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PATRYK KUGIEL

**Stany Zjednoczone - Indie:
partnerstwo demokracji na XXI wiek**

**United States-India:
Partnership of Democracies for the 21st Century**

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THE POLISH INSTITUTE
OF INTERNATIONAL AFFAIRS

**United States-India:
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PATRYK KUGIEL

No 14, MAY 2010

Introduction

In US foreign policy in recent years major successes have been conspicuous for their absence. The ill-fated intervention in Iraq, the apparently endless war in Afghanistan, the torturing of Guantanamo and Abu Ghraib inmates, and the disregard of international law (all being part and parcel of the justly criticized “war on terrorism”) have sapped the power and prestige of the US for many years to come. There are other blots on the record of the G.W. Bush presidency, too, such as the neglect of the Middle East conflict, or a passive approach to such global challenges as climate change and the combating of poverty. Against this background the rapprochement with India, the new emerging power, is a prominent exception. The historic U-turn in US–India relations, likened by some observers to the breakthrough opening to China during the Richard Nixon presidency,¹ deserves to be seen as one of major achievements of President G.W. Bush’s foreign policy.

Today the relations between the US and India are at their historical best and for the first time the two countries have more common interests than differences. The previous US administration left no stone unturned to bring the two partners closer and to bridge the differences and put to rest the suspicions inherited from the Cold War era. On Barack Obama’s coming to power in Washington, doubts appeared whether the recent positive dynamics of the relations between the two countries would be sustained. The new administration has declared its will to maintain the priority status of the partnership with India and to give it a more global dimension. Yet extending this cooperation to global issues, which were previously absent from it, could mean both new opportunities and new threats. The development vector of the US–India relationship will depend not only on Barack Obama’s foreign policy, but also on India’s readiness to take on responsibility and engage in constructive cooperation with the US on global issues.

The purpose of this study is to present the current status of US–India relations in a historical cross-section and by-issues. Once the trends in the evolution of these relations and their basic determinants have been identified, an answer to the question about a future direction in which the Indo-US partnership will be evolving can be ventured. In 2009 the leaders of the two states adopted an ambitious target: to transform their “natural bilateral partnership” into a “strategic and global partnership.” This is a tall order indeed, seeing that the list of foreign policy differences is still long and mechanisms to agree common positions have yet to be fully developed—but many signs indicate that this initiative could be successful. The US–India partnership merits special attention precisely because it could turn out to be one of major alliances with a powerful impact on the development of international relations in the 21st century. Thus, it is likely to happen that instead of G-2 vision, (announced by some scholars at the beginning of Obama presidency in 2009), that is an alliance of two biggest economies—US and China, we will witness emerging of D-2, that is a strong partnership between US and India, two largest democracies, as most important strategic alliance of coming decades.

From Estrangement to Engagement. US–India Relations in 1947–2009

The history of the relations between the US and India can be divided into two main periods: of “estrangement”—coinciding for the greater part with the Cold War years, from the emergence of an independent India in 1947 to the Indian nuclear tests in 1998; and of “engagement”—covering the next decade, i.e. the closing years of the Bill Clinton presidency and the two George W. Bush terms.² The assumption of presidency by Barack Obama opened the third period, one which could determine the future shape of this relationship.

¹ B. Emmott, *Rivals: how the power struggle between China, India and Japan will shape our next decade*, Harcourt 2008, p. 6.

² In recent years the phrase “from estrangement to engagement” has become the shortest, symbolic summing-up of the relations between the two greatest democracies. This is reflected not only in numerous statements of politicians, but also in the titles of major works on the history of these relations—starting from a monograph which first launched this phrase: D. Kux, *India and the United States: Estranged Democracies 1941–1991*, 1993; G. K. Bertsch, S. Gahlaut, A. Srivastava (eds.), *Engaging India: US Strategic Relations with the World’s Largest Democracy*, 1999; N. Gaan, *India and the United States: from the estrangement to engagement*, New Delhi 2007.

In the Shadow of Cold War: 1947–1998

Throughout most of their history the relations between the US and India were marked by considerable mistrust and hostility and, at times, simply by disinterest. Two events coming at the very beginning of this period, in 1947, were to determine the intricate nature of these relations for a long time. The first was the beginning of the Cold War and the emergence of a bipolar international order. The second—the division of the British India and the emergence of two hostile states, perpetual rivals: India and Pakistan. After these regional rivals had opted for different competing geopolitical camps (Pakistan signed a military treaty with the US in 1954 and India—an agreement on cooperation and friendship with the USSR in 1971), the two key lines of division, the regional and the global, overlapped, to successfully block for decades any chance for the US and India to get closer to each other.

The relations between the world's two largest democracies became hostage to the Cold War logic and—under a “zero-sum-game” thinking—a derivative of the both states' relations with Pakistan. Each upturn or downturn in the US's relations with one of the regional rivals had the reverse impact on its dealings with the other. As a result, the “roller coaster” character—i.e. upswings followed by downswings—of the relations between the US and India was their hallmark until the end of the 20th century.³ Attempts to get closer to India (such as the US's support for India in the Sino-Indian war in 1962, or a warming of relations during the Jimmy Carter presidency in the 1970s) invariably came to a grinding halt following yet another US shift towards Pakistan (e.g. in the 1965 Pakistan–India war, or after the Soviet intervention in Afghanistan in 1979).

The upshot was that India, one of Asia's few working democracies, sided with a bloc of undemocratic states, while the US, the leader of the “free world,” was backing military dictatorships and authoritarian regimes against India. India, which headed the Non-Aligned Movement and which invoked in its foreign policy the principles of morality and idealism in international relations, became a severe critic of the United States, accusing it of imperialism, cynicism and hypocrisy.

The ideological and political differences were additionally compounded in the economic dimension. India, one of the poorest and most backward countries in the world, adopted a model of a socialist, centrally-planned and self-sufficient economy as the better—compared with liberal capitalism—way to achieve fast and steady growth. As a result, throughout the Cold War period it did not develop meaningful economic links with the US. Its main trade partners were the USSR, the Council for Mutual Economic Aid (CMEA) and Third World countries.

The early 1990s brought several changes relevant to US–India relations. With the Cold War ended, the main structural and ideological constraints to the development of these relations were disappearing. With the break-up of the USSR India lost its foremost political and economic ally. With the country in the throes of a grave economic crisis, Indian politicians resolved to launch in 1991 free-market reforms to open India to the world. The United States, for its part, discontinued aid to Pakistan as soon as Soviet forces had withdrawn from Afghanistan.

These favourable circumstances notwithstanding, nothing much changed in Indo-US relations. India's and the US's respective visions of a new international order were drawing apart rather than closer after it had transpired that the bipolar system was to be succeeded by a unipolar pattern in which the US was to enjoy a privileged position, rather than by a multipolar system.⁴ In addition, after its victorious confrontation with the USSR the United States no longer took a special interest in the entire South Asia and it reduced its involvement in that region. From the perspective of America as the sole superpower, the developments unfolding at that time in Central Europe, in the Balkans and in the Middle East were much more important.

Isolated attempts to improve economic and military cooperation notwithstanding, throughout the 1990s the relations between the US and India remained strained and dominated by three main issues: the proliferation of weapons of mass destruction (WMD), the India–Pakistan conflict over Kashmir, and human rights abuses in that disputed region. The Clinton administration's India policy was one-dimensional and focused on a single objective: “to cap, roll back and eliminate” the Indian nuclear program.⁵ Only during his

³ M.S. Chary, *The Eagle and the Peacock. US Foreign Policy toward India since Independence*, Westport, Conn., London 1995, p. 9.

⁴ For a broader coverage of assessments of the prospects of post-Cold War relations by Indian and US observers see: L. Rose, E. Gonsalves (eds.), *Toward a New World Order: Adjusting India–US Relations*, Berkeley 1992.

⁵ *A National Security Strategy of Engagement and Enlargement*, White House, Washington D.C., February 1996.

second term did Bill Clinton start devoting more attention to India, as developments in South Asia gave new dynamics to the relations between the two countries.

Decade of Cooperation: 1998–2008

Paradoxically, what put US–India relations on an improvement course was the gravest crisis in their common history. In May 1998 a nationalist government led by the Indian People’s Party (BJP) had ultimately decided to “use the nuclear option”⁶ by conducting five nuclear tests, whereupon it officially proclaimed India a nuclear weapons state. Pakistan responded with a similar move late in the same month. The resulting grave risk of the outbreak of a nuclear war in the region added to the list of arguments in favour of the US’s stronger involvement.

The Indian nuclear tests had come as a complete surprise to Washington politicians and they triggered severe internal criticism of the US’s policy.⁷ The US countered with a range of measures designed to condemn and punish India (and Pakistan), both under unilateral decisions (the imposition of political and economic sanctions) and through multilateral response (joint statements by the five Nuclear Weapons States, the G-8 states, a joint Sino-American statement, and UN Resolution No. 1772). On the other hand, these events prompted the two countries to engage in the longest and most serious diplomatic dialogue in history, led by US Deputy Secretary of State Strobe Talbott and Indian Minister for External Affairs Jaswanath Singh. The fourteen rounds of negotiations conducted between June 1998 and September 2000 proved to be an efficient mechanism for bringing the two states closer, rebuilding confidence, and understanding mutual concerns and interests.⁸

Yet it was 1999 that brought a breakthrough in mutual relations. First, in the spring, a limited Indo-Pakistani conflict (known as the Kargil war) broke out in the disputed Kashmir province. In an attempt to prevent the outbreak of an all-out war, the US prevailed upon Pakistan to pull out its troops from the region of fighting.⁹ America applied to South Asia the same rules that it had worked out with the Soviet Union during the Cold War: nuclear states shall not attempt to change borders (or lines of control) by the force.¹⁰ This attitude of the US reduced Indian politicians’ traditional mistrust of America and it showed that American engagement in the region did not necessarily have to be prejudicial to India’s interests. The *coup d’état* in Pakistan in the autumn of 1999 cemented the Indo-American rapprochement, enhancing India’s value as the sole predictable and responsible partner in that unstable region.¹¹

In March 2000 President Bill Clinton went on his historic visit to India (first in the twenty two years since Jimmy Carter’s in 1978). The leaders of the two states heralded in a joint statement “the beginning of a new era in mutual relations” and they adopted a number of initiatives to improve and intensify the US–India cooperation.¹² Clinton distanced himself from Pakistan’s requests for mediation in the Kashmir conflict and he declared he understood India’s strategic concerns and aspirations.¹³ After his five-day sojourn in India he proceeded on a short (five-hours) and low-profile visit to Pakistan. In October prime minister Atal B. Vajpayee paid a successful return visit to Washington.

