



Delhi Policy Group

Advancing India's Rise as a Leading Power



DPG POLICY BRIEF

Dynamics of India-US Defence Relations – Looking Beyond Ukraine

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Volume VII, Issue 22

May 24, 2022



Delhi Policy Group

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www.delhipolicygroup.org



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US Secretary of Defence Lloyd J. Austin III hosts an honour cordon to welcome Indian Defence Minister Rajnath Singh for talks at the Pentagon on April 11, 2022. Source: US Department of Defence/Lisa Ferdinando.

Photograph of the India-US 2+2 Ministerial meeting held on April 12, 2022. Source: RM's Twitter handle/Hindustan Times.

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Introduction

The process of overcoming the “hesitations of history” in India-US relations has been underway for over two decades. The strategic convergences that brought India and the US together have only strengthened over a period of time. During this period, defence and security cooperation has become the strongest pillar of the relationship.

While this positive trend of relations has transitioned well across US administrations and enjoys bipartisan support, there are new dynamics at play which are impacting this steady course. These include a shift within the US establishment away from the Pentagon towards State Department-led policymaking.

Since February 2022, the conflict in Ukraine has added a new dimension. India has not joined the US and the West in condemning Russia and imposing economic sanctions. This has drawn some adverse statements from US leaders and officials over India’s commitment to the partnership with the US and the Quad. In turn, doubts about the reliability of the US as India’s defence partner of choice have resurfaced.

The fourth round of the India-US 2+2 dialogue was held in Washington D.C. on April 11, 2022, amidst this environment. The positive optics of a virtual summit preceding the dialogue and the subsequent narrative have demonstrated the intent on both sides to focus beyond Europe on areas of convergence in the Indo-Pacific, where the central challenge for both countries lies.

This paper reviews the current state of India-US defence relations at a time of global power realignment and highlights the significance of technology cooperation to augment hard power.

Progress of India-US Defence Relations

Over the last two decades, the India-US defence partnership has grown rapidly. India was designated as a Major Defence Partner (MDP) of the US in 2016 (NDAA 2017). The two countries have finally concluded “foundational agreements”: the

Logistic Exchange Memorandum of Agreement (LEMOA), signed in August 2016; Communications Compatibility and Security Agreement (COMCASA), signed in September 2018; and the Basic Exchange and Cooperation Agreement (BECA), for geo-spatial cooperation, signed in October 2020.

India and the US have also signed the Industrial Security Annexe (ISA) to the General Security of Military Information Agreement (GSOMIA-2002) in December 2019, enabling the private sector defence industry to share classified information and technology.

The US Bureau of Industry and Security (BIS) amended the Export Administration Regulations (EAR) in 2016, by establishing a licensing policy of general approval for export or re-export to or transfer within India of items subject to the EAR. Continuing this trend, in July 2018 the US placed India in the Strategic Trade Authorisation (STA-1) category, enabling access to advanced defence technologies and allowing controlled items to be exported under defined conditions without a transaction-specific license.¹ This was done despite India not yet being a member of the Nuclear Suppliers' Group (NSG) owing to opposition from China.

During the period 2014-2015, a flagship defence cooperation programme, the Defence Trade and Technology Initiative (DTTI), was formally initiated.² It is aimed at increasing the flow of technology and investments; creating capabilities and partnerships for co-development and co-production; and enhancing cooperation in research and development. Despite substantial criticism, DTTI has been a "silent enabler", helping the defence establishments of the two countries resolve many functional impediments, and remains a vital forum to promote future technology cooperation. The not so well-known tangible achievements under DTTI include bringing together, in one forum and under senior level supervision, stake holders from diverse ministries, departments, R&D organisations, and industry of the two countries. The two co-development projects, the Joint Working Groups on Aircraft Carrier Technology and on Aero-engines, have enabled the two sides to evolve a culture of "working together" and achieve certain positive results.

