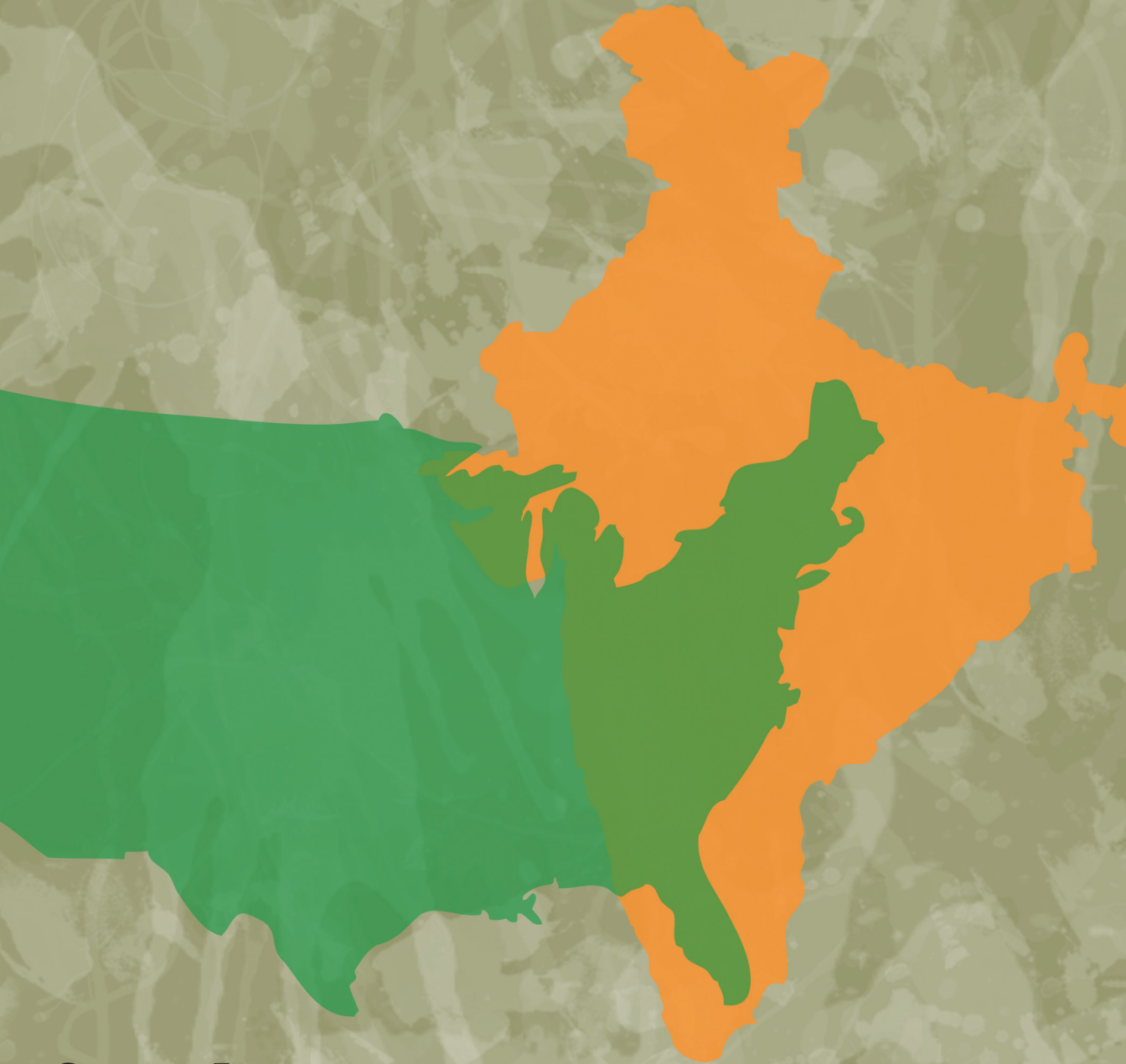


# TOWARD **REALISTIC** U.S.–INDIA RELATIONS



CARNEGIE ENDOWMENT

FOR INTERNATIONAL PEACE

WASHINGTON DC ▪ MOSCOW ▪ BEIJING ▪ BEIRUT ▪ BRUSSELS

**GEORGE PERKOVICH**

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# Summary

**A**s he prepares to visit India in November, President Obama faces criticism that his administration has done too little to enhance U.S.–Indian relations. Pundits of this persuasion in Washington and New Delhi complain that Obama’s team has tried too hard to cooperate with China in addressing regional and global challenges and has not done enough to bolster India.

In reality, the United States can only contribute marginally to India’s success or failure. The actions of Indians at home and abroad will determine which path India takes. The United States will have much more influence on vital global issues—international finance and trade, the future of the nuclear order, peace and security in Asia, climate change—that also shape the environment in which India will succeed or fail. Therefore, the United States can best serve its interests and those of India by ensuring that its policies toward India do not undermine the pursuit of wider international cooperation on these global issues.

The imperative to strengthen the international system would obtain even if India had the capabilities and intentions of working closely with the United States to contest China. Yet, India’s interests, policies, and diplomatic style will often diverge from those of the United States, including in relation to China. Washington and New Delhi both want their share of economic, military, and soft power to grow relative to China’s (or at least not to fall), but both will also pursue cooperation with Beijing. For the foreseeable future, the three states will operate a triangular relationship, with none of them being close partners of the others. This is another reason why promoting multilateral institution-building is a sound U.S. strategy, and why India should be valued in its own right, not as a partner in containing China.

This report analyzes American and Indian interests in a range of policy domains in order to evaluate how the United States should balance its policies toward India with its other priorities and responsibilities.



# Introduction

**S**oon after the end of the George W. Bush presidency, many long-time observers in India and Washington charged his successor with abandoning the cause of elevating U.S.–India relations to the pinnacle of American foreign policy priorities. Veteran Indian diplomat Kanwal Sibal lamented, “The confidence of the Indian establishment that India–U.S. relations were set on a steep upward trajectory has eroded noticeably with President Obama replacing President Bush.” Daniel Twining, a former Bush administration official, reported in the *Weekly Standard* that Indians frequently say, “We miss Bush.” India’s strategic community, he notes, is “concerned about (and in some cases, alarmed by) the president’s approach to Pakistan; his strategy for Afghanistan; his willingness to pursue a more robust Asia policy that raises the costs of Chinese assertiveness; the absence of American leadership on trade; and his commitment to treating India as a key power and partner in world affairs in a way consistent with Indians’ own sense of their country’s rising stature and capabilities.”<sup>1</sup> The Indian-born American scholar Sumit Ganguly wrote in *Newsweek* this April that “Barack Obama is in danger of reversing all the progress his predecessors, including George W. Bush, made in forging closer U.S. ties with India. Preoccupied with China and the Middle East, the Obama administration has allotted little room on its schedule for India, and failed to get much done in the short time it did make.”<sup>2</sup>

Like a Rorschach test, commentary as President Obama prepares to go to India tells us as much about the authors as it does about the president, his policies, or India. Much of the commentary is negative, but this in part reflects the tendency of people to speak up only when they have something negative to say. More interesting is the proclivity of critical Indian pundits to yearn for the friendly presence of George W. Bush. For their part, many American commentators see Chinese and Pakistani monsters sneaking up behind Obama’s thin, unsuspecting frame and wonder why he is not



standing closer to India’s Prime Minister Manmohan Singh.

Nostalgia often colors perceptions and mixes fact with wishful projections. Former Bush administration official Evan Feigenbaum notes in *Foreign Affairs*, “Many in India believe that the Obama administration has tilted its policy toward Beijing in a way that undermines Indian interests.” Yet, Feigenbaum rightly goes on to say, “Obama’s China policy is broadly consistent with that of every U.S. president since Richard Nixon.”<sup>3</sup> Obama has been tougher on Pakistan than Bush ever was (which is not saying much). Even stalwart Republicans acknowledge that Obama’s Afghanistan policy is struggling to clean up the damage caused by the neglect and mismanagement of his predecessor.

