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India–USA Relations: The Shock of the New

Two comments, uttered almost eighty years apart, mark a contemporary transformation in relations between India and the United States of America. In 1927, Jawaharlal Nehru stated: '[The] great problem of the near future will be American imperialism, even more than British imperialism.'[1] In 2005, Indian Prime Minister Manmohan Singh stated: 'India is today embarked on a journey inspired by many dreams. We welcome having America by our side. There is much we can accomplish together.'[2]

The history of this relationship is as complex as it is varied, and is distinguished by a largely unsuccessful search for common ground. Like the proverbial blind men and the elephant, both nations spent five decades construing their relationship in ways that mystified and displeased the other. Statesmen on both sides have bemoaned this period as 'the lost half century' or 'the fifty wasted years'[3] during which the world's largest democracy and the world's oldest democracy failed to cooperate consistently across a range of issues. Despite his scepticism about America's rise to global hegemony, in a speech to the US Congress in 1949 Nehru had suggested: 'Friendship and co-operation between our two countries are . . . natural.'[4] Yet a full fifty years of India's independent existence would eventually pass before India's sixteenth Prime Minister Atal Bihari Vajpayee could plausibly claim once again that India and the United States are 'natural allies'.[5]

What happened in the intervening decades is the subject of this chapter. The evolution of relations between India and the USA from the early years of the Indian republic till the new millennium is traced. That a fundamental shift has occurred during the past decade is clear. This shift is explored in terms of its motivation and timing, attempting to locate its causes. The analysis rests on a combination of international, regional, and domestic factors that operated jointly to usher in the modern era of India–USA relations.

Historical overview

Three main parameters have played a role in India–USA relations over the years—ideology, strategy, and values. Variously, over time, they have had the effect of creating incentives for divergence or convergence in the relationship. The evolution of these parameters is better understood if, for analytical convenience, we divide modern Indian history into three broad time periods: the Nehruvian era (1947–66), the Indira Gandhi (and post-Indira Gandhi) years (1967–89), and the contemporary period (1990 onwards). In the first period, ideological differences dominated the discourse of India–USA relations. As the Nehru era came to a close, strategic considerations that had been present but not dominant since the 1950s came to the fore and deepened the tension in the relationship. Finally, the period following the end of the Cold War saw a shift in the focus of India's foreign policy from ideology to pragmatism, coloured by India's growing economic success and ambition. This created space for the rediscovery of common interests and shared political values between the USA and India, after fifty years of uneasy relations.

1947–66: ideological differences

In the early years after independence, India viewed the world through a newly forged prism of anti-imperialism, which was seen as an inseparable 'outgrowth of capitalism'.[6] Consequently, to India, the American pursuit of commercial interests in the world and the South Asian region suggested a determination to replace British with American economic hegemony.[7] The Americans on the other hand viewed the world through the prism of emerging anti-Communism. This thinking was crystallized by the hard-nosed maxim of John Foster Dulles: 'Those who are not with us are against us.'[8] Faced with an increasingly bipolar world, India adopted an idealistic yet functionally pragmatic philosophy of non-alignment as the cornerstone of its foreign policy. Non-alignment to Indians was neither neutrality nor alignment. Philosophically it signified 'freedom of action', a concomitant of India's independence. Its application, however, was 'a matter of judgment'.[9] By creating space for morally defensible *ad hoc* foreign policy decisions at a time when the world was bifurcating, non-alignment helped India achieve, with some flair, minimal external objectives while it coped with daunting domestic challenges.

Relations with Washington started off on an uncertain footing, primarily due to the importance of the Anglo-American relationship. This led to less than enthusiastic American support for Indian nationalism in the 1940s,[10] a fact that was duly noted by leaders of India's independence movement. In 1947, the birth of the Indian republic was accompanied by Pakistan's occupation of Kashmir. Nehru's appeal to the United Nations did not garner the kind

of support he expected from the great powers, particularly the United States, which declined to label Pakistan an aggressor.[11] In 1949, India was quick to recognize the newly formed People's Republic of China (PRC) and to promote its permanent membership in the UN Security Council, even to the extent of turning down an American offer of taking the PRC's seat in the Council.[12] In 1950, India abstained from a US-sponsored resolution calling for the UN's military involvement in the Korean War. India subsequently voted against UN forces crossing the 38th parallel into North Korea and against labelling China an aggressor in the war. In 1951, India declined an invitation to sign the San Francisco Peace Treaty on grounds of the unfair and unequal treatment of Japan by the Allied Powers. The USA regretted India's inability to 'join this united effort for peace' and observers suggested that even though Nehru's supporters claimed India's absence was designed to avoid linking itself with Russia in opposing the treaty, its statement of reasons 'had much the same effect'.[13]

Amidst the atmosphere of the 1950s, it was but natural for the USA to consider India's non-alignment as 'little more than a sanctimonious cloak' for interests that contradicted its own.[14] Yet the US worldview was no less morally laden than the Indian one. American scholars deplored the Indian tendency to equate the intentions of the USA with those of the Soviet Union, i.e. to believe that the two power blocs were 'equally bad'.[15] Dulles is quoted as saying: 'Neutrality . . . except under exceptional circumstances . . . is an immoral conception.'[16] Gaganvihari Mehta, an early Indian Ambassador to the United States commented:

> whereas to the United States the fight against Communism is the supreme issue to which all other problems should be subordinated, India holds that the real enemies of mankind are economic and social evils such as poverty and hunger and disease, racial discrimination, and domination and exploitation of weaker peoples by the powerful nations of the world.[17]

Emerging from over two hundred years of colonialism, India considered imperialism in any form a threat to its freedom. Conversely the United States perceived the growth of Communism as a serious threat to its security. The USA represented to many in the newly decolonized world an emergent imperial power while India, with its planned economy and non-aligned foreign policy, appeared to Americans and others in the West precariously at risk of turning to socialism, and perhaps to alignment with the Soviet bloc. A fundamental ideological divide and much suspicion was thus created and sustained over the years. Non-alignment became somewhat of a moral safety net for India, and continued to influence its foreign policy for many decades, finding an echo in debates even today (though more as a rhetorical device than a fundamental belief). In the post-Wilsonian era of international politics, as the

USA was shedding its 'moralizing tradition' in favour of a realist paradigm, it found India 'cloaking its power plays in moral rhetoric'.[18] This put the purportedly natural allies at odds. India was increasingly viewed as either a fence sitter or a member of the communist bloc, neither of which were complimentary epithets in the Western world.

