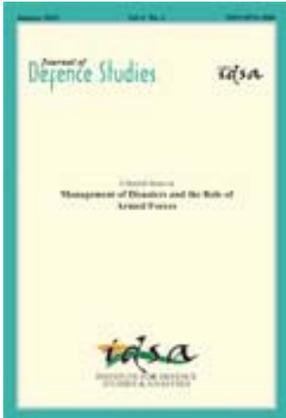


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Competing Exceptionalisms: US–India Defence Relationship

Anit Mukherjee and
Manohar Thyagraj*

This article analyses US-India strategic relations and the potential role of defence trade. First, it argues that cooperative relations between the two countries are hindered by “competing exceptionalisms” and the lack of a pre-existing model for the relationship. At the same time, bilateral relations are being strengthened by a convergence of interests and increasing societal linkages. Even on issues that have historically divided New Delhi and Washington—such as relations with third countries—there is a more nuanced understanding of differing perspectives in both capitals. Second, the article analyses the role of defence trade in the bilateral relationship. While describing recent trends, it also examines existing problems and peculiarities. The authors make two recommendations and argue that US-India relations, despite their differences, have fundamentally transformed and are set irrevocably on an upward trajectory.

That US companies did not make the shortlist for the medium multi-role combat aircraft (MMRCA) fighter deal in May 2011, despite lobbying at the highest levels, was widely perceived as a significant setback for US–India relations. The disappointment in Washington was palpable as many expected this contract as a *quid pro quo* for the 2008 US–India nuclear deal. Sensing this, in a relatively short time, the Indian Government announced the approval of various other weapons system purchases from the US, including the C-17 in June 2011 and additional orders of the C-130J. While much has been written explaining the reasons for the failure of the MMRCA bid—primarily that it purely a technical decision—however the question remains where do US–India defence ties go from here? How do policymakers in both countries manage what have been, at times, outsized expectations? Finally, what role does defence trade have to play in the relationship?

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This article begins with a strategic overview of the relationship. It argues that despite recent misgivings on both sides, manifested by the MMRCA fallout and differing approaches to technology transfer, US–India strategic and defence ties have assumed a “structural resiliency” that will propel both countries inexorably towards greater cooperation and engagement. While there will be inevitable setbacks, however, the fundamentals of the relationship are based not only on a strategic convergence of interests but also on increasing societal linkages. Even on issues that have historically plagued the relationship—handling Pakistan and Iran, for instance—there is more long-term convergence of views with differences cropping up mainly due to tactical expediency. At the same time, bureaucracies in both capitals managing the day-to-day interaction will have to understand that this will be a unique relationship which cannot be based on any pre-existing model of strategic cooperation. More importantly, the bureaucracies will have to be aware of systemic mismatches between them and manage the setbacks that these will create. The article then examines an area of potential cooperation, defence trade, and focuses on how US efforts are viewed in India. Finally, it concludes with suggestions on how best to manage expectations and imagine the future of the relationship.

Waiting for Godot? Strategic Underpinnings of the US–India Ties

In many ways, US–India ties can be imagined as a clash of “exceptionalisms”—Americans and Indians both have self-images of being unique (of course, to some degree, all nations think of themselves in a similar manner). A relationship counsellor would say that the interaction is akin to both sides doing the talking and no one listening. However, global events over the last few years, combined with mutual fears of an imagined future, are forcing officials in both countries to shut up and listen. Three factors in particular are important: the seemingly unstoppable rise of an assertive China; an intransigent and unstable Pakistan; and a shift in economic power with concomitant security implications. These developments have forced the US and India to refocus on their relationship.

As a result, despite initial misgivings in the early years of the Obama administration, the diplomatic language emerging from both capitals is remarkably similar. For instance, on the South China Sea dispute and in the broader Asia-Pacific region, US and Indian positions are increasingly leaning towards a common goal—to work with powers in the region and with each other to prevent Chinese domination. To achieve this goal, both countries are quietly working together. Hence, the US role in lobbying Australia to change its policy on Uranium sales to India has not gone unnoticed in New Delhi, as has the Indian role in creating space for a potential US opening to Myanmar.² Despite initial hiccups, the US–India–Japan trilateral meeting also holds much promise. Finally, as evidenced by the recent East Asia

Summit, both countries are making a concerted effort to engage with countries in Southeast Asia. In sum, the task of managing the rise of China is forcing India and the US to increasingly coordinate their diplomatic and strategic outreach.