The Clinton-initiated process of bringing India and the US closer to each other was continued with new energy by his successor George W. Bush. The perceiving of India as a US foreign policy problem gave way to thinking in terms of chances and opportunities. The Republican administration no longer brought up old

⁶ India had conducted its first nuclear explosion already in 1974, but at that time it had not chosen to proclaim itself a nuclear state. Since then it maintained a voluntary moratorium on nuclear explosions and its policy provided for “keeping the nuclear option open.”

⁷ *After the Tests: US Policy Toward India and Pakistan*, Report of an Independent Task Force, CFR 1998.

⁸ For more on this subject see: S. Talbott, *Engaging India. Diplomacy, Democracy and the Bomb*, 2004.

⁹ See: B. Riedel, *American Diplomacy and the 1999 Kargil Summit at Blair House*, Center for the Advanced Study of India, University of Pennsylvania, 2002, ww2.ssc.upenn.edu/research/papers/Riedel_2002.pdf.

¹⁰ S.Ph. Cohen, *The United States and South Asia: Core Interests and Policies and their Impact on Regional Countries*, Presented to the Conference on Major Powers and South Asia, Islamabad 11–13 August 2003, p. 3.

¹¹ It should be added that although India has not revised its position on its nuclear program, it has taken several steps to enhance its credibility as a responsible nuclear state and to rebuild American trust, among other things by proclaiming a moratorium on further nuclear testing, adopting the assumptions of the doctrine which ensures civilian oversight of nuclear weapons, and renouncing offensive use nuclear weapons (“no first use policy”).

¹² *Joint India–US Statement, India–US Relations: A Vision for the 21st Century*, 21 March 2000, www.indianembassy.org/indusrel/clinton_india/joint_india_us_statement_mar_21_2000.htm.

¹³ S. Talbott, *Engaging India...*, *op.cit.* p. 205.

controversial issues (nuclear weapons, Kashmir, human rights), but it recognized instead, from the perspective of the changing international order, India's role as a "new emerging power and a strategic partner of the US." At the same time, American intervention in Afghanistan had the effect of moving South Asia (including India) up on the list of US foreign policy priorities, from that of a peripheral area to a more central place. G.W. Bush recognized India's role in the attainment of the two paramount goals of his presidency: the "war on terrorism" and the promoting of democracy. Accordingly, both for the US and for India the tightening of their partnership became an important target endorsed by the main political forces in the both capitals.¹⁴ In those eight years the nature of this relationship was completely changed as important progress was made in the crucial areas of security, energy and the economy.

On the level of strategic cooperation and security, the focus was on three tasks: combating terrorism, military cooperation, and arms trade. India condemned the 11 September 2001 terrorist attacks and it firmly supported the American intervention in Afghanistan.¹⁵ Although it did not send in its own troops, it actively engaged in the reconstruction of Afghanistan. However, the designation of Pakistan as the US's main ally in the "war on terrorism" soured Indo-US relations.

The imperative to maintain good relations with India and with Pakistan at the same time prompted the US to introduce a new strategy of separate treatment of both these states, which made discarding the traditional zero-sum-game pattern possible.¹⁶ The effectiveness of the new approach was borne out by the US's positive impact on the termination of the crisis and the normalization of Indo-Pakistani relations in 2003; by the launching of their peace dialogue in 2004; and by declining numbers of terrorist attacks in Kashmir in successive years.¹⁷ However, the attack by a group of Pakistani extremists on Mumbai in November 2008 broke the Indo-Pakistani peace process and was a reminder that the normalization of the relations between India and Pakistan still stood out as a major challenge for the American strategy in the region.

The crisis over the US invasion of Iraq in 2003 was a serious test of the budding Indo-US partnership. India neither took part in the intervention nor expressed support for it, but—unlike many other states, including Russia, China, France, and Germany¹⁸—it refrained from official criticism of the US. Only in July 2003 did India finally turn down American request to send its troops for a stabilization mission, pleading the lack of a UN mandate.¹⁹ India's balanced position, though received with some disappointment in Washington, has not brought about the demoting of the relationship, a fact corroborating the both states' desire for a lasting improvement in their relations.

The beginning of the war on terrorism expedited the decision to lift American sanctions imposed on India following the nuclear tests (they were removed on 22 September 2001). This enabled the expansion of military and technological cooperation. Already in December 2001 the Defense Policy Group, the main forum for dialogue on defense established in 1995 and inactive since 1998, held its third meeting. In 2002 joint exercises of Indian and US military forces were resumed. All in all, by the end of 2008 nearly fifty joint

¹⁴ On the US side, this has been reflected in the continuity of this policy throughout the Democratic Bill Clinton administration and the Republican G.W. Bush administration, and in a subsequent series of votes in the Congress on relations with India, which reflected a bipartisan consensus. In India, two major political forces opted for tightening links with the US: the Indian People's Party (BJP), which had been responsible for the 1998 strategic shift towards the US and the Indian National Congress, which came to power following the 2004 elections.

¹⁵ India granted the US the right to fly over its territory and to use military bases and it provided support to operations to secure the safety of sea-lanes in the Indian Ocean. India's broader involvement in the military and stabilization mission in Afghanistan was precluded by the 13 December 2001 attack on the Indian Parliament which brought India and Pakistan on the verge of an open war.

¹⁶ See: A. J. Tellis, "The Merits of Dehyphenation: Explaining US Success in Engaging India and Pakistan," *The Washington Quarterly*, Autumn 2008, pp. 21–42.

¹⁷ The US accepted the Indian position on Kashmir which rejected all attempts to internationalize the conflict. The US took a position that this was a bilateral conflict to be resolved through bilateral negotiations between India and Pakistan, but unofficially it was prompting the parties to continue peace talks. In 2007 India and Pakistan were close to announcing a compromise resolution of the dispute, but a decision to this effect was stopped for reasons of President Musharraf's weakened position in Pakistan.

¹⁸ C. Raja Mohan, "India and the Iraq War," *The Hindu* of 27 March, 2003, www.hinduonnet.com/thehindu/2003/03/27/stories/2003032700211000.htm.

¹⁹ *Statement on the question of sending Indian troops to Iraq*, July 14, 2003, Press Releases, Ministry of External Affairs, New Delhi, <http://meaindia.nic.in>.

maneuvers were conducted in India and in the US by land and airborne forces and the Navy, to test their interoperability on anti-guerilla, anti-terrorist, and humanitarian missions.²⁰

In June 2005 India and the US signed a “New Framework for the US–India Defense Relationship,” which set out four aims of military cooperation: to maintain security and stability; to combat terrorism and militant religious extremism; to prevent the proliferation of WMD and related materials, data and technology; to protect the free flow of trade through land, sea and air routes.²¹ The agreement identified over a dozen areas of cooperation: from joint exercises to cooperation in missile defense and intelligence data-sharing, and it established four joint work groups and a bilateral Defense Procurement and Production Group. A year later the both countries signed a similar agreement on cooperation in maritime security, which provided for cooperation in the protection of sea routes and for combating piracy and trade in illegal goods.²²

In the wake of improved defense cooperation came the growth of the US’s importance as a supplier of equipment for the Indian armed forces. In the recent ten years the US has joined the ranks of ten largest exporters of military equipment to India (Table 1), with deliveries that included a transport ship, helicopters, Hercules transport aircraft and Poseidon-P8 planes (under the largest-ever \$2.1bn deal made in January 2009). India’s long shopping list includes the Patriot (PAC-3) missile defense system, electronic battlefield systems and, possibly, elements of an antiballistic shield. The Americans hope to win a tender, estimated at some \$12bn, for 126 multi-task fighter jets for the Indian Air Force.

Table 1.
Main arms exporters to India (in million US\$)

		1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
1.	Russia	419	808	508	812	1501	2199	1562	786	1009	1003	1488	12096
2.	UK	42	42	0	0	18	0	112	126	0	172	292	804
3.	Israel	39	10	22	33	61	85	149	123	134	60	18	734
4.	Uzbekistan	0	0	0	0	0	340	170	0	0	0	0	510
5.	France	42	42	41	22	11	15	142	96	5	17	29	460
6.	Poland	1	9	17	43	17	50	32	0	193	89	0	452
7.	Germany	13	16	169	32	20	12	5	5	16	20	20	328
8.	Netherlands	117	69	32	17	0	0	27	25	0	0	0	286
9.	Ukraine	0	34	20	20	14	77	88	0	0	0	0	253
10.	US	3	6	3	0	3	3	3	3	53	79	0	154
	Total	733	1048	822	1021	1680	2862	2305	1175	1414	1445	1847	16351

Source: Compiled by the author, based on: *SIPRI Arms Transfers Database (TIV of arms imports to India, 1998–2008)*.

The agreement on civilian nuclear cooperation was the paramount achievement of the US–India cooperation. In May 2005 special Energy Dialogue was launched, with working groups appointed to develop cooperation in five areas: 1) oil and gas; 2) coal; 3) energy efficiency; 4) new technology and renewable resources; 5) nuclear energy. Late in July 2005, during a visit by Indian Prime Minister Manmohan Singh to Washington, plans to establish “full nuclear cooperation” between the US and India were officially unveiled.²³ This meant a historic shift of the US’s position on nonproliferation and opened the door to the nuclear materials trade for India—despite its remaining outside the NPT system. The process launched at

²⁰ India cooperated effectively with the US—for instance, supplying aid to the tsunami victims in Asia in 2004/5, and it played an important role in the patrolling of Indian Ocean sea-lanes (e.g. in the strategic Malacca Strait). Other partner countries were invited to take part in joint military exercises; for instance, the navies of Australia, Japan and Singapore took part in the Malabar 07 exercises in the Bengal Bay in 2007 alongside Indian and U.S forces; in 2009 Japan and the US took part in exercises near the coast of Okinawa.

²¹ *New Framework for the US–India Defense Relationship*, Washington, DC, 28 June 2005, www.indianembassy.org/press_release/2005/June/31.htm.