Putting aside wishful or partisan thinking about the results of Bush administration policy, one can easily see why some Indian elites long for the exceptional favor the former president bestowed on their country. Bush did more for India than he did for any NATO ally, including the United Kingdom, notwithstanding Tony Blair’s lonely, reputation-destroying support for the war in Iraq. Blair urged the Bush administration to try to ratify the Comprehensive Test Ban Treaty, revive negotiations on a climate change treaty, and expend political capital to revive the Middle East peace process.

**A sound and sustainable U.S. policy toward India should accurately reflect multiple American, Indian, and global interests.**

He was rebuffed on all counts. India, on the other hand, spurned Bush’s pleas to join the military coalition in Iraq and blocked his efforts to restart world trade liberalization and isolate Iran. Bush responded by giving India a global nuclear deal so lopsided that one of its architects called it a “gift horse.” The Bush administration offered more and asked less of India than it did of any other country, save perhaps Israel.

However, the special treatment of India was unrealistic and therefore

unsustainable. The United States would be wise to continue such a tilted relationship only if American national interests coincided closely with India's preferences across most of the important bilateral, regional, and global issues now facing policy makers. Careful analysis of U.S. and Indian interests does not show such a close convergence. Therefore, a sound and sustainable U.S. policy toward India should more accurately reflect multiple American, Indian, and global interests.

The United States should continue to emphatically support India's efforts to prosper, secure itself, and gain international influence. Democratic India's success will be an achievement of unprecedented scale and complexity, and it will benefit not only Indians but the entire world. Yet a U.S.–Indian partnership should not be conceptualized as a means to contain or contest China—a notion that many self-proclaimed realists in America and India wish to project onto the relationship. The United States should appreciate India's intrinsic importance more fully. To conceive of India as a balance against China instrumentalizes it. India is nobody's tool, and as a large, developing country it shares many interests with China. Sometimes India and China will stand together in opposition to the United States, as with climate change and World Trade Organization negotiations. More often than not, New Delhi will pursue a more cooperative approach with Beijing than China-balancers in the United States would wish. India knows it will always live next to China and does not have the luxury to pursue ideologically and rhetorically heated policies toward it.

Rather than maintaining the pretense of partnership, a truly pro-India policy would acknowledge that India has different near-term needs and interests as a developing country than does the United States, even as it recognizes that each will benefit in the long run from the success of the other. Most of what the U.S. government can do for India lies in the broader global arena, and most of what India needs at home it must do for itself. As Columbia University economist Arvind Panagariya writes, "Commentators who deplore the US for failing to match its words with action and exhort it to move beyond symbolism do not offer a concrete set of actions they would like the latter to take. Demands for the removal of certain export controls and access to or extradition of [the Pakistani-

American terrorist] David Headley, which find frequent mentions, do not make a coherent agenda.... Outside of the highly complex security area, there is very little beyond the atmospherics that the governments can do to promote partnerships.”<sup>4</sup>

The United States should be more willing than it has been to accommodate India’s interests when doing so would not undermine the evolution of a more cooperative global order. The most daunting needs today are enhancing stable economic growth, producing and using energy in new ways that limit dangerous climate disruption and weapons proliferation, turning disaffected states and populations away from violent extremism, stopping the proliferation of nuclear weapons, and integrating rising regional powers such as India, Turkey, Brazil, Indonesia, and South Africa into global leadership. Military balancing, which is the preoccupation of the so-called realists, is not unnecessary, but it is relatively easy. It can be done through procurement, operational cooperation, and training. The greater challenge is building confidence that big global problems can be managed effectively. This requires sustained political and diplomatic mobilization and cooperation among diverse states that are not typically inclined to make trade-offs to achieve a greater good.

# Defining Interests

In the course of meetings between presidents Clinton, Bush, and Obama and prime ministers Atal Bihari Vajpayee and Manmohan Singh, the United States and India have developed a framework for their burgeoning relationship. This agenda is now structured in the U.S.–India Strategic Dialogue. The present essay analyzes the two states’ interests in several of the most important areas of their engagement, taking the liberty to conceptualize the issues a bit more broadly than they are in the bureaucratic categories of the Strategic Dialogue:

- Democracy and values
- Economic development and poverty alleviation
- Policies toward China and defense cooperation
- Counterterrorism, Pakistan, and Afghanistan
- Vital issues of global governance
  - Nuclear cooperation and nonproliferation
  - Trade
  - Climate change
  - UN Security Council

## Democracy

American policy makers ritualistically incant that India is the world’s largest democracy and is therefore the natural partner of the greatest democracy, the United States. Democracy clearly is one of India’s outstanding features. Its maintenance by a population of 1.1 billion people

who speak hundreds of languages, practice six established religions, and live on per capita GDP of \$1,122 marks one of humankind's greatest achievements.<sup>5</sup> India is simply an amazing place and polity.

Yet, while India's democratic character is intrinsically of tremendous value, it serves little instrumental purpose for U.S. interests. The United States traditionally proselytizes democracy around the world and would very much welcome the credibility that Indian leaders could give it in developing countries if they teamed up. But Indian leaders do not try to convert others to democracy. Promoting democracy is too redolent of the missionary colonialism that Indians still culturally resist, and it is anathema to the state sovereignty that India still prioritizes. India's admirable long-term struggle to perfect its own democracy is the most important contribution it can make to the larger cause of democracy promotion around the world. Washington should not disappoint itself by trying to enlist India in larger American projects to reform the world.

In fact, the best way for the United States and India to advance their relationship and strengthen their shared influence on the world would be to perfect their own unions, to paraphrase the U.S. Constitution. India's democratic structure provides the means for citizens to organize in parties and NGOs to advance their interests and aspirations for justice. This political liberty is inherently valuable and also instrumentally useful as a pressure-relief valve. India's legal system also has much to recommend it. Nevertheless, India's size, diversity, and backwardness continue to be overwhelming. Governance and the administration of justice remain spotty. Major examples of problems abound: the Naxalite insurgency in one-third of Indian districts, a surging intifada in the Kashmir Valley, communal violence such as in the Gujarat pogrom of 2002, caste discrimination and violence, and urban near-lawlessness such as one finds in Mumbai. The marvel is that India has not discarded democracy to meet these challenges.

The contradictions between India's realities and its ideals mark the gap between its current power and its potential. India must mobilize its own citizenry to build social and physical infrastructure, provide widespread access to health care and education, and secure its own territory before it can ever hope to move others by example. These are core governmental

functions, whatever the nature of the state. The virtue of being a democracy does not compensate for the pain and lost opportunities of failing to improve these functions. “China remains better organized and more efficiently governed than India,” Robert Kaplan writes, “despite China’s lack of democracy.”<sup>6</sup>

When India most dramatically falls short in democratic justice—for example, in protecting the human rights of Muslims in the Kashmir Valley, or in responding to the Gujarat pogrom—it is not clear what the United States should do. When such atrocities occur in adversary countries, U.S. officials condemn them with varying degrees of intensity. In friendly states such as India, quietude is common and understandable. In the case of India, as distinct from, say, contemporary Iran, democracy and a robust NGO community offer internal means to investigate, expose, and punish wrongdoers. The Indian polity, like that of the United States, would reject vocal public denunciations of their government by a foreign state that is guilty of its own transgressions. But there should be room for friendly American peers, be they NGOs or officials, to applaud the existence of democracy and rule of law in India and to state that its influence will wax and wane to the degree that India addresses politically related injustice. India should know that the United States would say “yes” to requests for expertise and for technical and financial resources to help India improve its administration of justice and internal security.

Less controversial would be American encouragement of India to make its unique forms of “soft power” more available to others. As Itty Abraham has emphasized, India possesses a unique ability to run railways, manage huge crowds, provide short-term humanitarian relief, and conduct safe and fair elections. Such governance skills are much needed around



**Washington should not disappoint itself by trying to enlist India in larger American projects to reform the world.**

the world. Indians have created thousands of effective nongovernmental organizations that can be a model for other developing countries seeking to address the core problems of human well-being. India could be encouraged to create an analogue to the U.S. Peace Corps to facilitate India's talented youth to transfer their skills in alternative technologies, literacy, and mass communications to less advanced states.