Evidence, even if mixed, of a convergence of US–India interests is also seen in an arena which has been a historical source of discord—bilateral relations with third countries. For instance, on one core sticking point, Pakistan, there appears to be a belated recognition in the US on the Janus-faced role of the Pakistani intelligence services.³ However, tactical expediency requires the US to be in the unfortunate position of continuing engagement with the Pakistani military while knowing it was playing a “double game”.⁴ An overall assessment of the relationship would suggest that the US prefers to tolerate, within limits, a dishonest Pakistan to an openly hostile, nuclear armed state, controlling to a significant extent the future of Afghanistan. This policy, not least because of the necessity of continuing logistical supplies to its troops in Afghanistan, requires the US to look the other way.⁵

In many ways India too faces a similar dilemma in dealing with Pakistan as it crafts peace initiatives with the full knowledge about the complicity of Pakistani intelligence in the 2008 Mumbai attacks. Overall, both the US and India want the emergence of a peaceful, moderate and secure Pakistan that does not foster radicalism and export terror.⁶ It is not inconceivable that after the US withdraws the majority of its troops from Afghanistan, and its dependency on Pakistan decreases, it will increasingly work with India either on stabilising, or failing which, containing the fallout from Pakistan’s irresponsible behaviour.

Another country that divides the US and India is Iran. Many in the US resent India’s bilateral relationship with Iran and would prefer that it join the West in isolating it. While for domestic political reasons India has not openly acquiesced to these demands, however since the International Atomic Energy Agency (IAEA) vote in 2005, there has been a gradual “cooling off” in Indo-Iranian relations.⁷ This indicates that India’s position on Iran is hewing closer to the US than it is willing to openly admit. For instance, in 2009, India broke ranks from the informal grouping of emerging countries like Brazil, South Africa and Turkey and instead of abstaining, voted against Iran at the IAEA despite personal lobbying by the Iranian Foreign Minister.⁸ More recently, India has publicly aired concerns mirroring those expressed by Western and Arab officials about the Iranian nuclear weapons programme. India has also faithfully adhered to the fresh round of sanctions imposed by the United Nations (UN) and disallowed trade under the Asian Clearing Union scheme.⁹ At the same time, there are limits to India’s “cooling off” policy as access through Iran is crucial to India’s Central Asia strategy, including in Afghanistan. Moreover, Iran is still an invaluable source of crude oil, contributing over 12 per cent of India’s imports. Eventually, India’s

delicate balancing act on Iran is now, more than ever, appreciated by the US officials and is no longer viewed as an insurmountable obstacle to the bilateral relationship.

The happy talk of US–India convergence of interests however should not gloss over some significant differences. India, for instance, is displeased with the continued US military aid to Pakistan, especially with weapons system that can be used against India. Similarly, many in the US still feel that India is not doing enough to isolate Iran. Moreover, on many non-security-related issues like climate change, trade negotiations and intellectual property rights, the US and India often are on opposing sides.¹⁰ India's recent voting record in the UN, especially the abstention on the votes against Libya, Syria and Iran, has also upset many American diplomats. While in all three instances Indian diplomats have explained the rationale for their abstentions, however, this has not always been viewed favourably in the West.¹¹ These episodes reveal one fundamental difference—India, for the most part, is uncomfortable with the idea of selectively intervening in the internal affairs of another country. This was most clearly articulated by the Prime Minister when speaking at the UN. He argued that “societies cannot be reordered from outside through military force. People in all countries have the right to choose their own destiny and decide their own future.”¹² This sentiment is indicative both of India's discomfort with the idea of selective intervention resembling neocolonialism and its proclivity towards taking a common stance with other developing countries. For despite its vote abstaining on Libya, India was not entirely unhappy to see Muammar Gaddafi go, especially after his erratic speech at the UN advocating for Kashmiri independence.¹³

In sum, while the US and India share a larger strategic vision, sometimes there are differences due to tactical expediencies and the clash of exceptionalisms. The US acts in its own strategic interest, for instance, the Iran Threat Reduction Act imposing sanctions on banks doing business with the Iranian Central Bank is an act of overt exceptionalism. Ironically, India, in managing its interests within this context to facilitate payments for Iranian oil, also asserts its own sense of exceptionalism.¹⁴ Another example of competing exceptionalisms is in defence trade, a subject explored later in this article. The US insists that recipient countries for its defence technology sign “foundational” technology transfer agreements such as Communications and Information Security Memorandum of Agreement (CISMOA) and Basic Exchange Cooperation Agreement (BECA). To the US, these agreements are seen as being a logical extension of a strategic relationship and are required by the US law. The closest US allies have signed these agreements.¹⁵ In India these agreements have caused political consternation and have, so far, proven intractable. Apparently, India had even requested wording changes in the agreements, reflecting the unique recognition (and exceptionalism) that India seeks in its relationship with the US. Further, India makes technology

one of the keystones of the relationship with the US, seeing itself as hitherto victimised by export control regimes marshalled by the US, whereas the US is more circumspect about the transfer of technology due to its own national security and commercial imperatives.

Over the last few years, diplomats in both countries have had a more nuanced understanding of each other positions and limitations—an encouraging sign for the future of the relationship. This has not only tempered unrealistic expectations, but has also resulted in a more mature and honest dialogue. Even in the defence trade arena, projects have moved forward without the CISMOA and BECA. There are, however, some systemic mismatches between the decision-making systems of both countries that create problems leading to disappointments and mutual recriminations in the day-to-day conduct of the relationship. This must be understood for a proper assessment of the bilateral relationship.