Beginnings of strategic divergence

This divide between the two nations opened up space for other actors to begin exerting influence on their respective foreign policies. In 1953, after an abortive attempt with the Middle East Defense Organization (MEDO), Pakistan stepped up its efforts to form a defence alliance with the United States. Stalin's death in the same year created a thaw in Soviet policy towards India. Nehru paid his first visit to Moscow in 1954, the year that Pakistan signed a Mutual Defense Assistance Agreement with the USA, which most Indians reportedly viewed as 'essentially an anti-Nehru manoeuvre designed to force his hand'.[19] And, in 1955, top Soviet leaders Nikita Khrushchev and Nikolai Bulganin visited New Delhi for the first time, Pakistan officially aligned with the USA via the South East Asian Treaty Organization (SEATO) and the Central Treaty Organization (CENTO, also known as the Baghdad Pact), and India was a key promoter of the first Afro-Asian conference at Bandung in Indonesia.

India's 'leftward' slant was becoming evident. An American scholar observed that criticisms of the United States in India had become fashionable since the former started aiding Pakistan militarily.[20] A public opinion poll showed a majority of Indians perceiving the USA as 'a foreign government that is willfully preparing for a war of aggression'.[21] The year 1956 saw India criticize the imperialist designs of the Western powers in the Suez Canal while being conspicuously restrained in its reaction to the Soviet invasion of Hungary.[22] It was evident by then that in retaliation to the USA–Pakistan military relationship, Nehru had 'relaxed' his policy of non-alignment to seek support from the Soviet Union.[23] Despite strained relations, in 1959 Eisenhower became the first American President to visit India. That very year, however, India was once again quick to recognize the newly formed communist government in Cuba under Fidel Castro.

As the Cold War gained momentum, America's frustrations with Indian non-alignment mounted. Writing in 1957, Henry Kissinger justified American aid to Pakistan by arguing that America 'cannot permit the balance of power to be overturned for the sake of Allied unity or the approbation of the uncommitted'.[24] At a time when the world was divided among the two power blocs, India's moralizing foreign policy touched a raw nerve in American diplomatic circles. In the absence of cooperation from India, and with a communist

government in China, Pakistan became an essential element in the United States' containment of the Soviet Union in Asia.

What began as an ideological gulf between India and the USA was now developing into a strategic complication. This manifested itself in many ways, not least over the issue of the Portuguese colony of Goa in India. Despite repeated counsel to Delhi from the USA against the use of force in liberating the colony (from the hands of a NATO ally, albeit one governed by a military dictator), the Indian military forcibly drove out the Portuguese from Goa in December 1961. Goa was a powerful symbol of the anti-colonial struggle for India, which claimed that it had waited long enough for the USA to exercise diplomatic influence in the face of Portuguese obduracy. The USA saw India's action as a violation of the UN charter and as setting a dangerous international precedent.[25] A US-sponsored UN resolution against India was vetoed by the Soviet Union, and a similar resolution against the Portuguese was vetoed by the USA. Once again the two democracies had locked horns over an issue that challenged the foundations of the international system as each viewed it.[26]

In 1961, the Non-Aligned Movement (NAM), a coalition of developing countries largely from Asia and Africa that subscribed to the ideology of non-alignment with either Cold War power bloc and aimed to carve out a middle path in international politics, was established. Although Nehru was not an enthusiastic supporter of the creation of a third bloc,[27] India was a founding member, and India's foreign policy establishment was soon at the forefront of promoting its tenets.

The Sino-Indian War

Deteriorating relations between India and China culminated in a border war in October 1962, coinciding with the Cuban Missile Crisis and a rapidly escalating Cold War. A growing rift between the Chinese and the Soviets since the mid-1950s prompted the latter to take a pro-India stance in the run up to the conflict. However, since the Cuban Crisis required a semblance of solidarity with China, the Soviet Union initially refrained from coming to India's aid.[28] Lacking alternatives, Nehru turned to Western powers for assistance. Based on a perceived threat in Asia from communist China, the USA was quick to respond.[29] In a key move, the USA prevailed on Pakistan for an assurance that it would not invade Kashmir so that India could redeploy its northern troops towards the front with China.[30] Yet by 20 November 1962 the situation had grown worse for India and Nehru made an 'urgent and open appeal' for, among other things, air strikes by US forces on Chinese troops.[31] An American carrier—the *Enterprise*—was dispatched towards the Bay of Bengal. However, it was withdrawn the next day when the Chinese declared

a unilateral ceasefire, possibly influenced by the Soviet decision to revert to its pro-India policy upon the resolution of the Cuban Crisis.[32]

The Sino-Indian war, aside from leaving an indelible impression on India's defence policy planning, marked a significant departure from US policy towards India up till that point. Indian leaders and the public welcomed American assistance but the motives of American intervention—more to ward off the Chinese threat than to genuinely assist the Indians—were not lost on Indian decision-makers. Soon after the war, the Americans along with the British began pressuring India to yield to Pakistan on Kashmir.[33] Soviet assistance, on the other hand, was found to be relatively less loaded with *post hoc* conditions. In a matter of months, controversy erupted between India and the USA over the shared use of an Indian-bought American-supplied radio transmitter for the purpose of countering Chinese propaganda in Southeast Asia. What came to be known as the 'Voice of America' fiasco was a strong reality check for the Americans with regard to India's firm ideological commitment to non-alignment.[34]

India's obstinacy during the 1950s and 1960s came not just from a commitment to an abstract foreign policy principle, but from a strong sense of nationalism and feeling of historical, cultural, and strategic uniqueness. Nehru viewed India as a bridge between the countries of Southeast Asia and those of West Asia and beyond. Accordingly, Indian leaders expected that the USA would recognize India's importance in the international order and confer on it an 'equality of status' if not the 'sharing of common objectives'.[35] America's global objectives, however, were not designed to accommodate Indian greatness. As one observer noted:

> What introduces friction into the ties between India and the United States is that Washington is still unable to find for India a position in its global strategy, which would satisfy India's national self-esteem and ambitions.[36]

American observers often viewed India's 'self-esteem and ambitions' with a sense of irony. Although Indian leaders had a firm belief in their country's greatness, India itself did not yet measure up to most standards of greatness on the world stage. Moreover, despite its moral and ideological leadership of the Third World in the NAM, in strategic terms India's self-importance did not project credibly beyond the South Asian region.