As the predominant military power in the world, the United States perhaps naturally encourages Indian accretion of military muscle (and U.S. defense imports). The Indian national security establishment, long dismissed as presiding over a "soft" state, welcomes growing respect as a "hard" power. But it would be an ironic form of mental colonialism for India and the United States to collude in undervaluing India's unique, indigenous attributes. As Abraham writes, "The tremendous impact of soft power in shaping how we all live, especially as the world becomes more globalised, carries the message and promise of India in ways that a traditional foreign policy built around force and finance can only dream of doing."<sup>7</sup>

In sum, India and the United States share the virtue of being democracies, but this may be more its own reward than a source of abiding friendship or useful cooperation. India and the United States are both too imperfect to get away with telling themselves or even other states how to govern. The more that leaders and pundits focus on living up to their own country's principles and leading by example, the more powerful each country will become and the stronger the bonds between them will be.

## Development and Poverty Reduction

India's greatest national challenge is to "to turn the historic economic gains of the last twenty years into inclusive growth that lifts millions more out of poverty, that revitalizes rural India, and that creates a future of possibility for more and more Indians."<sup>8</sup> These eloquent words were spoken by U.S. Under Secretary of State William Burns, but they effectively paraphrase the repeated statements of Indian Prime Minister Manmohan Singh. Success in political-economic development will determine whether India is strong or weak, secure or vulnerable, an influencer of global trends or influenced by them.

## Democracy: Practicing Not Preaching

In a recent meeting a high-level White House official suggested that India could help isolate Iran's government by publicly demanding that it stop repressing its democracy movement. An immensely successful Indian businessman gently countered that this approach would backfire in two ways. The Indian runs a global business and is not imbued with the non-aligned sensitivities of yesteryear; he averred that India's political class would bristle at being told what to do, and Iran's leaders would defiantly rebuff public demands. This exchange was a remarkable indicator of how poorly American officials understand India, notwithstanding all the talk of partnership. Beyond India's historical and ideological aversion to meddling in others' affairs, India's own imperfections—such as human rights abuses in Kashmir and the 2002 pogrom in Gujarat—make it vulnerable to political counterattack if it were to self-righteously hector others, especially in the Muslim world.

Similarly, American officials recently have urged India to press Myanmar's junta to respect the human rights of Aung San Suu Kyi's Gandhian-style movement. But New Delhi has remained quiet to curry favor with the junta, refusing to condemn Suu Kyi's latest trial and conviction or join U.S. sanctions on Myanmar.

Regardless of whether the U.S. or Indian approach is wiser, the point here is that they differ despite their shared attachments to democracy.



China is relevant here. Since the 1980s, it has successfully pursued a strategy of societal mobilization in pursuit of economic growth without diverting national energy and resources to military conflict. Its economy has grown to more than twice the size of India's.<sup>9</sup> Its population is significantly healthier and more educated than India's.<sup>10</sup> No friendly outside power purposefully helped China to rise. The Chinese government designed and implemented policies that mobilized the great talent, energy, and savings of the Chinese people. Chinese leaders eschewed external conflict, and they limited military spending by, for example, retaining a much smaller nuclear arsenal than either the United States or Russia would have in an equivalent position. China benefited from the openness of other states to trade, particularly the United States. It welcomed foreign direct investment while protecting against the volatility of unregulated financial and currency markets.

There is no reason to think that India's rise will occur differently, or that intentional policies by the United States would provide a major lift. India's domestic politics and policies will enable or retard its economic progress. India needs all kinds of infrastructure; American actors will eagerly provide the technology and know-how that will help build it if India adopts the policies that invite this participation. There is not much for the U.S. government to do here. As the *New York Times* recently reported, India's quest to build roads, bridges, and electricity stations and grids to sustain its modernization is impeded by a severe shortage of competent civil engineers. Building such infrastructure has been one of China's signal accomplishments. According to Robert Kaplan, "China adds more miles of highway per year than India has in total."<sup>11</sup> It is reasonable to imagine India could learn from China in this domain.<sup>12</sup>

Various aspects of India's democratic political system may comparatively complicate and slow its progress. It will be up to Indian leaders to determine whether and how the United States and other outside actors—governmental and private—can speed their progress. If India creates favorable conditions for American participation in its development projects, "the bulk of the long-term relationship will be built on business-to-business and individual-to-individual contacts outside of the government sector," in Arvind Panagariya's words.<sup>13</sup>

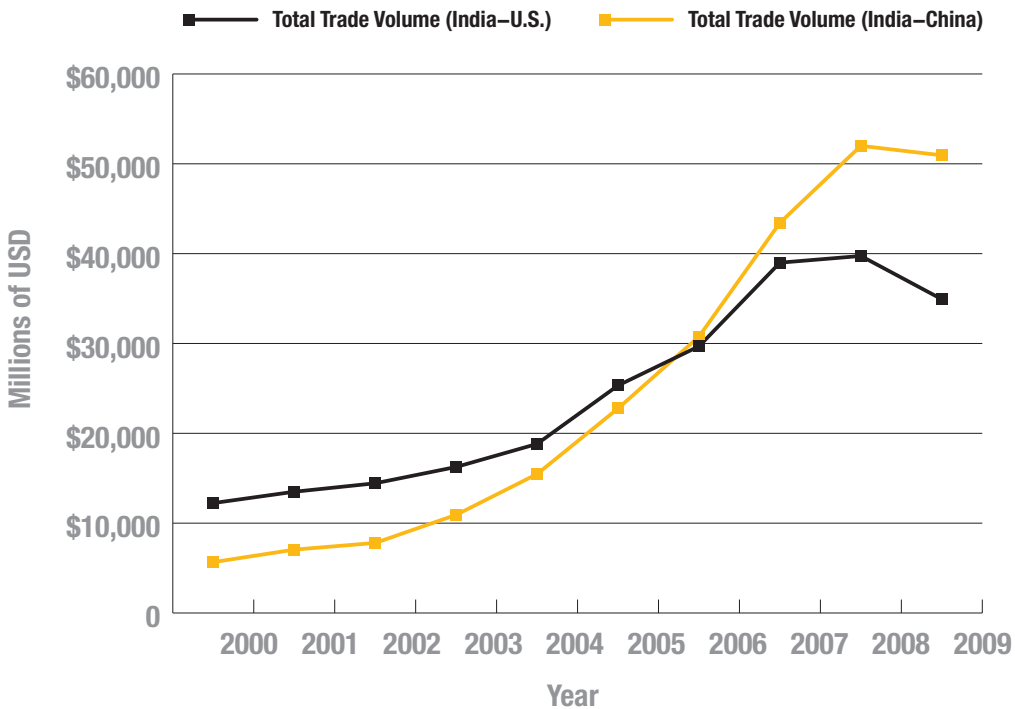
Trade will affect India's economic development, though not as decisively as internal reforms and mobilization. Global trade rules will be relevant, and they will be discussed in a later section of this report. In terms of bilateral trade, China has recently rocketed past the United States as India's largest partner, according to the IMF. U.S.–India defense sales and cooperation, if they materialize at significant levels, could shift the figures. However, there is little reason to think that Sino–India trade will stop growing. This is another factor that will complicate India's overall policy making toward China, and it should also cast doubt on American projections of India as a close partner in containing its economically dynamic neighbor.

## **Policies Toward China and Defense Cooperation**

China is at the crux of much of the American and Indian criticism of Obama's policies toward India. The critics focus on competition between China and India and between China and the United States. They assume that these arenas of competition should draw India and the United States closer together than they have been during Obama's term. Yet China and India, despite their rivalry, have more convergent interests than these critics realize. Furthermore, the United States may have more effective ways to motivate China to cooperate in peacefully ordering international affairs than by overtly championing India to contest China, with an emphasis on military power. This web of interests and possibilities must be disentangled in order to devise policies that will yield positive results for India, the United States, and the broader international system.

