



## *The Big Picture - Talks with US: Blinken's visit*

**CONTEXT:** USA's Secretary of State and India's EAM held detailed discussion on bilateral cooperation between the two nations on various issues. The US Secretary of State also met PM, NSA and civil society representatives for the discussions.

### **HIGHLIGHTS OF THE VISIT:**

- The meet was crucial as it **came at a time when the withdrawal of US troops from Afghanistan** may have sent the country into a Civil War and when China has become an acute challenge for both the US and India.
- The **visit was the continuance of high-level visits from the Biden Administration** after the visits by the US Special Envoy on Climate Change in April 2021 and Defense Secretary in March 2021.
- US Secretary of State **expressed Biden administration's intent of growing stronger bilateral relations with India and also stressed the importance of cooperation on various issues such as COVID-19 and Climate Change.**
- He emphasized that the **partnership will be critical to delivering stability and prosperity in the Indo-Pacific region.**
- **US to remain engaged in Afghanistan despite the troop withdrawal:** mentioned that the US not only has a strong embassy there but also has significant programmes that support the country economically through security assistance and development.
- Regarding the Indian Government's stand on human rights matters, he said that **every democracy is a work in progress and that the challenges it faces, renews, and strengthens the democracies.**
- He said that **both India and the US are determined to end the deadly pandemic together with the Quad vaccine partnership-** focus is on expanding the vaccine production to make it globally accessible and affordable.
- He said that the **Quad is not a military alliance rather its purpose is to advance the cooperation on the regional challenges** while also reinforcing the international rules and values that underpin prosperity, peace, and stability in the region.
- US also **announced an additional \$25 million, through US AID, in order to support India's COVID-19 vaccination programme.** US has already contributed more than 200 million dollars of COVID-19 assistance and the announced help will be in an addition to that.
- The visit reciprocates the visit by the External Affairs Minister to the US in May 2021.

### **ANALYSIS OF THE VISIT:**

- The visit is important in the context of wider areas of cooperation.
- There is broader continuity in the relations from Obama, Trump, Biden.
- The Relation is maturing: Multilateral engagement(UNSC), Climate change etc are making them even closer.
- **AFGHAN ISSUE:**
  - It is more important to India which has long term implications on the region.
  - US is withdrawing its forces: created regional instability, India has major stakes in Afghanistan.
  - India has also have good relation with US: This visit may bring peace process, reconciliation, so that Indian interests are not affected.
- **QUAD:**
  - US is attaching lot of energy into it
  - China is biggest question in front of QUAD.
  - India has wider role in Indo-Pacific and it has ability to articulate its aspirations in the region with the help of other QUAD Members.
  - QUAD is now looking at vaccination, joint production and promotion which must be looked at and worked upon.
  - However experts feel that since QUAD is not talking against Pak, China, Taliban and terrorism which are major concerns and how they are dealing with India, then what is use of QUAD?



- **COVID:**
  - The Covid pandemic is major area where cooperation is taking place.
  - US became 1st nation for vaccine waiver, promised vaccine production.
  - India's concern is vaccine waiver in production, raw materials: US stringent laws are obstructing import of cheap raw materials from USA.
- Bilateral Relations also includes trade, climate change, Investment. 200,000 Indian students contribute to US economy worth 7 billion \$ and defense relations are also solidifying.
- Ongoing issues: H1B Visa, Lack of Technology transfer from US even after signing so many agreements like BECA

#### OVERVIEW:

- **Shared democratic values and growing convergence on bilateral, regional, and global issues** have provided a strong base for India- U.S. relations, which have now evolved into a strategic partnership of global significance.
- The relationship enjoys strong bipartisan and popular support in both countries.
- India USA have seen ascendance of relationship in the 21st century, which was crystalised by 2008 India Nuclear Civil Nuclear Agreement.
- Various factors, including LPG reforms, rise of China, increasing influence of Indian community in USA are the factors behind this.

#### HIGH-LEVEL VISITS:

- Mutual visits at the leadership-level have been an integral element of the engagement between India and the U.S.
- Since assuming office in 2014, **PM has visited the U.S. on six occasions.**
- Events like **'Howdy, Modi!' in Houston** in 2019 have strengthened the partnership
- **President Trump visited India in February 2020 and President Obama visited India in January 2015** and participated in the Republic Day Celebrations.
- Apart from these visits, there have been a number of bilateral engagements at the leadership-level on the margins of multilateral events in other countries.