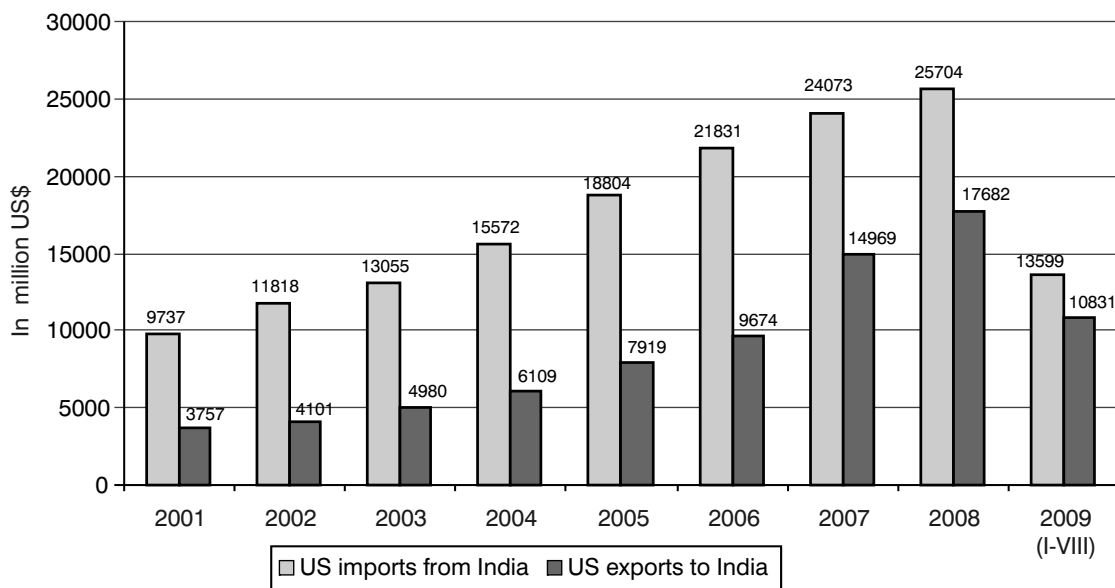
²² *Maritime Security Cooperation Agreement*, Washington D.C., June 2006.

²³ *India–US Joint Statement*, Washington D.C., July 18, 2005, www.indianembassy.org/press_release/2005/July/21.htm.

that time required the revision of the domestic US legislation and of the international nonproliferation system.²⁴ The nuclear agreement (also known as “Agreement 123”) was signed on 10 October 2008. It amounted in fact to the recognition of India as a nuclear state and, as it removed one of the major issues in the bilateral relations, it opened a new area of economic, technological and strategic cooperation.

Finally, the both countries made considerable progress in their economic cooperation. This area, which as recently as at the beginning of this century was one of major problems in their bilateral relations (chiefly due to trade and investment restrictions in effect in India), has become a success story of the transformation of relations. Between 1990 and 2008 bilateral trade soared by nearly 700 percent, from \$5.6bn to close to \$40bn, of which nearly four-fold in the last eight years alone (Graph 1).

Graph 1.
US–India’s Trade: 2001–2009



Source: U.S. Dept. of Commerce, Bureau of Census, <http://indianembassy.org/newsite/indoustrade1.asp>.

The US is India’s main trade partner: the largest single customer for Indian exports and the second (after China) source of its imports. For the US, India is much less important, having ranked in 2008 sixteenth among the major importers and eighteenth among exporters. The trade balance has been in India’s favour, although the trade surplus had been declining in recent years (to \$8bn in 2008). The US is also the dominant market for Indian outsourcing services.

The Americans have been increasingly interested in doing business in India. According to a report by McKinsey Global Institute, Indian middle class will grow ten-fold during just one generation, from 50 million in 2005 to 586 million in 2025, turning India into the world’s fifth largest consumer market.²⁵ This has been the drive behind the soaring growth of American investment in India in recent years. Of the \$16bn worth of investment in 2008, more than one-half went to three main sectors: IT, services and industry.²⁶ Interestingly, the flow of foreign investment is by no means one-way. In 2008 Indian investment in the US shot past \$4.5bn, four times the value of China’s investment. Plans to open more sectors of the Indian economy to foreign investment (retailing, financial services, banking) will meet with considerable interest of US companies and they will go a long way to enhancing economic cooperation.

²⁴ The International Atomic Energy Agency (IAEA) approved the India–US treaty on 1 August. Then, on 6 September 2008, the 46 states—members of the Nuclear Suppliers Group (NSG)—agreed to grant an exceptional treatment to India. This enabled India to start nuclear cooperation not only with the US, but with all other interested countries. Since then India has signed a number of civilian nuclear cooperation agreements, including with France, Russia, Kazakhstan and Mongolia.

²⁵ In Indian conditions, a per-household income of between \$4,000 and \$22,000 is required to qualify for this group. Alongside this numerically large middle class, by 2025 India should also boast close to 10 million “rich people,” i.e. in an over-\$22,000 income bracket, against 1.2m today. For more, see: *The ‘Bird of Gold’: The Rise of India’s Consumer Market*, MGI Report, May 2007.

²⁶ M. Ibarra, J. Koncz, *Direct Investment Positions: Country and Industry Detail*, July 2009, U.S. Bureau of Economic Analysis, International Economic Accounts, www.bea.gov/scb/pdf/2009/07%20July/0709_dip.pdf.

Towards Global Partnership: 2009 Onwards

Barack Obama's victory in the November 2008 presidential election in the US was received in India with mixed feelings. The Indians did not join the worldwide "Obama-mania" with same enthusiasm as others, mainly because their appraisals of the G.W. Bush presidency had not been altogether negative. After all, they owed the Indo-US rapprochement, the strengthening of India's international position, and the nuclear deal largely to his personal involvement. Indeed, Obama's election sparked concerns that the mutual relations could suffer as certain topics traditionally associated with the Democrats, such as the proliferation issue, human rights and Kashmir, again came on the agenda. In fact, Obama himself added to these concerns by referring repeatedly to the Kashmir conflict and hinting at the possibility of the US's stronger involvement in the termination of that dispute, as well as by linking the Kashmir issue with the way situation developed in Afghanistan.²⁷ At some point the new US administration seriously considered—much to the Indians' annoyance—sending a special envoy to the entire region, including India and Kashmir.²⁸ Ultimately, however, Richard Holbrooke was appointed the US's Special Representative for Afghanistan and Pakistan and the Kashmir issue ceased to appear in statements by the US administration.²⁹ Neither was India included expressly in the US's new strategy for Afghanistan, even though it is one of the countries with a potential to impact significantly the stabilization of the region.³⁰

In early months of the Obama presidency this bypassing of India in US's foreign policy gave rise to suspicions that the Indo-US relationship would again be downgraded and that India's relevance as a partner of the US would wane.³¹ In fact, exactly opposite seems to be the case. The lull in bilateral relations was attributable to domestic factors in the both countries rather than to the devaluation of the evolving partnership. The forming of a new administration in the US and the absorbing process of drawing up a new strategy for Afghanistan coincided with a parliamentary election campaign in India. The landslide victory in the May 2009 elections of Prime Minister Manmohan Singh's Indian National Congress, which made the new ruling coalition independent of the anti-American Leftist parties, created even more favourable conditions for strengthening the partner-like relationship with the US.

As soon as the internal situation in India became clear the US administration unveiled its own vision of mutual relations. Addressing the Indo-American Business Council in June 2009, Secretary of State Hilary Clinton announced the beginning of a new era in the US–India relationship. New, "3.0" relations were to be based on "four natural platforms of global security, human development, economic activity and science and technology."³² In the next month, as she unveiled the main assumptions of US foreign policy before the Council on Foreign Relations, she included India (alongside China, Russia, Brazil, as well as Turkey, Indonesia and the Republic of South Africa) in the group of main emerging global powers whose cooperation would be of key importance to the tackling of essential global problems, such as WMD proliferation or terrorism.³³

In July 2009 Hilary Clinton paid an official five-day visit to India.³⁴ By not including a visit in Pakistan on the agenda of her trip she showed that the new administration meant to continue the policy of "de-hyphenation" of India and Pakistan. The governments of India and the US proclaimed in a joint

²⁷ See: C. Raja Mohan, "How Obama Can Get South Asia Right," *The Washington Quarterly*, April 2009, http://pdfserve.informaworld.com/89109_909479105.pdf.

²⁸ One of the considered designations of the new position was "Special Representative for Afghanistan, Pakistan and Other Aspects," the "other aspects" being meant to include Kashmir. See: K. A. Kronstadt, *India-US Relations*, CRS Report for Congress, January 30, 2009, p. 4.

²⁹ It appears that Barack Obama's ultimate position on the Kashmir issue was strongly influenced by the 2008 Mumbai terrorist attacks which, besides highlighting the types of terrorist threat against India emanating from Pakistan, exposed the risks involved in linking the Kashmir dispute directly with developments in Afghanistan. Had the US acknowledged such a link, Pakistan would have used this to pressure India for concessions on Kashmir. Given India's resistance, this would have exacerbated tensions in the region and aggravated the situation on the Pakistani-Afghan border.

³⁰ Patryk Kugiel, "India's Involvement and Role in Afghanistan," *Bulletin PISM* No. 60 (592) of 5 November 2009.

³¹ S. Ganguly, S. Paul Kapur, "The end of the Affair?," *Foreign Affairs*, June 15, 2009.

³² *Remarks at U.S.–India Business Council's 34th Anniversary "Synergies Summit"*, Hillary Rodham Clinton, Secretary of State, US Chamber of Commerce, Washington, DC, June 17, 2009, www.state.gov/secretary/rm/2009a/06/125033.htm.

³³ *Foreign Policy Address at the Council on Foreign Relations*, Hillary Rodham Clinton, Secretary of State, Washington, DC, July 15, 2009, www.state.gov/secretary/rm/2009a/july/126071.htm.

³⁴ P. Chaudhuri, "Clinton urges India to be a global power," *Hindustan Times* of July 21 2009.

statement the beginning of “a third [...] phase of the relationship that will enhance global prosperity and stability in the 21st century.”³⁵ To this end, an Indo-US Strategic Dialogue (annual meetings at the level of foreign ministers) was established based on five pillars: 1) strategic security (to address non-proliferation, terrorism, security); 2) energy and climate change; 3) education and development; 4) the economy, trade and agriculture; and 5) science and technology, health and innovation.³⁶ At the same time the two countries signed three detailed high technology cooperation agreements, including an “end-user agreement” that paved the way for higher sales of American military equipment and technology to India. India undertook to give contracts for its two new nuclear electricity projects to US contactors.