The Sino-Pakistani entente

In 1964 China detonated its first nuclear weapon and significantly tipped the scales of power in the subcontinent. This time India was undiscriminating in its appeal for security guarantees and turned to the United States, England, and the Soviet Union for assistance. None obliged.[37]

A further jolt came the following year when Pakistan attacked India twice in the span of a few months, in the Rann of Kutch and in Kashmir. Of particular concern was Pakistan's use of weapons it had obtained from the USA in the mid-1950s, in contravention of President Eisenhower's guarantee to Nehru at the time that US-supplied arms would not be used by Pakistan in a conflict with India. The American response to the 1965 Indo-Pakistani conflicts was to maintain a position of strict neutrality. Operationally this meant cutting off military aid to both countries, a decision that cost Pakistan more than it did India. The result was counterproductive for the USA on both fronts—it earned the displeasure of India for being neutral in a conflict in which Pakistan was the clear aggressor, and it furthered the process of USA–Pakistan estrangement that began in 1962, in essence driving the latter towards China for military sustenance.[38] Chinese arms transfers to Pakistan, almost non-existent before 1965, shot up by 254 per cent between 1965 and 1966. Indeed from 1964 till 2007, China has been a more reliable and more plentiful supplier of arms to Pakistan (1.5 times more than the USA, in cumulative volume over the period).[39]

The expanding Sino-Pakistani relationship did not, however, prompt a change in India–USA relations. In 1966, responding to India's criticism of the US intervention in Vietnam, President Johnson restricted the supply of grain shipments that had been under way since the mid-1950s under the Public Law 480 programme. This decision, coming at the time of a severe Indian drought, was a very painful reminder to Indian leaders of the divergent nature of interests and values held by the two nations. It seemed that India, by now the vanguard of the post-colonial developing world, might never be able to reconcile its foreign policy with America's global aims. What had begun as ideological divergence had over time declined into antipathy combined with opposing strategic interests in Asia, particularly in the subcontinent.

1967–89: strategic contradictions

If the previous two decades had been about ideological differences between the USA and India, the next two would be about conflicting regional and global strategic interests. Strategic competition between the United States and Soviet Union played an important role in shaping India–USA relations. The USA, faced with an obstinately non-aligned India and the need to develop a strategic presence in Asia against the Soviet and Chinese threats, had subscribed to what one Indian scholar has called the 'Caroe thesis', or the idea that the power vacuum created by the departure of the British from the subcontinent and India's neutrality would greatly impact stability in the Middle East and Southeast Asia unless Pakistan was involved as a key strategic player in the region.[40] India for its part perceived the USA–Pakistan alliance as

a direct threat to its regional supremacy and gradually turned to the Soviet Union as a balancing strategy. India's planned economy and its leadership's inclination toward a type of Fabian socialism helped nurture this relationship.

Jawaharlal Nehru died in 1964. An icon of Indian politics and foreign policy, his death left a leadership void that his soft-spoken successor Lal Bahadur Shastri struggled to fill. The short period of Shastri's tenure, from 1964 until his death in early 1966, marked a transition from Nehruvian idealism to the beginnings of Indira Gandhi's brand of *realpolitik* at home and abroad. Mrs. Gandhi's foreign policy maintained a rhetorical commitment to her father's ideology of non-alignment and anti-imperialism, but contained distinctly realist strands of thought and behaviour. Intermittently, India began experimenting with power politics in its region. This conflicted with US interests and exacerbated the emerging strategic disagreements between the two countries.

In 1967 a predominantly anti-American worldview led India to reject founding membership of the Association of Southeast Asian Nations (ASEAN), which it viewed as an attempt at expanding American influence in Asia.[41] A long-standing disagreement with the United States also began in 1968 when India rejected the Non-Proliferation Treaty (NPT) proposed by the world's leading nuclear powers. The NPT was problematic from Delhi's perspective for two main reasons. First, it was viewed by India as an unequal treaty since it did not prevent those with nuclear weapons from acquiring more. Second, it would foreclose any future possibility of an Indian weapons programme to counter the Chinese nuclear threat. The USA reacted to India's obstinacy by ceasing the supply of nuclear fuel to the Indian reactor at Tarapur, a role that France subsequently took over.

The Bangladesh War

In 1971, an internal crisis in Pakistan became a critical test of the India–USA relationship. The Sino-Soviet split had intensified toward the end of the previous decade, as had the warmth between Pakistan and China, both of which (to differing extents) considered India an important factor in their security calculations. India for its part lent ideological and material support to the movement for autonomy in East Pakistan. As the crisis in East Pakistan escalated, precipitated by West Pakistan's unwillingness to recognize the numerical superiority of East Pakistan's ethnically distinct population, India was faced with a considerable refugee problem that became an important pretext for involvement in Pakistan's affairs. In July that year, US Secretary of State Henry Kissinger made his first of many trips to Beijing to leverage the Sino-Soviet divide and lay the groundwork for a rapprochement between the USA and China.[42] Pakistan, already a close ally of China, played a key role in

facilitating this relationship. As a result, the USA maintained a studious silence on Pakistan's repressive policies in East Pakistan. Kissinger would later describe events in East Pakistan as 'internal problems of a friendly country'.[43]

On his visit to Beijing, Kissinger made a stop at New Delhi to impress upon Prime Minister Gandhi the importance of not supporting the liberation movement in East Pakistan. Sensing her intransigence, various threats and inducements were subsequently employed by the USA to secure India's compliance.[44] India, however, did not oblige and instead turned once again to the Soviet Union. The month after Kissinger's visit, India and the Soviet Union concluded a Treaty of Peace, Friendship and Cooperation, which was a thinly veiled military pact. The American response was to step up military and economic aid to Pakistan in an effort to contain the East Pakistan situation. In December, India and Pakistan went to war over India's support for East Pakistani militants, and over the large-scale movement of refugees across the border from Bangladesh into India. Soviet and American vetoes in the UN Security Council paralysed the international community's response. Ultimately Nixon chose to explicitly 'tilt' American policy in favour of Pakistan and suspended $87 million worth of economic aid to India.[45] The USA then sent a naval fleet into the Bay of Bengal to send an unambiguous signal to India. The *USS Enterprise*, which had traversed the same route less than a decade earlier in support of an Indian military effort, was now dispatched for quite the opposite purpose.

