



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## POLICY BRIEF

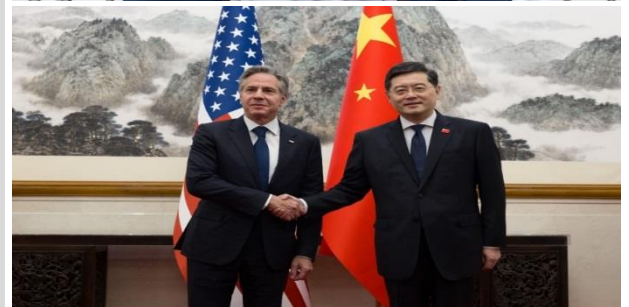
### Letter from America Part II: Political and Strategic Perspectives

#### *Author*

Arun Sahgal

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**Delhi Policy Group**

Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

[www.delhipolicygroup.org](http://www.delhipolicygroup.org)



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## ABOUT US

Founded in 1994, the Delhi Policy Group (DPG) is among India's oldest think tanks with its primary focus on strategic and international issues of critical national interest. DPG is a non-partisan institution and is independently funded by a non-profit Trust. Over past decades, DPG has established itself in both domestic and international circles and is widely recognised today among the top security think tanks of India and of Asia's major powers.

Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India's national power and purpose, the security and prosperity of the people of India and India's contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

## Author

**Brig. Arun Sahgal (Retd.), Ph.D.,** Senior Fellow for Strategic and Regional Security, Delhi Policy Group

*The views expressed in this publication are those of the author and should not be attributed to the Delhi Policy Group as an Institution.*

## Cover Photographs:

President Biden hosted the Prime Minister of India, Narendra Modi at the White House on June 22, 2023.

Source: [Official Twitter Handle of President Biden](#)

US Secretary of State, Antony Blinken met with Chinese Foreign Minister, Qin Gang, in Beijing on June 18, 2023. Source:

[Official Twitter Handle of Secretary Antony Blinken](#)

Prime Minister Narendra Modi and President Biden met top CEOs associated with technology and innovation to explore ways in which technology can fuel India-US relations on June 24, 2023. Source: [Official Twitter Handle of ANI](#)

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# Letter from America Part II: Political and Strategic Perspectives

by  
Arun Sahgal

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## Letter from America Part II: Political and Strategic Perspectives

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### Foreword

*This brief is a follow up on the “ Letter from America: a US-India Awakening” (DPG Policy Brief Vol. VIII, Issue 21, dated July 6, 2023), authored by Ambassador H. K. Singh, Director General, outlining salient perspectives gleaned from interactions of the DPG Senior Faculty with US government officials, think tanks experts and business persons in Washington D.C. from June 26-30, 2023.*

*In this sequel, the author highlights his impressions about strategic imperatives driving the US-India partnership, takeaways from the various branches of the US government, and issues that India will need to take cognisance of in implementing the vast array of bilateral agreements reached between the two countries during the bilateral summit held on June 23, 2023.*

### US Perception of its Power and Influence

To understand US thinking, it is important to recognise its core belief in itself as the pre-eminent and most influential global power. Apart from some discerning officials and analysts, the majority are not willing to accept limits of US influence, acknowledge the consequences of growing strategic competition between the Euro-Atlantic powers and the new concert of Russia and China, or heed the concerns of the large constituency of unaligned emerging nations and those the Global South. The fact that the majority of the world has not supported the US/Western position on the Ukraine conflict, and is either opposing them or maintaining a neutral stand, has not driven home. As a result, Island America sees itself as a most consequential unipolar power, whose near peer rival is China, which must be managed and contained.

However, there is also a realist view within the US administration, that the Euro-Atlantic alliance which the US leads, along with its Asian allies, is inadequate to meet the challenge posed by authoritarian and assertive China in the Indo-Pacific, which is only exacerbated by the growing Sino-Russian strategic entente. To deal with the emerging scenario in the Indo-Pacific, the US is upgrading its strategic and military posture through a web of alliances in East Asia/Western Pacific. These, however, do not address the strategic and coercive challenge being posed by China's grey zone assertions in the South

China Sea (SCS), and its pursuit of bases and places in the India Ocean Region (IOR).

