



**Delhi Policy Group**

Advancing India's Rise as a Leading Power



# DPG POLICY BRIEF

## US Defense Secretary Austin's visit to India: Converging Visions, Diverging Expectations?

### *Authors*

Ambuj Sahu

Arun Sahgal

Volume VI, Issue 9

MARCH 27, 2021



**Delhi Policy Group**

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

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



# Delhi Policy Group

Advancing India's Rise as a Leading Power

## DPG Policy Brief Vol. VI, Issue 9

March 27, 2021

### 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.

### Authors

**Ambuj Sahu**, Research Associate, Delhi Policy Group

**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 authors and should not be attributed to the Delhi Policy Group as an Institution.*

### Cover Photograph:

*US Secretary of Defense Lloyd Austin and Indian Defence Minister Rajnath Singh meeting in New Delhi, March 20, 2021. Source: Twitter/@rajnathsingh*

© 2021 by the Delhi Policy Group

### Delhi Policy Group

Core 5A, 1st Floor,

India Habitat Centre,

Lodhi Road, New Delhi- 110003.

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

# US Defense Secretary Austin's visit to India: Converging Visions, Diverging Expectations?

By

Ambuj Sahu and Arun Sahgal

## Contents

Playing the China Card?.....	1
From Continental to a Maritime Focus .....	2
Defence Indigenisation.....	3
The CAATSA Overhang .....	3
Conclusion.....	4

## US Defense Secretary Austin's visit to India: Converging Visions, Diverging Expectations?

by

Ambuj Sahu and Arun Sahgal

On March 19-20, 2021, US Secretary of Defense Lloyd Austin visited India, the final leg of his first overseas tour after assuming office. The highly anticipated first ministerial-level meeting with the Biden administration included a comprehensive discussion of multi-faceted defence cooperation, which both sides deemed "productive" and "fruitful". Secretary Austin's visit, coming after visits to Tokyo and Seoul, reaffirms two key priorities of the Biden administration: reinforcing the idea of maintaining a free and open Indo-Pacific; and renewing commitment to allies and partners, in line with the White House's [Interim National Security Guidance](#).

The Austin visit maintained the upward trajectory of India-US defence relations and strengthened existing strategic convergences. At the same time, it also brought out nuanced variations in mutual expectations.

In his official statement (see full [text](#)), Minister of Defence Rajnath Singh looked forward to "realising the full potential of the India-US Comprehensive Global Strategic Partnership", established during the [February 2020 visit](#) of the then US President Donald Trump. The India-US security partnership has scaled [new heights](#) during four years of the Trump administration, through the signing of four foundational agreements enabling closer cooperation, India's elevation to Strategic Trade Authorisation-1 (STA-1) status, and the initiation of an annual 2+2 Ministerial dialogue. Secretary Austin's visit continued this momentum of enhanced defence engagement and US efforts to encourage India to play a greater role in the Indo-Pacific in order to meet the challenge of an assertive China.

### Playing the China Card?

By reaffirming "commitment to a comprehensive and forward-looking defence partnership with India as a central pillar of [the US] approach to the region", Secretary Austin alluded indirectly to the underlying rationale for the partnership without uttering the 'C'-word. Unlike the joint statement after the 2+2 meetings in [Japan](#) (a US ally), the joint statement with India did not mention China at all (in contrast to four times in Japan). This indicated a more nuanced US approach in playing the China-card on India. Moreover, when asked about the India-China border dispute in the press conference, Secretary

Austin said that he "[never considered](#) that India and China were on the verge of war".

Throughout the year-long border standoff at the LAC, New Delhi has refrained from calling out China as the aggressor on public platforms. By avoiding an explicit mention of China, Austin appeared to acknowledge India's hesitation to pick a side in the great power rivalry and to maintain its strategic independence. However, Austin's statement on engaging with "like-minded partners through multilateral grouping such as the Quad and ASEAN", read with his comments on the LAC, also indicated a tactical downplaying of India's continental threats and drawing attention to the maritime domain, which is the core area of US regional interest.

### From Continental to a Maritime Focus

In the maritime domain, both countries have differing geopolitical priorities, despite their strategic convergence in the broader Indo-Pacific. Just as the US sees East Asia and the Western Pacific as the primary theatre, India's vital interests lie in the Indian Ocean Region (IOR). While Defence Minister Rajnath Singh also referred to the Quad Leaders' Summit, he highlighted agreement to "pursue enhanced cooperation with the US Indo-Pacific Command, Central Command and Africa Command", clearly indicating India's interest in seeking credible US security commitments in the IOR. Deeper integration of India into the US Indo-Pacific security calculus without concomitant gains of threat mitigation for India by the US or through the Quad framework remains a difficult challenge.