India and the US cooperate extensively under the Military Education and Training Programme and conduct the largest number of bilateral and

¹ First Post. July 31, 2018. <https://www.firstpost.com/world/us-gives-india-coveted-strategic-trade-authorisation-1-status-all-you-need-to-know-about-what-this-means-4856681.html>

² Fact Sheet: US – India Defence Relationship.
<https://dod.defense.gov/Portals/1/Documents/pubs/US-IND-Fact-Sheet.pdf>
<https://www.acq.osd.mil/ic/dtti.html>

multilateral joint military exercises. These include: **Yudh Abhyas** – an army battalion level exercise, being held since 2002; **Vajra Prahar** – a special forces exercise being conducted since 2010; **Tarkash** – an exercise with the Indian National Security Guard since 2015; **Malabar** – a premier naval operational exercise being conducted bilaterally since 1992 (except a brief disruption in 1998); and **Cope India** – a bilateral air force exercise instituted in 2004. A bilateral tri-service amphibious military exercise **Tiger Triumph** has been introduced in November 2019. India also participates periodically in the **Red Flag** Air Force exercise hosted by the US and the Naval biennial Rim-of-the-Pacific (**RIMPAC**) exercise conducted by the USINDOPACOM.

In the area of defence trade and industry cooperation, the US has emerged as the third-largest arms supplier to India, providing approximately 12% of its weapon imports.³ Since 2008, the two countries have concluded more than \$20 billion in defence trade, including procurement of C-130J (12), C-17 transport aircraft (11), P-8I maritime patrol aircraft (12), Harpoon missiles, Apache (28), Chinook (15), MH-60R (24) helicopters, and M777 Ultralightweight Howitzers (145).⁴ India is also procuring F404 – GE IN 20 engines for its Light Combat Aircraft (LCA) and has selected GE – F 414 INS 6 for the Mark II version. The process is also underway for the acquisition of some other military assets.⁵

Robust cooperation programmes also exist in the field of defence technology and innovation between the Defence Research and Development Organisation (DRDO) and the Defence Advanced Research Project Agency (DARPA) of the US. A Memorandum of Intent exists between the US Defence Innovation Unit (DIU) and Indian Defence Innovation Organisation – Innovation for Defence Excellence (DIO- iDEX), to identify avenues of cooperation.

Straddling defence and homeland security domains, India and the US are engaged in a Homeland Security dialogue since 2010 to tackle the threat of terrorism. A Joint Working Group (JWG) on Counterterrorism has been created for sharing terrorism-related information. Similar structures have also been created for Defence Cyber and Space dialogue.

³ Pieter D. Wezeman, Alexandra kuimova and Siemon T. Wezeman. SIPRI Fact Sheet, March 2022. TRENDS IN INTERNATIONAL ARMS TRANSFERS, 2021. Pg 6. https://www.sipri.org/sites/default/files/2022-03/fs_2203_at_2021.pdf

⁴ Rajya Sabha, QUESTION NO.207 AGREEMENTS SIGNED BETWEEN INDIA AND THE US. March 12, 2020. <https://www.mea.gov.in/rajya-sabha.htm?dtl/32514/QUESTION+NO207+AGREEMENTS+SIGNED+BETWEEN+INDIA+AND+THE+US>

⁵ Yusuf Unjhawala. The Diplomat. April 19, 2022. <https://thediplomat.com/2022/04/india-and-the-us-defense-collaboration-is-key/>

As would be evident, the India-US defence and security cooperation is broad-based and stands at a high level. The challenge, however, lies in its implementation and strategic leveraging by both sides.

Strengthening Partnership through Strategic Dialogues

With the progress of bilateral relations, several structured bilateral dialogues have been institutionalised, ten of them in the field of defence itself.

In 2009, a bilateral Strategic Dialogue was initiated between the US State Department and India's Ministry of External Affairs (MEA), with the first meeting being held in June 2010.⁶ Having been held regularly from 2010 to 2014, it was expanded to a US-India Strategic and Commercial dialogue in 2015,⁷ to include the Foreign and the Commerce ministers. Subsequently, however, considering the prevailing complexities in the field of trade and commerce on the one hand, and the growing significance of bilateral defence cooperation on the other, the dialogue was recast in 2018 as a 2+2 strategic dialogue, incorporating the Foreign and the Defence Ministers from both sides.

