



# Obama in India Building a Global Partnership: Challenges, Risks, Opportunities

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## Summary

President Obama's forthcoming visit to India will be historic if he succeeds in cementing a global partnership with New Delhi. Obama has consistently held that India—more than any other emerging power—has the potential to become America's most important strategic partner. In the coming decades, a strong bilateral partnership will prove vital in managing the rise of China and promoting a balance of power in Asia that is favorable to both the United States and India and the cause of freedom. India is rapidly emerging as a major international entity and will be the third or fourth most powerful country by mid-century. India's success as a democracy is also critical to regional stability and to broader American interests.

Yet many observers have noted recently that bilateral ties have become listless and marked by drift. In the United States, early errors by the Obama administration and competing priorities have combined to relegate India to the back burner as Washington struggles to manage economic crises at home and ongoing wars abroad. Meanwhile, the Indian government is similarly occupied by domestic political struggles, sustaining economic growth amid growing pressures for redistribution, and nurturing the small, albeit growing, constituency that supports a rapidly transformed relationship with Washington.

Ultimately, a strong U.S.-Indian partnership is in the strategic interest of both nations and Obama's upcoming visit provides a great opportunity for both sides to reinvigorate a critical relationship. Accordingly, Obama should reaffirm American support for India's rise, its democratic achievements, and its struggle for security. The United States should endorse India's quest for a permanent seat in the United Nations Security Council, accelerate India's assimilation into the global nonproliferation regime, and enhance bilateral cooperation in multiple areas of high and low politics.

Although there will be many differences between Washington and New Delhi, Obama should resist the urge to approach the bilateral relationship purely in transactional terms. Rather, he should seek to strengthen India's national capacity so that it can productively partner with the United States as a friendly democratic power. India, for its part, ought to be looking for ways to encourage Obama's interest in this endeavor.

President Obama's forthcoming visit to India will be historic if he succeeds in cementing a global partnership with New Delhi. For a long time now, Obama has consistently held that India—more than any other emerging power—has the potential to become America's most important strategic partner because of its geopolitical weight and because both countries are tied together by common values and shared interests. The fact that the two societies are already intertwined—and will be even more so in the future—by various human, business, and social links makes the desirability of a purposeful partnership between the United States and India all the more salient.

Obama signaled his commitment to deepening this bilateral relationship even before he became president when in a September 2008 letter to India's Prime Minister, Dr. Manmohan Singh, he declared:

I would like to see U.S.-India relations grow across the board to reflect our shared interests, shared values, shared sense of threats and ever-burgeoning ties between our two economies and societies. As a starting point, our common strategic interests call for redoubling U.S.-Indian military, intelligence and law enforcement cooperation. The recent bombings remind us that we are both victims of terrorist attacks on our soil, and we share a common goal of defeating these forces of extremism. India and America should similarly work together to promote our democratic values and strengthen legal institutions in South Asia and beyond. We also should be working hand-in-hand to tap into the creativity and dynamism of our entrepreneurs, engineers and scientists to promote development of alternative sources of clean energy. Imagine our two democracies in action: Indian laboratories and industry collaborating with American laboratories and industry to discover innovative solutions to today's energy problems. That is the kind of new partnership I would like to build with India as President.<sup>1</sup>

Confirming these sentiments, Obama welcomed Singh to the White House in November 2009 on his administration's first state visit. And the president, responding to Singh's invitation, will now visit India during his second year in office, well ahead of his predecessors, who usually found their way to New Delhi only during their second terms.

## Why, Then, the Drift?

Yet for all the structural factors that favor closer ties—and the good intentions of the leadership in Washington and New Delhi to realize them—U.S.-Indian relations today are widely perceived as stagnant. One prominent Indian commentator, for example, has lamented that “the forthcoming visit of Obama to India has not given rise to the same excitement and the same kind of expectations as the visit of [George W.] Bush had done. Since Obama assumed office in January last year,” he concluded, “Indo-U.S. relations have lost some of the élan that they had acquired under Bush.”<sup>2</sup> A recent task force report published by the Center for a New American Security, *Natural Allies: A Blueprint for the Future of U.S.-India Relations*, also reflected this perception when it noted that:

Many prominent Indians and Americans ... now fear this rapid expansion of ties has stalled. Past projects remain incomplete, few new ideas have been embraced by both sides, and the forward momentum that characterized recent cooperation has subsided. The Obama administration has taken significant steps to break through this inertia, including with its Strategic Dialogue this spring and President Obama's planned state visit to India in November 2010. Yet there remains a sense

among observers in both countries that this critical relationship is falling short of its promise.<sup>3</sup>

One popular view attributes this change to “India’s drop from Washington’s foreign policy priorities,” a plunge that occurred ostensibly because “the Obama administration took office viewing Asia’s evolutions differently [from] the Bush era.”<sup>4</sup>

But the reality is more complex. While there are undoubtedly differences between the way presidents Bush and Obama approach international affairs, the lack of U.S. attention to India has less to do with Obama’s attitude toward Asia—at least presently—than is often supposed. Rather, this change is ironically a function of India’s success. Or, to put it another way: For an administration that may be best described as “Problems ’R Us,” India is not a problem that rises to the level of many of its neighbors. Consequently, it has not received the attention that is understandably showered on the Obama administration’s worst headaches—but that is only a tribute to India’s inherent stability in what is otherwise a regional sea of troubles.

Even those who are willing to grant Obama the benefit of the doubt, however, sometimes wonder whether his administration appreciates the strategic imperatives that drove the transformation of the U.S.-India relationship in the first place—or whether this failing constitutes yet another case of “diplomatic negligence.”<sup>5</sup> On closer examination, however, the reasons for the languid improvement in bilateral relations are complicated and blame can be assigned equally to both sides.

The truth is that U.S.-Indian ties have actually been thriving, but largely at the private level: here, a virtual revolution in the scale of societal interactions has taken place, as manifested in the realms of business, science, and culture. As India’s National Security Adviser Shivshankar Menon recently stated, “If anything, the creativity of [American and Indian] entrepreneurs, engineers and scientists has sometimes exceeded that of our political structures.”<sup>6</sup>

And therein lies the catch: for all the transformations wrought by private citizens on both sides, the two governments have been unable to sustain the breakthroughs that should have been expected given the recent history of bilateral relations. At one level, it could be argued that with the conclusion of the U.S.-Indian civilian nuclear cooperation agreement—and the removal of the greatest irritant in bilateral ties—the opportunities for comparable new achievements are increasingly scarce. Accordingly, the lack of additional steps should not be held against Washington and New Delhi. While there is some truth to this idea, it does not explain why little progress has occurred at the official level, despite the extensive diplomatic engagement and dialogues conducted between the two governments at every echelon.

When considered analytically, five factors have converged to slow improvement in the bilateral relationship.

### Beginning With the United States . . .

First, the Obama administration became an early victim of what can perhaps be best described as “rookie mistakes,” errors that often mark new governments coming into

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office. Even before he took the oath, Obama's remarks about intervening in Kashmir, perhaps through the appointment of a presidential envoy tasked with resolving the problem, caused incredible—and thoroughly predictable—consternation in India. When Obama appointed Ambassador Richard Holbrooke as his special representative for Pakistan and Afghanistan, Holbrooke's efforts to extend his charge to include India—consistent with the president's early inclinations to aid a resolution of the Kashmir problem—raised the prospects of a confrontation with New Delhi that was finally avoided only after the administration decided to leave India alone.

The economic crisis that engulfed the administration even before the inauguration provided new opportunities for further pessimism in New Delhi. Indian elites heard the administration's loose insinuations—in response to ideas floated by Zbigniew Brzezinski—that a Sino-American condominium in the form of a “G-2” partnership might be needed to resolve outstanding global problems. And the poorly drafted U.S.-China Joint Statement on the occasion of Obama's first visit to Beijing—which appeared to legitimize a Chinese oversight role in South Asia and confirmed Indian fears about an emerging “G-2”—precipitated further shock waves in India. Likewise, the president, during his first visit to the Asia-Pacific, in bypassing New Delhi and omitting any mention of India in a speech laying out his vision for the region, dismayed Indian observers greatly.

This confluence of problems, coming after eight years of extraordinarily warm relations under President Bush, revived fears in India that the return of the Democrats to power in Washington would prevent any further transformation of U.S.-Indian relations. The perception that Obama was more enthusiastic about multilateral diplomacy than managing power politics in Asia, was ready to cut deals with China that could undermine India's interests, was suspicious about the value of free trade, and was hesitant to complete the U.S.-Indian civilian nuclear cooperation agreement bred an air of pessimism among Indian policy makers, who prepared themselves for yet another downturn in the bilateral relationship.

Nearly two years later, India's worst fears have not been realized. This is in part because the administration shifted policy smartly on several issues early enough to avoid collisions with New Delhi. But more importantly, through deft personal diplomacy by President Obama himself and Secretary of State Hillary Clinton, many of the initial problems have now been redressed. In particular, Obama's concerted effort to develop warm personal ties with Prime Minister Singh has paid off handsomely.

Unfortunately, however, first impressions tend to last. And the administration's early missteps have left the impression among Indian elites that Obama has either neglected India or, when paying attention, views it more as the object of American problem-solving than as a full strategic partner. This perception only deepens when Indian officials encounter American counterparts who either do not reflect the president's enthusiasm for the relationship or approach it merely in utilitarian terms intended to satisfy some immediate political imperatives such as jobs, contracts, or market access.

Second, the most important U.S. strategic concerns right now involve India only tangentially—and even when that is not the case, finding solutions that engage India effectively, or make it the centerpiece of American attention, have been elusive. Since

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taking office, the Obama administration has been consumed with managing the global financial crisis and the painful economic slowdown in the United States.

Even though America has survived the crisis better than many of its allies, the toll on employment, investment, and exports has been high. The domestic problems associated with rising national debt, a weakening infrastructure, and continuing high unfunded liabilities still require solutions. Abroad, the administration is struggling to cope with the burdens of two wars (with no end in sight to the conflict in Afghanistan), a serious and escalating proliferation challenge from Iran and a continuing threat from North Korea, and an assertive, rising China that is simultaneously both a creditor and a competitor to the United States.

For the most part, India is not central to the management of these problems. Because India is not yet a major trading nation and because U.S.-Indian bilateral trade is still small in relative terms (although growing), India's contributions to aiding U.S. economic recovery are marginal. India is still not a large export market for American goods and, although it is a noteworthy new source of investment in the United States, it pales in comparison to other U.S. trading partners.

Given the high U.S. unemployment rate currently, India's service exports are sometimes viewed as competitors to American labor and have occasionally become the target of both protectionist rhetoric and actions in the United States. Thus, although Prime Minister Singh played a critical role in helping President Obama to craft the G20's recovery strategy, this contribution alone did not increase India's significance to U.S. economic recuperation, perhaps the single biggest tribulation confronting the administration today.

The challenges in foreign policy illustrate a comparable problem: although India is important to U.S. success in defeating the Taliban insurgency in Afghanistan, constraining Iran's nuclear ambitions, and managing the rise of China, current U.S. policies and inhibitions, as well as New Delhi's own diffidence, prevent India from acquiring the centrality needed to make stronger relations an urgent priority. Senior American officials obviously recognize the need to engage India because of its long-term importance for U.S. interests, but their inability to weave New Delhi into existing policies aimed at resolving pressing current problems implies that the precedence accorded to sustaining the relationship often is not very high.