As the preceding discussion of democracy and economic development indicates, India is striving to overcome many obstacles to build a social democratic state. In the development sphere—especially infrastructure and agricultural modernization—India is dealing with circumstances that China has managed rather well. The U.S. experience and model are less applicable. It follows that China and India share some positions in negotiations on new rules to manage global trade and climate change,

**Table 1 U.S.–India and Sino–India Trade Since 2000**



Source: International Monetary Fund

for example, that diverge from U.S. preferences. Entangling India in U.S. competition (and potential conflict) with China or other states would impede India’s development. Many Indian political leaders sense this, which is why India will not be the sort of partner that the critics of Obama’s policy fantasize about.

At the same time, there is a moral-ideological contest between India and China, which India naturally wins in the eyes of Americans and Indians. Extolling India’s democracy is a polite way of accentuating China’s non-democracy. As the Indian strategist Brahma Chellaney has stated, the Bush agenda was predicated on the idea of helping a rising India become a democratic bulwark against authoritarian China. Chellaney and American critics argue that “Obama sees things through a different prism.”<sup>14</sup>

Yet ideology alone is too plastic to be the basis of U.S.–Indian partnership to channel China’s power. India and China share interests as developing countries, and the American and Indian polities experience

friction in values, preferences, and style, despite their both being democracies. The bigger strategic questions are whether China will ineluctably challenge the post-World War II international system of economics and security developed largely by the United States and, if so, whether the best way to prevent or mitigate China's exertions is to counter them with military power. If military balancing is the foremost strategic imperative, then the next question is whether India is willing and able to be an effective U.S. partner in pursuit of this end.

Obama's hawkish critics believe that the answer is "yes" to both these questions. As the eminent Indian writer C. Raja Mohan has put it, "There is little to suggest that President Obama and his top advisers share the two basic convictions of the Bush Administration: that a militarily powerful India serves long-term U.S. interests, and that the two nations can work together to stabilize the Indian Ocean littoral and insure against future attempts at domination by China."<sup>15</sup> Other policy shapers such as Ashley Tellis put more velvet around the iron fist, but the basic thrust is martial: "To the degree that the American partnership with India aids New Delhi in growing more rapidly, it contributes ... towards creating those objective structural constraints that discourage China from abusing its own growing capabilities."<sup>16</sup>

The specter here is of China as a rising power that threatens to take and hold disputed territories, to use economic muscle to control the energy and mineral resources that it needs to fuel its increasing appetite or squeeze weak neighbors for concessionary trade, and so on. It is an image that melds the Japan and Germany of the 1930s with the Soviet Union of the 1950s and 1960s. In a variation of "fighting the last war," rising China vaguely resembles the big threats the United States and the Western world faced and defeated in the twentieth century. In this view, China could be tempted to overreach like Germany and Japan did before they were stopped by World War II. Therefore, military power balancing, especially in the naval and strategic domains, is the most important means of managing China's rise. India can and should be an effective and stalwart American partner in such balancing, and vice versa. This view further holds that confronting China with military power will not undermine its (or anyone else's) willingness to cooperate in redressing global issues, either

## Holding Up Defense Cooperation

U.S. law requires any state receiving sensitive defense technology to sign the Logistics Support Agreement, the Communication Interoperability and Security Memorandum Agreement, and the Basic Exchange and Cooperation Agreement for Geospatial Cooperation. The former enables the two militaries to provide logistics support, refueling, and docking facilities for each other's warships and warplanes on a barter or equal-value exchange basis. The latter two establish terms for the supply of equipment such as avionics and electronics for systems such as the Boeing P8I maritime reconnaissance plane, which India has already purchased.

Indian leaders have not signed these agreements despite recent visits by Defense Secretary Robert Gates and Chairman of the Joint Chiefs Admiral Michael Mullen. This may be a bargaining strategy intended to get the United States to agree to relax other export controls on Indian entities and secure the provision of more U.S. high technology to India. But Indian resistance to a Logistics Support Agreement runs revealingly deeper. "India doesn't want to be seen as America's direct military ally," an Indian official told a reporter before Mullen's arrival. India has in the past allowed American ships to refuel in its ports, but it has done so secretly in order to avoid a domestic political backlash. Any arrangement that began to look like a U.S. military presence in India or Indian partnership in U.S. military power projection would roil Indian politics and offend India's autonomous identity.

because China would not cooperate anyway or because robust containment would motivate it to be more cooperative.

Unsurprisingly, U.S. strategists who share this historical perspective put defense cooperation at the top of the list of what a U.S.–Indian partnership should entail. American arms exporters add lobbying money and muscle to this cause. India will be spending billions more dollars on defense imports in the coming decade than any other prospective buyer of American equipment. India's plans to spend \$10 billion for 126 advanced fighter aircraft is the world's biggest defense tender today, and Boeing and Lockheed Martin are among the bidders. But Indian politicians and bureaucrats are suspicious of mercantile come-ons and are doubtful that they can trust the United States to be an unflinching long-term supplier, given the vicissitudes of politics in Washington. Thus, U.S. defense manufacturers, consultants, and political representatives today avidly press U.S. officials to do whatever is necessary to court Indian trust. "Obviously, the commercial benefit of defense sales to the U.S. economy can't be denied, but from a [Defense Department] perspective, these sales are even more important in building a strategic partnership that will allow both our countries to cooperate more effectively to protect our mutual security interests in the future," said Under Secretary of Defense Michele Flournoy said in a recent speech.<sup>17</sup>

But even if India buys the sorts of naval and air platforms that U.S. (and French and Russian) defense contractors want to sell it—which is far from inevitable—there is little reason to believe that Chinese leaders would have an interest in fighting a conventional war with India. Notwithstanding growing popular nationalism and assertiveness, Chinese leaders in word and deed have recognized the power China has gained by building economic strength and avoiding conflict. In external affairs China has competed carefully and asymmetrically, not recklessly. On land, as Robert Kaplan has noted, "China can fill power vacuums on its vast frontiers through demographic and corporate means, without needing the backup of an expeditionary ground force."<sup>18</sup> At sea, China seeks leverage to press its disputed territorial claims. But it also is driven by fears of U.S. power-projection capabilities, alone or with other states such as India, which could jeopardize the lines of communication on which its economy depends for energy and mineral resources.

The United States should make clear its commitment to support India's territorial integrity under the UN Charter. It should cooperate with India and other Asian states to retain defense capabilities sufficient to blunt Chinese military power projection against them, especially in the South and East China seas, where sovereignty over some islands has not been resolved. Yet the United States and India would be playing to China's

advantage if they emphasized military competition. The great military preponderance of the United States over China in the past three decades has not prevented China from gaining power in Asia through economics and hardheaded diplomacy. There is no reason to think that more emphasis on military competition with China will diminish China's influence in any circumstance short of war. What is most needed is the reinvigoration of economic growth, improved democratic



**There is no reason to think that more emphasis on military competition with China will diminish China's influence in any circumstance short of war.**

governance, and enhancement of soft power of the states that wish to balance China.

Nor is military competition with China the highest priority for organizing Indian national security policy. India faces a violent "Maoist" insurgency in nearly one-third of its 626 districts. The insurgents have killed more than 800 people this year, many of them police officers, and they have impeded development projects in several northeastern Indian states, degrading public confidence in Indian government. Terrorism—internally motivated or instigated from Pakistan—remains a pervasive challenge for security and intelligence services. The government understandably does not publicly discuss the number of internal threats, but based on intelligence from plans it has disrupted, the security challenge is alarming. Actors other than the army, navy, and air force are

charged with redressing these most immediate security threats; the services naturally focus on deterring or defeating threats from China and Pakistan. Still, as with so much else, the United States would misunderstand what India wants and needs if it values India primarily as a partner in balancing China.

India must have an advanced navy, but beyond its understandable, albeit amorphous, ambition to “project power,” the Indian navy’s primary purposes are to protect commercial shipping from piracy, deter Pakistan by threatening to blockade its ports in a war, perform disaster-relief missions, cooperate with other powers in keeping shipping lanes open, and enhance the survivability of India’s nuclear deterrent. As Robert Kaplan, hardly a proponent of China, writes, “China is merely seeking to protect its own sea lines of communications with friendly, state-of-the-art harbors along the way.”<sup>19</sup> China fears that the United States could disrupt Chinese sea lines of communications in a conflict, whether over Taiwan, the South China Sea, or elsewhere. New Delhi and Washington would be better off if they conceived of India’s growing naval capabilities as being intended to protect India’s territorial integrity, the well-being of littoral states in the wake of disasters, and the freedom of the seas around India. If China develops capabilities to act offensively in the waters around India, the United States and India could readily choose to bolster their combined capacity to use naval and air power to deter it.