It is to address this void and strengthen the Western fulcrum of the Indo-Pacific that India is seen as an important partner, with economic and military heft and influence over the Asian rimland (South East Asia, South Asia and the IOR), to act as a regional balancer. There is recognition that in the backdrop of strained relations with China, the continuing border standoff in the Himalayas, and the regression in Russia's power and influence, India too sees this as a moment of strategic convergence.

Yet another perspective is that by building India's technological and military capacities, and through broad based economic engagement, it can emerge as a strong regional player with the potential to constrain China and support rule-based order in the region, particularly South East Asia and the IOR. What is in the mind of a number of US interlocutors is a US-led East Asia/Western Pacific as one book end of the region, and India and the IOR as the other. The impression was that it is this important role of India in maintaining balance in the Indo-Pacific that appears to be behind the momentum towards sharing critical technologies, co-production of cutting edge technologies like the GE-414, together with building India's military capabilities in other domains.

## Weaning India away from Russia

Despite an understanding of India's strategic role in the Indo-Pacific, war in Europe and Russia's role continue to be the central fixation of officials and think tank experts alike. The message for India is to move away from defence and strategic dependence on Russia. There is also a feeling that, given Russia's economic decline, in not too distant a future, India will have little choice but to move away from this major dependence, even as it continues with limited contracts for legacy equipment. This will force India to look at US and Western suppliers as alternative partners of choice, and of even greater consequence.

Another issue that came up was regarding the usefulness of Russia as strategic leverage for India against China. The view of American interlocutors was that this issue is of limited value and is being overplayed by India. This is particularly so given the growing economic and military convergence between China and Russia, a space in which India has little or no resources to fill.

## Relations with China

China continues to be the dragon in the room, and for the US, its primary strategic competitor. Despite enacting a multitude of laws, from partial

technology decoupling, de-risking, and friend shoring investment and supply chains, thinking within the US establishment is that complete decoupling is not possible or desirable. The US appears to be putting in place what can be termed as a 'balancing strategy'. This essentially means that the US will continue to maintain economic and trade contacts with China to ensure the flow of cheaper goods and commodities, while putting in place a militarily containment strategy along with its allies.

It is not US alone but also its allies in the Asia-Pacific, Japan, ROK and Australia, who want to maintain similar economic linkages with China, through their own version of de-risking and friend shoring strategies. This in effect reduces the scope of contestation and confrontation largely to shadow boxing. Taiwan, however, remains a trip wire that could lead to unintended escalation. The perspective of a US-China G2 still looms in the shadows, while being underplayed in discussions.

## China Containment

On this issue, India and the US are not on the same page. The core US focus is to prevent Chinese hegemony at all costs that would undermine vital US interests in the Indo-Pacific. Thus, domination of the maritime domain, that includes Taiwan and the South China Sea, remain America's central focus and rationale for forward presence.

China for India is both a neighbour and an existential challenge. Thus, while India must firmly deal with China's continental threat in Himalayas and the PLA Navy's future westward expansion into the IOR, it must manage relations with a neighbour with which there is both economic and military asymmetry. This means that unlike the contain and constrain strategy of the US and its allies, India must prevent conflict spill over, at least in the medium term, that could undermine its development and economic growth. Despite the political and economic costs imposed on it through the continuing standoff on the LAC which is now in its fourth year, India has sought resolution through continued political engagement and military talks aimed at disengagement leading to de-induction and restoration of the status quo ante. American interlocutors are conscious of this multidimensional challenge faced by India. The proposed defence road map leading to upgrading of India's defence eco-system is an attempt at enhancing Indian capabilities to deal with the China challenge in both continental and maritime domains.

## South Asia

US policy on Myanmar and Bangladesh is likely to become friction points in our bilateral relations. The tendency to overplay human rights issues in Bangladesh and consideration of factional support to separatist ethnic groups in Myanmar could aggravate this situation. This is particularly so in the case of Bangladesh, which goes to the polls next year. It will be against the interests of India if right wing parties like the BNP come to power. This would accentuate our problems in the context of inroads being made by China among our neighbours like Nepal, Bangladesh, Myanmar, and Sri Lanka, and the security situation in our North East.