Third, U.S. policies in the greater South Asian region, especially toward Afghanistan, Pakistan and China, have produced negative externalities that affect India's core security interests. By definition, externalities are unintended—but nevertheless real—consequences.

The high costs of the Afghan campaign, for example, have led the Obama administration to modify the original U.S. goal of conclusively defeating the Taliban. Given the president's desire to avoid a prolonged American military presence in Afghanistan, the new effort to explore reconciliation with the insurgents as part of ensuring an orderly U.S. exit from their country has made New Delhi nervous. It raises the prospect that India may once again have to contend with a radical Islamist sanctuary—at least in southern Afghanistan if not beyond—that supports a variety of terrorist groups

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continuing to operate against India. This is exactly what happened during the late 1990s and, consequently, Obama's desire to leave Afghanistan—perhaps before the Taliban can be marginalized as an armed opposition—has had the unintended consequence of increasing the dangers facing India.

The story involving Pakistan is similar. Although U.S. policy makers are abundantly aware that Pakistan remains the true fountainhead of terrorism in the region and beyond, Washington's continued dependence on Islamabad for key elements pertaining to the campaign against al-Qaeda and the Afghan Taliban has resulted in U.S. forgiveness of Pakistan's duplicity at a level that bothers India.

The continued American financial and military assistance to Pakistan—at a time when Islamabad still supports various terrorist groups operating against both the United States and India (among others)—also confounds New Delhi, especially given Obama's expressed determination to hold Pakistan to account. The repeated failure to match words with deeds has exacerbated New Delhi's nervousness about U.S. policies that, when viewed against developments in Afghanistan, only promise increased threats leveled at India. The ongoing problems surrounding David Headley, the American citizen connected with the November 2008 terrorist attacks conducted by Lashkar-e-Taiba in Bombay, only crystallize India's worst fears about the United States looking the other way where Pakistan's continuing belligerence is concerned.

The perceived American unwillingness to stand up to China's growing geopolitical assertiveness complicates things further. Either because of Beijing's growing strength, U.S. financial indebtedness to China, or a loss of American political confidence, New Delhi remains anxious that Washington will not resist Beijing's highhandedness as firmly as it should.

At a time when India's security along its northern frontiers is under stress because of aggressive Chinese diplomacy, Indian policy makers fear that excessive U.S. solicitude towards China will only embolden Beijing to become even more assertive with all its major neighbors, including India and Japan. Although Indian fears about U.S. policies toward China have been assuaged more recently, in part because of Chinese missteps over North Korea's sinking of the *Cheonan*, its more muscular diplomacy over the South China Sea, and its continued determination to hold on to an undervalued currency, the residual suspicion that Washington may punt on confronting Beijing when necessary is alive and well in New Delhi.

In any event, the larger problem remains: American approaches to many strategic issues of importance to India often inadvertently undermine its security. Even though senior leaders on both sides have made determined efforts to prevent any meltdown in bilateral ties, Indian security managers fear the impact of many U.S. policies on their own interests. Each of these policies may be utterly sensible intrinsically and from the perspective of the United States, but their unintended consequences for India are frequently problematic. Not only does this disappoint New Delhi, but it also weakens India's incentives to deepen the ongoing partnership with the United States.

It is unfortunate that the Obama administration has not persisted with its predecessor's approach to dealing with this problem. The Bush administration, cognizant

that some of its regional policies—especially relating to Pakistan—unintentionally collided with Indian interests, consciously sought to mitigate the damage by “minting currency” in the form of special attention to India. Obama’s team, in contrast, has denied itself the benefits of this solution: not only has the United States more recently failed to appreciate—much less acknowledge—the difficulties caused by its regional engagement for India, it has also eschewed undertaking any compensatory initiatives that might have helped to alleviate this predicament.

In retrospect, it is ironic that the key issues of high politics preoccupying policy makers in both Washington and New Delhi—Afghanistan, Pakistan, and China—are exactly those where the United States and India have a near-perfect convergence of long-term interests: both sides seek the same goals with regard to each of these states; both sides place these countries at the very top of their respective strategic priorities; and yet, instead of conducing to partnership, they have become irritants that impede the development of strong bilateral relations between the United States and India.

Fourth, with the conclusion of the U.S.-Indian civilian nuclear cooperation agreement, the bilateral relationship lacks a new energizing project to mobilize the attention and efforts of the U.S. government. The absence of such an endeavor does not usually affect American relationships with other countries. But in a partnership such as that with India, where habits of cooperation do not yet come naturally, where the transition from India as a target of U.S. policy to its partner is still incomplete, and where bilateral cooperation in many areas is still stymied by myriad legacy constraints, the absence of a stimulating endeavor that captures the imagination of policy makers and the public alike on both sides—and forces each country to make the appropriate adjustments that enhance cooperation—has had a stultifying effect.

Although the administration has endeavored first through the Strategic Dialogue and now through the presidential visit to promote initiatives that might capture both institutional and popular attention, these efforts have thus far come up short. While the United States and India *do* cooperate extensively in a large number of areas important to both countries—for example, climate change, energy, knowledge production, education, trade, and agriculture—these activities are for most part dispersed and atomistic. Even when they are not, as for instance in mitigating greenhouse gas emissions or increasing energy security, the United States has failed to package its diverse initiatives attractively enough to showcase cooperation and secure public support.

The problem arises partly from the nature of the subjects involved: climate change and energy security, though vitally important, do not evoke mass enthusiasm and remain largely within the domain of experts. The Indian populace particularly is most animated on issues of high politics—those concerns that either bear on national security or affect India’s capacity to grow in material power: geopolitics, counterterrorism, defense cooperation, and space collaboration. On these matters, unfortunately, the Obama administration has either not found its preferred project or is condemned to engage only surreptitiously—leading to a loss of public approbation that undermines its ability to quickly advance the bilateral partnership.

Fifth, and finally, the Obama administration has not organized itself bureaucratically to accelerate the transformation of U.S.-Indian relations, despite the president’s

interest in the cause. Until very recently, neither the National Security Council office in the White House nor the South and Central Asia bureau in the State Department dealing with India was fully staffed. Compared to the size of the organizations overseeing Pakistan and Afghanistan, the number of U.S. government officials working on India today is minuscule.

More importantly, most of these individuals are neither senior in organizational terms nor political heavyweights who can push the bureaucracy to deliver on the policy issues important to the relationship. Finally, and perhaps most problematically, the administration's restructuring of key offices within the White House and the State Department has resulted in India's equities being largely neglected, or at best only weakly integrated, in the decision making related to critical strategic matters such as Afghanistan, Pakistan, China, and Asia more broadly. This, in turn, has retarded the transformation of the bilateral relationship more than it might have otherwise.

If the partnership has thrived thus far despite these liabilities, a small number of individuals deserve disproportionate credit: Secretary of State Hillary Clinton, her Under Secretary of State for Political Affairs William J. Burns, the Assistant Secretary of State for South and Central Asia Robert Blake and his indefatigable team, Under Secretary of Commerce for Industry and Security Eric L. Hirschhorn, Senior Director for South Asia at the National Security Council Anish Goel, and Commander, U.S. Pacific Command, Admiral Robert Willard, among a few others. But valiant though their efforts have been, some of these individuals are occupied by managing more exhausting strategic problems while others are simply not central to the administration's decisions on key issues that impact India. In either case, the resulting bureaucratic sclerosis has impeded the growth of U.S.-Indian ties.

The history of the Bush administration demonstrates that success in transforming the U.S.-Indian relationship was owed to a trinity of factors: the presence of "big ideas" that captured elite and popular notice; the consistent attention of the top leadership from the president downward; and the existence of policy entrepreneurs and bureaucratic "pile drivers" who either generated novel solutions or forced a sluggish officialdom to implement the president's preferences.

The record of the last two years suggests that all three components have been missing in varying degrees. The challenges facing the Obama administration have left it with little time for generating new, big ideas. More problematically, there are few thinkers on the president's staff today who are enamored of grand strategy in the manner of a Robert Blackwill or Richard Haass. Furthermore, while Obama's enthusiasm for transforming America's relationship with India is noteworthy, no evidence exists that he devoted even minimal attention consistently to this effort since taking office.

Finally, conspicuously missing in Obama's government are the motivated policy grem-lins who could press forward with the transformation of U.S.-Indian ties at either the political or bureaucratic level—if they were assured of the senior leadership's own commitment. That, in turn, confirms the difficulty of bestowing on India the priority reserved only for managing pressing crises at a time when New Delhi represents largely a long-term opportunity. In Washington, like in many other capitals, addressing the urgent often overshadows engaging the important.

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These five challenges, which retard progress in transforming the bilateral relationship on the U.S. side, have their counterparts in India as well—a fact that is sometimes less well recognized in public discussions about the future of U.S.-Indian relations.

### . . . And Moving on to India

First, the Congress Party today is most concerned with recovering the electoral hegemony it once enjoyed in Indian politics—and the singular pursuit of this objective has unintentionally undermined many Indian initiatives, including those relating to foreign policy, because of the problems associated with managing a coalition. Appreciating this constraint is critical to understanding why the Singh government—though it has the best of intentions and is drawn substantially from the Congress Party itself—has been unable to move quickly in addressing key issues of importance to Washington.

It is often forgotten that the United Progressive Alliance (UPA)—the present ruling coalition in New Delhi led by the Congress Party—constitutes the *first* Indian government (serving a full term) that has actually been reelected to office since 1971. This unusual occurrence has opened interesting new possibilities. Thanks to the disarray within the major national opposition party, the Bharatiya Janata Party (BJP), and the failure of key regional parties to gain dominating ground electorally (as was expected during the 1990s), the Congress Party is now attempting to regain the leading position it enjoyed in Indian politics until the 1970s.

Success on this score would permit the party to return to power in the future on its own strength, unconstrained by the need for any coalition partners. Since it is widely believed that Rahul Gandhi, son of party leader Sonia Gandhi, will be elevated to lead the subsequent government, or at least positioned as a major figure within it, the imperatives of producing an unencumbered Congress victory during the next election appear to dominate all other considerations.

The pursuit of this goal, however, has led the Congress Party to compete with its own partners in the current UPA coalition, as the political constituencies that support its major external challengers—the BJP on the right and the Communists on the left—lie largely beyond its reach. Precisely because the party's drive to recover electoral supremacy comes at the expense of some of its own allies—who draw support from a common constituency located at the center-left of the political spectrum—these partners have eschewed supporting several key governmental initiatives, both to engage in strategic bargaining with the Congress Party and to forestall any erosion of their own political base.

As a result, the UPA's nominal majority in parliament has become something of an illusion. Although all coalition partners want to prevent the government from falling because they fear having to face new elections prematurely, they have extended their support to various policy initiatives mainly on a case-by-case basis. This forces Prime Minister Singh's regime to rely on the precarious backing offered by the opposition and various independents, depending on the issue in question.

The recent nuclear liability legislation remains a good example of how a critical proposal dear to the prime minister was done in by the government's need to rely on opposition support to ensure its passage. When such support has not been forthcoming—for example, on a range of continuing reforms that also affect U.S. interests—the change desired both by Prime Minister Singh and Washington has simply not occurred, to the frustration of both sides.