On 22–25 November the President of India Manmohan Sing paid an official state visit to the US. The red carpet treatment extended to the Indian politician (whose visit was the first of this rank during the Barack Obama presidency) was meant to dispel doubts concerning an alleged weakening of the US–India link and to mark yet another step towards building a global strategic partnership. The both countries launched several joint initiatives (in scientific and technological cooperation, clean technology and climate change, agriculture) and they announced that cooperation would be intensified on global issues (e.g. in climate negotiations and on non-proliferation and combating terrorism).³⁷ President Obama accepted an invitation to visit India in 2010.

Common Values and Convergence of Interests: Premises for US–India Partnership

The historic shift in the relations between the US and India invites questions about the reasons behind this rapprochement. What caused these strategic rivals to turn into strategic partners in a matter of merely ten years? What are the foundations for this new US–India relationship and, in this connection, what are its development prospects? The foundations of the new partnership comprise five key factors: changes in the international system; the growing power of China; the emergence of the global threat of terrorism; similarities in the both countries’ systems; and people-to-people relations.

Evolution of International System

The end of the Cold War and the gradual evolution of the international system towards multi-polarity favoured a rapprochement between the US and India.³⁸ In the recent twenty years the booming economic growth of the new regional powers meant the weakening, in relative terms, of the power and influence of the US. The special growth of Asia’s role as the continent of the 21st century has moved the international center of gravity from the Atlantic to the Pacific and the Indian Ocean.³⁹ According to a 2004 strategy report by US intelligence agencies, the emergence of China and India as new great powers could have momentous consequences for changes in the global power pattern, comparable to the impact of the emergence at the turn of the 19th century of a powerful Germany and a powerful US.⁴⁰ A 2008 forecast left no room for doubt that “by 2050 the international system will be a global multipolar one with gaps in national power continuing to narrow between developed and the developing countries.”⁴¹ The report quoted, as one of the major trends, the “transfer of relative wealth and economic power from West to East.” The US, while remaining the strongest state, will be one of several important players on the international scene (others include China, India and Russia) rather than the only one.

³⁵ *India–US Joint Statement*, New Delhi, July 20, 2009, Washington D.C., <http://meaindia.nic.in/declarestatement/2009/07/20js01.htm>.

³⁶ *US–India Agreements and Achievements*, Bureau of Public Affairs, Washington, DC, 20 July 2009.

³⁷ *Joint Statement between Prime Minister Dr. Manmohan Singh of India and President Barack Obama of the United States of America*, Washington D.C., 24 November 2009.

³⁸ While in the 1990s the prevailing view was that a new global system would be unipolar with the US as the only superpower, in time this pattern has been increasingly understood to be an interim stage.

³⁹ For more on the subject of the evolution of the international system and the rising significance of Asia see, for instance: K. Mahbubani, *The new Asian hemisphere: the irresistible shift of global power to the East*, New York 2008; F. Zakaria, *The post American world*, New York, London 2008; and B. Emmott, *Rivals...*, *op.cit.*

⁴⁰ *Mapping the Global Future: Report of the National Intelligence Council's 2020 Project*, Washington D.C., December 2004.

⁴¹ *Global Trends 2025: The National Intelligence Council's 2025 Project*, Washington D.C., November 2008.

As a result of these changes, after fifty years of political and ideological quarrels the overall visions of international order subscribed to by Washington and New Delhi were now converging and complementing each other.⁴² The United States, anxious to adapt to the new conditions, embarked on a policy which had two main aims: to prolong US domination as long as possible and to look for new strong allies in the context of a multipolar order looming ahead. Of all of the new powers, India as the largest democracy and a country with which the US had no major bilateral disputes appeared the best candidate for a new strategic partner. At the same time, the United States could not afford to prompt India, through its own neglect, into joining one of the repeatedly proposed offers to build an anti-American alliance together with Russia and China.⁴³ In the National Security Strategy (NSS) of November 2002 India was included, for the first time, in the category of “main global power centers” and “potential allies able and willing to promote a balance of power that favors freedom.”⁴⁴ From there, the NSS reads:

“The United States has undertaken a transformation in its bilateral relations with India based on a conviction that US interests require a strong relationship with India. We are two largest democracies, committed to political freedom protected by representative governments. India is moving toward greater economic freedom as well. We have a common interest in the free flow of commerce, including through the vital sea lanes of the Indian Ocean. Finally, we share an interest in fighting terrorism and in creating a strategically stable Asia.

Differences remain, including over the development of India’s nuclear and missile programs, and the pace of India’s economic reforms. But while in the past these concerns might have dominated our thinking about India, today we start with a view of India as a growing world power with which we have common strategic interests. Through a strong partnership with India, we can best address any differences and shape a dynamic future”.⁴⁵

To call India a “growing world power” and a “strategic partner” is now stock-in-trade of the vocabulary of American politics. The March 2005 Strategy Towards South Asia stated that one of US’s goals was “to help India become a major world power.”⁴⁶ Later, in the updated strategy (NSS) of 2006, the Bush administration could already claim as its major foreign policy success, the “great strides in transforming America’s relationship with India” and to pronounce India “[...] now poised to shoulder global obligations in cooperation with the United States, in a way befitting a major power.”⁴⁷

After Barack Obama assumed the office of President, the US’s and India’s respective positions on the architecture of the international system have drawn even closer together. Obama, who sees the US’s role as that of global leadership rather than hegemony, rejects the previous administration’s unilateralism (which was criticized also in India) and promises to recognize the emerging powers’ growing impact on international affairs.⁴⁸ Early effects of this approach are already reflected in American support for the developing countries’ increased presence on the bodies of global economic institutions, notably in G-20 and the International Monetary Fund.

The two-pronged strategy of enhancing India’s global role and fostering the US–India closeness appears advantageous to the both countries, albeit not problem-free. In this context, the approach to the UN reform and to the backing of India’s aspiration to a permanent seat on the Security Council loom large

⁴² From its inception India has promoted the building of a multipolar order in which, being one of the most populous countries and the oldest civilization, it would play the role of one of the centers of the international system. Accordingly, it was not prepared to accept the unipolar pattern which emerged after the end of the Cold War. India never came to terms with the US’s function of the “world’s policeman,” and unilateral American initiatives (e.g. the interventions in Iraq in 1991, in Kosovo in 1999, and in Iraq in 2003) tended to drive it towards the equally concerned Russia and China.

⁴³ The first serious proposal of such an alliance came up during a visit by Russian Prime Minister Evgeniy Primakov to New Delhi in 1999. Henceforth, this idea re-emerged now and again, but with its relations with the US improving India was not interested, see: V. Gobarev, “India as a World Power. Changing Washington’s Myopic Policy,” *Policy Analysis* 2000, No. 381.

⁴⁴ *The National Security Strategy of the United States of America*, Washington D.C., September 2002, p. 25, <http://georgewbush-whitehouse.archives.gov/nsc/nss/2002/nss.pdf>.

⁴⁵ *Ibidem*, p. 27.

⁴⁶ *Background Briefing by Administration Officials on US-South Asia Relations*, US Department of State, Office of the Spokesman, Washington, D.C., 25 March 2005, www.usindiafriendship.net/viewpoints1/statedepartment.htm.

⁴⁷ *The National Security Strategy of the United States of America*, Washington D.C., March 2006, p. 35, <http://georgewbush-whitehouse.archives.gov/nsc/nss/2006/nss2006.pdf>.

⁴⁸ See: B. Obama, “Renewing American Leadership,” *Foreign Affairs*, July/August 2007, www.foreignaffairs.com/articles/62636/barack-obama/renewing-american-leadership.

as a key challenge for Indo-US relations. The United States has dodged unequivocal declarations because it is uncertain, on several counts, whether India's membership in this assemblage will genuinely benefit US interests. Indeed, voting records in the UN General Assembly show that India seldom backs the US's position (Table 2). On the other hand, from India's perspective this is a decisive test of the credibility and sincerity of US intentions. Also, it would be the second most important, after the 2008 nuclear deal, symbol of a strong global Indo-US, partnership. Last but not least, it seems that—despite their many differences—India as a permanent member of the Security Council would be a more constructive and closer partner of the US than Russia or China.

Table 2.
Voting Accord with US in UN General Assembly (%)

	U.K.	France	Russia	China	India	Average, all states
2008	56.8	54.2	17.1	16.5	23.7	25.6
2007	50.7	49.2	11.9	9.3	14.7	18.3
2006	53.2	51.4	20.5	16.1	15.9	23.6
2005	55.1	52.8	21.7	13.0	19.2	25.0
2004	56.7	54.1	18.6	8.8	20.0	23.3
2003	57.1	50.7	26.4	13.2	19.7	25.5
2000	71.7	64.6	44.4	25.0	21.8	43.0
1995	85.1	76.9	73.1	21.5	17.2	50.6

Source: *Voting Practices in the United Nations for 2000*, Report to Congress Submitted Pursuant to Public Law, March 31, 2001; www.state.gov/documents/organization/1978.pdf; *Voting Practices in the United Nations, 2008*, Bureau of International Organization Affairs, April 2008, www.state.gov/documents/organization/122186.pdf.

Containing China

India and the US share concerns about the rise of China and they have a common interest in preventing China's domination in Asia. The China threat was given as the paramount reason for India's 1998 decision to conduct nuclear tests. In the United States too, in particular in Republican circles, a conviction was growing that China posed the gravest challenge to American interests. For instance, the "Rumsfeld report" of 1998 claimed that China was engaged in the proliferation of ballistic missiles, weapons of mass destruction and sensitive technology—including to Pakistan and Iran.⁴⁹ A year later a document known as the Cox Report exposed China's thefts of US military knowledge and technology.⁵⁰ In 2000 Condoleezza Rice, the future presidential national security advisor and Secretary of State, described China as the main "strategic rival" of the US and recommended in this context putting more focus on India.⁵¹

Upon the coming to power of a Republican administration in 2000 the growth of India's power and significance came to be perceived as compatible with US interests. Yet very soon it transpired that neither party was interested in a cooperation openly defined in terms of "containing" or "counterweighing" China. Then the US had to focus the greatest part of its attention and resources on another threat as it engaged in "the war on terrorism." India, for its part, adopted the strategy of parallel development of friendly and strategic relations with all of the main global powers, as the most expedient course towards its own peaceful growth. In fact, the US and India have been developing a policy of engaging China politically and economically and they have tended to treat the emerging Indo-US partnership as an insurance policy in the event of a conflict with China—an eventuality which, given a number of bilateral and strategic disputes, cannot be ruled out in a longer term.

