



Asia Pacific Bulletin

EastWestCenter.org/APB

Number 281 | October 16, 2014

US-India Relations After the Modi Visit

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Dr. Rajesh Rajagopalan,
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been a refreshing change on the
Indian side in being willing to
openly declare India’s key
strategic interests.”

A decade back, US-India relations appeared finally to be ready to break from the traditional pattern of swinging between euphoria and exasperation. But over the last several years, that pattern re-emerged as both Washington and New Delhi busily dug their relationship into a hole. One state visit, even such a high-octane one as Prime Minister Narendra Modi’s, cannot be expected to pull the two sides out of this hole, but it would be fair to say that the two sides have at least stopped digging. But there is hard work ahead and the outcome is by no means certain.

There is enough blame to go around for the state of the relationship, though New Delhi has to take a bigger share. Immediately after the US-India nuclear deal was concluded, the UPA government under Prime Minister Manmohan Singh was in a hurry to distance itself from the US, frightened about the domestic political consequence of its closeness to Washington. What followed was India’s Nuclear Liability Bill (which essentially negated the key benefits of the US-India nuclear deal), its decision to reject American combat jets for the Indian Air Force, its abstention from the Libya vote in the UN Security Council, and a downgrading of military ties. On the US side, President Obama started out as other Democratic presidents have, wanting a special relationship with China and seeking to push a Kashmir negotiation between India and Pakistan, both key red flags for India. More fundamentally, Obama’s apparent desire to pull back from America’s global commitments led to concerns in Asia and in India about Washington’s dependability just as China was asserting itself in Asia – concerns that have yet to subside despite Obama’s Asia ‘pivot’ and ‘rebalancing’.

One sign of optimism after the visit is that Obama and Modi appear to have built some personal rapport, strange as it might seem given their radically different ideological backgrounds. But positive personal rapport has not had a huge impact on US-India bilateral ties in the past, though of course it is better than having the kind of terrible equation that some Indian Prime Ministers and American Presidents have had.

Another optimistic sign is that both sides were keenly aware of the need to give the relationship a dramatic and high-level push. At least part of the reason for the ebbing of the relationship over the last several years was the lack of active involvement of senior political leadership of the two sides leaving the relationship in the hands of overly cautious bureaucrats. Possibly recognizing the need for this political push, the two leaders signed off on three documents: in addition to the usual Joint Statement, they also released a ‘Vision Statement,’ and an unprecedented joint newspaper

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editorial about the promising future of US-India relations. It will be difficult to sustain such high level political attention but without it the relationship will in all likelihood flounder again.

There has also been a refreshing change on the Indian side in being willing to openly declare India’s key strategic interests, especially as it comes to maintaining security in the Asia-Pacific region. There was, for the first time, references to the South China Sea dispute, notable because until now India has been excessively concerned about not appearing to join with the US in any anti-Chinese moves. Clearly, Prime Minister Modi is demonstrating a willingness to speak plainly on key strategic issues. This is important because it is ultimately this shared strategic interest that will be the bedrock of the relationship rather than the shared values and people-to-people relationships that are so often invoked in diplomatic statements during state visits.

But it is not all positive. An unfortunate problem is that the change in New Delhi towards a more open and strategic relationship with the US is coming at a point when the US interest in the relationship might have flagged. For one, despite all the enthusiasm that the Obama administration showed during Modi’s visit, its commitment to a robust US global role, and more importantly its commitment to Asia in general and South Asia in particular, is still in doubt. This is a problem stemming from Obama’s worldview rather than anything specific to US-India relations but it nevertheless could represent unexpected limits on the strategic partnership. On the other hand, this might matter only once the relationship matures to a higher level and might not be important just yet because of how low the relationship has sunk. A second reason for the flagging US interest is more serious, which is that India has managed to antagonize many of its core supporters in Washington with its uneven policies over the last several years. Modi’s outreach to the Indian-American community, however successful, is unlikely to be able to compensate for this loss.

Another major stumbling block is the continuing disagreement over India’s Nuclear Liability Act. There was some hope before the visit that some solution would be reached between the two sides on this issue but all that the two sides could agree on is to have further discussions, which is unlikely to go very far. The US has been the most strident in pushing against the liability bill, but it is far from alone. Both Russia and France, the other major potential suppliers of nuclear power plants to India, have expressed their objections though they have mostly been content to let the US carry this burden. Even India’s domestic nuclear industry has echoed these same concerns. Five years after this foolish law was adopted, India’s optimism that its huge market will overcome the reluctance of suppliers has been shown to be hollow. New Delhi’s attempts to tinker with the procedural aspects of the law have so far been unsatisfactory. The question is whether the Modi government will be pragmatic enough to consider amending the critical sections of the law. There are two problems, however. One, the BJP was the party that insisted on the most onerous elements of the law, making it difficult for them to now walk it back. Two, the Modi government only controls the lower house of the Indian parliament, which will make it difficult to make such amendments.

What all this suggests is a decidedly mixed picture, with some scope for optimism but also a healthy respect for the still unchanged rhythm of the US-India relationship.

The *Asia Pacific Bulletin* (APB) series is produced by the East-West Center in Washington.

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