The desire of the Congress Party to reclaim electoral domination—though an entirely understandable compulsion in the context of domestic politics—has thus frustrated the implementation of many policies, including those in the foreign policy arena, because of fears that the government's success might hurt the political fortunes of various coalition members.

Second, beyond simply affecting intra-coalition cooperation, the Congress Party's quest for an absolute parliamentary majority has led the government to concentrate steadfastly on domestic issues at the expense of foreign policy, including relations with the United States. Among the most crucial challenges arising out of India's economic success during the last two decades has been the problem of equity. Although the nation's meteoric economic growth has reduced overall poverty rates, rural India—where the poorest of the poor live—has gained less than its urban counterpart. Moreover, anywhere between one-third to one-half of India's current population—depending on the measures used—still lives in absolute poverty.

Since the Congress Party draws support from this marginalized segment of the population, any successful electoral strategy must satisfy its insistent demands for sustenance, employment, and health. Ever since the Singh government returned to office in May 2009, therefore, it has concentrated not on macroeconomic reforms and grand foreign policy initiatives as it did during the first term—when the civilian nuclear cooperation agreement with the United States commanded disproportionate attention—but on social sector reforms aimed at the poorest sections of the populace.

If properly conceived and implemented, these measures—which focus on rural employment, food security, women's empowerment, and primary health—will undoubtedly help this disadvantaged majority economically, while at the same time solidifying support for the Congress Party and its electoral ambitions. Unfortunately for India itself, many of the innovations pushed by the Congress Party smack more of populism than real strategies to improve equity without sacrificing growth. Reminiscent of the “old” Congress and the electoral strategies pursued during the 1970s, they give rise to the fear that the party might, after a two-decade long interregnum associated with Singh, be lapsing once again into policies that will undermine India's recent growth through an economically unsound emphasis on redistribution.

This new electoral focus on revitalizing rural India has also slowed many of the unfinished reforms involving, for example, liberalization of the capital account, increasing foreign investment domestically, reforming the labor market, and providing greater market access to international firms—to the chagrin of partners like the United States, which stood to gain from increased trade with, and investment in, India.

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While Singh's government will not reverse the economic liberalization that has already occurred and will try to push further reforms when possible, further policy improvements that could deepen U.S.-Indian cooperation will occur only slowly because of the strong pressures to protect the Congress Party's key constituencies.

Third, although the Indian public has consistently held favorable opinions of the United States and Americans since the turn of the century, the "minimum winning coalition" in the Indian political class necessary to support the rapid expansion of U.S.-Indian ties, though growing, is still weak. In part, this is because good relations between Washington and New Delhi are something of a novelty. Although both countries interacted extensively throughout the Cold War, often to good effect, the new priority accorded to transforming bilateral ties on both sides is barely a decade old. As a result, the critical mass of Indian elite opinion that favors deeper cooperation with Washington is just congealing, but is not yet able to reliably dominate governmental decision making.

Whether the United States was even committed to a strong partnership with India was not obvious to many in New Delhi until the recent agreement on civilian nuclear cooperation. The Bush administration's approach was pivotal to confirming American intentions in this regard, but the complications from subsequent U.S. policies have raised anxieties anew. The political coalition that argues for a robust bilateral partnership and prompts Indian governmental initiatives in this direction, accordingly, is still frail, despite growing noticeably stronger in recent years.

In the "commentariat," for example, a vast diversity of views exists about the wisdom of closer U.S.-Indian ties, even if the opinions of the chattering classes do not always matter to the Indian government. The strategic community, however, is largely agreed on the desirability of a deeper partnership with Washington and key voices from this constituency have been among Singh's strongest supporters.

Organized business as a whole is far more supportive of robust relations, partly because of its desire for American technology and resources and partly because it views access to American markets as critical for its own viability. Unfortunately, however, the preferences of Indian business leaders do not always carry over to their government's strategic and geopolitical decisions insofar as they affect the United States. Sometimes, the inclinations of the commercial classes do not sway even the government's priorities with regard to economic reform, if satisfying India's indigent masses—with their electoral clout—collides with the desire for freer markets and greater international integration.

Like the commentariat, the views of Indian politicians, too, are mixed. This is largely because many legislators in both New Delhi and the Indian states often have little to do with issues involving Washington, even if they have personal and familial links with the United States. Those politicians, who perform organizational but not legislative roles, have even fewer connections with any matters American.

U.S. diplomacy traditionally did not do as good a job as is necessary in reaching out to this critical constituency. To the degree that outreach is institutionalized, it has centered on a small subset of parliamentarians who speak English, are Western-educated,

have traveled abroad, and possess some interest in foreign policy issues. Other politicians, larger in number and with deep ties to India's population as a whole, have not been courted by the United States for all of the familiar reasons, ranging from a paucity of resources to time constraints.

The powerful Indian bureaucracy, especially the officials manning key central government ministries, is also a mixed bag: generally conservative, sometimes suspicious of or indifferent to the United States, and often removed from matters involving Washington, all imply that most bureaucrats are unlikely to take the initiative to deepen the bilateral partnership. While there have been some remarkable exceptions to this rule, most civil servants within the Indian government have been content to live well within the envelope of possibilities rather than push it out further.

The Indian military is in some ways like Indian business and in other ways like the Indian bureaucracy. As a professional body, the senior officer class seeks stronger ties with its American counterparts due to its keen appreciation of U.S. military sophistication and the superiority of its war-fighting technology. But the Indian military does not make policy in New Delhi. Consequently, it must take its cues entirely from its civilian political and bureaucratic masters and the extent of civilian enthusiasm for deeper bilateral ties, in effect, defines the limits that constrain military preferences.

In recent years, the Indian military, while still seeking more engagement with the United States, has nonetheless become more conflicted because of Washington's approach toward Pakistan and the still pervasive U.S. technology controls affecting India. As a result, its own institutional limitations have combined with its concerns about U.S. policy to prevent it from becoming a more ardent advocate of deeper U.S.-Indian relations.

Thus, when the preferences of the various constituencies comprising the Indian political class are examined carefully, it becomes obvious that the desire for stronger relations with the United States, while growing dramatically in recent years, are not yet substantial enough to make seeking an ironclad relationship with Washington always a politically winning proposition.

Fourth, amid the ambivalence and conflicts that characterize key Indian political constituencies with regard to partnership with the United States, the prime minister today stands alone in resolutely seeking a transformed relationship with Washington. Unlike his predecessor, Atal Bihari Vajpayee, who had the good fortune of being surrounded by both close cabinet colleagues and senior bureaucrats seeking a new partnership with America, Singh treads a lonelier path on this issue.

Both Vajpayee and Singh share the same strategic vision: cementing strong bonds between Washington and New Delhi that permit India to leverage U.S. assistance in support of its own growth in power, which, in turn, enables India to cooperate with the United States in sustaining a global order that favors pluralist societies, liberal democracy, market-led development, and peaceable international relations. Vajpayee was aided by the fact that his right-wing Bharatiya Janata Party was not heavily invested in India's non-alignment and saw the United States and India as obviously "natural allies."

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In contrast, Singh is constrained by his own Congress Party's history, its leftward-leaning bias, and its historical skepticism of the United States. Singh, moreover, is hobbled by the reality that his party and its ambitions dominate his government in a manner that was simply not the case during Vajpayee's tenure—at least with regard to foreign policy.

On most issues that matter today, both foreign and domestic, the Congress Party's leadership—centered on Sonia Gandhi and her advisers—is decisive, even though she has been careful not to interfere with the routine functioning of the government. Yet, her own ideological predilections are far from Vajpayee's—or, for that matter, Singh's—where the United States is concerned, and that leaves the prime minister with the Sisyphean task of sustaining New Delhi's engagement with Washington more or less alone.

To be sure, Singh has had help: Shyam Saran, initially foreign secretary and later the prime minister's special envoy; Montek Singh Ahluwalia, Singh's close confidant and deputy chairman of the planning commission; Sanjaya Baru, the prime minister's former media adviser; Shivshankar Menon, first as foreign secretary and now as national security adviser; and M. K. Narayanan, former national security adviser (now the governor of West Bengal) were all critical in different ways in helping the prime minister manage the big risks he took to improve U.S.-Indian relations.

But unlike Vajpayee's tenure, these individuals are not Singh's cabinet colleagues—who matter more than most in a parliamentary system. Nor are they consequential heavyweights in the Congress Party who can help effect policy change. Instead, they are merely trusted aides who support the prime minister's larger strategic vision—qualifications that unfortunately cannot take Singh as far as he would like to go.

When Vajpayee was prime minister, his Cabinet Committee on Security (CCS) was packed with individuals who strongly supported his efforts to build a new partnership with Washington: the home minister (and later deputy prime minister) L. K. Advani, external affairs minister (and later finance minister) Jaswant Singh, and defense minister George Fernandes (who ironically began his political career as a leftist trade unionist). And Vajpayee was ably assisted by the most powerful bureaucrat in his government: Brajesh Mishra, principal secretary to the prime minister who also doubled as his national security adviser, an individual deeply committed to the transformation of U.S.-Indian relations who whiplashed the entire bureaucracy when necessary into implementing his master's preferences.

In contrast, Singh has been less fortunate. In the CCS today, where U.S.-Indian relations are concerned, Singh can count on the wholehearted support of perhaps one or two of his senior colleagues at best, with his other ministers either indifferent or tepid in their backing. As a result, the CCS itself (and the cabinet more generally) has been largely absent from the dramatic initiatives to improve bilateral ties that Singh has pursued thus far in office. Furthermore, there has been no real equivalent to Mishra in Singh's government, although both his recent successors, M. K. Narayanan and Shivshankar Menon, have persevered against great odds.

When the burdens imposed by an indifferent-to-obstructionist bureaucracy and an inward-looking Congress Party with different philosophical moorings are added to the mix, Singh's ability to sustain the transformation in U.S.-Indian relations is a tribute to his quiet tenacity and grit—even if, at the end of the day, he is more disappointed than most by what he perceives as a slower pace of progress than both sides would like.

Fifth, and finally, all of the above factors have combined to reinforce an extreme risk aversion that has resulted in the Indian government's unwillingness to make any decisions capable of arresting the current drift in official U.S.-Indian relations. This reticence, ironically, has been partly rooted in past success. Singh's efforts to complete the U.S.-Indian civilian nuclear cooperation agreement in its first term, for example, created such convulsions within the Congress Party, the ruling coalition, and the country at large that the political leadership now seeks to steer clear of anything controversial.

Big initiatives in foreign, defense, and strategic policy have thus become immediate casualties; domestic policy, too, appears to be similarly affected, except for the populist measures intended for electoral gains. As a result, the prospect of any electrifying initiatives from the Indian government immediately appears remote—with unfortunate consequences for both rapid economic reform and swift foreign policy realignment.

India's continuing economic growth amid such policy paralysis—the country chalked up an 8.8 percent rate in the second quarter of 2010—paradoxically makes it more difficult to effect strong government action, as the naysayers in the party leadership view the current successes as freeing them from the need to sustain the comprehensive restructuring that Singh began almost two decades ago. This view is surely short-sighted, but for party apparatchiks who neither understand nor care about economics, the potential loss of momentum does not concern them as long as it does not undermine their prospects for reelection.

Singh, on the other hand, understands all too clearly that without sustained reform of both the Indian economy and its geopolitical posture, the nation's development and its security writ large will be increasingly at risk in a world confronted by rising Chinese power. For these reasons, integrating India's economy and geopolitical fortunes with other Asian democratic powers, especially the United States, is an imperative that cannot be delayed.