The inaugural dialogue in this format was held in September 2018, at a time when there were concerns on both sides over differences on trade and economic issues, CAATSA, and Iran sanctions. **The positive outcome of the inaugural dialogue was assured primarily by defence-related initiatives.**

These included the conclusion of COMCASA; the US Congress approving the National Defence Authorization Act-2019 (NDAA-19) providing room for a possible waiver to punitive sanctions under Section 231 of "Countering America's Adversaries Through Sanctions Act" or CAATSA; and India being accorded Strategic Trade Authorisation (STA-1) status.

On the Indian side, just preceding the dialogue, the Defence Acquisition Council (DAC) accorded "in-principle approval" for the acquisition of the US \$ 1 bn. National Advanced Surface to Air Missile System – II (NASAM- II) for India's national capital air and missile defence. It also accorded approval for a

⁶ Chand Manish. Why India-US strategic dialogue matters/Strategic Dialogue: The 4-5-6 of India-US relations. Public Diplomacy. Ministry of External Affairs. July 29, 2014. <https://mea.gov.in/in-focus-article.htm?23754/Why+IndiaUS+strategic+dialogue+mattersStrategic+Dialogue+The+456+of+IndiaUS+relations>

This dialogue focussed primarily on five fields – I) Strategic Cooperation II) Energy and Climate Change, Education and Development III) Economy, Trade and Agriculture IV) Science and Technology V) Health and Innovation

⁷ Inaugural U.S.-India Strategic and Commercial Dialogue. <https://in.usembassy.gov/our-relationship/policy-history/inaugural-u-s-india-strategic-and-commercial-dialogue/>

US \$1.8 bn. procurement of 24 Lockheed Martin-Sikorsky MH-60 Romeo (MH-60R Seahawk) Multi-Role Helicopters (MRH) for the Indian Navy, induction of which has commenced recently.⁸

The second 2+2 dialogue was held on December 19, 2019. The two sides signed the Industrial Security Annexe (ISA), hitherto a bugbear for implementation of DTTI projects. It was also preceded by the commencement of the tri-service amphibious exercise "Tiger Triumph" in November 2019, and further progress on DTTI.

The third 2+2 dialogue was held on October 27, 2020 – just a week before the US Presidential elections. The highlights were the conclusion of the third foundational agreement BECA; an understanding on greater military cooperation with the US Central and Africa Commands; exchange of Naval LOs (Indian LO at Bahrain and US Navy LO at the Information Fusion Centre (IFC) in Gurugram); and an inaugural meeting between Defence Innovation Organisations.

The Defence and Security component has thus contributed extensively to the success of the 2+2 dialogues.

The Fourth 2+2 Dialogue (April 11, 2022) - Defence Aspects

Quite like the third 2+2 dialogue, the focus this year was on "Partnership for Indo-Pacific Cooperation".⁹ There is an added emphasis on issues related to cooperation in science and technology, innovation, space, cyber, AI and building resilient supply chains – in the field of defence and beyond.¹⁰ Towards that end, considerable emphasis has been laid on deepening engagement under the aegis of "The Joint Technical Group (JTG)".¹¹

An MoU on "Space Situational Awareness" was signed by the Department of Space from the Indian side and the Space Command from the US side. The

⁸ Rajput Neeraj. Indian Navy Gets MH-60 Romeo Helicopters From US, Crew Completes Training To Operate Chopper. ABP Live. April 08, 2022.

<https://news.abplive.com/news/india/indian-navy-gets-mh-60-romeo-helicopters-from-us-crew-completes-training-to-operate-chopper-1524642>

⁹ Joint Statement on the Fourth India-U.S. 2+2 Ministerial Dialogue. April 12, 2022. Ministry of External Affairs. <https://www.mea.gov.in/bilateral-documents.htm?dtl/35184/Joint+Statement+on+the+Fourth+IndiaUS+22+Ministerial+Dialogue>

¹⁰ Ibid.

¹¹ This group, on the Indian side, is chaired by a senior scientist from DRDO. On the US side, the Defence technology aspects are handled by the Under Secretary of Defence for Research and Engineering.

inaugural “Defence Space Dialogue” is to be held later this year (2022). The third “Defence Cyber Dialogue” is also to be held this year. Cooperation is also envisaged in the field of AI. The US side has offered advanced courses for Indian military officers in these fields. Issues related to the operationalisation of LEMOA, COMCASA, and BECA agreements were discussed, and certain actions have been initiated by both sides.