The Indian polity is highly unlikely to fulfill the American wish that India would join it in naval combat against China on behalf of its relations with the United States, ASEAN member-states, or Taiwan. Indeed, the China-balancing champions of U.S.–India defense cooperation have not explained how, where, or when such partnership in combat would occur. The plausibility of China’s initiating conflict with India is low. Therefore the most salient military scenarios in which the United States would value partnership with India would be in a conflict in which the United States is defending a smaller country’s interests over disputed islands in the South China Sea or over Taiwan.<sup>20</sup> India could welcome U.S. military assistance in a Sino–Indian war (however unlikely such a war might be), but would it believe that the United States would run the risks of such conflict, and possible escalation to nuclear use, on India’s behalf? The United States



could welcome India's naval or air force cooperation to interdict Chinese lines of communication during a Sino-Indian war, but would it believe that the Indian polity would support participation in a conflict over islands in the South or East China seas or Taipei? Bear in mind that India's democracy contains strong strains of anti-American ideology as well as pro-Chinese and non-aligned elements.

Recent experience is relevant here. The Bush administration *almost* persuaded the conservative BJP-led government to join it in the Iraq War. Indians may have learned more from the past seven years than did their self-advertised special friends in Washington.

Asia lacks multilateral security structures that incorporate the local states and those who project power around them, particularly the United States. From Afghanistan through the subcontinent, Central Asia, Southeast Asia, to Northeast Asia, security is under-structured. The Shanghai Cooperation Organization (SCO) is developing, but it is doing so to contest and exclude the United States as much as it is to order the relations of all relevant powers. ASEAN and the Asian Regional Forum are more advanced, but they are underdeveloped and overshadowed by questions about the intentions and capabilities of the United States and China and the future character of their relationship. The South Asian Association for Regional Cooperation (SAARC) exists, but it is trivialized by the unresolved Indo-Pak relationship and the absence of influential outside actors, particularly the United States and China. Northeast Asia encompasses major global players—China, Japan, the Koreas, Russia, and the United States—but, with the exception of the ad hoc Six-Party process to deal with North Korea, the region lacks mechanisms for multilaterally addressing and structuring security issues. China and the United States are highly relevant to each of these groupings, and India will be increasingly so, perhaps with the exception of Northeast Asia.

Competitive expansion of military capabilities may be necessary to prevent destabilizing imbalances in each subregion, but the states that affect more than one subregion must take care that the military capabilities they build up for one contest do not exacerbate insecurities in other places. For example, the United States and China are enhancing their overall military capabilities and also undertaking defense and nuclear

cooperation with India and Pakistan. The combination of these broad and regionally specific actions by the United States and China complicates the security dilemmas of India and Pakistan. An unmanaged, four-by-four competition has emerged. Similar potential exists in Southeast Asia and Northeast Asia. To the extent that India's power projection expands west and east and is seen as being paired with the United States against China, stability may be ever harder to achieve. Growing competition and instability may not be avoidable, and responsibility for potential trends must be widely shared, but the onus is on the most influential actors to avoid the default outcome of increased insecurity, disorder, and diversion of resources to unproductive military competition. The United States and China are the most important. Where India is relevant, Washington's and Beijing's strategies will be more productive if they center on a positive agenda of cooperation. "Wariness" will be the watchword, but the United States and China should not give up pursuing cooperation. It is not yet time to fall back to twentieth-century policies.

This appears to be the Obama administration's strategy. Critics of the administration's approach to India don't like it. Daniel Twining argues that the Obama administration favors China in "the belief that cooperation between Washington and Beijing is essential to delivering solutions to the big global challenges."<sup>21</sup> Mohan disparages "democratic administrations of recent times" that "have tended to define engagement with India in terms of global issues and multilateralism rather than converging bilateral interests."<sup>22</sup> Defense cooperation to balance China should be at the top of the bilateral list in Mohan's view. But this overstates the convergence of multiple American and Indian interests and understates the opportunity cost of failing to pursue a more cooperative framework for American-Sino-Indian relations.

Under Secretary of Defense Michele Flournoy argues for a more promising approach: "A safer, more secure India that is closer to the United States should not be seen as a threat to China, and vice versa. Indeed, all three countries play an important role in regional stability. The United States recognizes and welcomes the growing cooperation between India and China on security affairs in recent years. And both India and the United States seek a closer relationship with China, while

encouraging Beijing to be more transparent about its military capabilities and intentions.”<sup>23</sup>

Before dismissing the effectiveness of this approach, the United States and India should put the onus on China to disprove it. China’s military capabilities and nationalistic assertiveness are rising, and its neighbors, including India, do increasingly ask, in the words of the Indian defense expert Uday Bhaskar, “if the inexorable ‘rise’ of China is conducive to equitable peace and stability in Asia.”<sup>24</sup> Bhaskar invites Chinese voices to objectively address “the unease from East Asia to South Asia about the mismatch between Beijing’s self-image and its actions.” Rather than talk and act about China’s impact on South Asian security without engaging directly with it, the United States and India should invite the Chinese to explore the potential of confidence-building and, some day, arms control to ameliorate Asian security dilemmas. Such efforts could begin informally with a mix of nongovernmental experts and former and current officials from the three countries if official wariness in New Delhi and Beijing is too great.

## Counterterrorism, Pakistan, and Afghanistan


South Asia—particularly Afghanistan, Pakistan, and India—is bedeviled by groups who act violently not only against the United States but, more often, against residents of South Asia. Pakistan is the epicenter of extremist violence. The strategic challenge for the United States, India, and Afghanistan is to motivate Pakistani authorities to act decisively against violent extremists. Pakistan must be persuaded and helped to end the distinction between “good” jihadis who fight India (and the United States and India in Afghanistan) and “bad” jihadis who have turned against the Pakistani society and state.

Pakistan’s relationship with violent extremists links the terrorism problem to the broader challenge of stabilizing and demilitarizing Indo–Pak relations and of preventing nuclear war in the subcontinent. The 2001 and 2008 attacks on the Indian Lok Sabha and Mumbai demonstrated

that the most likely trigger of war between India and Pakistan will be a subconventional attack on India by actors that the Indian government will associate with the Pakistani state. Indian military and national security leaders have said that “next time” they will not hold back military reprisals against Pakistan. Accordingly, they are developing a “Cold Start” military doctrine and the (prospective) ability to mount rapid military incursions into Pakistan to punish it, take limited amounts of territory, and then negotiate to compel Pakistan once and for all to eradicate the sources of violence against India. It is assumed that the United States would intervene diplomatically to contain hostilities as it has before, but this time India would enjoy a favorable situation on the ground and a good overall balance of power, which it would use to leverage negotiations to its benefit.

Pakistani military leaders counter that if India begins military hostilities with “Cold Start,” Pakistan will respond with “Hot End,” the use of nuclear weapons. The connections between violent extremism (subconventional war), conventional war, and nuclear war are apparent through such a scenario. Pakistanis implicate the United States in this continuum of conflict by arguing that it has helped India to increase its nuclear and advanced conventional armories, leaving Pakistan no choice but to rely more extensively on nuclear deterrence, especially if it must reject subconventional warfare. Here, the Pakistanis dangerously mistake effects for causes.

The primary underlying threat is the growing number of violent extremists in Pakistan. Many Pakistanis blame this danger on American policies and India’s unwillingness to resolve the Kashmir conflict. This knot of issues is among the world’s most difficult to untie. Neither the Bush administration nor critics of the Obama approach to India know how to



**The Pakistani military and intelligence networks are too strong for India and the United States to ignore.**

do it. The knot cannot be cut, nor does a strategy focused on partnering with India to balance China's rising power solve the Pakistan challenge. Indeed, it can make it worse by intensifying China's propensity to bolster Pakistan's ability to trouble India. Pakistani governance—particularly its civilian institutions and personalities—is too weak to provide the security and political-economic mobilization necessary to modernize the society. But the Pakistani military and intelligence networks are too strong for India and the United States to ignore.