Systemic Mismatches: The Nuts and Bolts of the Relationship

India and the US share many commonalities, but they are also divided by significant mismatches. On the positive side, both are secular democracies with a tradition of firm civilian control and have a free press with considerable freedom to their citizens. At the same time, their historical experience, political systems and bureaucratic structures shape the conduct of business differently. For analytical clarity, these can be imagined under three factors.

The first factor that divides the bilateral relationship is the political dynamics of each country with differing electoral cycles, political pressures and compulsions. This is mainly applicable to India as the US plays a more prominent factor in Indian domestic politics than the other way around.¹⁶ According to many, India's non-aligned roots and its new avatar—the concept of “strategic autonomy”—is problematic for the full development of the bilateral security relationship. Former Commander of US Pacific Command (PACOM), Admiral Robert Willard, publicly aired this sentiment when he testified that “India's historic leadership of the non-alignment movement and desire to maintain strategic autonomy somewhat constrain cooperation at a level USPACOM desires”.¹⁷ There is some truth to this argument. Strands of anti-Americanism permeates Indian politics and, to a lesser extent, its bureaucracies and armed forces. This has inhibited the full growth of US–India ties. It is for that reason that India–US exercises are usually low-key events that are deliberately kept away from the public eye. This is a source of heartburn to many in the US who are more used to the idea of high-profile exercises and visits. Unsurprisingly, these preferences favour naval cooperation over that of the other two services. Moreover, historically, India has not been comfortable with the idea of strategic alliances—an idea that some in the US are pushing for. However, over time, some Indian analysts have argued

that India will gradually move from strategic autonomy to strategic cooperation with the US.¹⁸

The second factor inhibiting full development of the relationship is the bureaucratic and capability mismatch between the two countries. The US is used to being a global power, a position that it came upon after the Second World War and, more prominently, after the collapse of the Soviet Union. Its bureaucracies—whether in the State or in the Defence Departments—are thereby attuned to operating on a global level. In reality, it means that there is a significant amount of delegation and freedom available to its bureaucrats to pursue the broader goals set by their departmental heads.

In India, on the other hand, relations with the US can become a political issue, and hence collaborative activities with them are monitored closely by political leaders. As a result, proposals that enhance the content of the relationship or attempt to try something new have to be cleared by political authorities. The soldiers or bureaucrats therefore, unless specifically mandated, have to always look over their shoulder. Though there are variations in the US attitude to India within the US bureaucracy as well, it is accepted that better relations with India is in the national interest, and as such this factor does not apply in the same manner to the US.

There are other systemic mismatches too. For instance, the US Office of the Secretary of Defense (OSD) does not really have a counterpart in the Ministry of Defence (MoD). The number of staff officers that the US defence department has devoted focusing just on India, in the embassy, at PACOM and in the Pentagon, has not been matched by India. Despite the creation of the Integrated Defence Staff (IDS) in India, most activities are carried out by service headquarters usually operating in their service specific silos.

Another issue is the complicated bureaucratic procedures in both countries. While Indian bureaucracy has problems of capacity, the US bureaucracy is often considered overly legalistic and inflexible. Due to the number of competing bureaucracies and the number of cited US laws and procedures, Indian bureaucrats are often frustrated by their perception of a lack of coordination and clarity on the US side.¹⁹ Also, many desk officers in the US carry with them preconceived ideas of the relationship. In the most common form, their assumption is that India is just another friendly country, like Japan, Australia or other North Atlantic Treaty Organisation (NATO) countries, who operates within the preponderance of American power. As a result, when Indian officials ask for exceptions or tweaking of some rules to create India-specific carve-outs, mainly to prevent a potential domestic political backlash, this is resented by these

officers. This is a behavioural factor to be sure, but needs to be acknowledged as a potential problem.

A third factor, not entirely unrelated to the previous one, is the incomplete transformation of Indian foreign and defence bureaucracies. As mentioned earlier, Indian bureaucracies are just getting used to the idea of playing a larger, global role. While economic growth has led to accretion of military capabilities, its bureaucracies are still slowly learning to engage and operate at a global level.²⁰ Hence, it was only in 2005 that Army Headquarters created an office exclusively devoted towards foreign military cooperation. Before that, there was a fair amount of *ad hocism*. But as the relations and frequency of interaction and joint military exercises with the US and other powers is increasing, the Indian military is emulating structures, offices and concepts. More importantly, it is increasingly growing comfortable and confident in dealing with them on a global level. In sum, one can argue that while India's concepts of defence cooperation are still evolving, its military is incrementally moving towards creating and staffing organisations better suited for a larger role.

