

A TALK ON INDO-US RELATIONS BY DR ASHLEY TELLIS

AUTHOR BY | GP CAPT GD SHARMA, VSM (RETD), SENIOR FELLOW

Indo-US relations after an initial promise have somewhat stagnated. In fact, some events last year and bureaucratic bickering of both sides on trivial issues were reminiscent of turbulent relationship of the past. On 31st July 14, Dr Ashley Tellis, a Senior Associate at the Carnegie Endowment for International Peace, addressed the officers of HQ IDS and researchers of CENJOWS at Purple Bay, New Delhi. The talk was also attended by former CISCs, Vice Admiral Shekhar Sinha, PVSM, AVSM, NM & Bar (Retd) and Lt Gen Anil Chait, PVSM, AVSM, VSM (Retd) as well as Air Marshal AS Bhonsle, AVSM, VSM, DCIDS (DOT), HQ IDS. During his talk, Dr Tellis traced the causes for stagnation/relegation in Indo-US relationship from a high point of year 2008 which culminated with Indo-US nuclear deal, meaning thereby that despite the provisions of NPT to the contrary, US had accepted India as a de facto nuclear state. This event also became forerunner in opening India's nuclear trade with the other nations with many of whom India negotiated nuclear deal on similar terms like US. Dr. Ashley Tellis talk incidentally coincided with an important 5th Indo-US strategic dialogue between the US Secretary of state and Indian Foreign Minister on 31/ 01 Aug 14. This almost gave an impression that talk was meant to do some explaining at an informal level. After a brief introduction of the speaker by Director CENJOWS, Maj Gen KB Kapoor, VSM (Retd), Director Emeritus CENJOWS Lt Gen AS Kalkat, SYSM, PVSM, AVSM, VSM (Retd) introduced the topic by giving brief historical background to Indo-US relationship which essentially been an up and down story since independence. Gen Kalkat explained that main point of difference between them was India's policy of non-alignment which against the US policy of alliances. The other reason which soured our relationship was the noticeable Indian tilt towards Soviet Union in 1971. The economic reforms and collapse of Soviet Union in 1991 brought first sign of thaw in relationship which again assumed chill after May 1998 India's Pokhran nuclear test and consequent of imposition of sanctions by the united States. Later however, India's unqualified support of U.S. lead war on global terror changed the equation between India and United States which finally culminated with Indo- US Nuclear deal. After 2009, the India's go slow on economic reforms due to the domestic compulsions have lead to gradual cooling down of relationship. Gen Kalkat was optimistic that, with change of guard in India after general election the environment of optimism

has re-emerged. The time thus is right and vibes are positive to take our relationship to the next level.

Dr. Ashley Tellis at outset hinting to the past asserted that U.S. supported India freedom in consonance to the Atlantic Charter despite British opposition who believed that Atlantic Charter did not apply to India. So inherently there is no U.S. antagonism towards India. Therefore, while it is natural to be optimistic about the future of Indo – US relations but, despite both countries share commonality in democracy, one being the oldest and the other a largest democracy and devoid of any antagonism between them, their relationship have not bloomed expectedly as we face some fundamental challenges and unless these are addressed the bilateral relationship cannot transit to the level of partnership. The challenges or irritants in relationship however, are not new but subsist from the past. He listed these as America Pakistan relations and India's policy of non-alignment and India's leaning to Soviet union in yesteryears. This he assessed was due to the three main factors. First and most basic was their contrasting world view. India joined the comity of nations after being wronged by the English empire, looked forward to an equitable system. America on the other hand was in business of propagating and protecting its hegemony. After the Second World War, U.S. got involved in competition for great power domination with Soviet Union. It sought alliances but, India opted for non-alignment which did not go well with America.

America followed the policy of containment which India saw it as preparation for war hence, viewed it anti development. However, despite this asymmetry in views, US supports India rise not because it is a democracy but, because it balances china Thus, theoretically, our national world view differs in practice however, there is a great opportunity for both.

The second point of difference is their priority for economic system. US built and propagated free market economy which created surpluses. India on the other hand wanted economic system for development and opted for mixed economy with leaning towards public sector. So the national priorities were different.