Therefore the United States and India share an interest in devising a mixture of inducements and pressures to persuade the power centers in Pakistan to cooperate in rooting out sources of violent extremism. The United States can reasonably ask New Delhi to understand that Washington will seek a lasting positive relationship with Pakistan. Criticizing U.S. leaders for words and deeds that do not always and exclusively favor India over Pakistan is neither realistic nor wise. The United States and India would also augment the prospects for Indo-Pak stability by avoiding military sales that Pakistan could reasonably find provocative. Encouraging Indo-Pak dialogue on how to stabilize their competition in subconventional, conventional, and nuclear capabilities is necessary.

Kashmir is a challenge that the United States can neither avoid nor resolve. India has the power to rebuff unwelcome U.S. involvement. Successive American administrations have recognized this. Washington can do more than it typically has to hold the Pakistani military and the ISI to pledges that they will not abet violent actors in Kashmir. At a minimum, the United States should expose Pakistan publicly whenever it fails to act to prevent infiltrations across the Line of Control, shut down jihadi training operations, or arrest leaders of organizations that foment attacks on India. But Indian leaders must also do more to correct the misgovernance and human rights abuses that are remobilizing Muslims in the Kashmir Valley. Indians may reasonably expect the United States to heed their demand not to try to mediate the Kashmir issue with Pakistan, but they should not expect it to stay silent about large-scale Indian human rights violations or other policies that undermine conflict resolution there. The United States has legitimate strategic interests in urging both India

and Pakistan to explore all prospects for normalizing Indo-Pak relations and reducing the threat of violent extremism in South Asia and elsewhere.

Pakistani elites are adapting to the reality that Pakistan cannot wrest the valley away from India, and that it must negotiate a formula to recognize the territorial status quo and improve the quality of life of Kashmiris on both sides of the Line of Control. Many Pakistanis recognize further that Manmohan Singh is the leader best suited to find and deliver a package that Indians, Kashmiris, and Pakistanis could live with. But if Pakistanis perceive that resolving the Kashmir issue will merely make the environment safer for India to bolster its conventional military advantage over Pakistan, they will balk. This is another reason that the United States and India must take great care to manage their defense cooperation in ways that reassure Pakistan that India's aims and capabilities are defensive, not offensive. Conventional military dialogue and confidence-building measures deserve greater attention for this purpose.

One reason why Pakistanis are turning their attention away from Kashmir is that many see Afghanistan as the hotter front for Indo-Pak competition. Pakistanis, especially the military, perceive an Indian effort to extend influence throughout Afghanistan at Pakistan's expense. Pakistan has fought this influence in many ways, including attacks on the Indian embassy and other targets in Afghanistan. India argues justly that it is for the Afghan state and people to decide whether to welcome Indian involvement in their state (many Afghans plainly do). It is unrealistic and ahistorical to expect that India will not be a presence in Afghanistan if Afghans welcome it.

The United States is caught in the middle. Pakistan demands that Washington use its influence on its "new best friend" India not to use Afghanistan as the western side of a vise to squeeze Pakistan. India demands that the United States fight the Pakistani-backed Taliban more robustly and eschew temptations to negotiate with the Taliban. India is particularly emphatic about Pakistan's not being granted a seat in any possible negotiations. Pakistan is willing to fight until the last Taliban or coalition foot soldier falls in order to pursue its interests in Afghanistan, while India is willing to fight to the last American to keep Pakistan from exerting indirect control over a future Afghan government. Neither

position serves American interests. The United States cannot avoid disappointing either Pakistan or India, or both. Afghanistan therefore demonstrates the limits of U.S. partnership with India and Pakistan. Understanding these limits does not give us an answer to the question of what the United States should do in Afghanistan if the current strategy proves unsuccessful. However, it does clarify that neither Pakistan nor India is going to significantly help the United States out of the quagmire, and that American policy makers will have to repair relations with both India and Pakistan in the aftermath of any unhappy Afghan denouement.

Ultimately, the Pakistani writer Ahmed Rashid is correct to say that in South Asia “no real change is possible without a change taking place in the [Pakistani] army’s obsessive mind-set regarding India, its determination to define and control national security, and its pursuit of an aggressive forward policy in the region rather than first fixing things at home.”<sup>25</sup> As part of this change of mind-set, Rashid adds, it is “necessary for the army to agree to a civilian-led peace process with India. Civilians must have a greater say in what constitutes national security. Until that happens, the army’s focus on the threat from New Delhi prevents it from truly acknowledging the problems it faces from extremism at home.” The necessity and expediency of working with the army to supply the war effort in Afghanistan and conduct counter-al-Qaeda operations tempt the United States to reinforce the army’s dominance (as in the anti-Soviet campaign), but the bigger, long-term imperative is for structural reform in Pakistan along the lines Rashid argues.

## A Least-Bad Outcome in Afghanistan

James Dobbins, a RAND Corporation analyst with extensive U.S. government experience regarding Afghanistan, has sketched a possible arrangement that would do more to meet Afghan, American, Indian, and Pakistani interests than the most likely alternatives. Creating such an arrangement would require cooperation among these four states and a power-sharing arrangement between the Taliban and other leading centers of Afghan power.

- Afghanistan commits to preventing its territory from being used to destabilize any of its neighbors;
- Afghanistan's neighbors and the other powers promise not to allow their territory to be used to interfere in Afghanistan;
- The effect of the above pledges would be to declare Afghanistan permanently neutral and commit all others to respect that neutrality;
- Afghanistan recognizes its border with Pakistan (the Durand Line);
- The United States and NATO promise to withdraw their forces once these other provisions have been given real effect;
- The donor community promises to support the delivery of public services—roads, schools, health clinics, electricity, and security—to the disadvantaged communities on both sides of the Af-Pak border.

Dobbins acknowledges that an international accord on Afghanistan along these lines would be impossible without a successful internal process of reconciliation and power-sharing within Afghanistan, and vice versa. “Any settlement among the major Afghan adversaries would crumble quickly unless supported by all the other players in the Great Game,” he says.<sup>26</sup>





# Issues of Global Governance

**T**he United States has an abiding interest in strengthening rule-based arrangements to manage global challenges. India's size and growing impact on the global economy, environment, and security system mean that both countries will struggle to reconcile their national and bilateral interests with imperatives to make the overall international system function effectively.

## Nuclear Cooperation and Nonproliferation

Strategies toward China, India, and Pakistan intersect in the field of nuclear nonproliferation, which also bears on economic development and climate change. The single most important policy change in this area was the Bush administration's initiative to exempt India from global nonproliferation rules that had prevented the United States and other states from doing nuclear commerce with it. Indian officials have for decades insisted that Washington must lift nuclear cooperation restrictions if it wishes to transform relations with India. The Bush administration acceded to this demand in 2005 and subsequently lobbied the U.S. Congress, the 45-nation Nuclear Suppliers Group, and the International Atomic Energy Agency to follow suit. As a result, Russia, France, and other countries are now doing nuclear business with India. American firms had been kept on the sidelines awaiting the balky Indian Parliament's passage of legislation limiting liability for nuclear accidents, without which U.S. companies cannot risk building nuclear power plants in India. A bill

was finally pushed through Parliament on August 30 to create a more propitious climate for President Obama's visit, but its terms fall short of the benchmark international liability conventions. American companies, unlike those whose home governments will insure them, are still unable to risk building in India.

The nuclear deal provided benefits to India and potentially to foreign exporters of nuclear power plants, but on balance it has harmed the nuclear nonproliferation regime and the United States' credibility as its leader. The nuclear deal exemplifies the liabilities of a strategy to privilege India in policy domains that lie at the core of global governance. The latter are too important to sacrifice for the purpose of satisfying India when its positions are at variance with the legitimate interests of the broader international system.