⁴⁹ Report of the Commission to Assess the Ballistic Missile Threats to the United States, July 15, 1998 – a.k.a. "Rumsfeld Report", www.fas.org/irp/threat/missile/rumsfeld.

⁵⁰ Cox Report—US National Security and Military/Commercial Concerns with the People's Republic of China, 25 May 1999, The United States House of Representatives Select Committee, www.house.gov/coxreport.

⁵¹ C. Rice, "Campaign 2000: Promoting the National Interest," *Foreign Affairs*, January/February 2000, www.foreignaffairs.com/articles/55630/condoleezza-rice/campaign-2000-promoting-the-national-interest.

China is the only country capable of challenging, in a not too distant future, the US's global leadership in the economic,⁵² military⁵³ and ideological dimension⁵⁴ alike. The differences between China and the US concern both the values and some very real conflicting interests, to mention only the Taiwan issue, or WMD proliferation. The United States would like to see China in the role of a "responsible stakeholder" in the international system, yet China's policy on many issues (e.g. on Sudan, North Korea, climate change) shows that Beijing obviously puts a different construction on this term. At the same time, the growing economic interdependence and the huge US deficit are becoming a mounting problem. In this sense, the dynamically developing India—even if its economic performance is still well below China's (see Table 3) – has a significant potential for counterbalancing China in the future, not only in political, but also in economic terms.⁵⁵

Table 3.
Selected Comparative Data for India, China and US

	US	India		China		India relative to China in %	
	2008	1990	2008	1990	2008	1990	2008
Population , in mln	307	850	1,166	1,139	1,338	74.6	85
GDP (ppp), in mln US\$	14,440	1,189	3,304	1,583	7,992	75.1	38
GDP per capita (ppp), in US\$	47,500	1,400	2,900	1,390	6,000	100.1	49
Exports, in mln US\$	1,277,000	17,975	187,900	62,090	1,435,000	28.9	13
Imports, in mln US\$	2,117,00	23,438	315,000	42,354	1,074,000	55.3	29
Total FDI, in mln US\$	2,367,000	1,592	144,000	68,513	758,900	2.3	19
Trade with the US, in mln US\$	–	–	43	–	409	–	10
US trade deficit in 2008, in mln US\$	–	–	8	–	268	–	3
Share in US trade in 2008 (%)	–	–	1.4	–	12	–	11
Share in global trade 2006–2008 (%)	11.84	–	1.29	–	6.9	–	18
US investment in 2008 in bn US\$)	–	–	16	–	45	–	35
Investment in US in 2008	–	–	4.5	–	1.2	–	375

Source: Author's own calculations based on: US Census Bureau, Foreign Trade Statistics, www.census.gov/foreign-trade/index.html.

For India, too, the rise of China's power is a grave challenge. The two countries have an unresolved border dispute and their strategic interests are more and more frequently at odds. India is worried not only about the traditional Sino-Pakistani alliance, but also about China's growing economic and military involvement in South Asian countries (Sri Lanka, Bangladesh, Myanmar, Nepal) which New Delhi has regarded as its exclusive influence zone. Given the soaring growth of their economies, these two emerging powers are looking for new sources of raw materials and new markets and some observers believe that confrontation between them is unavoidable. As a senior official at the Indian Ministry of External Affairs noticed in 2007: "The thing you have to understand is that both of us [India and China] think that the future

⁵² According to a Goldman Sachs forecast, the Chinese economy will overtake the US's in size in 20 years, while India will need 40 years to achieve this – see: D. Wilson, R. Purushothaman, *Global Economics Paper*, No. 99: "Dreaming with BRICs: The Path to 2050," October 2003, www2.goldmansachs.com/ideas/brics/book/99-dreaming.pdf.

⁵³ A 2006 Department of Defense report indicated that out of all the emerging powers "China has the greatest potential to compete militarily with the United States" – see: *Quadrennial Defense Review Report 2006*, US Department of Defense, February 2006, p. 28–29, www.defenselink.mil/qdr/report/Report20060203.pdf.

⁵⁴ R. Kagan, US analyst who was John McCain's advisor in the latest presidential election, notes that the case of China offers an alternative ideological model capable of competing successfully with liberal democracy – see: R. Kagan, *The Return of History and the End of Dreams*, Knopf, 2008.

⁵⁵ It will be remembered that India's economic reforms took off 15 years after China's, hence the about fifteen-years' economic lag relative to China—but, on the other hand, it has every chance of repeating the Chinese success. Also, India has a marked advantage over China in terms of its demographic structure, higher share of services and high technology in domestic GDP, lesser reliance on exports and a political system favoring the development of private entrepreneurship. For these reasons, India is likely to develop faster than China in coming decades.

belongs to us. We can't both be right."⁵⁶ India, being markedly weaker militarily and economically than China, has accepted US presence in the Asia and Pacific as a guarantee of security and stability in the region. Presumably, as the political and economic expansion of China continues, this factor will play an increasingly important role in bringing India and the US closer to one another.

“War on Terrorism”

After 11 September 2001 the anti-terrorism cooperation has come to be recognized as one of the pillars of the partnership of India and the US, but in practice there is still much room left for its improvement. On the one hand, the both states, which have years-long experience of exposure to terrorist attacks, recognize terrorism as one of the gravest threats to their own security and declare their will to cooperate closely in the “war on terror.” India firmly supported the US intervention in Afghanistan and it has actively engaged in the process of reconstruction of that country. The Indian society is one of the few which endorse the presence of international forces in Afghanistan. The United States looks to India to play an important role in the stabilization of the entire South- and Central Asia.⁵⁷ India has a longer record of anti-terrorism cooperation with the US than many of America's other allies. The India–US Joint Working Group on Counterterrorism had been established as early as in 1999 and by mid-2009 it held eleven meetings, of which three before 11 September 2001. The Group's frame of reference covers, among other things, the coordination of activities in Afghanistan, exchange of information on terrorist threats, and the drafting of a UN conventions on terrorism. The US put on its list of foreign terrorist organizations (FTO) three groups accused of conducting terrorist attacks in India: Harakat ul Mujahedin in 1997 and Lashkar-e-Toiba and Jaish-e-Mohamad in December 2001.⁵⁸ Moreover, under pressure from the US Pakistan de-legalized these organizations in January 2002.⁵⁹

On the other hand, the anti-terrorism cooperation is still laden with mistrust and its potential is underutilized. In the “war on terrorism” the United States has applied double standards, treating differently the groups which attack American targets (e.g. al-Qaeda) and those which strike at India (e.g. Lashkar-e-Toiba). Despite President Bush's assurances on 20 September 2001: “Our war on terror begins with al-Qaeda but it does not end there. It will not end until every terrorist group of global reach has been found, stopped, and defeated,”⁶⁰ the American approach did not change much. While demanding Pakistan's collaboration in seizing al-Qaeda members, the Bush administration ignored threats arising from the presence in Pakistan of other extremist groups. Moreover, Pakistan's “special status” in the war on terrorism obstructed cooperation between US and Indian intelligence services and special forces, because the Indian side was worried about a possible leakage of important data to ISI, the Pakistani intelligence service. Only the latest attacks in 2008, on the Indian Embassy in Kabul, and on Mumbai (in which the victims included six Americans) spurred the improvement of CIA's and FBI's cooperation with their Indian counterparts.

India believes that the new Obama administration has been repeating its predecessor's error by assuming that terrorists can be divided into “good” and “bad.” The stronger pressure put on Pakistan in 2009, to crack down on terrorist groups, has been focused so far on al-Qaeda members and Afghan Taliban forces alone. Yet India expects from the US help in prevailing upon Pakistan to “dismantle the terrorist

⁵⁶ B. Emmott, *Rivals...*, *op.cit.*, p. 16.

⁵⁷ India's cooperation is desirable, among other things, in order to exploit Afghanistan's potential as a land-bridge connecting South and Central Asia—*National Security Strategy of the United States of America*, Washington D.C., March 2006, p. 36. The US is also interested in building up India's influence in the Central Asian republics, to offset the presence of Russia and China in that region. This was evidenced by the reorganization of the Department of State in 2006, when the affairs of Central Asian countries were isolated from the Euro-Asia region and merged with the South Asia region in a joint Bureau of South and Central Asian Affairs.

⁵⁸ *Foreign Terrorist Organizations*, Office of the Coordinator for Counterterrorism, 7 July 2009, www.state.gov/s/ct/rls/other/des/123085.htm.

⁵⁹ As noted in a report released by the Department of State in 2002, “Pakistani support for [Kashmir] militant groups designated as Foreign Terrorist Organizations has waned after 11 September. Questions remain however whether Musharraf's “get tough” policy with local militants and his stated pledge to oppose terrorism anywhere will be fully implemented and sustained.” See: *Patterns of Global Terrorism 2001*, US Department of State, May 2002. Indeed, in a matter of months many leaders of de-legalized organizations were released from prison and they resumed their activities—often merely under different group labels.

⁶⁰ *President George W. Bush address to Joint Session of Congress, 20 September 2001*—<http://archives.cnn.com/2001/US/09/20/gen.bush.transcript>.

infrastructure on its territory.” If the US changed its approach to terrorism to a more inclusive, this would contribute importantly to improving mutual trust and bringing the US and India even closer together.