#### HIGH-LEVEL DIALOGUE MECHANISMS:

- India and the U.S. have **more than 50 bilateral inter-governmental dialogue mechanisms** for exchange of views on issues of mutual interest. A number of such dialogue mechanisms are held at the Ministerial level including:
  - **India-U.S. 2+2 Ministerial Dialogue:** India-U.S. 2+2 Ministerial Dialogue is led by the heads of foreign and defence ministries of India and the U.S. Two rounds of this Dialogue have been held so far.
  - **India-U.S. Commercial Dialogue:** The India-U.S. Commercial Dialogue is led by the Minister of Commerce and Industry (CIM) and the U.S. Secretary of Commerce.
  - **India – U.S. Economic and Financial Partnership:** The India – U.S. Economic and Financial Partnership is led by the Finance Minister (FM) and the U.S. Secretary of the Treasury.
  - **India-U.S. Trade Policy Forum:** The India-U.S. Trade Policy Forum is led by CIM and the U.S. Trade Representative (USTR).
  - **India-U.S. Strategic Energy Partnership:** The India-U.S. Strategic Energy Partnership is led by the Minister of Petroleum and Natural Gas and the U.S. Secretary of Energy.
  - **India-U.S. Homeland Security Dialogue (HSD):** The India-U.S. Homeland Security Dialogue is led by the Minister of Home Affairs and the Secretary, U.S. Department of Homeland Security.



## THE HIGHLIGHTS OF THE BILATERAL ENGAGEMENT BETWEEN INDIA AND THE U.S.

### • Defence:

- Defence relationship has emerged as a major pillar of India- U.S. strategic partnership with intensification in defence trade, joint exercises, personnel exchanges, and cooperation in maritime security and counter-piracy.
- India conducts more bilateral exercises with the U.S. than with any other country. Some important bilateral exercises are: **Yudh Abhyas, Vajra Prahar, Tarkash, Tiger Triumph, and Cope India.**
- **Aggregate worth of defence-related acquisitions from the U.S. is more than US\$ 15 billion.**
- The **India-U.S. Defence Technology and Trade Initiative (DTTI)** is aimed at promoting co-development and co- production efforts.
- In June 2016, the U.S. recognised India as a "**Major Defence Partner**", which commits the U.S. to facilitate technology sharing with India to a level commensurate with that of its closest allies and partners.
- The announcement of India's elevation to **Tier I of the Strategic Trade Authorization (STA)** license exception will further contribute towards facilitating interaction in advanced and sensitive technologies.
- Apart from the 2+2 Ministerial Dialogue, some other important dialogue mechanisms on defence cooperation are: Defence Policy Group, Military Cooperation Group, Defense Technology and Trade Initiative etc.

### • Counter-terrorism and internal security:

- The bilateral **Joint Working Group on Counter-Terrorism** is an important mechanism in this regard.
- Both sides have also been working together in law- enforcement and security cooperation through the **six subgroups under the HSD.**
- Apart from the above, both sides also cooperate with each other on counter-terrorism and security issues in various multilateral bodies.
- Cyber security cooperation between India and the U.S. is carried out under the India-U.S. Cyber Framework.
- The two important dialogue mechanisms in this domain are – **India-U.S. Cyber Security Dialogue and the India-U.S. Joint Working Group on ICT.**

### • Trade and Economic:

- The U.S. is **India's largest trading partner, goods and services combined.**
- **Bilateral trade in goods and services grew by more than 10% per annum over the past two years to reach US\$ 142 billion in 2018.**
- India's goods exports to the U.S. were valued at US\$ 54 billion and India's goods imports from the U.S. were valued at US\$ 33 billion.
- India's services exports to the U.S. were valued at US\$ 28.7 billion and India's imports of services from U.S. were valued at US \$ 25.8 billion.
- U.S. direct investments in India are estimated at about US\$ 44.5 billion whereas Indian FDI in U.S. is estimated at US\$ 18 billion.

### • Energy:

- The U.S. has emerged as a key partner for India in the field of energy.
- The **bilateral Strategic Energy Partnership** launched in 2018 is robust and witnessing increasing diversification across both conventional and renewable energy sources.
- An India-U.S. Natural Gas Task Force was also created.
- **India has started importing crude and LNG from the U.S.** from 2017 and 2018 respectively.

### • Civil Nuclear Cooperation:

- The **bilateral civil nuclear cooperation agreement** was signed in October 2008.



