A New Chapter in Indo-U.S. Relations?

Sumit Ganguly*

21 March 2006

DOES President Bush’s recent visit to India presage a new era in relations between India and the United States? The answer is unequivocally positive even though some potential pitfalls still lurk both in India and the US. The evolution of the relationship, in considerable measure, will depend on how both sides handle extant and future differences.

The Bush administration, in a curious fashion, has actually continued with and expanded upon many of the same policies that the Clinton administration had pursued toward India. It has expressed an on-going interest in India’s economic openness, it has broadened the scope of military cooperation and has also deepened diplomatic engagement with India. In one important respect, however, it has departed from the policies of its predecessor. Nowhere is this shift more evident than in its nuclear nonproliferation strategy. It has abandoned the Clinton administration’s jarring and unproductive hectoring of India on the nuclear question. Instead it has sought to boldly move forward with a measure designed to accommodate India as a trustworthy and reliable member of the exclusive nuclear club. Obviously, in public statements the administration’s spokespersons have been loath to confer that status on India. However, for all practical purposes, they have arrived at the sage conclusion that India will not dismantle its nuclear weapons arsenal and nor will it join the Nuclear Nonproliferation Treaty (NPT) as a non-weapons state since this would require it to dispense with its modest nuclear weapons stockpile.

Ironically, the most immediate challenge to the evolution and deepening of this relationship involves the civilian nuclear deal that the two sides have so carefully negotiated. Under the terms of this agreement, India has agreed to place 14 of its 22 nuclear facilities under International Atomic Energy Agency (IAEA) safeguards. It will also separate its civilian and military plants. Finally, it will maintain its self-imposed moratorium on further nuclear tests and adhere to a robust export control regime.

Criticisms against Bush

The Bush administration has come under considerable criticism from two important quarters in the United States. The frustration of one group of critics, the nonproliferation community, is entirely predictable. In a grand, sweeping gesture President Bush has sought to end thirty years of American nonproliferation policy which, for the most part, treated the NPT as sacrosanct. Another group, key members of Congress in both the Democratic and Republican parties, are upset with the administration because they were not carefully consulted before he traveled to India to sign the nuclear deal. The second group, with important exceptions,
through thoughtful negotiations between the White House and Congress, can be mollified.

The first group, however, if this deal is to succeed, must necessarily be marginalized. Stated bluntly, the nonproliferation community fails to recognize India’s growing significance to the U.S. foreign and security policy calculus and also is wedded to an utterly failed policy. Thirty years of sanctions against India may have retarded the pace of its nuclear weapons programme but abjectly failed to stop it dead in its tracks.

Additionally, the bulk of the arguments that they adduce against the deal are either false or tendentious. All of them can be easily demolished. The most common argument is that granting India an exemption to the NPT regulations violates the terms of the NPT regime. However, since India was never a party to the regime it cannot be compelled or coerced to adhere to its terms. Another familiar argument, namely that this deal will now encourage Iran and North Korea, is equally flawed. Both these states are signatories to the NPT and have willfully sought to violate its expectations. Consequently, they fall into a completely different category. Finally, the critics adduce the case of Pakistan, which now wants a similar deal. However, quite conveniently, the critics elide over the fact that unlike India, which has a viable export control regime and has rebuffed both Iran and Libya’s efforts to obtain nuclear weapons technology, Pakistan ran a virtual nuclear superbazaar. The comparison with Pakistan is therefore not merely invidious but polemical.

Open Question

Whether the administration is willing and able to expend the requisite political capital to pass the necessary enabling legislation to consummate this deal with India remains an open question. Its failure to persuade Congress to come on board would not only be a domestic setback but could have important adverse ramifications for the budding relationship with India. The Indian critics of the nuclear deal, some of whom suffer from a neuralgic and reflexive form of anti-Americanism, would obtain considerable comfort. Simultaneously, it would weaken Prime Minister Manmohan Singh who has courageously and valiantly pursued this deal despite pockets of highly organized and mostly uninformed domestic opposition.

The civilian nuclear deal, though emblematic of a new relationship, is not the only hurdle to the continued improvement of Indo-U.S. relations. Powerful bureaucratic players in both capitals, still view one another warily. These misgivings remain despite the burgeoning bilateral trade relations, growing American investment in key sectors of the Indian economy and broadening military-to-military contacts. The doubts are the result of nearly fifty years of limited and then mostly hostile contact. These anxieties, one hopes, will dissipate over time as more favourable constituencies develop through a range of cooperative ventures whether at governmental or private levels.

Other possible pitfalls also dog the relationship especially in India. Despite the obvious benefits of opening India’s markets to foreign investment to shrinking the government’s overbearing role in the economy, segments of India’s political classes remain hostile to economic liberalization. Worse still they view economic liberalization as the stalking horse of the US. Consequently, significant segments of the Indian political left are likely to try and hobble efforts to improve relations with the US. They have already, on several occasions, proven to be an important stumbling block on the path to economic reform. Despite their declining numbers and their concomitantly shrinking influence in Indian politics they remain a force to be reckoned with. How the present Congress-led regime as well as future
governments can contain the unwelcome antics of the increasingly irrelevant political left will, no doubt, affect the pace of the warming of Indo-U.S. relations.

A robust Indo-American relationship could generate significant benefits for both parties and more. The US would have access to India’s expanding market, work with India to protect critical sea lanes leading to the Straits of Malacca and to the Persian Gulf, provide reassurance to various states in South-East Asia (some of whom have concerns about the growth of China’s economic clout and military prowess), and contain the rise of Islamist extremism. India, in turn, would gain access to long-denied American high technology, modernize its energy sector, tap the vast American consumer market and gain from American investment.

The Bush administration can be legitimately faulted for a series of foreign policy misjudgments, ranging from its ill-conceived invasion of Iraq to its intransigent position on global climate change. However, if even committed detractors of this administration’s foreign and security policy choices were to cast a glance at the transformation of Indo-US relations in the recent past, they would be forced to concede that the growth and incipient success of this relationship does redound to its credit.

* Sumit Ganguly holds the Tagore Chair in Indian Cultures and Civilizations and is the Director of the India Studies Programme at Indiana University in Bloomington. He spoke recently on 'India as an Emerging Power' at the Institute of Defence and Strategic Studies Colloquium on Strategic Trends.