII).
- Pathfinder projects have been identified under this banner.
- To get around export control licensing and other bureaucratic hurdles, an India Rapid Reaction Cell in the Pentagon was set up.
- In 2016, India was designated as a 'Major Defence Partner' country.
- Another step forward in the middle of this year was the inclusion of India in the Strategic Trade Authorisation-1 (STA-1) category, putting it on a par with allies in terms of technology access.

• This should enable the DTII to graduate to more ambitious projects.

Obligations and challenges

Acquiring U.S. high technology comes with its own set of obligations in terms of ensuring its security. These take the form of various undertakings often described as foundational agreements.

- 1. GSOMIA
- The first of these was GSOMIA (General Security of Military Information Agreement) which India signed in 2002.
- The other three related to logistics support, communications compatibility and security, and exchanges of geospatial information.
- The U.S. proposed its standard logistics support agreement text in 2003 which was finally concluded in 2016, after it was made into an India-specific text. It facilitates logistics supplies during port visits and joint exercises and does not contain any obligations for joint activity or any basing arrangements.
- 2. COMCASA

Realising Indian reservations, the U.S. was more flexible, and now the India-specific Communications Compatibility and Security Agreement (COMCASA) is likely to be signed.

Difficulties

Nevertheless, two difficult issues loom large and the 2+2 offers an opportunity for addressing these.

- 1. CAATSA
- The first is the Countering America's Adversaries Through Sanctions Act (CAATSA) enacted last year which enables the U.S. government to sanction countries that engage in 'significant transactions' with Russian military and intelligence entities.
- Indian concerns on this need to be addressed.
- 2. About Chabahar
- The second relates to U.S. sanctions on Iran after its unilateral withdrawal from the nuclear deal.
- Iranian crude imports have grown significantly in recent years and India also stepped up its involvement in developing Chabahar port.
- The port provides connectivity to Afghanistan and Central Asia.
- The Iran Freedom and Counter-Proliferation Act (2012) contains a waiver provision in case of activities for reconstruction assistance and economic development for Afghanistan, which is a U.S. priority too.

Way Forward

Creative thinking will be needed in the 2+2 dialogue to overcome these challenges, which should also ensure that there are no nasty surprises and difficult issues are settled through quiet diplomacy.

In order to realise the Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region (2015), both countries will have to nurture the habit of talking and working together to diminish some of the prickliness in the partnership.

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