The value of “Info- sharing” was underscored. An agreement was arrived at to create a framework for real-time exchange of information across all domains, including “underwater domain awareness”, an area unexplored hitherto. Enhanced cooperation in the conduct of military-to-military exercises and the growth of defence trade were alluded to. Both sides recognised that their Navies are the primary driving force for cooperation in the Indo-Pacific.

In keeping with the pattern followed in earlier joint statements since 2016, reference was made to further collaboration under the DTTI. Both sides agreed to consider additional projects on Co-developing Counter Unmanned Aerial Systems (UAS) and ISTAR (Intelligence, Surveillance, Target Acquisition and Reconnaissance) platforms.

During the latest 2+2 dialogue, India agreed to join the “Combined Maritime Force, Task Force” (CMFTF) in the Gulf, as an **Associate Partner**, to expand multilateral cooperation in the Western Indian Ocean. The Combined Maritime Force (CMF) is a 34-nation multinational maritime partnership, which endeavours to maintain the Rules-Based International Order (RBIO) in the Arabian Gulf.¹² The CMF is commanded by a US Navy Vice Admiral with a Royal Navy Commodore as his Deputy. The implications of being an “Associate member” where warships/other assets can offer assistance to the CMF whilst concurrently undertaking national tasking are yet to get crystallised. It is likely that Indian Naval ships and maritime patrol aircraft may now coordinate operations, share information and get plugged in for domain awareness.

Feasibility is also to be explored for the mid-voyage repairs of ships of the US Military Sea Lift Command¹³ – a fleet of nearly 125 civilian crewed ships for replenishing US naval ships and troops deployed abroad. These ships, as may be noted, are manned by non-active-duty personnel and are meant for global logistic support.

Appreciating the significance of defence trade as a component of strategic partnership, both sides discussed the deepening of private industry

¹² Combined Maritime Force. <https://combinedmaritimeforces.com/>

¹³ US Military Sea Lift Command. <https://sealiftcommand.com/about-msc>

collaboration. Raksha Mantri (Defence Minister) interacted with senior executives of Boeing and Raytheon. Both defence majors were exhorted to not only “make in India” but to “make for the world, in India”, taking advantage of various policy initiatives and the facilities at the upcoming defence industrial corridors in UP and Tamil Nadu.

Considerable emphasis was laid on encouraging reciprocal participation of the US and Indian industry in each other’s defence supply chains, to make these more resilient.

Assessment and Looking Ahead

The larger focus remains on India-US cooperation for maintaining a Free, Open and inclusive Indo-Pacific (FOIP) against Chinese assertions; developing interoperability; and enabling India to build its defence capabilities.

The fourth dialogue, the first 2+2 under the Biden administration, displayed characteristics of a State Department-led agenda, distinct from earlier Pentagon led agendas (MDP, Frameworks of Defence Cooperation, DTTI, Foundational agreements, defence trade, bilateral and multilateral exercises etc). Issues related to trade, economy, revival of commercial dialogue, CEOs forum, cooperation in critical and emerging technologies, science, technology, cyberspace, climate, health, and resilient supply chains are given prominence over defence issues. The shift appears to be aimed at developing areas other than defence cooperation to provide additional momentum to bilateral relations.

Even within the defence arena, the emphasis is shifting to cooperation in technology and asymmetric domains, rather than mil-to-mil cooperation. This area requires the greatest attention by both sides, as the PLA is working to shift the balance of power in the Indo-Pacific based on the power of its technological prowess. Developing new technologies is a slow and tedious process. It is only through cooperation that both countries, along with other Quad partners, can accelerate this process.

At present, there is discomfort on the Indian side over the US dragging its feet on any significant defence technology transfers. There are also apprehensions over sanctions/denials, due to India's relations with Russia and stand on Ukraine. These perceptions need to be addressed by strengthening the DTTI mechanism and the JTG, and concerted efforts to initiate joint technology intensive projects.