At the same time, there are still remaining problems in civil–military relations, the size of the Ministry of External Affairs and in MoD staffing, expertise and capability that understandably frustrate the US officials. This sentiment was most famously captured by the US Ambassador, David Mulford, when he, perhaps rightfully, complained about the “Brezhnev era controls”.²¹

However, focusing just on the problems will miss the larger transformation in the bilateral relationship. Some of these problems are also inevitable and to be expected in between bureaucracies that are interacting so frequently. The magnitude of the change becomes more apparent in comparison to the state and content of the relationship 10 years ago. And, in all probability, this trend will only continue as the logic of convergence of interests will drive this relationship. To many observers and scholars, defence trade holds the key to complete the transformation in the relationship.²²

US–India Defence Trade

Over the last 10 years, the US has emerged as a major supplier of weapons to the Indian armed forces. The sale of the amphibious assault ship, Trenton; P8I Poseidon maritime patrol aircraft; and C-130J and C-17 transport aircraft has fetched much publicity. The C-130J has been delivered ahead of schedule and under budget, and the Indian Air Force has been happy with its induction, even using it in the Sikkim earthquake relief effort.²³ The Indian military is gradually getting used to operating with the US equipment and this is fostering a minor

intellectual transformation.²⁴ Even the failed MMRCA bid, while initially perceived by industry and government in the US as a significant setback, has, with time, being accepted by the same constituencies.²⁵

Appendix Table 1 describes major arms transfers, both actual and proposed, from the US to India since 1999. The data is sourced from the SIPRI Arms Transfers Database and from media reports. If all of the deals fructify, then the total volume of the US defence sales to India from 2008–13 could exceed \$10 billion. This would put the US near the very top of India's defence supplier's list—a remarkable transformation from the days of sanction and technology denial regimes.

For most recipients of the US defence technology, the procedures and strictures which are set by US law are understood. However, as US–India defence trade is a relatively recent phenomenon, there is a lack of experience, clarity and differing perceptions and expectations in both countries. On the whole, there are seven major issues that shape the defence trade relationship, some of them reflecting the theme of conflicting exceptionalisms.

First is the politics around greater US–India military ties. Coalition governments at the centre in India are reluctant to fully embrace the relationship, especially if the talk is around the issue of enhancing “interoperability”. Many in India reflexively believe it to be a euphemism for a *de facto* military pact to fight America's wars. While this might sound absurd to some, it's potential to be a political issue makes Indian policymakers tread cautiously. India's reluctance to sign the Logistics Support Agreement (LSA), CISMOA and the BECA for geo-spatial cooperation arises in part from such sentiments.²⁶

Second, the Indian Government has traditionally favoured transfer of technology and serial production in India to outright purchase of foreign weapon systems. Recently, this has also begun to include collaborative developments, such as the Barak air defence system and the fifth-generation fighter aircraft (FGFA). While the efficacy of these transfers in building up a defence industrial base can be questioned, it is now an essential consideration in defence contracting with India. Israel understood this and worked closely with Defence Research and Development Organisation (DRDO) and with various Defence Public Sector Units (DPSUs).²⁷ US companies have hitherto been unable to do this as it was only in January 2011 that DRDO and other defence companies were removed from the entity list. It is still too early to tell whether the US will now be able to follow the Israeli model. However, unlike their Israeli counterparts (and those from some other countries), the US' defence companies operate entirely independently of the US Government in

financial terms, and need to separately validate a business case for a collaborative development. In general, unless the US companies adopt unique and exceptional business strategies tailored towards India, it will be harder for them to deal with the peculiarities of the Indian defence market.

Another contentious issue is the competing prerogatives around the dynamics of weapons sales and purchases. Many US officials assume that as they have the best equipment in the world, India should almost be grateful to be offered the opportunity to buy it under the US terms and conditions. This could be termed seller's prerogative. Indian officials, on the other hand, believe that as customers who can purchase from almost all major weapon-producing countries, they should get to decide the terms of the deal. This, in turn, could be called buyer's prerogative. If the Indian user feels that export restrictions (discussed later) would cause the most current US technology to not be made available, or that the US equipment is too expensive, buyer's prerogative can be exercised. The US counter to this argument is that the Defence Procurement Procedure (DPP) in India focuses on lowest price and doesn't encourage bidders to specify the most current technology. This clash of perspectives or prerogatives does weigh on how quickly or efficiently a defence sale can be completed.

A related point is the unique characteristic of Foreign Military Sales (FMS).²⁹ As seen from Table 1, most Indian purchases from the US have been under the FMS route. In such cases, India feels that it has little leverage over pricing, whereas as a buyer, Indian officials would like to control the terms. Instead, price negotiations are conducted primarily between the US industry and the US Government. This unique arrangement has some advantages as direct government to government transaction reduces allegations of corruption around defence deals—a major political issue in India. It is worth mentioning that while most transactions have been via the FMS route, however, in competitive bidding, the US companies have not done so well.

The fifth point of contention is with regard to transfer of sensitive technology. Even when sharing highly sensitive technology with allies, like the United Kingdom (UK) and Australia, the US often fits them with tamper-proof equipment, or a "black box", to guarantee that the technology it wants to protect cannot be reverse engineered. India prefers to ask for source code to maintain the systems it buys. In the past, technology transfer from other sources like Russia to India has connoted only licensed production, meaning mainly assembly. By instituting its offset policy, India has signalled that it is no longer willing to accept this reality and wants to leverage its buying power to compel manufacturers to transfer know-how, instead of mere assembly rights.³⁰ This approach will not always work with the US, for whom each decision to dilute a technical advantage has strategic implications in its own national security, where a unique carve-out for

India is not an easy construct. India will have to help the US define this strategic rationale more clearly to find a mutually acceptable solution.