The outcome of the Indo-Pakistan war was the creation of the state of Bangladesh. Indians considered their victory a major military achievement—one that helped dispel to some extent the ghosts of their defeat at the hands of the Chinese in 1962—and a firm rebuttal of America's efforts to extend its dominion in South Asia. The Americans viewed the outcome as clinching evidence of India's truculence in international matters, and its unmistakable tilt toward the Soviet Union. Yet a prominent Indian politician argued that 'the Americans practically drove us into the arms of the Russians'.[46] In retrospect, the war and the years following it were the lowest point in the history of Indo-US relations. In 1972, Nixon offered to reinstate the economic aid he had withdrawn the previous year, but India refused. In the same year, the Indian government took steps to restrict field research conducted by American social scientists in India.[47]

A major jolt to the USA came in 1974 when India conducted its first nuclear weapon test at Pokhran. It came to light that India had diverted nuclear materials imported for civilian purposes, much of it from the USA, in order to initiate a weapons programme. Although India assured the world that its test was a 'peaceful' one,[48] the event was a blow to not just American influence in South Asia but also the emerging global non-proliferation regime. At almost the same time that India conducted its nuclear test, the USA made plans to upgrade its presence at Diego Garcia, a British-controlled island in India's

vicinity in the Indian Ocean leased to the USA. This move rankled the Indian leadership because it brought the arena of US–Soviet competition much closer home. Moreover, it challenged India's objective, supported by both the NAM and the UN, of maintaining the Indian Ocean as a 'region of peace',[49] or in other words, a region of Indian influence.

After Nixon's departure from the Presidency in August 1974, relations began improving somewhat but normalcy was not in sight. The Indian government requested a five-year phase-out of all Western volunteer programmes, primarily the US Peace Corps, which withdrew completely soon after.[50] In June 1975 India faced considerable domestic turmoil and entered a period of Emergency rule under Indira Gandhi. American economic aid, withheld the previous year due to the nuclear test, was again put on hold, and this decision was repeated the following year when Indira Gandhi accused the CIA of trying to undermine her government.[51] The Emergency ended in 1977 and the USA immediately eased restrictions it had placed on World Bank loans to India, and also approved $60 million in direct economic assistance. Relations seemed to improve a little when President Carter and Prime Minister Desai exchanged visits in 1978, resulting in a publicly announced joint emphasis on the importance of democracy and economic development in both countries.

Pakistan and the Afghanistan War

Pakistan (specifically Kashmir) never ceased to be a thorn in the Indian side with regard to US policy towards South Asia. Writing in 1966, Norman Palmer noted that on the whole, 'official and unofficial American views on Kashmir have been more sympathetic with Pakistan than with the Indian case'.[52] Forty years later, Strobe Talbott would observe that for five decades, 'the working assumption in New Delhi had been that the United States was, for reasons of geopolitics, reflexive in its support for Pakistan'.[53] Evidence of this support is strongest when one looks at data on military aid and arms transfers. The USA transferred 9.4 times more arms[54] and 9.9 times more military aid[55] to Pakistan than to India in the period from 1950 to 1990. Indeed, 94 per cent of the military aid supplied by the USA to India was as part of the agreement made during the Sino-Indian war.

The Soviet Union more than made up for this, transferring almost nine times more arms to India in the same period than the USA did to Pakistan (however this gap is less pronounced if one includes arms supplied to Pakistan by China in the same period).[56] US aid to Pakistan was initially conditioned on a non-use policy against India; later, as it became evident that Pakistan could not or would not abide by this condition, it was dropped. Looking back in 1979, Kissinger admitted to having 'misjudged the target of Pakistan's military efforts'.[57] Yet the policy of providing military aid to Pakistan in order to retain a friendly Islamic ally and a counterpoise to the Soviets in

Asia remained unchanged. Although US military aid to Pakistan had been on the decline since the Bangladesh war, the Soviet invasion of Afghanistan at the turn of the decade changed everything. The 1980s saw large amounts of military aid being pumped into Pakistan by the USA in order to fight a proxy war against the Soviets in Afghanistan. This created significant repercussions for internal security in India via the 'arms pipeline' that allowed CIA-supplied weaponry to land in the hands of Pakistan-backed militants in India.[58]

The USA–India relationship in the 1980s was marked by the conflict in nearby Afghanistan and India's own political and economic problems. The Soviet invasion of Afghanistan left India in a difficult position—relations with the Soviets became strained over the issue, yet India was seen by the world as being in the Soviet camp. Indira Gandhi engaged in diplomacy on multiple fronts to improve India's image in this regard. A muted disapproval was conveyed to the Soviets while active efforts were made to develop closer ties with the United States. The latter was complicated in no small measure by the restoration of the USA–Pakistan security relationship as a direct result of the situation in Afghanistan. In June 1981, President Ronald Reagan announced the resumption of arms sales to Pakistan, which had been halted a few years earlier when the latter's nuclear intentions and China-assisted nuclear weapons programme became known. A six-year, $3 billion economic and military aid package was announced for Pakistan, starting in October 1982. This time the USA did not stipulate any restrictions on the use of its arms against India.[59] The Soviets, keen to assuage Indian disapprobation over the Afghanistan issue, were quick to 'more than match'[60] the USA–Pakistan deal in early 1984. The superpowers were now direct competitors in a South Asian arms race.[61]

The conflict in Afghanistan brought the Cold War much closer to India than even Diego Garcia had a few years previously. Concern about its regional autonomy and capacity to resist American global ambitions was one of the motivating factors behind India's involvement in the emerging domestic conflict in Sri Lanka (the other was India's large Tamil population with many ethnic cousins in India's state of Tamil Nadu). As the decade progressed and Soviet policy under Mikhail Gorbachev showed signs of change in Afghanistan and otherwise, India's relations with the USA improved marginally. US arms supplies to India, unheard of since 1962, resumed on a small scale between 1986 and 1988.[62] In 1988, Prime Minister Rajiv Gandhi made a historic visit to China in an attempt to begin the process of normalizing relations between the two neighbours. India seemed to be experimenting with positive diplomacy as a means for resolving long-running disagreements. This was also reflected in India's brief and hesitant spell of logistical support for American military operations in the Gulf War that began in 1990.

In the years since India's independence, the Cold War had negatively affected the regional security environment in South Asia. The US desire for a

strategic counterweight in Asia sustained Pakistan's ability to maintain a strategic balance against India for many years. India in turn sought to tip the scales in its favour through a cooperative relationship with the Soviet Union, thus indirectly justifying an unbalanced US policy and an anti-India Pakistani policy. The ultimate outcome was a South Asian arms race and tense relations between India and the United States for most of the 1970s and 1980s. By the end of the 1980s India–USA relations had stagnated, moving little in either direction. The USA considered Pakistan to be a much more reliable ally in its Asian ventures, and India seemed preoccupied with an inability to elect majority governments and a looming balance of payments problem. Things might have remained unchanged were it not for two major events that occurred at this juncture—the end of the Cold War and India's economic crisis.