Role of Democracy

The community of values and commitment to the same principles and rules (tolerance, multiculturalism, the secularism of the state, the rule of law), besides offering a strong base for “the natural alliance of the two largest democracies,” came to figure prominently in the foreign policies of the two states. As early as in March 2000 the leaders of India and the US emphasized in a joint statement that the experiences of their two countries showed that “freedom and democracy [...] are universal aspirations, constrained neither by culture nor levels of economic development.”⁶¹ Recognizing India’s special role, Bill Clinton invited its representatives to co-chair the inaugural meeting of Community of Democracies, the intergovernmental organization, held in Warsaw in June 2000. As Zbigniew Brzezinski put it, the case of India “[...] refutes better than volumes of academic debate the notion that human rights and democracy are exclusively constrained to Western world.”⁶² India with its significant “soft power” potential and influence in many developing countries came to be perceived as a partner in promoting democracy worldwide.⁶³ This consideration played a special role in the rapprochement between India and the US, in particular during the G.W. Bush presidency. Indian expert, Raja Mohan noted that “President Bush’s ideological commitment to democracy and to its promotion around the world became a key element of the new American strategy towards India in his second term.”⁶⁴ Indian politicians also began to notice, besides advantages, the responsibility that went with this status. For instance, Prime Minister Singh acknowledged in 2005 that India had “an obligation to history and mankind to show that pluralism works. To show that democracy can deliver development and empower the marginalized.”⁶⁵

This vast potential notwithstanding, India’s practical contribution to promoting democracy has been fairly limited. This is because, as German scholars put it, “India does not pursue the United States’ missionary strategy in the field of human rights and democracy.”⁶⁶ Indeed, in this respect (like on the humanitarian intervention issue) it is more like China or Russia, in that it puts the principles of sovereignty and non-interference in the internal affairs of other states above imposing laws and systems on others. Also, India’s capabilities in this area are limited partly due to the weakness of its diplomacy.⁶⁷ As a result, India’s activity in the field of democratization has been directed for the greater part at multilateral undertakings. Besides participating in the not-too-active Community of Democracies, India and the US initiated in 2005 the establishment of a Democracy Fund of the United Nations (UNDEF) to address such matters as the development of democratic structures, the civic society, and the promotion of human rights.⁶⁸ Only in recent years has India engaged more actively in supporting democratic transition in neighboring states: in Nepal, Bhutan, the Maldives and Afghanistan, demonstrating that its role in promoting democracy can indeed be greater.

India’s political system firmly distinguishes it from such countries as China and Russia and makes Western state less apprehensive of the rise of India’s power. This has brought India closer not only to the US, but to the EU and other democratic countries as well. India as a counterweight to authoritarian countries figured prominently in such initiatives as Japanese Prime Minister Taro Aso’s proposal to build an

⁶¹ *Joint India–US Statement...*, *op.cit.*

⁶² Z. Brzezinski, *Wielka Szachownica* [The Grand Chessboard], Warszawa 1999, p. 208.

⁶³ X. Dormandy, “Is India, or Will it be a Responsible International Stakeholder?,” *The Washington Quarterly*, Summer 2007, s. 125.

⁶⁴ R.C. Mohan, *Impossible Allies. Nuclear India, United States and the global order*, New Delhi 2006, p. 89.

⁶⁵ *Manmohan Singh’ Remarks at the India Today Conclave*, New Delhi, 25 February 2005, www.pmindia.nic.spechees.htm.

⁶⁶ H. Müller, A. Schmidt, *Natural Friends? Relations between the United States and India after 2001*, PRIF Report No. 87, Frankfurt 2009, p. 15.

⁶⁷ See more: D. Markey, “Developing India’s Foreign Policy Software,” *Asia Policy* 2009, No 8; K. S. Rana, *Asian Diplomacy: The Foreign Ministries of China, India, Japan, Singapore, and Thailand*, Johns Hopkins University Press, 2009.

⁶⁸ *Prime Minister’s Remarks at the Launch of the UN Democracy Fund*, New York, September 14, 2005, <http://pmindia.nic.in/visits/content.asp?id=69>.

“arc of freedom and prosperity,”⁶⁹ or in the Republican presidential runner John McCain’s League of Democracies concept.⁷⁰ The relevance of Indian democratization appears to have waned in recent years along with the fiasco of the Bush administration-proposed strategy of democratization, yet it still remains a valuable and underutilized asset which could enable India to take a more active stance in international relations.

Indian Americans

The Indian American community in the US is yet another new factor with a growing role in bringing India and the US closer. Today the Indian Diaspora in the US is over 2.7 million strong (nearly 1% of the population). This young immigration (it began on bigger scale only after the liberalization of American immigration laws in 1965) has produced one of the most affluent and best educated minorities in the US. In 2007 Indian American households boasted an average income of over \$82 thousand, more than 50% above the national average of US\$50,740.⁷¹ As many as 67.1% of Indian Americans have a higher education—a B.A. degree or higher—which is three times better than the national average of 27.5%. Moreover, over 100 thousand students from India are undergoing education in American institutions of higher education, which makes them the largest group of foreign students in the US.⁷² In 2008 the two countries boosted the main intergovernmental scholarship program (Fulbright-Jawaharlal Nehru Scholarships and Grants), doubling its funding to US\$5m a year to cover close to 500 scholars.⁷³ The political impact of this community has been rising along with its numerical strength, affluence and prestige.⁷⁴

Since 1993 there has been a special nonpartisan group for India and Indian Americans in the House of Representatives.⁷⁵ In April 2009 this group, the largest dedicated to a single country, had 152 members. In 2004 a similar group for India was established in the Senate, with Hilary Clinton as its first chairperson. In June 2009 it comprised one-third of the Senate members (33 persons). The support of Congress members for the tightening of strategic cooperation with India has been reflected, for instance, in the favorable results of votes on bills relating to the controversial nuclear agreement.⁷⁶

These examples also illustrate the growing activity, effectiveness, and professionalism of lobbying by the Indian government and the Indian American community.⁷⁷ To increase their clout with American politicians, the Indians have learned to employ the whole spectrum of political means—from using professional services of lobbying firms⁷⁸ to forming their own interest groups (such as the US India Political

⁶⁹ *Arc of Freedom and Prosperity: Japan’s Expanding Diplomatic Horizons*, Speech by Mr. Taro Aso, Minister for Foreign Affairs on the Occasion of the Japan Institute of International Affairs Seminar, 30 November 2006, www.mofa.go.jp/announce/fm/aso/speech0611.html.

⁷⁰ J. McCain, *An Enduring Peace built on Freedom. Securing America’s Future*, Foreign Affairs, November/December 2007.

⁷¹ *Selected Population Profile in the United States, Asian Indian alone or in any combination*, 2007 American Community Survey 1-Year Estimates, American Community Survey, U.S. Census Bureau, http://factfinder.census.gov/home/saff/main.html?_lang=en&_ts.

⁷² Ch. Rajghatta, “Indian students in US cross 100,000 mark,” *Times of India* of 18 November 2009, <http://timesofindia.indiatimes.com/world/us/Indian-students-in-US-cross-100000-mark/articleshow/5240338.cms>.

⁷³ *India, US Now Full Partners in Educational Exchange*, July 4, 2008, Press Releases 2008, US Embassy in New Delhi, <http://newdelhi.usembassy.gov/pr070808.html>.

⁷⁴ People of Indian origin are the elite of the IT, medical, and executive communities; they attain ever higher positions in the academic community (e.g. astronaut Kaplana Chawla who died in the Columbia shuttle crash in 2003, or journalist and expert on international affairs Fareed Zakaria), in culture (film director Mira Nair, singer Norah Jones) and in politics (Boby Jindal, Congressman and the current governor of Louisiana; Rajiv Shah, the new Administrator of USAIG, the agency responsible for US development policy).

⁷⁵ For more on this subject see: www.usindiafriendship.net.

⁷⁶ The “Hyde Act” of 2006 (Henry J. Hyde United States–India Peaceful Atomic Energy Cooperation Act, 2006) was passed by the House of Representatives by a 359–68 majority and by the Senate by a 85–12 majority; the approval of the final India–US agreement of September 2008—by a 298–117 majority in the House and 68–13 in the Senate.

⁷⁷ Kamdar, *Planet India. How the Fastest Growing Democracy is Transforming America and the World*, New York 2007, pp. 33–38.

⁷⁸ The government of India paid for lobbying for the nuclear deal no less than \$700,000 to Barbour, Griffith & Rogers (BGR Group), a firm with Republican affiliations, and \$600,000 to a law firm Venable LLP. Additional funds were provided by business organizations: Confederation of Indian Industry (\$500 thousand for the BBR Group), the US India Business Council, and by new US–India political groups.

Action Committee—USINPAC) and expanding cooperation with other influential minorities.⁷⁹ The most illustrative examples include cooperation with the strongest lobby of American Jews, which helped win the 2001 vote on lifting economic sanctions against India and the 2004 vote on the government's consent to the sale to India by Israel of three Phalcon radar systems.⁸⁰ According to some observers, the dynamically growing Indian community is well positioned for becoming soon the strongest ethnic lobby in the US.⁸¹

Last but not least, the thriving Indo-US partnership reflects the two nations' generally positive attitude towards one another. Today the Indian society is one of the most pro-American societies in the world. In a January 2009 global opinion survey it was second in its pro-US sympathies (72%) only to the Americans themselves.⁸² Also, India is one of the few countries where positive opinions about the US did not plummet during the G.W. Bush presidency; late in 2008 as many people (66%) had a positive opinion about US policy as in 2002.⁸³ This has worked both ways: 52% of the US public have positive perceptions of India's impact on global affairs.⁸⁴

Challenges for Indo-US Cooperation

The US–India partnership, although flourishing on the level of bilateral relations, has a great weakness: it lacks a global dimension. For instance, Teresita Shafer believes that the most important task confronting today the politicians in the both countries is to expand cooperation to a regional and a global level.⁸⁵ The determination shown by the Barack Obama administration in addressing problems of this type appears to create favorable conditions for enlarging the scope of cooperation with India—but, on the other hand, it engenders the risk of new tensions which could sour mutual relations. Issues on which India's and the US's positions have differed and on which they need to forge a compromise and work together concern in particular the proliferation of nuclear weapons, the countering of climate change, and global trade. That said, the most pressing business, for India and the US alike, is to find a constructive solution to the problem of Pakistan.

Relations with Pakistan

The Pakistan factor represents the paramount challenge for the US–India relationship. Not only has it contributed to the persisting, substantial level of mistrust between India and the US, but it has complicated opportunities for further cooperation, both bilateral (e.g. on terrorism) and regional (e.g. on bolstering India's role in South and Central Asia).

India, which for years has accused Pakistan of supporting terrorist organizations in Kashmir,⁸⁶ received with disappointment the US's decision to designate Pakistan as its major ally in the "war on terrorism." As India saw it, the US–Pakistan alliance evidenced the American's hypocrisy and myopia. It compromised the two fundamental ideas of G.W. Bush, sentencing them to an internal contradiction: on the one hand, the US

⁷⁹ A. Cooperman, "India, Israel Interests Team Up," *The Washington Post* of 19 July 2003; N. Banerjee, "In Jews, Indian-Americans see a role model in activism," *The New York Times* of 2 October 2007.