Sixth export control is perhaps the most contentious issue in US–India defence trade. Every US defence article export comes under the Arms Export Control Act (AECA), which is implemented through International Traffic in Arms Regulations (ITAR), administered by the State Department. In addition, some articles are classified as “dual use”—civil or military—and their export is regulated by the Department of Commerce under the Export Administration Act (EAA).³¹ Instances where export licences are delayed or denied receive maximum media attention in India.³² The US has recently taken many steps to ease licence approvals for India. Despite the volume of approved licences (US statistics suggest that 97–99 per cent of requested dual-use technology licences are approved),³³ the perception in India is that the time taken for even routine approvals is too long, and does not allow the US companies to compete.

Finally, the US industry, which again operates on a different imperative than the US Government, can sometimes find aspects of India’s DPP difficult to manage. For instance, the US companies have frequently shown a reluctance to undertake No-Cost/No-Commitment (NCNC) trials, which are codified in Indian procurement procedure. This type of trial puts the vendor at a commercial disadvantage. In this environment, the US companies have been known to avoid customisation for NCNC trials. Israeli and other competitor companies have been known to create India-specific products without requiring government commitment. Uncertainty about India’s offset policy even caused Bell Helicopter to withdraw from India’s Cheetah/Chetak replacement and attack helicopter programmes.³⁴

Despite these issues, as the Indian armed forces get exposed to the US weapon systems, through exercises and through arms purchases, they are gradually changing their views about the US. It suits the US then to let its equipment do the talking. It is also important for the US to understand that customary agreements and attitudes that are applied to other “allies” will not work in India’s case. India’s self-perceived exceptionalism will have to be feted accordingly. Indeed, Stephen Cohen and Sunil Dasgupta make the same point when they argue that “as long as Washington is unwilling to grant India special privileges, it will not be able to turn endless discussions into genuine cooperation”.³⁵

Conclusion

In recent times, there has been a feeling that US–India ties have plateaued. In the armed forces, there is almost an “event fatigue” as the frequency of bilateral exchanges, visits and exercises has taxed the system, especially on the Indian

side. Moreover, there are questions about the lack of clarity on the “end state” for US–India defence relations. The US, over the years, has devoted significant diplomatic and political capital in its relations with India. The Pentagon has also invested significantly in offices and officials who are focused on the bilateral relationship. At the same time, there is some unhappiness, some of it justified, after the failed MMRCA bid and the imperfect Nuclear Liability Legislation. Some in the US are legitimately asking: what is in it for them?

In a good overview of the relationship, Ashley Tellis warns against following a transactional approach to the relationship and instead provides a mantra that is perhaps the best fit in describing recent Indian behaviour: “India, it seems, always walks straight in crooked lines”.³⁶ American policymakers would do well to internalize this and while comprehending the pace and culture of change in India, work patiently on the relationship. Expecting too much too soon will work to the detriment of those in India who are working for the bilateral relationship. Instead the larger logic of the relationship needs to drive the day-to-day interaction. Indeed, the range and scope of activities that both countries currently engage in is revolutionary when compared to the state of the relationship just about a decade ago.³⁷

While many steps can be taken to rectify the systemic mismatches and misperceptions in the relationship, at a larger level, there are two issues that need to be flagged—one applicable for each country. For the US, it is important for policymakers to re-examine residual laws that prohibit dual-use technology and the entire regime regulating high technology trade to India. If, as many argue, India’s rise is in the US national interests, then the existence of such regimes inherited from a different era works against US–India relations. Understandably, the US needs the regime to maintain its technological superiority and deny the same to its likely competitors. However, an India-specific provision that allows high-technology defence trade offers a viable alternative. Resistance from the US bureaucracies to change is to be expected and can be overcome by a presidential directive. In the years ahead, India and Indian-Americans can work with the US legislators in creating such an exception.³⁸

India, on the other hand, should re-examine its traditional sources of suspicion and hostility towards the US, a by-product of a mistaken notion of non-alignment. Instead of imagining every US and Western proposal as part of a devious plot, India should gain the confidence to proactively shape bilateral relations. Ultimately, India’s difficult and troubled neighbourhood should force it to pay attention to the posthumous though prescient words of its foremost strategic doyen, the late K. Subrahmanyam:

[India] could partner with the US, a country that is home to a large Indian diaspora and shares India's values. Other countries—including Japan, France, and Germany—face similar concerns as India. Together, the leaders of the democratic world must face the combined challenges of authoritarianism and jihadism, which cannot be countered by military means alone. Comprehensive and cooperative action by democracies, who constitute more than half the world's population for the first time in history, is therefore necessary. Global governance must rely upon networks of bilateral strategic partnerships among democratic powers that manage rather than impose outcomes, and provide a powerful response to the challenges they face.³⁹

The US and India are integrating faster at a societal level than at the governmental level. The economic and people-to-people ties are pushing the two countries into uncharted territory, which will, by default, include matters of security. It would not be a cliché to argue that the sky can be the limit for such a partnership, based not just on common values, but on undeniable common interests. To make that happen, however, both countries need to stop talking and listen to each others' compulsions, including how their competing exceptionalisms interact. That offers the best hope for the future of the relationship.