Advocates of the deal—from President Bush to congressional Republicans and Democrats—claimed it would strengthen nonproliferation. India would have to designate each of its nuclear power plants and other facilities as either military or civilian and put civilian facilities under IAEA safeguards. However, India designated only 14 of 22 power plants as civilian and put its plutonium Fast Breeder Reactor program in the military category. India thereby added vastly to the potential stock of plutonium that it could separate from spent fuel and use for weapons, even if it is unlikely to do so. India's electricity-producing plants and breeder program had previously been perceived as civilian. India also promised to adopt tight nonproliferation controls on nuclear exports. Yet the legally binding UN Security Council Resolution 1540 already obligated India and all other states to implement strong export controls.

The nuclear deal did not obligate India to sign the Comprehensive Nuclear Test Ban Treaty or put a moratorium on further production of fissile materials for weapons. These are two key measures of commitment to the global nuclear nonproliferation and arms control agenda favored by the vast majority of states. This position stemmed from the Bush administration's "antipathy to nuclear arms control," in Ashley Tellis's words, and its desire, shared by New Delhi, to see India expand its capacity to balance China's nuclear weapon capabilities.<sup>27</sup>

Whether or not Washington's and New Delhi's strategy for growing India's civilian and military nuclear power is wise, many other states saw the deal as an affront. The United States previously had twisted arms and invoked moral and security imperatives to convince other states to adopt tighter controls on nuclear exports. Now it was using its muscle in what many saw as a self-interested, geopolitical, and mercantile move to enrich its vendors and empower its new friend against China. States that had agreed to forswear nuclear weapons and join the Nuclear Non-Proliferation Treaty with the understanding that they would in return receive the benefit of nuclear cooperation that non-NPT states would not receive now felt that India was being favored for acquiring and testing nuclear weapons. The value of being a good nonproliferation citizen was diminished. Many NPT-member states expressed their disappointment privately, if not publicly.

Devaluation of America's currency as leader of the rule-based nonproliferation system has had unwelcome consequences. Brazil had been on the verge of agreeing to accept stronger IAEA safeguards on its nuclear program under the so-called Additional Protocol, but it later refused, expressing its anger that the United States was rewarding a state that had acquired nuclear weapons. Other developing countries and China became more reluctant to join the United States in sanctioning Iran for its noncompliance with nonproliferation rules, citing the India deal as evidence of a double standard.

The U.S. move to privilege India's nuclear program and balance China deepened Pakistan's determination to resist negotiations to ban further production of fissile materials for military purposes. China, which could have used the Nuclear Suppliers Group's (NSG) consensus decision-making process to block the India deal, is now less susceptible to international pressure to refrain from similar cooperation with Pakistan. The United States and others in the NSG think nuclear cooperation with Pakistan is premature given Pakistan's past proliferation activities, its fiscal and security crises, and the corruption and inefficiency of its energy pricing and regulation practices. The NSG is a voluntary arrangement, so China could choose to cooperate with Pakistan without NSG approval. From an international security perspective, it would be better if China sought NSG

permission, much as India did. But if Beijing knew that the United States and others would block it despite China's reluctant acceptance of the U.S.–India deal, it would have little incentive to uphold the NSG's standing. A better alternative would be to work with China, Pakistan, and other NSG members to identify criteria that Pakistan could meet over time to warrant approval of nuclear cooperation with it. Such an approach would ameliorate some of the damage done by the original deal with India.

Especially damaging is the permission that Washington granted to India to reprocess spent-fuel derived from fuel and reactors supplied by the United States and other foreign partners of India. The United States, including even the Bush administration, has long led international efforts to prevent additional states from enriching uranium and separating plutonium. By exempting India from this policy, the United States has emboldened non–nuclear-weapon states such as Egypt, Jordan, Turkey, South Korea, and Vietnam to resist rules that would restrict their options to engage in enrichment and reprocessing. These capabilities are not necessary at the national level to fuel nuclear power plants, but they are vital to producing nuclear weapons. Turkey, motivated in part by its sense that the United States, France, and Russia have double standards in enforcing rules on nuclear trade and nonproliferation, is holding up efforts by the NSG to establish criteria for limiting trade in enrichment and reprocessing capabilities. South Korea is lobbying hard to persuade Washington to renegotiate its nuclear cooperation agreement to allow it to develop reprocessing and enrichment techniques. Seoul argues that its stalwart alliance with the United States makes it at least as worthy as India to receive this approval.


These and other negative repercussions of the India deal outweigh its benefits. India may increase beyond 3 percent the share of power that nuclear plants provide to its economy, but the costs, time lags, and controversies involved in doing so will keep nuclear power from being a panacea to India's development or carbon emission-reduction needs. Indeed, protests by citizens living near proposed nuclear power plant sites reflect the tension between India's democratic processes and its nuclear ambitions. The record of India's nuclear establishment validates the former Indian defense official P. R. Chari's caution that "it would require a huge

leap of imagination to accept wild claims that nuclear energy provides the answer to meet India's future energy needs."<sup>28</sup> The Indian nuclear power program places great hope in building and reliably operating plutonium breeder reactors (currently kept outside of international safeguards under the nuclear deal), despite the fact that France, Japan, Germany, the United Kingdom, and the United States have all set aside this technology. As Chari writes, "A willing suspension of disbelief is also required to believe that breeder technology is the silver bullet that will ease India's energy security problems."<sup>29</sup>

The involvement of foreign nuclear technology providers may help raise the competence and efficiency of India's indigenous nuclear sector, and it may help win much-needed authority for India's Atomic Energy Regulatory Board, which is charged with ensuring the safety of India's civilian nuclear complex but has always been under the thumb of the Department of Atomic Energy's leadership. Yet these marginal gains are small compared with the loss of confidence in the global nonproliferation regime and America's leadership of it.

Moreover, if U.S. cheerleading for the Indian nuclear program obscures the need to strengthen truly independent oversight of safety in the Indian nuclear establishment, a future accident would harm not only India and America's reputation; it would also imperil the global nuclear industry's prospects for growth.

Ironically, there is evidence that the nuclear deal will not accomplish its primary objective of transforming U.S.–Indian relations. Nuclear energy simply is not important enough to the Indian economy or polity (outside of globalized urban elites) to transform India's political willingness to accommodate American interests where they do not already converge with



**Ironically, there is evidence that the nuclear deal will not accomplish its primary objective of transforming U.S.–Indian relations.**

its own. The Indian Parliament almost rejected the deal itself, despite the fact that it was a “gift horse,” in the words of one of the deal’s architects, Philip Zelikow. Indian political parties, civil society, and national security hawks expressed suspicions of undue American influence in New Delhi. This wariness can perhaps only be attenuated by further U.S. concessions to India in other domains. Thus, Mohan now argues that “progress on the bilateral defense/security agenda is the key to Delhi’s willingness to cooperate with Washington across the board.”<sup>30</sup>

Meanwhile, in Washington the deal raised expectations that India now would move to accommodate U.S. interests, for example, in sanctioning Iran for its illicit nuclear activities. But India has refused to cooperate with recently passed congressional sanctions to block exports of refined petroleum products to Iran and investment in Iran’s energy sector. In effect India is daring the United States to apply extraterritorial sanctions on its companies. Whether or not the congressionally driven extraterritorial sanctions are wise or effective, pressuring Iran to comply with IAEA and UN Security Council demands is one of America’s highest international security priorities. The much-vaunted nuclear deal did not win India’s cooperation on this issue, but instead emboldened Iran and made other states less inclined to support the United States in isolating Iran. The deal provides an object lesson in the pitfalls of distorting the rule-based elements of the international system to privilege a friend.

## International Trade

International trade can contribute to India’s growth and development, albeit modestly compared with domestic-driven growth. U.S. policies can help create rules of global trade that could benefit India. Yet in World Trade Organization negotiations the U.S. and Indian positions have clashed in the two areas most important to India: agriculture and services.

American friends who want to help India achieve the economic growth and development necessary to become a great power should accommodate India’s interests in agricultural trade. Roughly two-thirds of India’s population earns its livelihood from agriculture, often of the

subsistence type. India does not yet have a market for low-skilled wage labor that could absorb large volumes of agriculturalists who could be displaced as a result of trade rules that too indiscriminately ease imports of foodstuffs. Accordingly, India, along with many other developing countries, demands trade rules that would allow it to protect indigenous farmers by erecting tariffs higher than allowed maximums under prospective new rules in the event of a sudden and potentially price-destabilizing influx of imports.<sup>31</sup> A U.S. administration could accede to these demands without undermining the global trade regime, though it would cause backlash in the form of political pressure and lost campaign contributions from an agribusiness sector that employs hundreds of millions fewer people than Indian agriculture.