However, the understanding displayed during the recent 2+2 dialogue of India's legacy relationship with Russia ("when the US was not able to partner") and India's response being "shaped not by abstract concerns about the integrity of the world order but by purposeful Indian calculations about how alienating Russia might undermine its security"¹⁴ indicates the ability to look at the long-term horizon, beyond the ongoing turbulence in the Euro-Atlantic.

As the war in Ukraine continues and the Western position hardens towards militarily degrading Russia, India faces a critical dilemma over its defence procurements from both Russia and Ukraine. Russia's share in global arms exports has fallen from 24% to 19% (the US's global share is 39%) between the period 2012-2016 and 2017-2021, substantially on account of a nearly 47% decrease in arms exports to India.¹⁵ Nevertheless, India still holds a large inventory of Russian sourced arms. The reality that the availability of such weapons and support is likely to become uncertain is also emerging. Further, notwithstanding the recent narrative of the inadequate performance of Russian weapon systems against the Western origin Javelin ATGMs, Stinger SAMs, Switchblade Drones etc, and the US suggestion that "it's not in India's best interest to continue to invest in Russian equipment",¹⁶ future acquisition decisions would need to be based on considerations dictated by our own needs and doctrinal thinking rather than based solely on western perspectives and reports. This requires a detailed analysis of our overall acquisition policy related to our future operational needs, as also the future course of defence collaboration and our own "Atmanirbhar" programmes.

Under the current circumstances, salient factors to be considered for furthering India-US defence relations are outlined below:

- (a) Despite growing convergences on the Indo-Pacific, both sides have to prioritise their own political, economic, and military interests.
- (b) Opportunities for partnership need to be created within the ambit of "Partnership", distinct from "Alliance". This reality is unlikely to change in the near to midterm.

¹⁴ Tellis Ashley. "What is in Our Interest": India and the Ukraine War. Carnegie Endowment for International Peace. April 2022, https://carnegieendowment.org/files/202204-Tellis_The_Ukraine_War_and_India1.pdf.

¹⁵ Pieter D. Wezeman, Alexandra kuimova and Siemon T. Wezeman. SIPRI Fact Sheet, March 2022. TRENDS IN INTERNATIONAL ARMS TRANSFERS, 2021. Pg 4. https://www.sipri.org/sites/default/files/2022-03/fs_2203_at_2021.pdf

¹⁶ Not in India's best interest to invest in Russian equipment: Lloyd Austin. Business Standard. April 06, 2022. https://www.business-standard.com/article/pti-stories/not-in-india-s-best-interest-to-continue-investing-in-russian-equipment-us-def-sec-122040600069_1.html

- (c) India's quest for self-reliance (Atmanirbharta) is aspirational. Making it real would entail a pragmatic capability building road map for acquiring critical resources, skills, technology, precision manufacturing capabilities, financing and overcoming zealously guarded security-related barriers.
- (d) Numerous defence sector reforms promulgated by India in the recent past related to FDI, strategic partnership, manufacturing in India for the world, technology transfers, stipulations of enhanced indigenous content, implementation of negative import lists, equipment leasing etc would need to be aligned with the interests of partners and viable business models.
- (e) Defence trade remains a significant component of any strategic partnership and often is a catalyst for the acquisition of technology. The enabling power of this needs to be leveraged.
- (f) India's Defence Space and Cyber agencies are still at a nascent stage of evolution and need to be strengthened and integrated with national structures to be able to collaborate with parallel military commands on the US side.
- (g) The composition, functioning and role of defence cooperation mechanisms like DTTI, Technology groups and the Services' executive steering groups, need to be reviewed and oriented towards collaboration and interoperability in asymmetric domains. This shift would, over a period of time, make concerns over different nation sourced military platforms insignificant.
- (h) Manifestation of multidomain and multifront threats entails burden-sharing as a coping strategy. India and the US are well suited to do so in the Indo-Pacific.

Conclusion

Despite the apparent shift in perspective from a largely defence related to a more broad-based approach to the bilateral relationship, there should be no doubt that defence and security remain a significant component of India-US ties. Steady progress will depend on navigating the current turbulence with pragmatism and understanding of each other's national interests and priorities.



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