Notes:

1. This article relies on papers presented by the authors at a joint Centre for Strategic and International Studies (CSIS)–Observer Research Foundation (ORF) roundtable on the US–India relations.
2. Author interviews with senior US and Indian officials on November 17, 2011 and January 13, 2012, respectively. Both interviews were in New Delhi and the officials requested to remain unnamed.
3. This emerges clearly after Admiral Mullen's farewell testimony wherein he called the Haqqani network a "veritable arm of the ISI". Later, other officials backtracked from the significance of that statement. See Eric Schmitt, "U.S. Recalibrates Remarks about Pakistan", *The New York Times*, September 28, 2011, available at <http://www.nytimes.com/2011/09/29/world/asia/us-recalibrates-mullens-remarks-about-pakistan.html>, accessed on December 12, 2011.
4. See Sam Collyns, "Afghanistan: Pakistan Accused of Backing Taliban", *BBC News*, October 26, 2011, available at <http://www.bbc.co.uk/news/world-south-asia-15445047>, accessed on December 14, 2011, and "Pakistan Helping Afghan Taliban—NATO", *BBC News*, February 1, 2012, available at <http://www.bbc.co.uk/news/world-asia-16821218>, accessed on December 14, 2011.
5. See Bill Keller, "The Pakistanis Have a Point", *The New York Times*, December 14, 2011, available at http://www.nytimes.com/2011/12/18/magazine/bill-keller-pakistan.html?pagewanted=8&_r=2&hp&adxnlnx=1323882033-XA0AT93b5T8dxstLllpQog, accessed on December 22, 2011; also see Vali Nasr, "Why the US Needs to Make Nice with Pakistan", *The Washington Post*, September 29, 2011, available at http://www.washingtonpost.com/opinions/why-the-us-needs-to-make-nice-with-pakistan/2011/09/28/gIQAQvuH8K_story.html, accessed on December 23, 2011.
6. For an overview of India's thinking towards Pakistan, see Anit Mukherjee, "A Brand New Day or Back to the Future? The Dynamics of India–Pakistan Relations", *India Review*, Vol. 8, No. 4, 2009, pp. 404–45.
7. For a good overview of India–Iran relations, see Meena Singh Roy and Ajay Lele, "Engaging Iran in the New Strategic Environment: Opportunities and Challenges for India", *Strategic Analysis*, Vol. 35, No. 1, 2011, pp. 88–105.