Unfortunately for Singh, the structural conditions surrounding his government today do not permit any easy exercise of initiative. His party, like much of the rest of the Indian political spectrum, is largely inward looking and, for the most part, concentrates on securing immediate electoral rewards rather than addressing the country's long-term prospects. His cabinet is populated by many individuals who do not particularly care to take risks, seek to curry favor with the party's leadership, are interested in foreign relations only if it provides quick domestic gains, and are more interested in succeeding him than doing right by India. His strongest supporters, especially those outside of government, recognize the necessity for change but often are not powerful enough to shape the decisions of the current coalition with an eye toward engaging foreign partners.

**Singh's ability to sustain the transformation in U.S.-Indian relations is a tribute to his quiet tenacity and grit.**

His opponents, too, especially the BJP—which more than any other party in Indian politics recognizes the wisdom of deeper ties with countries such as the United States—have been content to disavow their own record and fight his initiatives to serve their own political needs. And, finally, Singh’s personality, gentle and unassuming to the point of meekness, simply prevents him from cracking the whip as many of his predecessors—who also enjoyed the added benefit of possessing an independent political base that empowered them to force change—would have done.

All in all, the inertia that has prevented the Singh government from sallying forth boldly in its second term could persist for a while. Obviously, the larger transformation in bilateral relations will continue apace, driven by business, civil society, and people-to-people interactions. At a time when India seeks further changes in U.S. policies on strategic matters, however, the current drift in New Delhi is dispiriting.

It is worth remembering that the great cascades of transformation on both sides were driven by audacious decisions that did not offer any immediate payoff to their protagonists: both Vajpayee’s decision to support Bush’s new strategic framework in 2001 and Bush’s decision to initiate civilian nuclear cooperation with India in 2005 are sterling examples. Absent similar actions in the future, the partnership between the two countries will certainly not atrophy—bilateral U.S.-Indian ties today are both extensive and multilayered—but the pace of change will drag and Washington’s incentives to engage matters important to India will flag, to the disadvantage of both countries.

## Why Take Any Risks, Then?

The constraints prevailing in both Washington and New Delhi suggest that the political environment for rapidly transforming bilateral ties is indeed challenging. In such circumstances, it is tempting to either give up on developing a serious partnership with India or simply leave its evolution to chance, with neither side taking responsibility for actively shaping it to serve common goals.

Alternatively, it is possible to muster some efforts to sustain the partnership, but purely for tactical reasons. Thus, for example, some voices already suggest *sotto voce* that Obama should expand the relationship with India either because the Indian-American community is too important a constituency to disregard electorally, or because the president’s forthcoming visit to India will come immediately after an expected mid-term defeat for the Democratic Party and hence could provide some measure of consolation in otherwise dismaying circumstances.

They also suggest that Obama’s visit to India, having come after the two transforming visits of Bill Clinton in 2000 and George W. Bush in 2006, must at least match the successes enjoyed by his immediate predecessors. While such tactical considerations cannot be neglected—nor should they be—they do not provide sufficient reason for continuing to invest in sustaining the relationship with India, even if the immediate fruits appear less fulsome than many in the administration would like.

There are two reasons why a continued effort to deepen the partnership with India is warranted despite current uncertainties.

The first is that India's strategic direction is already evolving towards greater convergence with the United States. In the present hiatus, it is easy to lose sight of this fundamental fact. The last two decades, for example, have clearly demonstrated that India has moved away from a closed economy characterized by self-reliance and import substitution to a progressively more open market system where acceptance of international interdependence and specialization across national boundaries is creating more opportunities for American trade and investment than ever before.

India's national security policy displays a similar evolution: The Indian military today is steadily leaving behind its traditional insularity and its customary subcontinental gaze in favor of enhanced cooperation with foreign militaries aimed at playing a larger role in producing regional stability. This transformation has resulted in a dramatic shift from sole reliance on Russia for major military end-items to new Western sources of supply where the emerging commercial and strategic opportunities for the United States are both significant and growing.

Finally, India's foreign policy is itself changing. Although India's quest for "strategic autonomy"<sup>7</sup> will remain perennial—befitting a country with its large size, proud history and great power potential—the reflexive anti-Americanism of the Cold War era has been effectively displaced by a growing conviction that engaging the United States remains vitally necessary for the success of India's larger national interests.

On all counts then, sustaining the transformation of U.S.-Indian relations promises to provide important payoffs to the United States in the here and now—as is already evident from the growing private ties between the two countries. That changes in official policy lag behind the expansion of societal cooperation is not surprising; this has always been the case in U.S.-Indian relations. More importantly, however, the current lethargy in effecting policy change in India will not be permanent because policy stagnation invariably precipitates crises and nothing forces the transformation of public policy in New Delhi like the prospect of an emerging calamity.

For all his present quiescence, Manmohan Singh, too, cannot be dismissed as a driver of further change. In all likelihood, he will continue to push additional economic and foreign policy shifts by stealth—as he has done in the past. Although it is unlikely that he will risk his office again to force action on any initiatives involving the United States—in part because no projects comparable to the civilian nuclear agreement are on the anvil today—there is little doubt that he—and every one of his successors to come—will sustain the reforms that, *inter alia*, deepen U.S.-Indian ties and enable India to grow in power and influence.

The current trends, therefore, justify continued attention to India by the Obama administration despite all the other distractions: such a focus would not only palpably convey the president's support for the prime minister personally but it would also bolster Singh's already strong commitment to sustaining the bilateral relationship, while simultaneously increasing the opportunities for enhancing American prosperity and security.

The second reason for continued U.S. investment in the bilateral relationship with India is perhaps more critical: it comports fundamentally with vital U.S. national interests over the long term. Just like President Bush before him, President Obama

understands this fact all too well. Precisely because it is a true great power, the United States must be sensitive to developments over an extended time horizon. It cannot afford to retrench simply because of temporarily unfavorable circumstances.

Inconsequential states, or states with poor strategic prospects, can afford to jettison their investments at the first sign of difficulty because they can discount the future that cannot be influenced anyway. The United States is different: far from merely responding to what is yet to come, Washington can actively shape the future and deepening its partnership with India is, in strategic terms, little more than a calculated effort to create a geopolitical environment that protects American interests over the long term.

Hence, Obama ought to follow his own instincts. And even if expanding ties with India seems difficult right now—for reasons rooted equally in Washington and New Delhi—he nevertheless ought to sustain the grand strategic course begun by his predecessor.

There are three enduring reasons for doing so. **To begin with, the United States has a vital stake in maintaining an Asian “balance of power that favors freedom”<sup>8</sup> at a time when managing China’s rise is certain to be the most important strategic challenge facing Washington.** Because there is a continuing shift in the global distribution of power from West to East, the administration’s ability to preserve a global order favorable to American interests will depend fundamentally on its capacity to preserve an Asia that is “prosperous, peaceful and free.”<sup>9</sup>

Achieving this objective will not be easy even if China’s recent assertiveness becomes more intense in the future—as it likely will—because Beijing, behaving like previous rising powers in history, will be advancing its material capabilities, cementing its status claims, and expanding its political influence at precisely the time when the United States may be weakening in relative terms on the one hand, while on the other hand China continues to enmesh both its regional competitors and the United States into ever tightening bonds of economic interdependence.

Whatever the commercial benefits ensuing from this interdependence with China, limiting Washington’s freedom of action is also likely to be a significant consequence. This, in turn, implies that the strategies of comprehensive containment, which the United States used to deal with its erstwhile challenger, the Soviet Union, would be unavailable to Washington as it copes with ascendant Chinese power. Moreover, the liberal political traditions of the United States, combined with the presence of Chinese nuclear weapons—not to mention its own rapidly growing conventional military power—all coalesce to make any potential use of military force against China a dangerous option in the future.

In such circumstances, the best alternative for coping with the rise of Chinese power lies in implementing a sophisticated strategy that provides the United States all of the economic benefits of interdependence, even as it contains the most dangerous expansion of China’s political influence and its military capabilities. Such a strategy would require Washington and its partners to deepen their economic cooperation with China to the extent possible, while strengthening trading ties equally, if not more vigorously, among themselves.

**The best alternative for coping with the rise of Chinese power lies in implementing a sophisticated strategy that provides the United States all the economic benefits of interdependence.**

This approach would enable the United States and its friends and allies to grow more robustly in comparison to the alternative of autarky and thereby generate the national power required to protect their interests. Even as this dynamic works itself out, however, the United States should buttress the strength of key powers on China's periphery in order to create the objective conditions that will discourage Beijing from abusing its own growing capabilities.

The Bush administration's effort to transform relations with India was founded on this central geopolitical logic: far from attempting to "contain China" or inveigle India into some U.S.-led coalition against its will, Washington's strategic generosity toward New Delhi was viewed fundamentally as a long-term investment in America's own well being and as an outlay towards realizing the common interest shared with India in preventing the domination of Asia by any illiberal or revisionist powers. Although it was clearly understood that this partnership may not yield immediate returns in material terms—though it has already begun to do so—the need to strengthen Indian power, through disproportionate American contributions if necessary, was judged to be in the self-interest of the United States.

In fact, the strategic value of strong U.S.-Indian ties for America's larger Asian and, by extension, global interests was considered substantial enough to warrant continued nurturing even in what could be initially fallow years. Nothing has changed in the global environment since Bush's departure to call into question the basic course adopted by the United States towards India. Consequently, Obama should use the opportunity presented by his upcoming visit to India to deepen the bilateral relationship even if India currently remains more a beneficiary than a reciprocator.

**Further, although India's economic expansion has been slower than China's in comparative terms, it is nonetheless growing rapidly enough that it is expected to become the third largest economic power in the world among states (and the fourth largest among political entities) by the middle of this century.** Interestingly, the National Intelligence Council—using a composite measure that integrates gross domestic product, defense spending, population, and technology growth for individual states—has concluded that India will hold the fourth-largest concentration of power in the international system much earlier—by 2026.<sup>10</sup>

These assessments are certainly plausible. Despite the current global economic crisis, India has chalked up growth rates of about 8 percent and most estimates suggest that, based on current trends, it will grow at rates of 9 percent or higher for at least another two to three decades. In large measure, this is because India's economic model, which is driven by domestic demand rather than trade, is likely to be more sustainable over the long term than China's current approach, which centers on investment-driven, export-centered growth. As the *Economist* recently concluded, "despite the headlines, India is doing rather well. . . . It has a long way to go before it is as rich as China—the Chinese economy is four times bigger—but its growth rate could overtake China's by 2013, if not before. Some economists think India will grow faster than any other large country over the next 25 years. Rapid growth in a country of 1.2 billion people is exciting, to put it mildly."<sup>11</sup>

Although various international assessments differ on when exactly India becomes the fourth- or third-largest global economy—because of the varying assumptions used in the analyses—they all reach the conclusion that India will become an international power of consequence before 2050. In other words, India will certainly shift from being a third-world country to plausibly becoming the world’s third-largest economy well within the lifetimes of those already born in the United States.

But India is not there yet. And even when it gets there, it will—like other Asian states rising today—have become dominant in aggregate terms well before its society becomes comprehensively wealthy (as the West is presently). This reality has important consequences. While Washington and other western capitals tend to think of India as a “rising” global power and expect it to behave accordingly—assuming responsibilities for maintaining the international system as they have during the last five hundred years—New Delhi still perceives itself largely as an “emerging” entity that should enjoy the benefits of international order without necessarily paying for it, at least for a while longer.