To address the challenges in the IOR, a India-US jointly organised conference is being proposed to strengthen the Western bookend of the Indo-Pacific. With the proposed move to integrate IORA, IPOI and ASEAN centrality outlined in the Quad Leader's Joint Statement, this is an attempt to provide a workable security architecture for the IOR including its littorals, that will seamlessly connect with peninsular South East Asia.

The US is working to address the operational issue of the Indo-Pacom boundary, which currently finishes at Western India, leaving the majority of the IOR to be separately addressed by Centcom and Africom.

## Emerging areas of Cooperation

Cooperation in critical and defence technologies is emerging as the centrepiece of US-India relations. Even as a large number of MOUs have been signed, in operationalising these agreements, bureaucratic and legislative pitfalls are inherent. This is an area which will be the fulcrum of success in our partnership with the US.

Second, unlike in the past where all dealings, as in the case of DTTI, were government driven, under the iCET format, industry, academia, and the government are equal stakeholders. Success will be defined by whole of government and integrated approaches under the supervision of the two National Security Advisors. Provisions of a Security of Supply Agreement (SOSA), a non-binding agreement for providing priority support for defence related goods and services - basically an arrangement for assured supplies - along with Reciprocal Defence Procurement, that exempts designated countries from procurement constraints, are steps that should hasten defence cooperation and coproduction. Importantly, these will have to be negotiated.



The US has such arrangements with 28 countries, all of whom are either allies or members of NATO. Egypt is the sole exception.

In our discussions on technology transfer, it emerged that Australia's AUKUS programme, despite the highest levels of political support, continues to get delayed owing layers of bureaucracy. As a result, Australia has deployed a large diplomatic team to its Embassy in Washington D.C., to deal with the various hurdles.

The lesson in this is that going forward, we too will have to navigate similar challenges.

It is, however, important to note that for India, a strong defence relationship with the US is not an end in itself. Success will be measured by the degree to which it helps in India's Aatmanirbhar (self-reliance) programme in terms of developing India's indigenous defence supply chain. Seen in this context, an early harvest and conclusion of negotiations to establish co-production and viable supply chains, will be central to this relationship.

Some other important issues include the following:

- A. An impression was gained that there are more contracts relating to technology sharing/co-production in the pipeline. These could be announced at a Modi-Biden bilateral summit in New Delhi, on the sidelines of the G-20 summit.
- B. There is consideration of reviving the sale of six nuclear reactors under the NPCL-Westinghouse deal, which could not be concluded earlier owing to liability issues and failure to reach a power pricing agreement. In the backdrop of current push in the overall strategic partnership, there is a possibility that this issue could see progress in the coming months.
- C. Recognising the need for early results, as also to maintain the momentum of bilateral relations, an annual review of the progress of the iCET programme at the NSA level is on the cards.
- D. The Defence Cooperation Roadmap has been concluded till 2025. Progress made during the period till it comes up for review in 2025 will impact the Ten Year Defence Cooperation Framework Agreement. Some early results in fructification of various programmes will help in maintaining the impetus.
- E. Finally, on defence cooperation, even if all elements like the governments and private industry etc., deliver as planned, results of project implementation will fructify only over next 8-10 years. This is a period of great strategic vulnerability, requiring adroit political and strategic management.



## Strategic Partnership

Views on the implications of strategic partnership are not identical. In the US perspective, India is to be built up as a close strategic partner just a notch below an ally, a sort of Article 4 partner under NATO. From our standpoint, the US is a most consequential partner with growing convergence of strategic, economic, and political interests. Thus, dealings with the US are mainly interest driven and broadly transactional. India's need for autonomy in both strategic terms, and in areas of technology, defence cooperation and defence production, are recognised but not fully understood.

## Conclusion

Strong statements coming from Prime Minister Narendra Modi during his state visit to the US, and an all-encompassing Joint Statement that includes agreements straddling critical technology, defence, energy, health, people to people contacts and the centrality of economic ties, highlight growing convergence of interests and the centrality of the India-US strategic partnership. The onus is on the two governments to provide coherence and momentum to this strong signalling of political intent.

There is no doubt that there will be roadblocks and differences, but it is important for both the US and India to address these to maintain the momentum that has been provided by leaders. This is not only the most consequential relationship for India today, but is also central to preserving rule-based order and strategic balance in the Indo-Pacific.

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India

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