Similarly, Indian negotiators in service sector talks bridle at U.S. resistance to new rules that would grant employees of Indian firms more permission to travel to the United States and other countries to perform contracted services. This is especially important in the fields of information technology, law, accounting, and research and development. India has its own inconsistencies: For example, it blocks foreign lawyers from practicing on Indian territory.<sup>32</sup> In general terms, India understands the interests of the United States and other advanced countries in protecting their labor markets, but labor-abundant countries like India find it inequitable that the WTO privileges freer trade in goods to the advantage of rich countries, while resisting liberalization of trade in labor.

## Environment

Climate change is perhaps the most globally important environmental threat to economic development and security. To the extent that volatile, extreme weather reduces agricultural productivity and increases migration pressures, India could be especially susceptible to its effects. The August floods in Pakistan are an overwhelming example of the sorts of effects climate change models predict.

Indian representatives correctly note that the rich countries led by the United States are responsible for most of the carbon now in the atmosphere. It follows, Indians say, that this rich minority should bear the



bulk of the burden of reducing rates of emissions and abating the effects. Indian officials also point toward their low emissions per capita as another reason they should be exempt from pressure. In 2007 India produced only 1.38 tons of carbon dioxide per capita, compared with 18.91 tons per capita from the United States.<sup>33</sup> However, to the extent that India's economy will grow, its 1 billion-plus citizens will emit more and more carbon into the atmosphere. Thus, India is simultaneously a potential major "victim" of the effects of climate change caused largely by others and a potential major exacerbator of the problem.

The United States is looking to reach a global agreement on binding emissions targets where developing countries such as India are tied to specific requirements on emissions with strong measurement, review, and verification (MRV) protocols to ensure compliance.<sup>34</sup> India is looking toward increasing energy efficiency per unit of GDP and, at the recent Copenhagen conference, it articulated a nonbinding ambition to cut domestic emissions intensity 20 to 25 percent by 2020, excluding agriculture.<sup>35</sup> Although India has been open to some discussion of MRV, it believes that developed countries must be subject to similar verification of their targets, and that equity between developed and developing powers is key. India understandably cares deeply about ensuring that any movement toward cutting emissions does not unduly harm its economic growth and potential. The United States is more focused on wringing concessions from developing countries both to pursue a policy of reducing carbon emissions globally and to aid in the passage of domestic climate change legislation by reducing the perceived competitive disadvantage that might result.

Critics of the Obama administration's policy toward India do not engage the particulars of the climate change issue. Rather, they argue it should not be given the importance that Obama has given it, notwithstanding the object lesson of the floods in nearby Pakistan. Mohan, for example, derides "henpecking about global warming" as an example of Obama's losing "sight of the strategic possibilities that are at hand with India." It would be better, such critics argue, to focus on defense cooperation to balance China. This is another example of the atavism of these critics' trilateral balance-of-power focus.

## UN Security Council

For all of its shortcomings, the UN Security Council still occupies an important place in global governance. India makes a strong claim for permanent membership in the Council, even if no one knows practical ways to expand the number of the Council's permanent seats. This body can hardly claim to represent international society in any dimension if it does not include India. Imagining India in the Security Council can illuminate and extend the foregoing analysis.

The most important actions the Security Council takes are to identify threats to international peace and security, authorize action to make or keep peace, impose sanctions when international norms and rules are broken, and, more recently, adopt resolutions requiring states to implement laws to prevent terrorism and proliferation. In each of these areas, India has expressed positions contrary to those taken by the United States.

Along with other developing countries, India objected to Security Council Resolution 1540, which requires all states to adopt and enforce national laws to prohibit the transfer of nuclear, biological, or chemical weapons for terrorist purposes and to establish effective domestic controls to prevent proliferation. India supported the objective but opposed the Security Council's mandating such action. India has quietly dissented from U.S. and UN Security Council sanctions on Iran and has opposed initiatives to condemn or sanction Sudan for its atrocities in Darfur. The broadest indication of India's divergence from U.S. positions in the United Nations is its record in the UN General Assembly, where it has voted with the United States approximately 20 percent of the time.<sup>36</sup>



**India is not yet prepared to partner with the United States in strengthening many of the rule-based elements of the international system.**

In the words of former Mexican foreign minister Jorge G. Castaneda, India—like Brazil, China, and South Africa—is not just a weak supporter “of the notion that a strong international regime should govern human rights, democracy, nonproliferation, trade liberalization, the environment, international criminal justice, and global health.” India opposes efforts to strengthen such an international system today “more or less explicitly, and more or less actively.”<sup>37</sup> India has its own historical motivations and political-economic interests for taking the positions it does, and it does not threaten the sovereignty or territorial integrity of others in the international system. On some issues that enter the UN agenda relating to human rights, India favors state sovereignty over solidarity with victims of human rights violations in order to protect its position on Kashmir. India also does not wish to alienate states such as Sudan, which are potential suppliers of oil and natural gas. The crux of the issue here is that India is not yet prepared to partner with the United States in strengthening many of the rule-based elements of the international system—the project that has been the objective of American leadership since the end of World War II and, with renewed vigor, in the era of globalization. India continues to stand apart. The United States should try to draw it into collaborative global institution-building, as President Obama has, but with realistic expectations and a recognition that when trade-offs must be made between India’s expressed interests and those of the common good, it is not unreasonable for the United States to favor the latter.

# Conclusion

**T**he Bush administration, building on momentum imparted by its predecessor and by successive Indian governments, sought to “transform” the U.S.–India relationship. Both sides recognized that an alliance was too much to imagine, but they were determined to build a durable strategic partnership that would elevate their bilateral relationship to the top tier of each country’s foreign policy priorities.

However, the rhetoric of “transformation” that attended the path-breaking nuclear cooperation agreement between the two countries inspired unrealistic expectations. It implied a greater convergence of interests and priorities than is realistic. Bush administration officials, in their eagerness, hubris, and preoccupation with balancing Chinese power, tilted in the nuclear deal and in their rhetoric farther to the Indian side than U.S. interests could sustain. They inspired India and built the trust of its elites, but in the manner of someone offering a deal too good to be true. Indeed, the courtship of the relationship between the early Bush administration and the Vajpayee government was too romanticized to be sustained as a long-term relationship.

Inevitably, Bush’s and Vajpayee’s successors would have to settle into a more prosaic relationship that would more realistically reflect competing priorities and interests. For Washington’s part, expectations, policies, and rhetoric would need to be rebalanced to better reflect America’s multiple interests and those of the international system it attempts to lead. In searching for a more realistic and sustainable balance, the Obama administration has disappointed India and invited attack from partisans of the Bush approach.

Yet India’s “nonaligned spirit” . . . limits the degree to which it can align itself with U.S. foreign policy interests,” according to Kanwal Sibal. “On most strategic issues, Indian and U.S. positions remain apart.” New Delhi and Washington share core interests on policies toward China and

Pakistan, but they will differ on how to pursue them. In global negotiations on trade and climate change, U.S. domestic political and economic considerations impede it from accommodating India's equitable demands, while on the latter issue India's short-term priorities threaten its own, and the common, interest.

A realistic and balanced strategy would still cherish India. The United States should still act to bolster India's economic development wherever possible, including by accommodating Indian positions on trade and climate change that are compatible with other major developing countries. The United States should bolster India's capacity to prevent terrorism, defend its borders, and secure international seaways, reaffirming India's non-aggressive intentions and interest in peaceful relations with China and Pakistan. If, in these domains, and more broadly in policies to address twenty-first century international challenges, the United States can advance the effectiveness of global governance, it will create a better environment for Indians to make themselves more prosperous and secure. Autonomy is the imperative of Indian political culture and strategy; leaders in Washington should recognize and respect this without distorting India's expectations or those of the American political class.

# Notes

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