1990 onwards: rediscovering common interests

The end of the Cold War marked a major shift in world politics and fundamentally restructured a number of relationships around the world, including the India–USA one. Finding itself bereft of Soviet support, India in the 1990s underwent a painful process of orienting itself to a unipolar world order in which it shared a history of acrimony with the only remaining superpower. Indeed, '[t]he story of Indian foreign policy in the 1990s is about the struggle to overcome the sources of opposition to the West.'[63] At the most basic level this meant ideological change. Non-alignment would no longer work in the absence of superpower competition. Enough time had passed to render anti-imperialism an outmoded ideology, particularly as India's own economy began growing with an outward orientation. The USA for its part was confronting the 'end of history' (to quote the famous phrase coined by Francis Fukuyama) and the lack of a global nemesis against which to define its own foreign policy ideology. Strategically it was adapting to an uncertain international system with multiple smaller powers rising fast. The security environment was now vastly different and required new policies. In terms of political values, India and the United States were still democracies, but that fact at the time offered no template for future cooperation.

Looking back to the early 1990s, few would have predicted the depth and breadth of relations between the two countries today. What explains this quantum leap?

Economic factors

On the economic front, 1991 is generally considered a watershed in Indian history. Faced with a severe balance of payments crisis, Prime Minister Rao's

government initiated a series of reforms to liberalize the Indian economy under the stewardship of Manmohan Singh, then the Finance Minister. This opened the door to foreign private capital, a significant amount of which was American. Starting from $165 million in 1992, annual Foreign Direct Investment in India shot up to $2.14 billion by 1997, a thirteen-fold increase.[64] As the Indian economy grew in size and openness, so did the participation of American investors, who cumulatively accounted for 19 per cent of Foreign Direct Investment in India between 1991 and 2005.[65] Similarly, trade between India and the USA grew dramatically during this period (despite falling as a share of total global trade) and in 2009 stood at more than $39.7 billion.[66] The growth of India's knowledge economy and the global outsourcing industry brought both countries closer through private sector linkages. Former US Under Secretary of State Nicholas R. Burns points out that 'the big breakthrough in US–India relations was achieved originally by the private sector'.[67] Indian policymakers were aware of the precariousness of the domestic economic situation and the need to guide the Indian economy out of crisis carefully. But, due to the constant internal political argumentation over the nature and impact of the reforms, the initial years were marked by a sense of cautiousness. India did little to upset the status quo in its region and in its bilateral relations with the great powers.

Nowhere was this more evident than on the issue of nuclear testing. Although an Indian nuclear weapons programme had been in the offing since the late 1970s when China's assistance for a Pakistan weapons programme became known, the clearest impetus for its advancement came in 1988 when Rajiv Gandhi initiated a covert nuclear weapons programme based on a potential nuclear threat from Pakistan.[68] This plan was carried forward into the early 1990s and by 1994 the Rao government was ready to test. However the process was stopped short by considerations of the impact of US sanctions on the nascent post-reform Indian economy. Rao, in a conversation with Strobe Talbott, then US Deputy Secretary of State, indicated that India was aware of the importance of integration into the global economy and close relations with the USA. He emphasized that India's economic security would be jeopardized if it 'overplayed its nuclear card'.[69]

Political factors

Economic interdependence more often than not tends to moderate the tone of political differences between nations.[70] Here the role of Indian Americans in the United States deserves mention. The 1990s brought to the fore a number of wealthy Indian Americans who learned to mobilize politically and build relationships with the US Congress in order to influence policy towards India and South Asia. The US Census counted over 2.5 million

Americans of Indian origin in 2007. The median income of a family in this group is almost 79 per cent higher than the national median.[71] This put a significant amount of disposable income in the hands of politically aware and motivated individuals. Indian Americans raised $4 million on behalf of political candidates in the 1992 election, and more than $7 million in the 1998 election.[72] The result of this significant influence was that by the end of the 1990s, there was a high level of interest within Congress in issues pertaining to India, to the extent that more than a quarter of the members of the House of Representatives had joined an informal congressional caucus aimed at fostering India–USA ties.[73] Although the interest of American lawmakers in India was primarily motivated by domestic political and economic concerns, the increased level of interest played an important role in tempering traditional legislative hostility toward India as evinced by the defeat (from 1996 onwards) of the traditionally passed 'Burton amendments' designed to reduce foreign aid to India every year.[74] In 2005 and 2006, Indian Americans also undertook a major lobbying effort to promote the passage of laws allowing civilian nuclear cooperation with India.[75]

Indian policymakers, on the other hand, also began to shed their traditional anti-Americanism and non-aligned rhetoric during this period. The late 1980s witnessed a fundamental transition in Indian electoral politics from a largely one-party-dominant system to a fragmented multiparty system. This created ideological and political space for new voices in the articulation of Indian foreign policy. By 1991, the election manifesto of the Bharatiya Janata Party (BJP) was already dismissing non-alignment as an outdated ideology.[76] The 1990s in retrospect were a period when India gradually shed its anti-imperialist and non-alignment baggage in favour of an approach to foreign policy grounded in *realpolitik*. This was the precursor to the age of 'strategic partnerships' for India. By 2005, India had concluded such partnerships with China, Iran, Japan, and the United States. This signalled a new pragmatism in Indian foreign policy, and a willingness to spread the risks associated with international relations between ties with several friendly powers. India's diplomacy changed in style and content to some extent, with Vajpayee and Indian Foreign Minister Jaswant Singh choosing 'quiet diplomacy' over 'morally laden rhetoric'.[77] Vajpayee's successor, Manmohan Singh, opted for a similar style.

Differences of view with the USA continued over regional security and nuclear issues. In 1995, a Congressional amendment allowed the USA to resume arms supplies to Pakistan that had become attenuated since the Soviet withdrawal from Afghanistan. This was not well received in India, especially in light of a 1994 Human Rights Watch report that traced arms used by militants in Kashmir and Punjab to money and weapons supplied to Pakistan's intelligence agencies by the USA during the Afghanistan war.[78] India

found that despite some advances in its relationship with the USA (e.g. the start of modest joint naval exercises in 1991),[79] the USA continued to pursue an unfavourable South Asia policy. While resuming arms supplies to Pakistan, it continued to pressure India to abandon its indigenous Integrated Missile Development Program, blocked the sale of Russian weapons systems to India, and limited India's access to American high technology, fearing that such access would be misused as before.[80] On the nuclear issue, in 1995 the USA pushed through a permanent extension of the NPT, to which India was bitterly opposed. Subsequently, in 1996, India rejected the Comprehensive Test Ban Treaty (CTBT) as a biased arrangement that favoured the major powers which had already enough data and experience in nuclear testing to continue simulating tests without actually conducting them.