- India and the U.S. have a **Civil Nuclear Energy Working group on R&D activities**.
- A U.S. company - **Westinghouse is in discussions with Nuclear Power Corporation of India Limited (NPCIL)** for implementation of a project that envisages six AP 1000 reactors at Kovvada (A.P.).
- **S&T/Space:**
  - The multi-faceted cooperation between India and the U.S. in the field of Science and Technology has been growing steadily under the framework of the **India-U.S. Science and Technology Cooperation Agreement signed in 2005, renewed in 2019**.
  - The **Indo-U.S. Science & Technology Forum** was established to promote cooperation in Science, Technology and Innovation.
  - Both countries also have a long history of cooperation in civil space arena that includes cooperation in earth observation, satellite navigation, and space science and exploration.
  - The **India-U.S Joint Working Group on Civil Space Cooperation** regularly reviews the status of cooperation and identifies new areas for furthering space cooperation.
  - **ISRO and NASA** are also working towards intensifying cooperation in Mars exploration, heliophysics, and human spaceflight through relevant working groups between both sides.
- **Indian Diaspora:**
  - The number of Indians and Indian Americans in the U.S. is estimated at around **4 million, which accounts for almost 1% of the total U.S. population**.
  - It includes a large number of professionals, entrepreneurs and educationists with considerable and increasing influence in U.S. polity, economy and the society.
  - U.S. is one of the most favoured destinations by Indian students for higher education. **More than 200,000 Indian students are currently pursuing various courses in the U.S.**
- **Regional and International Cooperation:**
  - Both countries are collaborating and coordinating on a number of regional and global issues in both security as well as development spheres.
  - Both are also engaged in areas such as maritime and cyber security, humanitarian assistance and disaster relief efforts.
  - **The U.S. has expressed support for India's permanent membership on a reformed U.N. Security Council and for India's early membership in the Nuclear Suppliers Group.**
  - India and the U.S. remain engaged to promote peace; prosperity; and security, in the Indo-Pacific as well as globally.

#### **FOUR FOUNDATIONAL AGREEMENTS:**

**1. GSOMIA (General Security of Military Information Agreement):** It guaranteed that the two countries would protect any classified information or technology that they shared. It was aimed at promoting interoperability and laid the foundation for future US arms sales to the country.

**2. LEMOA (Logistics Exchange Memorandum of Agreement):** LEMOA allows the militaries of the US and India to replenish from each other's bases, and access supplies, spare parts and services from each other's land facilities, air bases, and ports, which can then be reimbursed.



**3. COMCASA (Communications Compatibility and Security Agreement):** The pact allows the US to provide India with its encrypted communications equipment and systems so that Indian and US military commanders, aircraft and ships, can communicate through secure networks during both peace and war.

**4. BECA (Basic Exchange and Cooperation Agreement):** facilitates the provision of targeting and navigation information from US systems.

### FRICIONS IN INDIA USA RELATIONS

- **Trade related:** like removal of India from its list of developing countries and taking off India from list of beneficiary-developing countries under its scheme of Generalised System of Preferences.
- **Tariffs war:** In 2018, the US imposed additional tariffs of 25% on steel and 10% on aluminium imports from various countries, including India, India's refusal to remove the 20% tariffs on ICT products.
- **WTO disputes:** like Capping prices of medical devices by India, greater Indian market access for American agriculture and dairy products etc.
- **IPR:** India is also on U.S.'s Priority Watch List.
- **H1B visas:** US has ramped up H-1B denials.
- **U.S.'s soft policy towards Pakistan and tensions with Iran, Russia and divergence of interests in Afghanistan.**

### ANALYSIS:

- For a strategic partnership to blossom, the presence of three factors is necessary. There must be 1) long term vision, 2) volume of exchange, 3) defense and security part or understanding.
- **Principal variables that would drive Indo-US relations in the future:**
  - China.
  - Pakistan and Terrorism.
  - Economics/Trade and finance.
  - Managing the global commons.
  - 7 Es: Economics, Ecology, Epidemics, Education, Ethnicity and emancipation, Energy, and Entente (coming together in the area of defence, space and technology).
- **Variables that would prove to be impediments to the growth of the Indo-US strategic partnership in the future:**
  - US domestic problems: Political disunity, protectionism etc
  - Fear of China's rise at the cost of US power
  - India's domestic problems: Issues such as Naxal insurgency, corruption, bureaucratic delays and anti-American feeling among certain sections of the Indian polity.
- **8 principal areas of Indo-US cooperation:**
  - **Possible support for India in UNSC:** Amid India's push for UN Security Council reforms, the US has said it supports building a consensus for a "modest" expansion of the Council for both permanent and non-permanent members, provided it does not diminish its effectiveness or its efficacy and does not alter or expand the veto.
  - **US Entity List:** removing entities from the US Entity List would certainly consolidate the relationship.
  - **Economic aspect of the relationship will also be crucial.** \$10 b worth deals with various Indian corporations suggest that the US is looking for Indian investments which would create jobs in the US.
  - **India getting US support for membership in four export control regimes:** what are the criteria for memberships and how other countries react and whether US can push Indian claim.
  - **Pakistan-US relations:** US military aid to Pakistan would continue to be an area of irritation for India.
  - **Counter-terrorism:** some good cooperation has happened between India and the US. But this cooperation needs to be deepened further given that the US is still reluctant to share intelligence about Pakistan with India.



- India expects the US to advocate and support a **greater role for India in Afghanistan**. Pakistan's efforts to exclude India's role in Afghanistan has been voiced by India with the US.
- **Good relations with China** are important for both countries and neither country wants to offend China. There continues to be a divergence between India and the US on Iran and Myanmar. Convergence will take time to develop. There is anti-US sentiment in India in some political quarters. Finally, stronger Indo-US relations may alienate other countries and allies like Russia and China.

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