

US-India The Way Forward



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Each side should designate a senior official charged with keeping the US-India relationship on track, recommends
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Prime Minister Manmohan Singh's visit to Washington comes at a time of doubt. Some analysts point to India's stalled economic reforms and slowing growth and question the country's future trajectory. Other commentators express reservations about the salience of US-India relations and uncertainty over how India fits into Washington's 'rebalance' to Asia.

And from one perspective, the glass can indeed appear half empty. Yet the US-India relationship enjoys bipartisan support in both countries, and the underlying strategic logic remains sound. Building on this foundation will require able stewardship in both Washington and New Delhi.

The differences and divisions have taken center stage in recent months. India and the United States are, after all, two large and messy democracies whose political systems respond at least as much to domestic pressures as they do to foreign policy opportunities.

Thus, American businesses complain of unfair tax treatment and regulatory barriers to trade and investment in India, which can have strategic impact in a relationship driven in part by rapidly expanding economic ties.

Indian high-tech companies worry about provisions in the immigration bill under debate in Congress that would tighten H1-B visa rules, to Indian firms's possible detriment.

At the same time, the landmark civilian nuclear cooperation agreement, which formed the 'big idea' of the bilateral relationship several years ago, remains unfulfilled due to differences over India's nuclear liability law.

Washington and New Delhi have differed over sanctioning Iran, and Indian policymakers express concern about America's commitment — or lack thereof — to Afghanistan after 2014. And though military ties have improved rapidly over the past decade, key defense agreements remain unsigned.

All this seems a far cry from the heady days when American and Indian leaders first referred to the two countries as 'natural allies.'

Or when Congress took unprecedented steps to carve out an exception for India under existing nonproliferation laws.

Or when President Barack Obama, in a dramatic speech before the Indian Parliament in 2010, declared that the United States supports New Delhi's pursuit of permanent membership on the United Nations Security Council.

Yet, despite drift in some key areas of the relationship, its underlying strategic rationale remains. Washington is rebalancing its foreign policy to Asia, attempting to allot that region greater diplomatic attention, military resources and commercial agreements than it has received in the past.

This shift is merited in light of the Indo-Pacific's future role as a key engine of global economic growth and potential locus of strategic competition. Washington should seek to ensure that the major democratic players across



JASON REED/REUTERS

The US Senate's Gang on Eight, who crafted comprehensive legislation to overhaul the immigration system, in Washington, April 18. The differences and divisions that have taken center stage in the US-India relationship in recent months include the immigration bill, which is now under debate in Congress.

Singh and Obama must look ahead

the region are strong and enjoy close ties with the United States.

India will have a key role to play in this future. Neither India nor the US will wish to contain China, with which they have mutually dependent economic ties, but both will welcome strong partners to help shape and maintain the global rules to which China and all other nations will be subject.

Moving toward this strategic vision has in the past required two key elements: Ownership of the relationship at the highest levels of both governments and a big idea on which to focus the two sides's considerable energies.

Prime Minister Singh's visit could catalyze the former; each side should designate a senior official charged with keeping the US-India relationship on track.

Identifying a major objective is more difficult. One option would be to focus on a significant expansion of the trade relationship. While there has been little progress in the negotiations over a bilateral investment treaty, the two sides could raise their sights and agree on a broad framework for an eventual free trade agreement.

There are obvious difficulties inherent in such a step, particularly given India's looming parliamentary elections, but with other pacts in the offing — including an India-European Union free trade agreement and the multilateral Trans-Pacific Partnership, which includes the United States but not India — identifying ways to put into place the building blocks of a stronger economic relationship would benefit both sides.

The prime minister's visit holds the potential to move

the relationship forward significantly for the first time since 2010. In the wake of Obama's visit to India that year, Washington relaxed its export controls to permit the transfer of technology to India, built on its successful counter-terrorism cooperation with New Delhi and expanded its rich dialogue on Asia.

The two sides will no doubt search once again for deliverables to mark the occasion. Yet sketching out a shared vision of the relationship will be just as important.

For Washington's part, this will require articulating India's centrality in the pantheon of American foreign policy priorities and demonstrating that a strong, prosperous, India is manifestly in the United States's interest.

It has become nearly a cliché to remark that the US-India relationship is one between the world's oldest democracy and the world's biggest democracy. The truism cuts both ways, however, and the messiest of democratic politics puts a premium on foreign policy leadership.

During this important visit, President Obama and Prime Minister Singh have the opportunity to demonstrate the value of these critical ties.



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