The end of the Cold War in some ways liberated India's foreign policy and allowed it to choose its friends without external pressure. The result was a dual approach that emphasized cordial (but not necessarily cooperative) relations with the United States while also building partnerships with countries in the region, particularly China. India, like all other countries in the aftermath of the Cold War, was uncertain about the future shape of the new world order. The USA too was working hard to fill the global power vacuum left by the collapse of the Soviet Union, and was not particularly concerned with matters in South Asia. This was evinced by the continuation of the Pakistan tilt in its policy despite the end of significant Soviet influence in India. This relative indifference towards the region would evaporate a few months into 1998.

Pokhran-II and its impact

In May 1998, India detonated five nuclear devices at Pokhran, the site of its first nuclear test twenty-four years earlier. Barely two weeks later, Pakistan detonated six nuclear devices at the Chagai Hills. Both events sharply focused President Clinton and his administration's attention on South Asia. Although the immediate American response was to place economic sanctions on both countries, the tests precipitated the longest series of high-level bilateral talks in the history of the Indo-American relationship and for the first time, there was an attempt to structure the Indo-American relationship independent of Indo-Pakistani or Indo-Russian concerns.[81] In a paradoxical outcome, C. Raja Mohan argues that the tests of May 1998 were actually the beginning of the end of non-proliferation disagreements between the two countries: 'So long as India remained undecided about what it wanted to do with nuclear weapons, it was natural that the United States would do everything to prevent India from becoming a nuclear weapons power.'[82] In the longer term, Clinton's objectives in South Asia developed along three lines—non-proliferation, progress in relations with India, and continued support

for Pakistan as a pro-Western Islamic state.[83] For the first time in the history of India–USA relations, a genuine attempt was made at a balanced approach in American policy towards South Asia. This vindicated the Indian view that 'the world gives respect to countries with nuclear weapons'.[84]

Evidence of American respect for India's concerns came the following year when Pakistan launched an offensive on Indian territory in the Kargil district of Kashmir. Contrary to past experience, India found the USA willing to place responsibility for the aggression squarely on Pakistan's shoulders and subsequently pressuring Prime Minister Nawaz Sharif to withdraw his troops. This marked a change in the American attitude toward Kashmir—previously sympathetic to Pakistan. On the nuclear question, soon after sanctions were imposed domestic lobbies in the USA—mainly Indian-American groups—pressured Congress to ease the sanctions on India.[85] The opposition of many Republican Congressmen to the CTBT also worked in India's favour when a Republican-dominated Congress rejected the CTBT in October 1999. Both these developments weakened the American negotiating position vis-à-vis India and eased the post-Pokhran rapprochement between India and the USA.

In 2000, Clinton became the first US President to visit India in twenty-two years. His trip was a resounding success and a landmark in the ongoing transformation of India–USA relations. The following year, India became one of the first (and few) countries to support President George W. Bush's controversial Nuclear Missile Defense (NMD) initiative. Thereafter, as the events of 11 September 2001 unfolded, India was quick to offer its full operational support for the US war against terrorism. By 22 September, the USA had lifted all sanctions against India and the bilateral Defense Policy Group, suspended since 1998, was revived toward the end of the year. Following a terrorist attack on the Indian Parliament in December 2001, the USA pressured Pakistan into a commitment on curbing cross-border terrorism in India, and put two major organizations—the Jaish-e-Mohammed and Lashkar-e-Taiba—on its list of foreign terrorists. In 2002 the USA initiated a regional security dialogue with India that explored shared interests in India's neighbourhood, including ending the civil war in Sri Lanka, promoting political stability in Bangladesh and reconstructing Afghanistan[86]—a significant break from Cold War difficulties over American influence in the subcontinent. Similarly in Kashmir, for the first time India allowed American observers on the ground during Assembly elections, which were declared free and fair.[87] At the height of fresh India–Pakistan tensions in 2003, Clinton (now a former President) was unofficially brought into the picture as a facilitator and was able to initiate a dialogue between President Musharraf and Prime Minister Vajpayee that paved the way for a rapprochement.[88] Meanwhile Congressmen in the USA passed a resolution making American aid to Pakistan conditional on an annual

Presidential report on Pakistan's cross-border insurgency promotion and nuclear proliferation activities.[89]

Strategic partnership

In 2004, India and the United States formulated the Next Steps in Strategic Partnership (NSSP), which laid the foundations for cooperation in civilian nuclear activities, civilian space programmes, and high-technology trade, along with an expanded dialogue on missile defence. Within the span of a decade the USA had reversed its long-standing policies of nuclear non-cooperation and technology denial toward India. On 18 July 2005 the two countries announced the most wide-ranging partnership in the history of their bilateral relations, covering the economy, energy security, democracy promotion, defence cooperation, and high technology and space cooperation. The most controversial aspect of the agreement was President George W. Bush's commitment to 'work with friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India'.[90] In effect the USA explicitly recognized and cast itself as prepared to legitimize the nuclear weapons programme of a non-NPT state that had consistently opposed the global non-proliferation regime (though, as India claimed in its defence, it had *de facto* fulfilled the non-proliferation objectives of an NPT state).

A critical test of the new relationship came late in 2005 when India voted along with the United States against Iran at the International Atomic Energy Agency (IAEA) in a resolution on Tehran's nuclear programme, feared to include a weapons component. The double standards inherent in India's stand did not go unnoticed. The following year, India once again cast its lot with the USA at the IAEA on the Iran question, while the USA amended its domestic Atomic Energy Act in order to facilitate civilian nuclear cooperation with India. More recently, however, following a visit to Tehran by India's External Affairs Minister S. M. Krishna in May 2010, during which he praised Iran for 'fighting for its rights', Washington admitted that India and the USA held divergent views on Iran's nuclear programme.[91]

Aside from nuclear cooperation, since July 2005, India and the USA have cooperated in a number of areas such as aviation, trade and investment, business (through a high-powered CEO forum), agriculture, energy, science and technology, defence, disaster relief, democracy promotion, and maritime cooperation.[92] In 2007 India hosted a major round of naval exercises (part of the 'Malabar' series) in the Indian Ocean with twenty-seven warships from five countries including the USA, Japan, Australia, and Singapore.[93]

The end-game on India–USA negotiations toward an agreement governing cooperation in the nuclear sphere came into focus in late 2006. By then, foreign policy achievements of the Bush administration were few, with the