This anomalous phenomenon of a large and impressively growing state behaving as if it was still a disadvantaged entity will persist for some time to come. It exists partly because India has a vast multitude of poor citizens who can nonetheless shape its international decisions through the ballot. But India’s reticence is also owed to the fact that its leadership, having experienced growing power only recently, has not yet developed either the psychology or the institutions that permit it to play the confident role expected by others, including the United States, in maintaining the international system writ large. As Shyam Saran, formerly India’s foreign secretary, has noted ruefully, these problems arise partly because India is a “premature power,” an entity whose increase in “relative power globally has outstripped the indices of its personal and social well being. . . .”<sup>12</sup>

American observers ought to acknowledge that their hopes in this regard are sometimes unrealistic. India’s economic success is at best two decades old; in the span of historical time, it is largely a novelty and, as the evidence makes plain, its recent unprecedented growth is not yet shared by the majority of its populace. Expecting New Delhi, which is at the most embryonic stage of its maturation, to therefore burst forth on the international scene like Athena fully formed from the head of Zeus, with a coherent grand strategy, a determined commitment to uphold international order, and a willingness to bear the costs associated with this endeavor, is quite impractical.

It is also at odds with America’s own history. The United States took almost a century after its arrival as a great power to grow into its current role, relying in the interim on British imperial capabilities to preserve order in its own hemisphere and throughout the globe. Hence, the expectation that New Delhi will start expeditiously contributing to the maintenance of regional or global order in partnership with Washington—while still in the earliest stages of its power-political advent—is unlikely to be borne out.

Since Indian policy makers take their bearings from the fact that their country is still “emerging” but has not yet “arrived,” it is likely that their strategic priorities internationally will take the following form. For starters, they will seek to secure many of the status gains they believe accrue to their growing national power—such as new places

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at the high tables of global politics, economics, and governance—even as they simultaneously seek to preserve the protections offered by various international regimes to the weakest and most vulnerable of developing states. Then, they will attempt to allocate their increasing material capabilities—and, if obtained, their improved rank in the international “hierarchy of prestige”<sup>13</sup>—to manage the most pressing local security challenges in and around the greater South Asian region, including both landward peripheries and the northern Indian Ocean. Finally, and only after policy makers are satisfied that their immediate and extended peripheries are safe enough that resources can be released for other ends, they will commit this residual to maintain the global system in partnership with India’s friends and allies.

This evolutionary process implies that significant allocations to the third task will only materialize after the Indian state becomes stronger than it is today—or at least after it becomes sufficiently strong such that the asymmetric benefits associated with the first objective are unnecessary and the problematic challenges associated with the second objective are well under control. Such a policy progression derives entirely from New Delhi’s view of itself as fundamentally “between the times”: while certainly emerging, it is not yet a true great power.

As a result, it seeks more for itself than it is willing to contribute, both in its bilateral relationships and in its multilateral commitments. Accordingly, it cannot invest in maintaining the international system, in the manner of more capable countries like the United States, even though it benefits from the existing international order and is not simply a hapless denizen within it.

Since the United States is a genuinely great power—in fact, the only hegemonic power in the international system—it should view India’s evolving rise against a longer time horizon than currently shapes decision making even in New Delhi. That is, while being fully cognizant of India’s present limitations, it must prepare for that future when India’s ascension will be more fully manifest and when it is able to more substantially share strategic responsibilities in partnership with the United States (and others).

Toward that end, the United States first needs to be patient as India makes the lengthy transition from emergence to arrival. Even as it encourages New Delhi to step up in terms of partnership, especially at the bilateral level, Washington should accept that India will not meet all U.S. expectations, partly because of its present power-political limitations and partly because of the constraints imposed by its democratic politics. The United States nonetheless should continue to support India’s rise because, based on current trends, its ascendancy not only appears inevitable but because it is in Washington’s interests to aid New Delhi to develop habits of cooperation which, if not in place while it is still weak, are unlikely to materialize when it finally becomes strong.

In the final analysis, however, supporting India’s growth in power makes sense for the United States not only because of its likely rise but because New Delhi’s objectives in the greater South Asian region are fundamentally compatible with U.S. interests. In fact, collaborating with India to meet these local goals in the near term provides a good foundation for working together to support the larger international order in the more distant future.

**It is in Washington’s interests to aid New Delhi to develop habits of cooperation that are unlikely to materialize when it finally becomes strong.**

At a time when India could have the third- or fourth-largest concentration of economic power internationally, a partnership with New Delhi, despite all its inherent uncertainties and inconveniences, would advantage Washington when coping with China becomes the critical challenge facing the United States at the core of the global system—especially if other entities at this time turn out to be either unable or unwilling to balance Beijing.

**Third, India is a democratic state whose success is not only in America's interests but vital for larger regional stability as well.** The greater South Asia region today is not conspicuous for its democratic achievements. Within the subcontinent, India stands out as an island of democratic values and political stability in an area convulsed by religious extremism, illiberal governments, state sponsors of terrorism, aggressive internal conflicts, threats of state failure, and economic stasis. To be sure, Indian democracy has many imperfections: its politics are chaotic, its institutions vary in robustness and efficacy, its public administration is marred by corruption, and its polity is disfigured by chronic low-level violence.

Many of these failings, however, arise because of deficiencies in economic development. Yet it is a tribute to India that it has maintained an unshakeable commitment to liberal democracy despite the presence of wrenching poverty, incredible diversity, and substantial external threats, constraints that in many other parts of the world have destroyed the fledgling democracies that sprang up early in the post-colonial era. Surely, that India has managed to integrate more than a billion people speaking some fifteen distinct languages and more than 600 dialects peacefully—through a constitutional system that protects individual rights, is centered on the rule of law, and holds state power accountable through regular elections—is no mean feat.

India's central success in sustaining democracy despite the odds implies that it has protected the possibilities of advancement for one-sixth of humanity without resorting to the state brutality witnessed historically in China, the military authoritarianism now institutionalized in Pakistan, the radicalized cult of personality that marks North Korea, or the marriage of state and religion exemplified in Saudi Arabia. At a time when the prospects for democracy are still precarious in large parts of the Middle East, Central Asia, Southeast Asia, China, and certainly within South Asia itself, India's liberal political order has succeeded in preventing the unleashing of large numbers of disaffected individuals onto the world stage—as is now occurring dangerously in Pakistan and elsewhere.

This is a vital, though undervalued, benefit of India's democratic success, especially at a time when the international community is struggling to cope with the external ravages of domestic failures in many countries. U.S. support for India's democratic experiment—which is unique in the third world—therefore not only helps millions of people to realize their potential peacefully but also reinforces their already high esteem for the United States, even as it enables New Delhi to better aid the regional states in their own struggles with development and democracy.

Beyond these material gains, the triumph of Indian democracy provides other benefits as well: it repudiates the claims that liberal democracy cannot survive without prior prosperity, that individuals will always trade liberty for plenty, or that democracy

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is merely a Western contrivance rather than a universal aspiration—issues of some significance when authoritarian models of politics still remain attractive and are often defended, especially in Asia, either on pragmatic or cultural grounds.

Indian democracy is also valuable because it has reinforced the country's temperance abroad. Given the wide disparities in power between India and its neighbors, and the fact that problems within the latter have often disturbed the former, it is surprising how cautious New Delhi has been in both pursuing assertive policies and using military force within its sphere of influence.

While many observers attribute this forbearance to India's diffidence in wielding power or to its cultural predilection for conciliation, the "strategic restraint"<sup>14</sup> that characterizes India's security policies also comes from its democratic character. The normative dimensions of democracy have reinforced the Gandhian aversion to *machtpolitik* that was validated during the country's freedom struggle and the institutional complexities of democracy have ensured that any use of coercive diplomacy or military instruments, even when arguably justified, have generally been conflicted and hesitant.

This reluctance to pursue willfully self-regarding policies has contributed to the international perception of India as a responsible state, often to the chagrin of some domestic realists who wish New Delhi would defend its interests more vigorously. This approach, however, has made India a more attractive partner for the United States because of the expectation that its political system will behave maturely even when provoked. Recognizing that India's most celebrated—and enduring—invasions have been cultural, not military, U.S. policy makers have come to appreciate the fact that while India's strategic timidity can sometimes impede the attainment of common goals, this kind of India is preferable to the alternative.

From an American point of view, therefore, India's success as a democracy and its inherent moderation is good for itself, for its neighbors, and for the larger global community: it brings benefits for both the spread of universal values and the protection of common interests. In all the discussion about the virtues of Indian democracy and the benefits that flow from the values it shares with the United States, this last point is key: today, more than ever before, India's interests as a democratic state align closely with that of the United States.

Beyond the geopolitical compulsions of preserving an Asia free from hostile hegemonies, India and the United States share critical interests. For example, both countries seek to:

- defeat the threats posed by state sponsors of terrorism as well as the deeper ideologies that inspire or legitimize violent religious extremism;
- enlarge the liberal international economic order to accelerate growth with equity;
- arrest the further spread of weapons of mass destruction and the means of delivering them;
- protect the global commons in order to expand trade and interdependence;

- enhance energy security by enabling stable access to existing energy sources while developing new ones;
- safeguard the global environment to achieve sustainable development by encouraging the development and use of innovative technology;
- promote democracy not only as an end in itself but also as a strategic means of preventing illiberal polities from exporting their internal struggles over power abroad; and
- preserve stability in critical areas of the world, most importantly, the greater South Asian region itself.

While this convergence of interests does not by itself always assure smooth collaboration between Washington and New Delhi—differences in capabilities, strategies, and tactics will often intervene—the fact remains that both partners share a common vision of the desired ends. And the absence of differences in vital interests that would lead either side to levy mortal threats against the other or undercut the other’s core objectives on any issue of strategic importance in fact provides the basis for meaningful practical cooperation. These conditions do not exist in any other bilateral relationship involving the United States and the major, continental-sized, states in Asia.

Because this situation will likely endure well into the foreseeable future, the United States can be comfortable supporting India’s rise, even if its policies differ on specific issues. At the end of the day, what gives—or at least should give—the bilateral relationship its permanent anchor is not the expectation that India will consistently do the things desired by the United States, but rather that a strong, democratic, and independent India will never fundamentally threaten America’s core security.

The durability of Indian democracy is, therefore, what makes the uncertainties associated with India’s quest for “strategic autonomy” tolerable from the viewpoint of the United States. R. Nicholas Burns, the former under secretary of state for political affairs, summed up this judgment succinctly when he noted,

At the heart of our appreciation of India’s role on the world stage are the basic facts of its position in the world at the start of this new century. India is a rising global power. Within the first quarter of this century, it is likely to be numbered among the world’s five largest economies. It will soon be the world’s most populous nation, and it has a demographic structure that bequeaths it a huge, skilled, and youthful workforce. It will continue to possess large and ever more sophisticated military forces that, just like our own, remain strongly committed to the principle of civilian control. And, above all else, we are confident that even when we look out fifty years into the future, India will still thrive as a multi-ethnic, multi-religious, and multi-lingual democracy characterized by individual freedom, rule of law, and a constitutional government that owes its power to free and fair elections.<sup>15</sup>

These considerations suggest two important implications, one for the United States and the other for India. For the United States: India’s evolving significance and its current limitations imply that the Obama administration should take the long view when dealing with New Delhi. However difficult this may be currently—when economic weakness in the United States and crises abroad dominate decision makers’ attention and increase the temptation to focus solely on immediate problems—President Obama nonetheless should allocate the requisite attention on putting the elements in

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place for a stronger bilateral partnership with India precisely because it will benefit American interests over the long term.