There was some consideration by the US Navy in the previous US administration to revive a US fleet (First Fleet?) to be based in Southeast Asia. Movement in this direction will depend on the outcome of the ongoing US defence posture review by the Biden administration. However, access to India's Andaman and Nicobar Islands has often been alluded to, given their strategic location and proximity to the Straits of Malacca. This would provide options for both domination and interdiction in a conflict scenario, in conjunction with the Indian Navy. In a wider strategic context, it would also help rebalance the military presence of the US and Quad Navies in the Indian Ocean. As India and the US look to realise the full potential of the foundational agreements (LEMOA, COMCASA, BECA) for mutual benefit, this issue is likely to come up sooner or later. India will have to take a call.

In any event, discussions between Minister Singh and Secretary Austin reaffirmed the interest of both sides to expand military to military engagement across the services, information sharing, cooperation in emerging sectors of defence such as space and cyber, and mutual logistics support.

## Defence Indigenisation

In addition to cooperation in Indo-Pacific, internal balancing through bilateral defence cooperation is a priority area of the India-US Defence partnership. There is no doubt that the US has provided much needed strategic and operational intelligence during the continuing standoff with China, as also access to some front line technologies to enhance Indian ISR capabilities. However, the present pace of arms acquisition and technology transfer is clearly not enough. India expects greater US support in developing indigenous military capabilities through technology transfer, joint development and investments. Minister Rajnath Singh encouraged American firms to "take advantage of India's liberalised foreign direct investment policies in the defence sector". In September 2020, the Indian government had [raised](#) the FDI limits in defence from 49% to 74% through the direct route and more than 74% through the government route. The message was clear: instead of just selling weapons and systems, American industry should think of setting up a production base in India.

US interest, on the other hand, has largely remained focused on government-to-government Foreign Military Sales. There are no doubt several offers from US defence majors to shift plants and factories to India. However, the terms, conditions and related IPR issues are seldom discussed. There is thus a need for a more open dialogue in the field of defence technology transfer and helping India to develop its own defence eco-system, which is the current point of focus spurred by the standoff with China. Both India and the US desire a stronger defence partnership. However, the key question is: does the US prefer a stronger India with upgraded military capabilities or one with only a US arsenal? The US expectation of gaining competitive advantage in its access to the Indian defence market replacing Russian firms further complicates these dynamics. This difference of perception on the role of the US in India's capacity building could not be better illustrated than by the CAATSA showdown which is in the offing.

## The CAATSA Overhang

The issue of CAATSA sanctions on India's S-400 procurement from Russia remains a potentially serious bone of contention in the robust India-US partnership. The US identifies the purchase of the S-400 air defence system as

a '[significant transaction](#)' under section 231 of CAATSA. It has also cited concerns regarding the interoperability of the S-400 system with other US-origin equipment already in India's arsenal.

As CAATSA is a legislative act, the US Congress would exert control over the Executive in deciding on matters of a waiver. Considering the [tough stance](#) taken by Senator Bob Menendez (Chair, Senate Committee on Foreign Relations) on India's S-400 procurement, it is possible that Congress might reject the waiver even if the Biden administration makes a case for it. However, the authority to determine the nature of sanctions ultimately rests with the President. Thus, a probable scenario is that India might face sanctions under CAATSA but the nature of these sanctions could be such that it has a limited effect on the bilateral defence partnership. While the US could perhaps live with this outcome and even believe that it is doing its best for a key defence partner, the political fallout in India could be considerable, reviving some "hesitations of history" which both sides have worked hard to overcome over the last two decades.

## Conclusion

For the United States, leveraging India's power and influence in the Indian Ocean Region against the China challenge is central to the credibility of its Indo-Pacific strategy. This has been reaffirmed by Secretary Austin's timely visit to India, among visits to other traditional US allies. India also welcomes internal balancing support from the US through high-end technology transfer as also greater integration into wider US-centric security networks as an important part of the strategic partnership. This relationship is sustained by convergence of mutually beneficial core interests in shaping a stable and balanced rules based order in the Indo-Pacific.

However, although an assertive China is driving strategic convergence between India and the United States, New Delhi is unlikely to adopt an outrightly confrontational posture against a great power on its doorstep. Thus, while India-US defence ties remain on an upward trajectory, they are yet to attain the desired equilibrium that goes beyond a synergy of visions to realise a synergy of expectations.

\*\*\*



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

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