The third factor was the nuclear proliferation concern. Nuclear proliferation would have meant lesser capacity for United States to influence others. India was seen violating the nuclear regime with its pursuit of nuclear research. After India's nuclear test of 1998, President Bush felt that non-proliferation policy with respect to India has failed. Thereafter, India's support after WTC terror attack on 11 Sep 2001 changed the equation between India and United States which culminated in Indo-Us nuclear deal. In contrast to Bush, Clinton who preceded President Bush

believed in the old world order and post 1998 he attempted to restore non-proliferation regime. The India's liability law however, has squandered the gains of the nuclear deal in fact proved to be a hurdle in progressing the nuclear trade with U.S. As a result, the nuclear foreign majors are reluctant to take up the nuclear energy projects in India.

In post Cold War era, India still continues to cling to its old world view. It views the world as multi-polar entity whereas, US continues to persist with its policy of hegemony. Despite the talk of US decline it still continues to be the leader of the world. India's view of multi-polarity must be junked if US hegemony is to flourish. India claims of maintaining strategic autonomy runs counter to it. Dr. Tellis believes that India wants to balance China subtly but, this is not case of the United States which is more open with it. The differences in economic systems of both countries still continue to persist.

U.S. is not a manufacturing nation today but it sells Ideas/ technology. India wants transfer of technology and a manufacturing hub like China but, then it has to address

U.S. IPR concerns. In free market economy of U.S. the private businesses form the major component of gross national Product unlike India' where major chunk of economy is based on inefficient public sector. In theory, both nations can profess to be close at the official level but, the real test of depth of Indo- US relations can be judged from the fact that how deeply we are economically interdependent on each others. U.S. businesses will invest India only if they find truly find free market economy with less intrusive regulatory regime with ease of investment and ability to repatriate their profits. Explaining this, Dr. Ashley Tellis remarked that it takes 150 approvals to get sanction for a business and just one signature to stop it. India still has not created regulatory regime for large scale investments. This must change if big U.S. business majors are to be attracted to invest in India. He felt that the opening of the Indian economy is extremely hesitant. The push towards liberal economic regime by the present dispensation at New Delhi is due to the compulsion of crisis. If India persists with this approach, the gains will be marginal. The investment capital will go where there is absolute safety. To assess India's reforms one need to see it in relative terms to, China, EU and East Asia. He said that India should take que about reforms from the former Chinese President, Den Xiaoping approach who in 1978 initiated reforms in China to transform the country the way it is today.

Answering to a question that he is hasty in judging the reforms announced by the present dispensation in the centre, Dr. Ashley Tellis said while he agrees that that more time is needed to judge the intent of the government but, his first impression after hearing the budget speech of the

Finance Minister is that India will once again turn conservative. To another question, whether U.S. could be depended upon for help if China attempts Ukraine kind of intervention in Arunachal Pradesh, He answered in negative and qualified it by saying that prior discussion on mutual obligation in similar situations will have to be discussed. Otherwise, how India can get benefits of alliance without similar commitment in return. To question as why since long US has not posted replacement to the ambassador Nancy Powell who demitted office in Mar 2014, Dr. Ashley Tellis replied that India's inaction on several issues for last 10 years have resulted in Obama administration's lack of interest in India. Answering another query on announcement of 49% FDI in defense Industry, willing U.S. business major who will bring managerial experience and technology to India may find it inadequate. Remarking on poor infrastructure in India he said it adds to the cost which offsets advantage of cheap labour in India. General AS Kalkat, who gave concluding remarks in the end of the session, opined that we need to look at the vision statement put out by the present government. The first agenda of the government is to maintain stability on our borders. May be in future the FDI level be raised to 74%. But, these things can be done only after due deliberations. Commenting on India's disagreement at WTO, he asserted that, Indo-U.S. relations cannot be made subjugated to WTO talks. He believed that that flurry of visits of U.S. dignitaries to India, first by Assistant Secretary of State for South and Central Asian Affairs, Ms Nisha Desai Biswal, then U.S. Secretary of State and next month Secretary of defence, the Indo-U.S. relations are in upswing mode. He opined that deep deliberations are needed and the policy decision on major issues cannot be brought about overnight. The discussions concluded by thanking and acknowledging the free and frank expression of the views by Dr. Ashley Tellis.