

US-Indian Relations: Permanent Interests Not Permanent Friends

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LAWRENCE KORB AND ALEX ROTHMAN, JUN 14 2012

As the US and India begin their third annual strategic dialogue this week, which follows last week's visit to India by Secretary of Defense Leon Panetta, it is important for US policymakers dealing with India to keep in mind the warning of the late British diplomat Sir Harold Nicholson: "Nations do not have permanent friends or enemies. They have permanent interests."

While President Obama has referred to India as an "indispensable ally," close examination of the US-India relationship over the past decade has shown that it is an exaggeration to put India in the same category as allies like the United Kingdom. Rather, while India and the US do share a number of common interests and have much to gain through cooperation, Indian interests are not identical to those of the US.

As a result, as the United States continues to pursue a strategic partnership with India, the Obama administration should explore opportunities for security cooperation yet also remain wary of unequal deals, like the 2008 U.S.-India nuclear agreement.

The Bush administration's nuclear cooperation agreement with India clearly evidences an instance in which the United States accepted a poor deal in an effort to increase ties to India. In 2008, President Bush signed a civilian nuclear cooperation agreement with the Indian government in spite of the fact that the Indians had refused to sign the Nuclear Non-Proliferation Treaty (NPT) and developed nuclear weapons in defiance of the international community. Moreover, the United States also pushed to secure a waiver from the Nuclear Suppliers Group, which allowed India to pursue nuclear trade with other countries, a right normally reserved to countries that have ratified the NPT.

Giving India the same benefits as those who had signed and abided by the NPT harmed US security interests in two significant ways. First, it significantly undermined US credibility in dealing with rogue regimes like Iran and North Korea, which flouted the NPT. Second, it strained relations with Pakistan, which after not getting a similar agreement, increased its nuclear arsenal.

Nor did India provide the economic or strategic benefits the US had counted on. The US nuclear industry was unable to export its wares to India because of the failure of the Indian government to secure liability protection. Moreover, the Indians have continued to purchase significant amounts of oil from Iran, thereby helping to prop up that rogue regime and undermining the international sanctions necessary to get Iran to stop its nuclear program. Even now India wants its banks to be exempt from the tough sanctions against those financing institutions that facilitate the purchase of oil from Iran.

It is no wonder that Michael Krepon of the Stimson Center has referred to the 2008 Treaty as the gift that keeps on taking. Nonetheless, the Obama administration has continued the policy of trying to woo India. Meanwhile, India has not been shy to pursue its own interests, even at the expense of the United States.

During Secretary Panetta's recent visit to India, he promised to let India buy America's best weapons technology. But

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unlike other countries who purchase such sophisticated technology, the Indians do not want to abide by US law that military equipment transferred to another country must be verified periodically by the US for assurance of legitimate use.

Similarly, despite the fact that the US has sent India \$8 billion worth of equipment over the last decade, the US lost out in bidding for a \$10 billion purchase of 126 fighter jets. While the Indian government at first justified its position by arguing the Europeans were offering more modern aircraft than the F-16, they did not change their position when the US subsequently offered to sell them F-35s. Meanwhile, the Indians are developing a fifth generation aircraft fighter with the Russians, a \$25 billion deal for 250 aircraft.

It is important that the United States do a better job of defending its own interests in its negotiations with India. Nevertheless, there are areas of common strategic concern where we can work with the Indian government to the benefit of both nations. And when their interests coincide with ours in certain areas, there is no need for us to offer a one-sided deal as the Bush administration did in 2008 and Panetta wants to do now.

For example, India has much to gain from a secure, stable Afghanistan. Such a state has the potential to encourage economic growth and advance India's security obligations in the region and the Afghans have long said they would welcome an expanded role for India in their country. Almost two years ago, in September 2010, even before the US announced a timetable for ending its combat mission, Afghanistan's national security advisor noted that his country "would like to expand cooperation with India in order to strengthen Kabul's ability to secure itself." A year later, in October 2011, India and Afghanistan signed a wide-ranging agreement to deepen ties, including a process for India to help train Afghanistan security forces.

The problem will not be getting India involved in Afghanistan but to ensure that when they do become involved they harmonize their efforts with Pakistan, the country that will have the largest impact on the future of Afghanistan after 2014.

Similarly, the US would like to see India become more of a counterweight to China. But here again the Indians do not need any special incentives. They have a history of rocky relations with their neighbor to the Northeast. India sees China's military and economic aid to Pakistan as a sticking point in their relationship. Moreover, these two Asian giants have still not resolved a number of territorial disputes stemming from the 1962 Sino-Indian War. Kashmir in particular has caused periodic flare-ups between the two nations. India, which claims all of Kashmir despite controlling only half of it, disputes Chinese control over parts of it as well as the presence of Chinese troops in some Pakistan-controlled areas.

There is no doubt that the Indians and the US have many common interests, but in this new dialogue, the US must keep its eyes wide open, remember Sir Harold's advice, and not give any more gifts that keep on taking.

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