⁸⁰ Cherian Samuel, "India, Israel and the US factor", [in:] Eytan Gilboa and Efraim Inbar (eds.), *US-Israeli Relations in a new era. Issues and challenges after 9/11*, p. 207.

⁸¹ M. Kamdar, "Forget the Israel Lobby. The Hill's Next Big Player Is Made in India," *The Washington Post* of 30 September 2007.

⁸² *Poll: US gets weak marks on global relations*, Reuters, 18 January 2009; "Indians are America's best friends in world," *The Telegraph* (Calcutta, India), 18 January 2009.

⁸³ *Global Public Opinion in the Bush Years (2001-2008)*, Pew Global Attitudes Project, 18 December 2008, <http://pewglobal.org/reports/pdf/263.pdf>.

⁸⁴ *Views of China and Russia Decline in Global Poll*, BBC World Service, 5 February 2009, www.worldpublicopinion.org/pipa/pdf/feb09/BBCVals_Feb09_rpt.pdf.

⁸⁵ T.C. Schaffer, *India and the United States in the 21st Century. Reinventing Partnership*, CSIS, Washington D.C., 2009, p. 213.

⁸⁶ Before 11 September 2001 the US had begun to acknowledge more often the truth of India's allegations. For instance, the last pre-11 September report on terrorism from the Department of State stated explicitly: "The Government of Pakistan increased its support to the Taliban and continued its support to militant groups active in Indian-held Kashmir, such as the Harakat ul-Mujahidin (HUM), some of which engaged in terrorism." See: *Patterns of Global Terrorism: 2000*, Office of the Coordinator for Counterterrorism, 30 April 2001, www.state.gov/s/ct/rls/crt/2000/2432.htm.

proposed to fight terrorism with the help of a terrorism-sponsoring country and, on the other hand, it wanted to promote democracy all over the world by supporting Pakistan's military dictatorship.

The US's attempt to maintain good relations both with India and with Pakistan and to develop a standalone relationship with each according to their respective potentials and interests has proved a tough proposition. Pakistan claims that the development of the US–India partnership has deteriorated its position in the region, to India's advantage. Indian politicians, for their part, are afraid that American aid to Pakistan, the bulk of which is channeled to the Pakistani military, has been adding to destabilization in the region.⁸⁷ The tensions between India and Pakistan and the two countries' conflicting expectations of the US, besides damaging mutual relations, have been also affecting adversely the stabilization mission in Afghanistan. Different definitions of the sources of dispute, prevailing in New Delhi and in Karachi, have obstructed the normalization of the relations between India and Pakistan from which the three states would benefit. What for Pakistan is essentially a dispute over Kashmir has come to be perceived by India as a dispute over terrorism employed as a foreign policy tool. For this reason, while India agrees with the US that a "stable, democratic and efficiently prospering Pakistan" would be in their common interest and it endorses the Obama administration's new approach which provides for increased support to the economic development of Pakistan and to its democratic institutions (as distinct from the Bush administrations' support for General Musharraf), it believes that in the matter of anti-terrorist cooperation with Pakistan the Americans have been duplicating old errors. This makes the approximation of India's and the US's positions on Pakistan an essential prerequisite for the tightening of their strategic cooperation.

Iran Issue

Attitudes towards Iran stand out as yet another important, even if not as difficult, snag in the US–India relationship. India has traditionally maintained good relations with Iran as a rival of Pakistan. The two countries signed in 2003 a Delhi Declaration establishing a bilateral "strategic partnership." Iran is India's fifth largest oil supplier and a customer for Indian petroleum products. The strategic importance of Iran as a resources supplier will be rising along with the growing needs of the Indian economy. Moreover, the two states have been discussing the construction of a gas pipeline from Iran through Pakistan to India (IPI), even though the tensions between India and Pakistan make the finalization of this project a remote prospect. On the other hand, Iran's strategic importance for India as a route (blocked by Pakistan) to Afghanistan and Central Asia has been growing. India has been involved in the construction of an ocean port in Chabbar on the Persian Gulf and a of transport corridor to Afghanistan. Last but not least, India and Iran have invoked their rich historical and cultural ties (for instance, India has the second largest—after Iran's—Shiite community). Under the circumstances, there is no consent in India to sacrificing important interests in Iran for the partnership with the US. Attempted external pressures to join international sanctions or political restrictions have been invariably received in New Delhi as an assault at India's sovereignty and autonomy in the conduct of its policy. Even so, there are signs suggesting that cooperation between the US and India on Iran is possible.

India wants to be the last country to have acquired nuclear weapons and it is vitally interested in preventing further WMD proliferation. It will be noted that India voted twice already (in 2005 and 2006) in the International Atomic Energy Agency in accordance with a US proposal and against Iran. Indian politicians say that Iran, which (unlike India) is a party to the NPT, must observe the provisions of this treaty but has the right to develop a civilian nuclear program. The Indian side holds that the crisis over the Iranian nuclear issue and, in broader terms, over Iran's role in the Middle East, can be resolved only by diplomatic means. In this context, India—with its good relations with Iran, the US and Israel (and with the Palestinians)—has a significant potential for playing an important international role. Rather than be a bone of contention between the US and India, Iran could eventually become a new area of cooperation and an evidence of joint responsibility for global challenges.

Nuclear Weapons Proliferation

The 2008 nuclear deal will remain the foundations underpinning cooperation on nuclear weapons. As Senators, President Obama, Vice-president Joe Biden and Secretary of State Hilary Clinton voted for the

⁸⁷ Between 2001 and 2009 Pakistan received some US\$12 billion in aid, the bulk of which (US\$8.7bn) was for military and security purposes: A. Krondstadt, *Pakistan–U.S. Relations*, CRS Report for Congress, 6 February 2009, p. 94.

adoption of this treaty and thereafter they have repeatedly pledged to develop relations with India on the basis of its provisions. Under the agreement India undertook to keep in effect its voluntary moratorium on nuclear testing, to separate its military and civilian nuclear programs, and to put the former under the IAEA procedures and oversight. International inspectors are to be given unrestrained access to 14 of the 22 Indian reactors and to all future civilian reactors. This means that India's nuclear program, which to date has been beyond international control, will now come for the greater part under outside supervision.

Bigger differences could arise in connection with the proposed reinforcement of the nonproliferation system on the basis of the NPT, or following the resumption of work on treaties on a ban on the production of fissile materials (Fissile Material Cut-off Treaty, FMCT) and on a total ban on nuclear weapons tests (Comprehensive Nuclear Test Ban Treaty, CTBT). India once already rejected the opportunity to sign these treaties—and today, as a nuclear weapons country, it is even more loath to see international constraints imposed on its atomic program.⁸⁸ The main factors behind India's stance are: the fear of its nuclear-country neighbors (Pakistan and China), objections to the discriminatory nature of the nonproliferation system currently in place, and the belief that this system is ineffectual.

Accordingly, India would rather co-create new solutions than engage in reforming these existing. In this sense, as a country with a long record of calls for universal denuclearization and as an acknowledged "staunch advocate of disarmament."⁸⁹ India could prove a valuable ally for President Obama in his push for the realization of his vision of a "world without nuclear weapons." It is only as a nuclear state that India has become a serious and meaningful participant of this debate. It is worth noting that India has never violated the international nonproliferation regime and it has supported the reinforcement of the same—on the condition that this is done according to the principles of universality, comprehensiveness, non-discrimination, and in connection with total global disarmament target.⁹⁰ It follows that while chances for an understanding on nuclear issues within the framework of the existing treaties are small (except for the FMCT, on which India's agreement cannot be ruled out) India could play a meaningful role in the re-designing of the global nonproliferation system. Another solution to a potential dispute would be for India to increase its involvement in alternative WMD nonproliferation agreements—for instance, in the Proliferation Security Initiative (PSI, known also as Krakow Initiative). That mechanism—less formal and affording more autonomy—has not met with much interest from India to date, yet it could be a preferable alternative to the more restrictive NPT and CTBT treaties.

Climate Change

The approach to the prevention of climate change will be another area of major divergences of position between India and the US. India, the fourth largest CO₂ emitter, is also one of the countries most vulnerable to the negative impact of climate change.⁹¹ Yet it believes that the main burden of responsibility for climate problems rests on the developed countries and it refuses to share with them on an equal basis the costs of preventing global warming. The Indians have protested that, under the circumstances, to impose severe restrictions on the developing countries would be unjust and detrimental to their economies. India does want the prevention of climate change—but on different terms. It has proposed that the emissions limits be imposed on a per-capita basis (then India's emissions are barely 6% of the US's), it has pushed for preferential-terms loans for environment-friendly investment projects and for favorable terms of "clean"

⁸⁸ India is one of the few countries which have never signed the 1968 Treaty on the Non-proliferation of Nuclear Weapons (NPT). Since 1974 when it conducted its first "peaceful" nuclear test, India has remained outside the global nonproliferation system and it has been excluded for commercial trade in nuclear materials. Despite the huge international pressure it has not given up its own nuclear program and in 1996 it refused to sign the 1996 CTBT. At present any plan to prevail upon India to give up the possession of nuclear weapons, shelve its military program, and accede to the NPT as a non-nuclear country will be a totally unrealistic proposition.

⁸⁹ A term used by Mohammad El Baradei, General Director of the International Atomic Energy Agency, at the October 2009 New Delhi conference on peaceful use of atomic energy.

⁹⁰ Letter from Permanent Representative of India to the UN addressed to the President of the Security Council outlining India's approach and perspectives regarding the Security Council's Summit meeting on Nuclear Non-Proliferation and Nuclear Disarmament, New York, 24 September 2009.

⁹¹ It will be remembered, however, that in terms of per-capita CO₂ emissions, India with its 1.2 ton of CO₂ per inhabitant (against the US's 20.6 ton, Russia's 10.6 ton and, for instance, Poland's 8.0 tons) is among the world's smallest emitters. In absolute figures, in 2004 India generated 1.342 billion tons (Mt) of CO₂ (4.6%), against Russia's 1.524 Mt (5.3%), China's 5.007 Mt (17.3%) and the US's 6.946 Mt (as much as 20.9%) – see: *Human Development Report 2007/2008. Fighting climate change: Human solidarity in a divided world*, UNDP, New York 2007, <http://hdr.undp.org/en/reports/global/hdr2007-2008>.

technology transfer to developing countries. It unveiled, as part of its 2008 National Action Plan on Climate Change, eight “national missions” covering, among other things, the development of solar energy, the enhancement of energy efficiency, and the development of a national forestation program.⁹² Furthermore, the Indian authorities have increasingly emphasized the development of nuclear energy as a means of reducing India’s greenhouse gas emissions.⁹³

Although India’s position contributed to the failure of the December 2009 Copenhagen Climate Conference, in a longer run it could spur a deeper economic and technological cooperation. Investing in the preservation of the environment, in renewable and nuclear energy, or in research and development holds a promise of a potentially huge market for American and European businesses. The US could also have a stake in these sectors’ becoming open for foreign capital, with international funding ensured (e.g. from the climate fund).