In this context, the president should resist approaching the relationship in transactional terms, where American initiative toward India becomes contingent largely on what India can do for the United States in return. Should this approach come to dominate the administration's disposition, the bilateral partnership risks petering out because the current weakness in Indian state capability—which will persist for some time—will prevent New Delhi from being able to match Washington's initiatives speedily, symmetrically, and to its consistent satisfaction.

Precisely because India's growth remains in America's self-interest over the long term, the United States—as the mightier partner in this association—can afford to be more generous toward India now than is sometimes believed necessary. After all, the strategic purpose of American engagement with India is not to secure any particular gains today but to strengthen its national capacity so that it can productively partner with the United States over time as a fellow democracy.

For India: However persuasive the argument for stronger American support for India may be in principle, New Delhi should understand that the present crises engulfing the United States tax its ability to play “the giving tree” as generously as it might otherwise. If India values its partnership with the United States, it should seek out opportunities to substantiate its relevance to American preoccupations—again, entirely out of self-interest.

This approach is especially important at a time when the Obama administration is tempted to lapse into a strategy of “specific reciprocity”<sup>16</sup> toward India, where initiatives important to New Delhi are implemented only to the degree that they will elicit Indian actions useful to the United States. Warding off an American drift in this direction is important to both countries, but is especially critical to India.

Consequently, India should explore ways to keep the United States interested in consummating the projects important to New Delhi at a time when there are many other claims on Washington's attention. Luckily, many of the actions advancing this objective—for example, providing opportunities for greater American involvement in agriculture, defense, education, energy, finance, space, and trade—are exactly those that will speed India's economic growth and its elevation to great power status.

Expanding bilateral cooperation in these areas, obviously, should not be driven merely by the need to engage the United States; rather it should be undertaken because it is fundamentally in India's own strategic interest, with its ability to deepen the Obama administration's commitment to India a happy side benefit. Such an approach, moreover, can be pursued despite the fact that India has other international partners. But because it would increase India's own power and prosperity more rapidly than other alternatives, while simultaneously strengthening its most important bilateral relationship among the major states, the case for the strategic enticement of Washington becomes all the more compelling.

## So What Should Obama Do in India?

Above all else, President Obama should view his forthcoming visit to India as a singular opportunity to cement the global partnership he seeks with New Delhi. Obama will embark on his Indian pilgrimage at a time when engagement between the two countries is indeed extensive by historical standards, but still lacks the desired depth. Growing ties at the societal level mask—though at times they help to compensate for—the absence of deep trust and the weak habits of cooperation witnessed at the official level on both sides. These problems can be partly excused by the infancy of the current transformation in U.S.-Indian relations. Yet this formative phase represents an opportunity for Obama to shape its emerging course through symbol and substance during his visit.

What the partnership needs most at the U.S. end currently, if it is to blossom in the manner desired by the president, is a clear articulation of Obama's own vision of how India fits into the strategic *weltanschauung* of the United States. Obviously, the president's entire trip—what he does, whom he meets, where he goes, and what he says—will provide him with such an opportunity. But since he is, personally, such a historic and transformational figure who is admired in India, his message—especially when addressed to India's parliament, the highest forum of Indian democracy—will carry special resonance both within the country and abroad.

Obama's overall objective must be to affirm the U.S. commitment to a durable global partnership with India—one that serves the common strategic interests acknowledged by both sides—so New Delhi can make a robust commitment to collaboration in return. To help achieve this goal, Obama should emphasize the following four themes:

**The United States views India not merely as the preponderant power within South Asia but as a critical American partner in Asia and globally.** For far too long, American policy makers have thought of India purely in a South Asian context or, even worse, merely as a “hyphen” with Pakistan. Whatever the merit of such views historically, they are now anachronistic, as India's economic success positions it to play on a wider international stage and as Pakistan's downward trajectory essentially eliminates it as a serious geopolitical rival.

The rise of China now ties India's emergence far more strongly to developments within East Asia and Beijing's recent appearance in the northern Indian Ocean has effectively unified the Indo-Pacific strategic space in a way that strengthens New Delhi and Washington's already converging interests. The same is true in the areas of low politics as well: whether it be the global economy, energy security, or climate change, India's choices now make a difference on a wider canvas beyond just southern Asia.

The Obama administration has wisely continued its predecessor's policy of integrating India into more international institutions, such as the G20, but much still remains to be done where, for example, the energy and proliferation regimes are concerned. In any event, three actions are now required: a clear presidential statement that affirms India's importance to the United States as a global rather than as a local South Asian power; a transparent commitment to include India in the institutions of global governance; and

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an expeditious effort to integrate India into the diplomatic, economic, and security architectures of the Indo-Pacific geopolitical space.

The White House should use Obama's travel schedule to amplify these ideas. Since the president's forthcoming trip will take him to India before Indonesia, South Korea, and Japan—all democratic states—his itinerary itself provides the first opportunity to showcase the value of stitching New Delhi into the wider network of key American partners and interests in Asia.

**The United States supports the rise of Indian power because the growth of India's national capabilities advances vital American interests.** The transformation of U.S.-Indian relations during the Bush years began its decisive "takeoff" when a senior administration official stated on the record that the United States had reached a decision "to help India become a major world power in the twenty-first century." By further asserting that "we understand fully the implications, including military implications, of that statement,"<sup>17</sup> the Bush presidency served notice that the relationship with India was special and would be nurtured because of its benefits for America's larger geopolitical interests.

After the tumultuous early months of Obama's presidency—when New Delhi was uncertain whether the new president would continue his predecessor's policy—Under Secretary of State for Political Affairs William J. Burns publicly declared that "the simple truth is that India's strength and progress on the world stage is deeply in the strategic interest of the United States. . . . This administration has been, and will remain, deeply committed to supporting India's rise and to building the strongest possible partnership between us."<sup>18</sup>

Burns' statement relieved Indian anxieties greatly, and its principal theme—both in clarity and forthrightness—should be reiterated by Obama himself. This repetition is necessary to allay the still-significant Indian fears arising from the stray remarks by administration officials, including the president, that portray India's economic performance as somehow threatening the global position of the United States.

While these assertions are at worst discordant footnotes in what is otherwise a healthy relationship at the private level, they have unnerved Indian leaders who fear that such sentiments will legitimize the growing temptations toward protectionism now surfacing within the United States. Consequently, a clear presidential statement enunciating that India's growth in power not only remains in American interests but also that the United States will continue to support India's rise will confirm that the sentiments expressed previously by Under Secretary Burns, Secretary Clinton and others represent the deepest convictions of the administration's most important standard bearer, the president himself.

**The United States expresses its solidarity with India as it struggles to protect its people and preserve its democratic way of life.** No theme articulated by President Obama would resonate more with the Indian people than this one, particularly after the vicious terrorist attacks of November 2008 in Bombay and the still simmering controversies over David Headley. Although the United States and India have greatly improved their counterterrorism cooperation in the aftermath of this tragedy,

the Indian body politic is deeply conscious that Washington's regional policy has failed to shift the Pakistani military away from its long-standing support of terrorist groups attacking India.

Most Indians recognize that the current U.S. assistance to Pakistan is driven by Washington's dependence on Islamabad—or, more accurately, Rawalpindi—for success in Afghanistan. Even when they concede that the long-term objective of transforming Pakistan through enhanced assistance is noble, they are convinced that prevailing U.S. policies toward Pakistan will not only fail to secure that aim but will actually end up strengthening the men in khaki over their civilian counterparts and, by implication, augment their ability to wage the ongoing war against India.

That the United States ends up inadvertently being complicitous with a military authoritarianism against a democratic partner, then, turns out to be the most painful stick in the Indian craw. When thousands of Indians die as a consequence, the reality is even more galling. Even though these problems are not unique to Obama's presidency—they bedeviled the Bush administration as well—Obama should confront this dilemma head-on when in India.

At a time when the endgame in Afghanistan is underway, when terrorist groups such as Lashkar-e-Taiba are still active, and when Obama's own promise not to write “a blank check”<sup>19</sup> for Pakistan has failed to materialize, the need to affirm America's strong support for India's efforts to protect its citizenry and its democratic institutions against the barbarous attacks by religious extremists and their state supporters in Pakistan is especially urgent. The current U.S. ambassador to India, Timothy J. Roemer, has done an exemplary job in this regard, but the Indian public now needs to hear Roemer's convictions echoed by Obama himself. The president should, first, condemn clearly all Pakistani terrorist attacks in India, especially those supported by agencies of the Pakistani state; second, commit to further assisting India in preventing future attacks while aiding it to deal with the consequences of those that cannot be thwarted; and third, declare that preserving India as a secure democracy is a critical objective of American regional policy and will be promoted, including through appropriate U.S. relations with Pakistan.

**The United States seeks to increase its stakes in India's success in order to sustain the close partnership on the key global issues that matter to both countries.** There are numerous issue areas where the United States and India disagree. Washington, for example, seeks more opportunities to sell poultry and dairy products in India; hopes that New Delhi will remove existing caps on foreign direct investment in retail, insurance, and banking; and seeks increased acceptance of U.S. agricultural exports in Indian markets.

India, for its part, wants to continue the unconstrained export of Indian services, especially software, to the U.S. market; seeks the reform of U.S. regulations that prevent the expansion of Indian branch banking in the United States; hopes for a more liberal entrée to American dual-use and controlled high technology; and pushes for the speedy conclusion of a totalization agreement that would free Indian temporary workers in the United States from having to pay Social Security taxes that would never be recovered from the U.S. Treasury.

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Obama's visit to India will involve some difficult negotiations on these matters, but the president should take the opportunity provided by these conversations to redefine the larger challenge. While the United States undoubtedly seeks more opportunities in India because of the commercial benefits, expanded American participation in India's economy not only improves its growth rates but also ties Washington more closely to New Delhi's own political fortunes. After all, if American companies derive an increasing proportion of their sales, income, and employment from India, the United States cannot afford to be indifferent to India's circumstances. The same holds in reverse: if India becomes a larger trading partner of the United States and India's economic presence in America expands over time, India too profits from America's continued well-being.

Far from being a competitive struggle over market access, deepened trade relations become an opportunity to integrate the two economies to mutual advantage. Because India remains the more autarkic (as well as the weaker) of the two partners, however, a greater Indian openness to American goods, services, and investments will deepen Washington's commitment to India's success even further and increase the opportunities for greater political collaboration. Given the importance of this issue to New Delhi, this is exactly how President Obama should reframe the argument while he is in India.

## Enfleshing the Themes

A visit that brings to life these four themes would convey clearly that the United States seeks to enhance India's power, help increase its prosperity, and deepen common, shared values. The symbolic dimensions of the trip—which will receive great attention both because of the president's persona and because it is a presidential visit—should obviously reflect these ideas. Perhaps more importantly, though, the substantive achievements should echo these as well.