Iraq war widely seen as a strategic disaster for the USA. With developments in Afghanistan also unfavourable, and the NATO alliance coming under some pressure as a result, the President's team identified success on the India front as the most positive potential remaining foreign policy 'legacy' item in the Bush administration's portfolio. Intense negotiations—on the detailed outcome of which India frequently appeared to international observers to have bested the USA (while critics in India bayed about their perception of a Delhi sell-out)—yielded the required so-called '123 Agreement' in July 2007.[94] However, controversy in both countries was such that neither side was able to press for approval of the agreement and its related safeguards clauses at the IAEA or by the Nuclear Suppliers Group (NSG) until mid-2008. Both latter steps were preceded by a raucous debate in the Indian lower house of parliament in July 2008, with the government narrowly winning a no-confidence vote brought against the agreement. The IAEA approved the safeguards agreement on 1 August 2008, and the NSG approved an India-specific waiver from its core terms on 6 September 2008. In the final major step foreseen by the two countries for implementation of their understandings, the US Senate on 1 October 2008 approved the deal by a vote of 86 to 13.

These developments were significant for the India–USA relationship but also for India's global standing and positioning. The USA had helped it off the perch of nuclear pariah status and defiance it had been confined to since 1974, but, through the IAEA and NSG votes, the rest of the world concurred in India's emergence from nuclear purdah. While Indian commentators made much of ambiguous Chinese statements during the IAEA negotiations, neither China nor other countries such as Australia and Canada (which had long adopted an assertive stance in defence of the NPT and the wider non-proliferation regime) stood in the way of IAEA approval. Indian diplomacy contributed significantly to this success, especially the quiet but resolute leadership on this issue of Prime Minister Singh (uncharacteristically tough in staring down domestic critics of the negotiations with the USA, including some within his own Congress Party).[95] Indeed, New Delhi's global diplomatic manoeuvring in relation to the nuclear file during the years 2005–8 suggested just how pragmatic and focused Indian diplomacy had become, given the right incentives.[96] The Obama administration's National Security Strategy and the USA–India Strategic Dialogue of 1–4 June 2010 further reinforce the commitment of both countries to a broad-based partnership, covering a gamut of ties, including non-proliferation.[97]

Rediscovering common values

The post-1990 story of India–USA relations is not just about the end of the Cold War, India's second round of nuclear tests, or economic liberalization. It

is also fundamentally a story about rediscovering common political values. For most of the twentieth century American policymakers failed to see the potential in India to be a strong (and democratic) partner in Asia. Instead there was a tendency to see India as 'a revisionist power bent on restructuring the international system at the expense of America's global interests'.[98] Since the early 1990s, however, an increasingly influential school of thought in American foreign policy began recognizing the strategic utility of the common political values espoused by both nations.

Since Indian independence, India's conscious adoption of constitutional liberal democracy had resonated among the American people and at times among its foreign policymakers. As home to a significant section of the world's population, India came to symbolize an important experiment in post-colonial democracy. In this sense both the USA and India always had much to gain from a cooperative relationship.

Indeed, Americans were aware of the importance of promoting democratic stability in India. Data on US economic aid to India and Pakistan confirm a substantial and enduring financial commitment to India in the 1950s and 1960s, likely motivated by this very idea. Especially from 1957 till 1971, the gross amount of economic aid from the USA to India was on average more than twice the amount of aid flowing from the USA to Pakistan. This was repeated from 1977 to 1983, and noticeably from 1991 to 2001, during which the average annual economic aid to India was more than three times the aid to Pakistan.[99] In terms of military aid, with the exception of the Sino-Indian war, Pakistan has uniformly received greater amounts of assistance from the USA than India. However, between 1951 and 2006, more than 84 per cent of American military aid to Pakistan is concentrated in two periods: the decade following the mutual defence agreement of 1955, and the years of intensification of the first Afghanistan war (1983 to 1990).

These data suggest that the USA has always viewed Pakistan as a *military* ally and India as a potential *political* ally. The word 'ally' here must be construed rather loosely, for India was aligned with the USA only in the sense of its domestic political values being somewhat congruent with the latter's. Yet it appears democracy was perceived to be strong enough in India (the aberration of the 1975–7 Emergency notwithstanding) for the USA to be genuinely invested in building up its economy and society through development assistance that helped at different times to avoid famine, launch the Green Revolution, tackle malaria, and expand the educational system. Gary Hess suggests that from the 1950s to the 1980s, the USA maintained a two-pronged strategy of engagement in South Asia that involved 'the simultaneous building of an alliance with Pakistan and promoting close political-economic ties with India'.[100] The focus on shared political values between the United States and India, symbolized by foreign aid, held great potential initially. Yet the

momentum was not sustained. The amount of US economic aid was substantially lower after 1971, and continued to decline into the 1990s.

The new millennium saw a resurgence in the value-based approach to India–USA relations through increased interaction that led to a better understanding of each other's domestic priorities. Unsurprisingly, US assistance to India was a declining part of the equation as the Indian government emerged as a donor in its own right. Indeed, early in 2007 the US State Department announced a 35 per cent reduction in aid programmes to India.[101] But increasingly, in the aftermath of 9/11, when democracy promotion became a significant item on the Bush administration's international agenda, a value-based approach complemented by an interests-based economic agenda underpinned the relationship. From being critical of Indian democracy, particularly on human rights issues, during the early years of the Clinton administration, the USA had modified its stance to the extent of involving India as an integral member of both its global democracy promotion initiatives—the Community of Democracies and the UN Democracy Fund.[102] In 2007 Nicholas R. Burns wrote that the promotion of democracy and freedom around the world 'should be an essential component of the new USA–India relationship'.[103] The subtlety of this relationship relies on the American use of democracy promotion as a strategy to 'modernize' the Middle East and other unstable regions of the world. India has been a willing ally in pursuing this value-based foreign policy with strategic overtones. In his speech to the US Congress on 19 July 2005, Manmohan Singh hinted at the coincidence of values and strategy in the new India–USA relationship:

> There are partnerships based on principle and there are partnerships based on pragmatism. I believe we are at a juncture where we can embark on a partnership that can draw both on principle as well as pragmatism. We must build on this opportunity.[104]