8. See K. Subramanya and K.N. Shanth Kumar, "India Votes against Iran's Nuclear Plan", *Deccan Herald*, November 27, 2009, <http://www.deccanherald.com/content/38273/content/215869/winds-change.html>, accessed on December 4, 2011.
9. See Indrani Bagchi, "Why India's Real Iran Dilemma isn't Oil", *The Economic Times*, January 29, 2012, available at http://articles.economictimes.indiatimes.com/2012-01-29/news/30674049_1_asian-clearing-union-oil-trades-oil-payments, accessed on January 29, 2012.
10. For another perspective on this, see Nicolas Burns, "India's Strategic Importance to the US", *Boston Globe*, February 3, 2012, available at http://articles.boston.com/2012-02-03/opinion/31016854_1_foreign-investment-prime-minister-manmohan-singh-pakistan, accessed on February 4, 2012.
11. See Indrani Bagchi, "India Abstains from UNSC Vote Libya No-fly Zone", *The Times of India*, March 19, 2011, available at http://articles.timesofindia.indiatimes.com/2011-03-19/india/29145722_1_manjeev-singh-puri-resolution-libyan-foreign-minister, accessed on December 15, 2011; "India Abstains from Voting on Syria Resolution in UNSC", *Deccan Herald*, October 6, 2011, available at <http://www.deccanherald.com/content/196145/india-abstains-voting-syria-resolution.html>, accessed on December 15, 2011; and "India Abstains from Saudi Sponsored Resolution Aimed at Iran", *India Today*, November 20, 2011, available at <http://indiatoday.intoday.in/story/india-abstains-from-un-vote-against-iran/1/160754.html>, accessed on December 15, 2011.
12. See "PM's Address at the 66th Session of the United Nations General Assembly", *The Hindu*, September 24, 2011, available at <http://www.thehindu.com/news/resources/article2482449.ece>, accessed on December 14, 2011.
13. See Nidhi Razdan, "Gaddafi Talks Kashmir at UN, Embarrasses India", *NDTV.com*, September 24, 2009, available at <http://www.ndtv.com/article/world/gaddafi-talks-kashmir-at-un-embarrasses-india-9063>, accessed on December 17, 2011.
14. See "India won't Scale Down Petroleum Imports from Iran: Pranab", *The Hindu*, January 30, 2012, available at <http://www.thehindu.com/news/national/article2844349.ece>, accessed on January 30, 2012.
15. See Ajai Shukla, "US High Tech Arms to India to Stumble on Safeguards", *Business Standard*, May 25, 2010, available at <http://www.business-standard.com/india/news/us-high-tech-arms-to-india-stumblesafeguards/00/45/395975/&&>, accessed on January 30, 2012.
16. India does not figure as prominently in the US domestic politics, except on minor issues like job outsourcing and trade protection.
17. See "Statement of Admiral Robert F. Willard, US Navy Commander, PACOM before the House Armed Services Committee on US Pacific Command Posture", April 6, 2011, available at http://www.au.af.mil/au/awc/awcgate/postures/posture_pacom_6apr2011.pdf, accessed on March 13, 2012.
18. See, for instance, Raja Mohan, "India's Strategic Future", *Foreign Policy*, November 4, 2010, http://www.foreignpolicy.com/articles/2010/11/04/indias_strategic_future, accessed on December 3, 2011.
19. For one perspective that relies on the wikileaks cables, see Hasan Suroor, "Irritants, Difficulties in Strategic Partnership", *The Hindu*, March 21, 2011, available at <http://www.thehindu.com/news/the-india-cables/article1556669.ece>, accessed on December 3, 2011. On the positive side however, the US is relative quick in acknowledging problems and in fixing them. The Indian side, however, usually has to seek political clearance for most issues and that creates problems.
20. This section relies on interviews conducted with a number of serving Indian military officers in New Delhi, November–December, 2011.
21. See Secret Cable No. 137238, dated January 14, 2008, titled "Let's Fix Irritants that Plague this Partnership, Ambassador tells Menon", *The Hindu*, available at <http://www.thehindu.com/news/the-india-cables/the-cables/article1556783.ece>, accessed on March 11, 2012. This cable gives a good, though obviously one sided, account of problems that plague the bilateral relationship.
22. See Stephen Cohen and Sunil Dasgupta, "Arms Sales for India", *Foreign Affairs*, Vol. 90, No. 2, March–April 2011, pp. 22–26.
23. See "C-130J Aircraft Used for the First Time in Quake-hit Sikkim", *Hindustan Times*, September 24, 2011, available at <http://www.hindustantimes.com/India-news/WestBengal/C-130J-aircraft-used-for-the-first-time-in-quake-hit-Sikkim/Article1-749760.aspx>, accessed on January 30, 2012.

24. For the manner in which hardware acquisition in the Indian Air Force is enlarging their perceptions, see Anit Mukherjee, “Mental Battle”, *India Today*, November 4, 2011, available at <http://indiatoday.intoday.in/story/indian-army-mental-battle/1/157765.html>, accessed on December 1, 2011.
25. On the MMRCA decision and the US–India defence ties, see Ashley Tellis, “Decoding India’s MMRCA Decision”, *Force Magazine*, June 2011, available at http://carnegieendowment.org/files/Force_June_2011-Ashley_J._Tellis.pdf, accessed on December 1, 2011.
26. For more on this, see Sandeep Dikshit, “India Averse to Inking Military Pacts with the US”, *The Hindu*, June 23, 2011, available at <http://www.thehindu.com/news/national/article2126762.ece>, accessed on December 2, 2011.
27. See M. Somasekhar, “DRDO Plans Three Major Projects this Year”, *The Hindu*, March 17, 2011, available at <http://www.thehindubusinessline.com/industry-and-economy/article1547536.ece>, accessed on December 28, 2011.
28. See “US Removes ISRO and DRDO from Entities List”, *Indian Express*, January 25, 2011, available at <http://www.indianexpress.com/news/us-removes-isro-and-drdo-from-entities-list/741974/>, accessed on December 1, 2011.
29. When equipment is purchased through the FMS procedure, the US government buys the equipment from the US vendor and resells to foreign government customers. These are direct government–government sales. Detailed explanation available at <http://www.disam.dsca.mil/pubs/DR/15%20Chapter.pdf>.
30. See S. Radhakrishnan, Prahlada, and Parimal Kumar, “Leveraging Defence Offset Policy for Technology Acquisition”, *Journal of Defence Studies*, Vol. 3, No. 1, January 2009, pp. 114–25.
31. See Ajai Shukla, “New Indian Stealth Warship Halted by US Bar on GE”, *Business Standard*, March 6, 2009, available at <http://www.business-standard.com/india/news/new-indian-stealth-warship-halted-by-us->
32. Author interview with the US government officials who wished to remain unnamed, Washington, DC, December 2012.
33. White paper on “China’s Actions for Disaster Prevention and Reduction”, Section IV: Enhancement of Disaster-reduction Capability, available at http://news.xinhuanet.com/english/2009-05/11/content_11351284.htm, accessed on January 12, 2012.
34. See “India’s Light Helicopter Contract Hits Turbulence, Rises”, *Defense Industry Daily*, November 29, 2011, available at <http://www.defenseindustrydaily.com/eurocopter-bell-battling-for-500600m-indian-army-contract-0725/>, accessed on January 30, 2012, and Stephen Trimble, “Bell Withdraws AH-1Z from India’s Attack Helicopter Contest”, *Flightglobal*, August 6, 2009, available at <http://www.flightglobal.com/news/articles/bell-withdraws-ah-1z-from-indias-attack-helicopter-contest-330700/>, accessed on January 30, 2012.35. N. 24, *ibid*.
35. Cohen and Dasgupta, no. 21.
36. See Ashley Tellis, “Ebb and Tide: Has the US–Indian Strategic Partnership Bombed?”, *Force Magazine*, December 2011, p. 26.
37. For a description of the changes in the US–India relations, see the book written by a former Indian Army officer, Vivek Chadha, *Indo-US Relations: Divergence to Convergence*, New Delhi: Macmillan, 2008. For another good collection of essays, see Sumit Ganguly, Andrew Scobell, and Brian Shoup (eds), *US-Indian Strategic Cooperation into the 21st Century: More Than Words*, London: Routledge, 2006.
38. For an argument along similar lines, see Bharat Karnad, “Art of Deal-making”, *Asian Age*, February 2, 2012, available at <http://www.asianage.com/columnists/art-deal-making-480>, accessed on February 5, 2012.
39. See K. Subrahmanyam, “India’s Strategic Challenges”, *Indian Express*, February 4, 2012, available at <http://www.indianexpress.com/news/indias-strategic-challenges/907592/0>, accessed on February 5, 2012. Arguably, India’s support for the failed UN Security Council resolution on Syria despite pressure from Russia and China is indicative of its changing perceptions and increasing comfort in working with Western nations.