It appears that the US administration will be promoting exactly such a commercial cooperation on climate change with India. It is worth reminding that president Bush gave the need to preserve the environment and “assist India in meeting its growing energy needs in a responsible manner”⁹⁴ as one of main arguments for the passing of the controversial nuclear deal with India. The US Chamber of Commerce estimates the Indian nuclear market at over \$100bn. Cooperation in clean technology could produce similar gains. According to the International Atomic Energy Agency, to involve actively in the combating climate change and to reduce its greenhouse gas emissions India would need to spend extra \$600bn on new energy projects by 2030, the bulk of which on renewable energy sources.⁹⁵ Rather than seriously handicap mutual relations, the climate and energy issues have a chance of becoming a new, highly relevant factor in bringing the two countries closer in economic, technological and strategic terms.

International Trade

Different approaches to the principles of global trade in the Doha Round of the World Trade Organization will remain another important area of disputes. The US attributes the fiasco of these negotiations largely to the firm objection from India, which was acting also in the interests of many developing countries. The main controversies concerned three areas: market access; export competition; and the scrapping of national programs disrupting the principles of free trade, such as subsidies to agriculture in the developed countries. It appears that, given the momentous importance of the disputed schemes for each side, chances for finding a common global solution to these challenges are small. One way of overcoming the present stalemate would be for many WTO members (for instance, the EU) to develop alternative bilateral and regional trade agreements. As for the US–India relationship with its record of successful solutions to trade problems (e.g. on intellectual property rights), bilateral agreements could also make up for divergences present in multilateral negotiations.

Conclusions

India and the US have a chance to build a strong partnership based on the community of values and interests. International developments in the recent two decades (e.g. the end of the Cold War, the beginning of the war on terrorism) and the both countries’ internal processes (e.g. the economic development of India, the growing impact of the Indian Americans on US) have rendered most of the fundamental differences and disputes in mutual relations irrelevant and they have made possible the rebuilding of these relations to a completely new design.

The position of the US and India at the threshold of a new multipolar system is similar in several important respects to that of the US and Western Europe at the outset of the Cold War. Like the latter did at that time, the US and India are now building their partnership on their common values and their commitment to democracy; they endorse a similar vision of the international order in which they both will figure prominently; they share concerns about a strong external threat (in this case, from China and Islamic

⁹² *National Action Plan on Climate Change, Government of India*, June 2008, <http://pmindia.nic.in/Pg01-52.pdf>.

⁹³ *India expands nuclear ambitions*, 29 September 2009, BBC News, http://news.bbc.co.uk/2/hi/south_asia/8280467.stm.

⁹⁴ *Statement by President Bush on Passage of U.S.–India Nuclear Deal*, The White House, Office of the Press Secretary, 1 October 2008.

⁹⁵ *How the Energy Sector Can Deliver on a Climate Agreement in Copenhagen*, International Energy Agency, October 2009, pp. 53–58, www.iea.org/weo/docs/weo2009/climate_change_excerpt.pdf.

terrorism); and the process of their drawing closer to each other has the support of their societies and is reinforced owing to the intensification of people-to-people contacts. Growing economic cooperation has also been a positive factor. Yet despite these similarities the US–India partnership will have a different character suited to the changed 21st century international situation.

There is consensus among US and Indian analysts that the US–India relationship has no makings of a traditional political alliance; instead, it will be a “new model for international partnership,” one suited to the demands of the present-day realities and to the vast potentials of the both states.⁹⁶ Three main distinctive features of this partnership can be identified. First, the Obama administration has already begun to categorize this relationship a “global strategic partnership.” Formally, the partnership attained the “strategic” level in July 2009, with the launching of the Strategic Dialogue.⁹⁷ Whether it achieves the “global” dimension depends on the partners’ undertaking cooperation on major international challenges.

Second, it will be a “partnership of the equal”—of two strong peers who retain the right to independence and “strategic autonomy” in international politics. To paraphrase American expert Stephen Cohen’s phrase, India as the US’s ally is more likely to be an Asian France than an Asian Britain.⁹⁸ This means that in various situations disputes between the two countries will be unavoidable and neither of them will be prepared to seek the strengthening of bilateral relations at the expense of its own important interests (the 2003 Iraq intervention was a case in point).

At the end of the day, “natural partnership” is both the paramount feature and the most faithful definition of the nature of the relationship based on natural affinity and a number of political or ideological similarities rather than on a formally binding covenant. As Indian analyst Raja Mohan rightly observed, India “can be a strategic partner that will often back the US because the interests of the two states will very often coincide.”⁹⁹ A recent Asia Society report emphasized that “India matters to virtually every major foreign policy issue that will confront the United States in the years ahead” [...] from security and economic growth to climate change, education, agricultural needs, and HIV/AIDS.¹⁰⁰ As India’s economy develops and its power grows, the number of its interests coinciding with those of the US will be growing, as will their relevance to the US India, for its part, will need to US to ensure for itself a secure development environment and to accelerate its own growth. The both countries are almost “doomed” to expand their cooperation.

The partnership between the US and India has a chance to become one of the most important 21st century alliances. Besides cooperating on security and economic issues, the two countries have been increasingly focusing on high technology research, space exploration, combating terminal diseases, and on development problems. The Indo-American accord could give a new impetus to dealing with such global challenges as fighting terrorism, stabilizing Afghanistan, counteracting climate change, combating poverty, or the push for universal nuclear disarmament. The natural partnership is a sound basis on which to build a truly global strategic partnership. In the end global partnership of two greatest democracies (D2) can turn out to be one of the most important features in world politics in the 21st century.

The US and India are both *status quo* powers with a stake in preserving the present international system and sustaining its stability and security. At the same time, India as a “hard-power” shows more similarities with the US on security issues than, say, the European Union or Japan—which could make it a partner many times more valuable than they are. On the other hand, with the many points of similarity between its and the US’s system and with no direct bone to pick with the US, India will be increasingly valuable in the context of such states as China and Russia. Now that India’s foreign policy has been evolving for several years from moralism and idealism towards pragmatism, the both states articulate their international strategies on the basis of similar rational analyses of national interests and compromise is easier.

⁹⁶ T. Shaffer, *U.S.–India Relations Needed: a new Kind of Partnership*, Testimony before the Subcommittee on the Middle East and South Asia House Foreign Affairs Committee, 25 June 2008.

⁹⁷ Krzysztof Bałon identifies several stages of partnership-building: 1) normalization of relations; 2) closer cooperation; 3) foreign policy coordination; and—as the decisive stage: 4) setting up joint institutions, including regular meetings of representatives of the strategic partners – K. Bałon, “Co to jest partnerstwo strategiczne?,” *Biuletyn* (PISM), No. 34, 2001.

⁹⁸ S.Ph. Cohen, India and the Middle East, House International Relations Committee, US Congress, 16 November 2005, www.brookings.edu/testimony/2005/1116india_cohen02.aspx.

⁹⁹ C. Raja Mohan, *Impossible Allies. Nuclear India, United States and the global order*, New Delhi 2006, p. 262.

¹⁰⁰ *Delivering on the Promise: Advancing US Relations with India*, An Asia Society Task Force Report, January 2009, p. 7., www.asiasociety.org/policy-politics/international-relations/us-asia/delivering-promise-advancing-us-relations-india.

In November 2009 President Obama spoke of India as “an increasingly influential global power” and called the relations between the US and India “one of the defining partnerships of the 21st century.”¹⁰¹ Whether his words become reality still during this presidency depends to a large extent on resolving three major difficulties in the mutual relations:

Policy towards Pakistan. The US’s double-standard approach to the terrorist groups operating in Pakistan is detrimental not only for US–India relations but also for Pakistan and for the stability in the entire region. Because no firm steps were taken against all terrorist groupings in Pakistan after 2001, they could grow in strength and become even more radical. Now that the Pakistani authorities recognized the terrorist threat and mounted a crackdown against the Pakistani Taliban (TTP), the moment is opportune to persuade the Pakistani side to extend the “war on terrorism” also to those groupings which were thus far conducting terrorist attacks in India and Kashmir. Only such actions—and Pakistan’s full cooperation in combating terrorism—can make possible the resumption of the Indo-Pakistani peace process, contribute to the stabilization of Afghanistan and improve security in Pakistan itself. A consistent position of the US on this matter could boost India’s confidence and strengthen the partnership.

India in UN SC. The US position on India’s aspirations to play a more important international role is inherently inconsistent. On the one hand, the US declares its support for the enhancement of India’s international significance and, on the other hand, it has refrained from supporting expressly India’s membership in the United Nations Security Council—in other words, from affirming officially India’s global role. Without meeting this essential postulate, attempts to persuade India to assume more international responsibility are bound to fail. Unequivocal support for this role of India would decisively augment the US’s credibility as a strategic partner and it would benefit mutual cooperation on many regional and global issues (including the reform of the UN itself).

India as responsible power. To date India has been the greater beneficiary of the US–India partnership. To balance the score and to corroborate the rationale for the US policy of engagement, India will need to affirm its usefulness to the US in the solving of problems in its region and worldwide. This means adopting a more active international role and applying its own potential to such tasks as active contribution to promoting democracy and to resolving the Iranian nuclear program crisis, or embarking on military cooperation with the US in stabilization and peacekeeping missions, including in Afghanistan and in the Indian Ocean. India may not remain the defensive, reactive or self-seeking party; on the contrary, it will have to reinforce the pro-active, creative and compromise-oriented approach. Without this change on the Indian side, the “strategic global partnership” will remain merely a paper commitment.

¹⁰¹ Remarks by President Obama and Prime Minister Singh of India in Joint Press, Conference Office of the Press Secretary, The White House, 24 November 2009, www.whitehouse.gov/the-press-office/remarks-president-obama-and-prime-minister-singh-india-joint-press-conference.