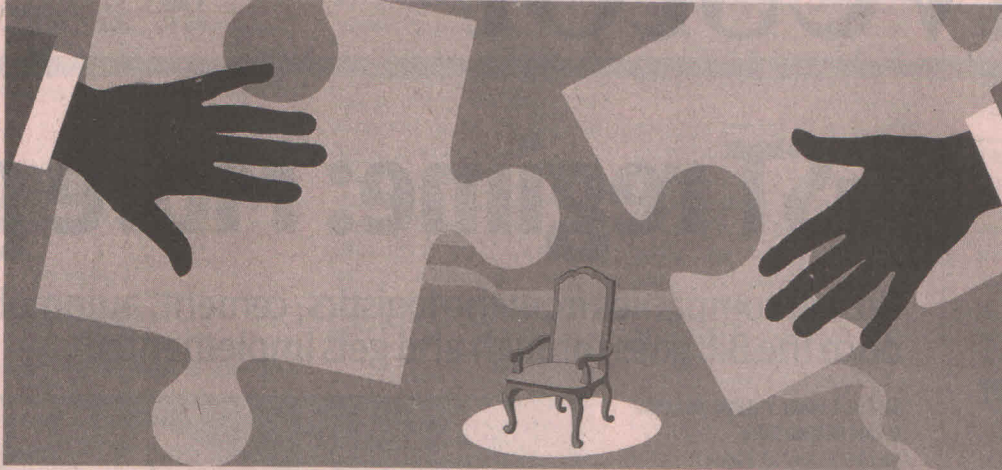


Business Standard - 10/06/2016

ILLUSTRATION BY BINAY SINHA



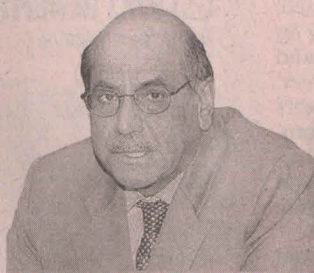
India & US : aligning rhetoric & reality

The compelling logic of Indo-US partnership in a complex and uncertain world will endure

With his latest visit to Washington DC, Prime Minister Narendra Modi has confirmed the centrality of Indo-US relations in his world view. This strategic shift in India's foreign policy began soon after the Cold War, steadily advancing and taking shape under successive prime ministers, but most visibly under Atal Bihari Vajpayee and Dr Manmohan Singh. There may have been periods of sluggishness and even setbacks, but the direction has been unmistakable. What Mr Modi has done is to dispense with some of the coyness and ambiguity which characterised the pursuit of these relations in the past. As he declared in his unusually well-crafted speech to the US Congress, "Today, our relationship has overcome the hesitations of history." He further acknowledged the US as an "indispensable partner" in India's own quest to achieve transformation into an economically powerful and secure nation with the capacity to contribute more substantially to the shaping of the emerging global order. There is an important sub-text to Mr Modi's message to the US — that as it confronts a more complex and uncertain world where its relative power continues to decline, a strategic partnership with India offers the US an opportunity to manage the transition with less risk to its own interests.

In pursuing such a partnership, Mr Modi is ready to make tactical compromises. India's willingness to compromise on some key principles enabled a consensus on the Paris Agreement on Climate Change. India gave up its long-standing opposition to amending the Montreal Protocol in order to include the phase-down of hydrofluorocarbons. It is now ready to deal with emissions from the aviation sector at the International Civil Aviation Organisation. Our consist-

tent position had been that these ought to be dealt with under the UN Framework Convention on Climate Change which is the sole multilateral negotiating forum for all Climate Change related issues. These moves have succeeded in altering the US perception of India as a spoiler on Climate Change into a constructive partner. This has had positive fallout in the several joint initiatives that were announced in the area of Clean and Renewable Energy which have the potential of significantly contributing to India's energy security.



SHYAM SARAN

The visit has also enabled the two sides to close the circle on civil nuclear cooperation. The announcement that the Nuclear Power Corporation of India and Westinghouse will begin work immediately on six nuclear power reactors at the designated site in Gujarat should close this saga on a positive note. There may still be difficult issues to resolve in finalising the commercial contract and negativity may resurface, but for the present, this is good news.

It is in the area of defense and security that the relationship has registered notable progress. The designation of India as a Major Defense Partner clears the way for India to have access to cutting edge and sensitive defense related and dual technologies on a par with US allies. This may prove critical to the success of the government's plans to develop an indigenous defence production and technology platform which is the hall mark of any great power. However, India may have to contend with the usually intrusive conditions which accompany the supply of such technology.

It is in the maritime sphere that the security cooperation between the two sides is most forward looking but centred mainly on the Indian Ocean and Asia-

Pacific. And the reason is quite simple even if the joint statement or Mr Modi's speech has avoided the C word. The growing economic and security capabilities of China in Asia-Pacific require a two-pronged response. There must be a credible countervailing security presence in the region to restrain any unilateral assertion of Chinese power. At the same time there must be a willingness to accommodate China in any emerging regional security architecture if it begins to see merit in an arrangement for mutual security rather than seeking dominance. The joint statement welcomes the finalisation of a road map under the 2015 US-India Joint Strategic Vision for the Asia-Pacific and the Indian Ocean Region which is said to guide maritime security cooperation "in the years to come." But there are no details. It would be prudent to be transparent on this count to avoid raising suspicions about its intent.

China may not like to see the crystallisation of a countervailing coalition and may prefer dominance. But it must also acknowledge that while the balance of power has shifted to its relative advantage it still remains some distance from the kind of dominance the US enjoyed in the region after the Second World War. India's participation in such a coalition will restrain rather than provoke Chinese hostility towards India. Yes it is possible that China may block a consensus on India's entry into the Nuclear Suppliers Group but that has more to do with its alliance with Pakistan than India's relations with the US.

It is good that Mr Modi reminded the US Congress that there will remain differing perceptions between the two sides on several issues though he did not spell them out. Indian views on its western neighbourhood and West Asia are not aligned with the US. These differences have to be managed and both sides need to observe the principle of "no surprises".

The economic and trade relationship remains vexed with the US Trade Representative, influential business lobbies and sections of the Congress harbouring an essentially adversarial perception of India. The growing closeness in the security realm runs parallel to a lengthening distance on both bilateral and multilateral trade related issues. This has not so far been offset by growing US investment in India and Indian investment in the US. While President Barack Obama has welcomed India's intention to seek membership of the Asia Pacific Economic Community his Trade Representative has been busy lobbying against India in that regional body. India's reservations over the proposed Trans Pacific Partnership have been given short shift. For the future I see this imbalance in security and economic relations as a potentially problematical faultline. The two sides need to have a conversation on this in the spirit of candour that Mr Modi spoke about.

This has been a landmark visit but in the shadow of a bitter and polarising presidential election campaign in the US. There remains the risk of Indo-US relation falling off the US radar or US interests being redefined by an incoming administration in a manner that impacts India adversely. But I believe that the compelling logic of Indo-US strategic partnership will indeed endure.

The writer is a former foreign secretary and currently chairman, RIS, and senior fellow, CPR