Since U.S.-Indian relations today are remarkably broad, both sides will undoubtedly discuss a large number of issues to help consolidate this partnership. To the degree that leadership time and bureaucratic resources permit, the United States should seek to make the most progress possible because presidential visits are such rare action-forcing events. But the desire for broad progress should not get in the way of focusing on the handful of key priority initiatives that will define the success of the president's visit. Where substantive gains are concerned, therefore, the following four baskets deserve the most attention.

**INTEGRATING INDIA INTO THE INSTITUTIONS OF GLOBAL GOVERNANCE.** While the Obama administration has purposefully sought to transform the institutions of global governance in place since the Second World War, it ought to now take major additional steps involving India. For example, when the current moratorium on admitting new members expires, Washington should support India's inclusion in the organization for Asia-Pacific Economic Cooperation (APEC). The United States should similarly work to incorporate India into the International Energy Agency (IEA), given India's growing weight as a major consumer of energy.

But during his forthcoming visit—and preferably during his address to India’s parliament—Obama should do something big: he should declare forthrightly that the United States will support India’s candidacy for permanent membership in a suitably reformed United Nations Security Council (UNSC). As early as 2005, the Carnegie report, *India as a New Global Power*, which first articulated the case for a civilian nuclear cooperation agreement with India, urged the Bush administration to endorse India as a new permanent member. After carefully reviewing the arguments on both sides, the report concluded:

. . . India’s presence on the Security Council would likely be beneficial to the United States because there are no inherent conflicts of interest on fundamental questions between the two countries. India would continue to be available as a potential partner in any future “coalition of the willing,” and its propensity to play this role would only be enhanced if Washington were seen to promote India’s quest for status enhancement in various international bodies. Even when Indian and American interests diverged—as they often do on a variety of matters, including strategies for securing common goals—India’s presence on the council would demand no more attention or resources than would be applied to winning over member states truly opposed to U.S. aims. Even the prospect of U.S.-Indian differences in the Security Council, therefore, would likely impose few consequential burdens on the United States. Accordingly, the administration ought to support India’s candidacy for permanent membership in the Security Council if expansion is inevitable.<sup>20</sup>

The U.S. government toyed with this idea during the preparations for Bush’s visit to India in 2006, but the imperatives of completing the civil nuclear agreement ultimately took priority. Since then, senior officials in the Bush and now the Obama administrations have tantalizingly insinuated that India would be a suitable candidate for UNSC membership, but never categorically declared Washington’s support for New Delhi.

Obama should now take the decisive step for several reasons. First, if UNSC reform occurs, it is simply inconceivable that the reconfigured body would not include an India that is on track to become the world’s third- or fourth-largest economy, possesses major military capabilities, remains a pluralist liberal democracy, and is a nuclear weapons state. Second, three of the five permanent members of the UNSC—Russia, the United Kingdom, and France—have already endorsed India’s candidacy, leaving only the United States and China as strange bedfellows that have resisted the inclination to support New Delhi’s claims. Third, the United States gains most by supporting India for UNSC membership before it becomes inevitable, not after. For an administration more committed to multilateralism than any other in recent memory, all three considerations converge to make an unambiguous endorsement of India by Obama during his visit a strategically sensible move.

**COMPLETING INDIA’S ASSIMILATION INTO THE GLOBAL NONPROLIFERATION REGIME.** The U.S.-Indian civilian nuclear cooperation agreement was premised on the fundamental convictions that India’s mastery of the fuel cycle, its unsullied proliferation record, and its growing national power justified its assimilation into the international nonproliferation regime. The civil nuclear cooperation initiative, accordingly, was envisaged as the first step in slowly bringing India from its enforced isolation into the nonproliferation mainstream.

In the early morning of March 2, 2006, then-U.S. National Security Adviser Stephen J. Hadley, in response to an explicit Indian request, told his Indian counterpart M. K. Narayanan that the logical consequence of completing the U.S.-Indian nuclear accord would be American support for India's progressive integration into all the institutions charged with oversight of the global regime—the Nuclear Suppliers Group (NSG), the Missile Technology Control Regime (MTCR), the Australia Group (AG), and the Wassenaar Arrangement (WA)—but that prematurely pushing such an objective at that juncture was undesirable because of the dangers of “triggering the antibodies that would oppose it.”

Today, with the civil nuclear cooperation accord almost completed, it is time to proceed with incorporating India more fully into the global nonproliferation system. All too often, both in Washington and in New Delhi, discussion of this issue focuses excessively on the narrower question of liberalizing U.S. export controls, as if relaxing American constraints on controlled technologies by itself consummates the grand vision that underlay the U.S.-India civil nuclear accord. Here too, just as in discussions about UNSC membership, the strategic objective of American innovation was to enhance the growth of Indian power to help forge a closer partnership that advantages both nations as they create an international order that favors their shared interests.

Consequently, integrating India into the global nonproliferation regime more fully should be conceived of as a larger enterprise that includes everything from aiding the expansion of the nuclear power program in India to improving collaboration on nuclear security and safety globally. Exhorting India to begin serious commercial negotiations with American nuclear suppliers and to sign and ratify the Convention on Supplementary Compensation (CSC) after its recently passed nuclear liability legislation ought to be a priority, in part because it could help remedy the problems currently afflicting Indian law while opening the door to greater international investments in India's nuclear energy sector.

Similarly, encouraging India to develop an ambitious global center for nuclear energy—to address various subjects such as advanced nuclear energy systems, nuclear security, radiological safety, and radiation technology applications—will not only highlight the strength of the bilateral partnership but also help the international community's efforts to productively apply nuclear technology in areas such as health, food, and industry.

In this context, the specific issue of export controls should be viewed merely as one way to strengthen India's larger national capacities. Far from being simply a favor done by Washington to New Delhi, it should be conceived of as an investment in mutual security because the benefits received by India would reflect its deeper and continuing adherence to those international regime obligations that protect the interests of both countries.

Consistent with this principle, President Obama should announce a bold triangular initiative while in New Delhi. In exchange for an Indian commitment to continually upgrade its export control system to the best international standards, consistently harmonize its regulations with the control lists maintained by various global regimes while adhering to their rules and best practices, and unfailingly ensure, through verification as appropriate, that all technologies controlled by Washington will only be

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procured legally and utilized solely for the purposes for which they were licensed, the United States will: (1) rationalize its export control regulations to expand India's access to commodities that were previously restricted; (2) remove all Indian organizations from the Entity List maintained by the U.S. Department of Commerce, except those directly involved in the development and manufacture of nuclear weapons; and (3) endorse India's membership in the four global nonproliferation regimes that were discussed during Bush's 2006 visit to India by evolving the relevant rules as necessary.

Such an announcement—along with public support for India's UNSC membership—would electrify India. It would corroborate the president's vision of building a global partnership with New Delhi because both initiatives—one through symbol, the other through substance—would not only refute the oft-uttered complaint that Obama has flagged in sustaining the transformation of bilateral relations but would also, by embodying conspicuous support for the growth of Indian power, assist New Delhi to play the international role that is unmistakably in the interests of the United States.

**CEMENTING STRATEGIC COOPERATION IN HIGH POLITICS.** The transformation of bilateral relations will be unsustainable if the United States and India cannot cooperate more fully in the arena of high politics, meaning those areas that directly affect the core national security interests of both sides. Five areas are particularly relevant in this connection: diplomatic engagement, counterterrorism, and cooperation in defense, the commons, and in space.

Ironically, despite the great strides made in improving bilateral ties during the last decade, the quality of diplomatic engagement between the two countries has not kept pace. To be sure, Washington and New Delhi engage each other extensively at the level of process—there are more meetings today than ever before—but their bilateral discussions still lack intimacy.

It is surprising how hard it is for American and Indian diplomats to have an honest, unrehearsed conversation on the difficult issues of national security that engulf the two states. The bilateral exchanges on Afghanistan are a good example: even though U.S. policy has evolved dramatically since Obama took office, the talking points pertaining to Afghanistan at the U.S. end have simply not kept pace. The result has been a series of desultory conversations, with both parties harking to lofty but anodyne principles, losing in the process the opportunity to seriously address the deepest fears and reservations held by the other.

President Obama should take the opportunity presented by his meetings in New Delhi to have a candid conversation with Prime Minister Singh about current U.S. policy goals in Afghanistan. He needs to discuss with his Indian hosts how his administration intends to manage the knotty problems of reconciliation with the Taliban, Pakistan's role in the Afghan endgame, and current plans pertaining to the announced drawdown of U.S. forces in July 2011.

In this connection, the president ought to refrain from asking India—as many in his administration urge him—how it can placate Rawalpindi in order to evoke better counterterrorism cooperation from the Pakistan Army. As Obama well knows, there

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is nothing that India can meaningfully do to assuage Pakistani paranoia beyond what it has done already, namely offer to sustain the peace process and maintain its restraint in the use of force despite the continuing terrorist attacks emanating from Pakistan. Any effort to further appease the Pakistani military by leaning on New Delhi will not only be counterproductive for the president's larger objectives, it will also result in a missed opportunity to deepen the triangular dialogue and cooperation between the United States, Afghanistan, and India that is absolutely necessary for the preservation of regional stability.

If the conversations regarding Afghanistan and Pakistan represent the dreary face of bilateral diplomatic engagement, a stunning—and none too urgent—exception has been the colloquy on China and more generally on Asia. Led by Kurt Campbell, the U.S. assistant secretary of state for East Asia, and Gautam Bambawale, the joint secretary for East Asia in India's Ministry of External Affairs, this discussion has been characterized by clarity, forthrightness, and common purpose that is simply exceptional by any standard. Given the huge stakes that both Washington and New Delhi have in successfully managing a rising China, this success is no doubt welcome. But a similar discussion ought to take place with regard to Pakistan, Afghanistan, Iran, the Persian Gulf, and Central Asia, where the two countries have enormous interests, albeit in different ways.

At a time when India prepares to serve a two-year term on the UNSC, a sustained conversation on UN issues is also needed. Not only will it help to produce the appropriate coordination between the two countries, it will also aid in averting any discordant notes at a time when many in the international community will be watching how India performs in its desired role at the high table.

Beyond diplomatic engagement, where the United States and India can work together but whose fruits are often enjoyed only prospectively, stronger cooperation in counterterrorism increases the security of both countries almost immediately. There are two broad issues in counterterrorism cooperation that affect bilateral relations: reconciling national policies at the highest level with regard to the sources of terrorism, primarily Pakistan, and improving the operational capacity of both sides to deal with the threats that emerge, irrespective of their origins.

Although Washington and New Delhi have made some efforts to manage the first issue, success has been limited—even though both sides are agreed on a central proposition: Pakistan remains the primary source of terrorism in southern Asia. Despite this convergence, suspicions in India about the wisdom of U.S. regional policies, the problems associated with the U.S. bureaucratic structures managing Afghanistan and Pakistan, and the inability of the Obama administration—just like its Indian counterpart—to deal successfully with Islamabad, have made integrating U.S. and Indian policies on terrorism an enormous challenge.

The near-term solution, therefore, has been to concentrate on improving India's operational capacities and increasing bilateral collaboration with respect to warnings about terrorist threats. Much more can be done in both of these areas, although continuing sensitivities about sharing exotic technologies, weaknesses in the Indian intelligence and counterterrorism bureaucracy, and the constraints imposed by differences

in larger national policies combine to slow the pace of transformation in this area. While Obama should use his trip to emphasize U.S. support for India in its struggle against foreign terrorism, authorizing increased cooperation between the intelligence, counterterrorism, and homeland security communities in both countries—through increased cross-training and expanded information and technology sharing—would yield high payoffs.