Appendix Table 1 Actual and Proposed US-India Arms Transfers

<i>Systems and numbers delivered</i>	<i>Year of Order/Delivery</i>	<i>Cost and Type of Transaction</i>	<i>Remarks</i>
LM-2500 Gas Turbine (2)	(1999)/2010		For 3 <i>Shivalik</i> (Project-17) frigates produced in India
LM-2500 Gas Turbine (1)	2003		For I IAC (ADS) aircraft carrier produced in India
AN/TPQ-37 Firefinder Artillery Locating Radar(8)	2002/2006	Part of \$142-\$190 million deal under Foreign Military Sales (FMS) route.	Originally planned for 1998 but embargoed by the US after Indian nuclear tests in 1998.
AN/TPQ-37 Firefinder Artillery Locating Radar (4)	2003/2006-07	Part of \$142-\$190 million deal (FMS)	AN/TPQ-37(V)3 version.
F-404 Turbofan	2004	\$105 million in a Direct Commercial Sale (DCS)	For Tejas light combat aircraft (LCA) produced in India-ordered after Indian Kaveri engine delayed.
F-404 Turbofan	2007	\$100 million (FMS)	F-404-GE-F2J3 version.
F-414 Turbofan	2010	\$800 million (DCS)	For Tejas
USS Trenton Amphibious Ship (1)	2007	\$48 million (including modernisation) (FMS)	Indian designation, <i>Jalashwa</i> .
S-61/H-3A Sea King Helicopter (6)	2006/2007	\$ 39 million (FMS)	To operate along with the <i>Jalashwa</i> .

C-130J Hercules-2 Transport Aircraft (6)	2008/2010	\$1 billion including special equipment (FMS)	C-130J-30 version for special forces.
Additional orders of C-130J Hercules-2 Transport Aircraft (Proposed)	(2013)	\$1 billion (FMS)	Pentagon has notified Congress about the possible sale of 6 additional C-130Js to India.
C-17A Globemaster-3 Transport Aircraft (10)	2010	\$4.1 billion (FMS)	Delivery commencing 2014.
Additional Orders of C-17A Globemaster-3 Transport Aircraft (Proposed)	(2013)	\$2 billion (FMS)	Reports Suggest that Indian Air Force plans to order 6 additional C-17s.
CBU-97 SFW Guided Bomb	2010	\$258 million (FMS)	CBU-105 version, with wind-corrected munitions dispenser.
RGM-84L Harpoon-2 Anti-ship Missile	2010	\$170 million (FMS)	AGM-84L (Block II) version.
P-8A Poseidon ASW Aircraft	2008	\$2 billion (FMS/DCS)	P-8I version, delivery by 2015.

FGM-148 Javelin Anti-tank Missile (Proposed)	2012	(FMS)	Ordered after India Nag anti-tank missile delayed; contract not yet signed.
AH-64D Apache Attack Helicopter (Proposed)	(2012)	\$1.4 billion (DCS)	Media reports suggest the imminent signing of this deal.

Source: SIPRI Arms Transfers Database and media reports.