

RSIS Commentary is a platform to provide timely and, where appropriate, policy-relevant commentary and analysis of topical issues and contemporary developments. The views of the authors are their own and do not represent the official position of the S. Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS and due recognition to the author(s) and RSIS. Please email: RSISPublications@ntu.edu.sg for feedback to the Editor RSIS Commentaries, Mr Yang Razali Kassim.

Modi and Obama: Ready to Reboot India-US Relations?

By C. Raja Mohan

Synopsis

US President Barack Obama's participation in India's annual Republic Day celebration is rich in symbolism. It is also a major opportunity for Washington and Delhi to reboot their relationship and set ambitious new goals for their strategic and economic partnership.

Commentary

PRESIDENT BARACK Obama's visit to India to participate in the coming annual Republic Day celebrations is likely to give a second wind to the strategic partnership that failed to meet the expectations raised a decade ago by Washington and Delhi. The historic civil nuclear initiative and a defence cooperation agreement announced by President George W. Bush and Prime Minister Manmohan Singh in mid 2005 generated hopes that the United States and India had finally shed the tag of "estranged democracies".

Although the relationship has expanded significantly over the last decade, there was a distinct sense by the end of Singh's tenure that the ties had plateaued. Political ambivalence and bureaucratic recalcitrance in both capitals seemed to prevent the implementation of agreements signed and limit the possibilities for a genuine strategic partnership.

Breaking the taboo

In Washington, Obama appeared less willing than his predecessor, George W. Bush, to devote personal attention towards India. In Delhi, the ruling Congress Party did not seem to have the political will to consolidate the big breakthrough that Singh and Bush had engineered. The enduring sentiments in the Congress Party in favour of economic populism at home and non-alignment abroad severely limited Singh's ability to seize the new opportunities with the US.

The massive mandate for Narendra Modi in last May's general election has provided the moment for a renewal of the India-US partnership. Obama was quick to welcome Modi to the White House last September. Modi, in turn, surprised everyone by inviting Obama to this year's Republic Day celebrations.

That it is the first time Delhi extended this honour to an American president underlines the deep mutual discomfort that has long hobbled the relationship between the world's largest democracies. In breaking the taboo, Modi is signalling that he is prepared to travel farther with the US than any of his predecessors.

The surprising agreement for a second summit meeting between President Obama and Prime Minister Modi in less than six months reveals a rare and simultaneous political will in Delhi and Washington to deepen the partnership. If the first summit last September in Washington arrested the recent drift in the ties between the two nations, Obama's Delhi sojourn from 25-27 January 2015 is expected to help advance them in a decisive manner.

Strategic domain

In the strategic domain, three broad areas are in focus as the two sides work at a feverish pace to produce agreements that can be showcased during Obama's visit. One: the effort to wrap up the outstanding issues that have prevented the implementation of the historic civil nuclear initiative.

The two sides are hoping to make progress on the vexed issues of nuclear liability that has prevented the American companies from participating in India's atomic power programme; the question of administrative arrangements for monitoring the sensitive parts of the civilian nuclear cycle; and facilitating India's early membership of the global non-proliferation regimes such as the Nuclear Suppliers Group.

Two: the two leaders are expected to renew the ten-year defence framework agreement signed in 2005, take some concrete steps to promote co-development and co-production of weapons systems in India, and generate better political understanding on how to coordinate their separate efforts to build a stable structure of peace and security in the vast Indo-Pacific region.

Three: Obama and Modi are also likely to broaden and deepen their current cooperation on combating terrorism in the Subcontinent and beyond. Taken together, substantive progress on these three fronts is bound to inject some genuine substance into the strategic partnership that the two sides proclaimed nearly a decade ago but was lost in translation.

Beyond the strategic

Beyond the strategic, two other issues are at the top of Obama's agenda for India—economic cooperation and climate change. If the slow-down of economic reforms under the Singh government generated deep frustration in Washington, Delhi's policies on taxation, intellectual property rights and multilateral trade negotiations had angered America.

Modi, in contrast, is making a special effort to woo American corporations and convince them that India is back as a growth story. As he takes steps to improve the ease of doing business in India, initiates a number of long overdue reforms, and signals flexibility on multilateral economic issues, Modi has created the space for more productive economic engagement with the US.

Modi's greatest surprise, however, has been his bold introduction of some flexibility into India's position on climate change that has long been a source of political tension between Delhi and Washington.

Officials from the two governments are said to be negotiating an 'action plan' on climate change that focuses less on India's near term carbon emissions and find ways to boost India's use of renewable energy sources like solar and wind. Such an approach will address Delhi's need to grow its economy and Washington's desire to lessen the weight of coal in India's energy mix.

If agreements on nuclear, defence, and homeland security will help Delhi and Washington reboot their strategic ties, progress on issues relating to trade, investment, energy and climate change would provide a much deeper and more lasting foundation for the partnership between India and the US.

C. Raja Mohan is a Distinguished Fellow at the Observer Research Foundation, New Delhi and an Adjunct Professor at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore. He is also a Visiting Research Professor at the Institute of South Asian Studies, Singapore and a non-resident Senior Associate at the Carnegie Endowment for International Peace, Washington, DC).

Nanyang Technological University
Block S4, Level B4, 50 Nanyang Avenue, Singapore 639798
Tel: +65 6790 6982 | Fax: +65 6794 0617 | www.rsis.edu.sg