While progress has been made on bilateral cooperation in the arenas of defense, the commons, and in space during the last decade, both sides are far from reaching their full potential. The U.S. and Indian armed forces now exercise more with each other than they do with any other partner, and the United States is on the cusp of becoming India's largest foreign supplier of weaponry this year. Reflecting this trend, several important defense deals are likely to be concluded during Obama's visit.

Yet, significant U.S. involvement in India's defense production infrastructure has been stymied by Indian caps on foreign direct investment, and New Delhi's access to the best U.S. defense equipment is still hampered by its perplexing disinclination to sign the pedestrian foundational agreements that Washington has already entered into with scores of other partners. Both of these issues ought to be resolved by India soon if the U.S.-Indian defense partnership is to evolve in the direction of greater collaboration rather than remaining stuck simply at the level of exercises and commercial transactions—as is the case with New Delhi and its other defense partners. The ability of both countries to realize their aspiration to mount combined operations, either to protect the commons or to sustain humanitarian operations, also requires these decisions.

The United States, for its part, ought to be thinking ambitiously about enhanced defense cooperation with India. This includes developing an effective concept of operations for shared responsibilities over maritime security, increasing joint research and development, resuscitating the partnership in missile defense, and responding positively to India's repeated entreaties for greater American participation in its fifth-generation combat aircraft program. On these issues, the Obama administration, just like its predecessor, must make some fundamental decisions about what treating India as a strategic partner actually entails—and, after arriving at this judgment, should implement its vision by pressing the usually recalcitrant defense cooperation bureaucracies to change the way they do business with India.

In anticipation of the president's visit, the United States and India are also currently engaged in a preliminary discussion about collaborating to secure the commons. By its very nature, this conversation will be an extended one because it involves not merely operational cooperation in four substantially different realms—air, space, maritime, and cyber—but a new framework aimed at creating acceptable “rules of the road” for all actors globally.

Space has long been an arena of successful U.S.-Indian cooperation. Since its origin, the Indian Space Research Organization (ISRO) has had close links with its American counterpart, the National Aeronautics and Space Administration (NASA), and this partnership laid the foundations for ISRO's current achievements in space launchers, space systems, and space science.

Unfortunately, this collaboration frayed during the 1980s when ISRO, against its own choice, supported the development of solid fuel rockets for the Indian missile program. These problems thankfully can now be put in the past: the expertise developed during the last decade within India's Defense Research and Development Organization (DRDO) in solid fuel rocketry implies that ISRO is free to return to its traditional preoccupation—civilian space. In addition, the removal of both ISRO and DRDO from the Entity List—something that Obama should announce during his visit—enables the United States to cooperate more vigorously with both organizations, but especially with ISRO, given the successful history of past collaboration.

There are numerous projects that the United States and India can immediately apply themselves to in this regard: collaborating on space-based and terrestrial weather forecasting, especially with regard to monsoon prediction and tracking, a subject of enormous importance for India; partnering to build GAGAN, India's satellite-based augmentation system intended to increase the accuracy of its existing global positioning system (GPS) receivers; aiding India's ambitious space exploration efforts and, in particular, its manned lunar landing program where the United States has unparalleled experience; joining the Indo-French Megha-Tropiques mission (MTM) intended to study the water cycle in the tropical atmosphere to assess climate change; and sharing additional data from various space-based remote sensing satellites such as LANDSAT, OCEANSAT and CARTOSAT.

Above all, however, bilateral space cooperation will receive a serious boost if the two countries finally conclude the Commercial Space Launch Agreement (CSLA) that was agreed to in 2004 but has eluded completion thus far largely due to U.S. bureaucratic mishaps. As one looks to the future, it is obvious that, as India becomes a significant space-faring power, the opportunities for collaboration will only increase. One remarkable idea toward this end has recently been articulated by Lieutenant Colonel Peter Garretson, United States Air Force, and involves joint collaboration to develop a "highly scalable, revolutionary, renewable energy technology"<sup>21</sup> that exploits space-based solar power. This concept deserves serious scrutiny in both countries because it subsists at the frontiers of space science and has the potential for enormous payoffs in both energy security and mitigating climate change.

**DEEPENING THE ECONOMIC PARTNERSHIP FOR COLLECTIVE PROSPERITY.** Perhaps no better assurance of a lasting bilateral partnership exists than the deepening of economic relations between the United States and India. Fortunately for both countries, this is an arena that lies mostly outside of government control, though state institutions obviously play a critical role in establishing the framework within which their private sectors operate. The strategic objective of engagement here must be to have the two governments increase the opportunities for profitable "capitalist acts between consenting adults"<sup>22</sup>—and then get out of the way. Perhaps the United States and India have not done too badly thus far. As Shivshankar Menon summarized this view,

The United States is India's largest trading partner. Over the last five years U.S. exports to India have grown faster than those to any other major destination. They have also grown faster than India's exports to the United States. India has consistently and consciously chosen to run a current account deficit of between 2.5–3 percent of GDP. Our bilateral trade is largely balanced. It is not very well

known that our trade in services too is in balance. The more we sell to the United States of America, the more we buy. India's exchange rate is set by the market. India's experience has taught us that mercantilism and protectionism are not the way forward.<sup>23</sup>

While true, a gnawing sense exists in the business and governmental communities in both countries that things could be much better. As the skeptics are quick to point out, the United States may be India's largest trading partner, but India still remains outside the list of the top ten U.S. trading partners in comparison. This fact, however, is a function of India's economic strategy, which emphasizes growth through expansion of domestic demand rather than, as in China, increases in exports.

Because India has eschewed export-driven growth as a national strategy, it is unlikely to figure in the list of major American trading partners any time soon—but that by itself is not a significant problem. At a time when the principal global macroeconomic problem is rebalancing—that is, getting the countries that enjoy a trade surplus to consume more at home—India's current strategy of sustaining growth by stimulating internal demand may be a good thing and actually benefit the United States.

If so, the real challenge is more modest: finding new ways of expanding U.S. exports to India, so that the domestic consumption driving Indian growth includes a greater proportion of American goods and services than it does today. Though President Obama's National Export Initiative and the U.S.-India Trade Policy Forum (TPF) aim to achieve this goal, the single most important factor affecting the expansion of U.S. exports to India is not bilateral, but domestic: the pace and character of India's economic reforms, which will determine more than any other variable “whether India grows economically and integrates further with the world's other major economies.”<sup>24</sup>

The news here is good—but qualified. India's economic reforms will continue and, accordingly, U.S. exports of goods and services to India will only increase. For all the reasons elaborated earlier, however, these increases will take place gradually because Indian economic reforms today are paced, perhaps even more so than in the past.

Yet on all of the three big areas defining current U.S.-Indian economic cooperation—securing American access to the Indian market in areas where U.S. firms are currently prohibited, such as agriculture, dairy goods, and multi-brand retailing; increasing access to the Indian market in areas where U.S. presence is currently permitted but at low levels, such as insurance, banking, financial services, and defense production; and improving commercial protection for U.S. goods and services available in India through better intellectual property rights enforcement, copyright protection, and improved standards—the trend lines are favorable, even though sustaining them will require creativity on both sides.

For example, U.S. exports of dairy goods to India (particularly cheese), are currently held up because no authority in the United States can officially certify that these products are not produced using beef rennet—a subject of some sensitivity in a country where over 80 percent of the population is Hindu. Finding an institutional solution to this problem, as the dairy-exporting countries in Europe have done, surely should not be beyond the capacity of the United States. On other issues, too, progress is discernable. Given India's own interests, the Singh government is likely to permit foreign

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retail companies to enter the Indian market soon and investment caps in insurance and financial services are likely to be increased hopefully within the current fiscal year as well.

Where bilateral economic cooperation is concerned, Obama's visit should aim to sustain, if not accelerate, the broadly favorable trends currently in place. It should spur the conclusion of the Bilateral Investment Treaty that both sides began negotiating in August 2009. This, in turn, should be viewed only as a waypoint to a far more ambitious goal: either concluding a free trade agreement directly with India or including India into an expanded Trans-Pacific Partnership that lays the foundations for a larger free trade order among America's friends and allies.

Even as such ideas are considered, however, the United States and India should consolidate their cooperation in other areas already agreed upon: agriculture, education, health, energy, and science and technology. Both sides announced a large menu of cooperative activities on these subjects during Singh's state visit in November 2009. The president's trip offers an opportunity for stock taking, expanding initiatives that have matured, and announcing new projects that provide global benefits: developing an international food security initiative, cooperating to increase vocational training in fragile states, expanding clean energy research, investing in global disease detection, collaborating to explore shale gas extraction, and creating innovation partnerships not only yield direct returns to both countries but demonstrate how the United States and India can partner to improve the international system.

The United States and India can expand cooperation on other multilateral issues as well. The global economic crisis and new fears of increasing protectionism in the United States have motivated India to rethink its attitude to the Doha Development Round. If Obama can weather the domestic resistance to new international trade negotiations and modify the current U.S. position on sectoral tariff reduction by developing countries, the United States and India have an opportunity to break the impasse that stymied this agreement's successful conclusion.

Other opportunities also exist: The United States and India have discussed cooperating with each other in other areas, especially Africa, on public health, education, and development. These ideas should be implemented quickly because they contribute meaningfully to a global partnership while doing good in a part of the world that stands to benefit from joint U.S.-Indian attention.

## Conclusion

In his welcoming remarks on the occasion of Prime Minister Singh's visit to Washington last November, President Obama declared that both countries had the opportunity to build "one of the defining partnerships of the twenty-first century." In the endeavor to build "a future of security and prosperity for all nations," Obama told Singh, "India is indispensable."<sup>25</sup>

Barely a year after he uttered these remarks, Obama's vision is being tested not by catastrophes but by the normal vicissitudes of democratic politics in economically

trying times. Both in the United States and in India, circumstances have combined to encumber the official relationship, despite the best intentions of their leaders and in spite of the deepening societal ties.

President Obama's upcoming visit to India provides a splendid opportunity to correct this drift and reinvigorate a critical global collaboration. By reaffirming the U.S. commitment to aid India's growth in power and emphasizing America's fellowship with India as it continues, in Jawaharlal Nehru's words, "to build a just society by just means,"<sup>26</sup> Obama can help bring the two countries together on shared interests and move their relationship forward significantly.

This process, undoubtedly, would be aided if India were to move boldly—as it has done before—to cement its strategic partnership with the United States because of all the benefits that come in its train: in geopolitics, in economics, and in technology. As Rahul Gandhi once told his countrymen during the momentous parliamentary debate over the U.S.-Indian civilian nuclear deal, "The first thing is that we must never, ever let fear be our guide. We must never take decisions based on the fear of the unknown or what is going to happen if we act. We must only act with one rule and that is courage. . . . What is important is that we stop worrying about how the world will impact us, we stop being scared about how the world will impact us and we step out and worry about how we will impact the world."<sup>27</sup>

Even if current Indian politics does not permit its government to take its cues from Gandhi's wise words, there is no reason why President Obama should stray from his appointed course. After all, building a global partnership with India is ultimately in the strategic interests of the United States.

**President Obama's forthcoming visit to India provides a splendid opportunity to correct the drift and reinvigorate what will be a critical global collaboration.**

## Notes

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