Regional power balances

Moving beyond the bilateral relationship, there are a number of longer-term regional and international factors that were fundamental to the warming of India–USA relations. Taken together, a growing India, a declining Pakistan, and an increasingly powerful China all combined to motivate an India–USA entente. On Pakistan, Jaswant Singh, India's former Foreign Minister, reportedly proclaimed to his counterpart Strobe Talbott in 1998 that Pakistan is a 'failed state' while India 'stays together', thus making better relations with India the right strategic choice for the United States.[105] Indeed one of the major features of America's new South Asia policy was the conceptual decoupling of India and Pakistan. No longer did the USA view its actions in the

subcontinent as a zero sum game between the region's two most bitter rivals. This allowed the USA to declare Pakistan a major non-NATO ally in 2004 and to sign agreements in 2006 for arms transfers to Pakistan worth $3.5 billion for fighting the war on terrorism. While these moves were criticized in India, the complaints were fairly subdued: 'Particularly striking about the building blocks for the new Indo-US relationship is how little Pakistan figures in them.'[106]

In fact, China, not Pakistan, has gradually emerged as the new third party in the India–USA relationship. Ashutosh Varshney describes this development as 'a new triangle' that is predicated on a simple piece of realist logic: 'when the first- and second-ranked powers fight, the first often ardently courts the third.'[107] This statement captures the new dynamic as many scholars and diplomats see it. China is growing rapidly and is an unpredictable regime—although its stated philosophy is one of peaceful growth, its defence expenditures have been rising and now rank third in the world behind the USA and Russia.[108] It is also a known proliferator of nuclear technology to rogue regimes such as Libya, Pakistan, Iran, and North Korea.[109] Therefore it is hardly surprising that the USA gravitated towards India, growing less rapidly and in a non-threatening manner, in part as a hedge against a potentially revisionist China. Writing in 2000, future National Security Adviser and Secretary of State Condoleezza Rice argued that the USA should pay closer attention to India as 'an element in China's calculation', suggesting a degree of regional rivalry that the USA might have the potential to exploit in its favour.[110]

India itself is growing into the shoes of a meaningful power and is on its way to earning the equality of status it long aspired to with the USA. In the span of just four years, senior officials of the Bush administration went from describing India as having the potential to be a great power[111] to counting it among the 'major powers' along with Russia and China.[112] Indeed President Bush's 2006 *National Security Strategy* claimed that 'India now is poised to shoulder global obligations in cooperation with the United States in a way befitting a major power.'[113] The tendency of the Bush administration to build up Indian power was seen as an effort to groom India into a role where it might effectively support the USA in international affairs, be it against a rising China, in censuring Iran for its nuclear programme, or by being a 'junior partner' in controlling the Indian Ocean.[114]

Indian actions, however, tended to belie this conception. Although the Vajpayee government cited the Chinese threat as one of the main motivators of the Indian nuclear weapons programme in 1998,[115] broader trends contradicted this claim. Rather than take steps to contain China, India steadily (since around 1988) developed a high-level dialogue with China in an attempt to resolve outstanding issues and explore new avenues of cooperation.[116] By the end of 2007 India held its first joint army training exercises with China, and

China hosted the first India–China Annual Defence Dialogue.[117] Indeed India's growing relationship with the USA seemingly convinced an internally oriented China of India's potential, thus creating somewhat of a tentative balance in the region, which India used to improve relations with China.[118] Moreover, a growing India is working on and off to prevent a regional rivalry with China.[119] Many in India consider the predominant foreign problem to be instability in Pakistan. In contrast, China is perceived by some 'as an economic and political opportunity more than a strategic, civilizational, or economic problem'.[120] Hence, in some key international forums, including on climate change, trade, labour laws, arms control, and human rights, India has found common ground with China against Western interests. As regards being a junior partner of the United States, India's deep internal divisions over the India–USA nuclear deal signalled a national unwillingness to play second fiddle. Despite voting against Iran twice in the IAEA, New Delhi sought to maintain positive relations with Tehran through bilateral channels. Moreover, India's pursuit of energy security through a proposed Iran–Pakistan–India gas pipeline continues to be a source of disagreement between India and the United States, as do its friendly policies towards undemocratic regimes in its neighbourhood, notably Myanmar. In these ways, India escapes Washington's control and intends to continue doing so.

A New World Order

Despite considerable disagreement over whether the contemporary international system is unipolar, multipolar, 'uni-multipolar',[121] or even 'nonpolar',[122] a common strand running through most assessments is that the USA is less and less able to 'go it alone' in international affairs. Multilateralism or at least 'coalitions of the willing' are required for the USA to act both legitimately and successfully in the international system. Although the war on terrorism strengthened the American resolve under President Bush to eschew multilateral institutions in favour of a unilateral approach, the long-term results of this policy proved detrimental to US interests, leading to a renewed emphasis on the value of partnerships and alliances in early Obama Administration policy statements.[123]

This logic, when applied to the USA–India relationship, highlights the importance that the USA has placed on secondary powers. In 2008 Condoleezza Rice, then Secretary of State, proclaimed 'investing in strong and rising powers as stakeholders in the international order' as one of two pillars of America's 'unique' realism (the other being support for democracy in weak and poorly governed states).[124] Yet it is not just secondary powers that the USA has focused on, but secondary powers with traditionally perceived revisionist tendencies (particularly China, Russia, and India) that might in future

become dissatisfied enough with the global order to engage in balancing behaviour against the United States. A strategy that gives such powers a greater stake in the international system is likely to pre-empt future instability in international relations. Efforts to involve India and China in G-7 meetings, to support China's membership in the Nuclear Suppliers Group despite its proliferation activities, to involve China in the North Korea non-proliferation negotiations, and indirectly to legitimize India's nuclear weapons can all be viewed in this light.[125] In 2006 President Bush's nuclear negotiation team testified to Congress that their intention was to ' ''lock in'' India to a deal before moving to tie down and restrain the country's nuclear potential in non-proliferation discussions'.[126] It appears therefore that the American strategy has been not just to give emerging powers a greater stake in the system but to involve them in ways that restrict their future margin for manoeuvre. Also important in this context is the emerging salience of Indian democracy in the American worldview. For its part, India has historically been an inactive exporter of democracy, but sensing an opportunity it too has modified somewhat its international stance on the issue.

This form of opportunism has been a key factor in propelling the India–USA relationship. As the USA attempted to restructure international relations in the aftermath of the Cold War and 9/11, India tried to capture as much diplomatic space as possible to articulate its own interests. It did this by supporting the USA on key initiatives, including the war on terrorism and Nuclear Missile Defense (NMD), both of which sought to challenge and modify the 'global rules of the game'.[127] It joined hands with the USA in the name of democracy promotion, and above all it cooperated to a great extent on the nuclear front, placing a number of its nuclear reactors under international safeguards in exchange for almost unconditional entry into the global nuclear club. Although the nuclear deal was a highly contested political topic in India, scholars and politicians in the United States saw it in one of two ways—either as a grave risk to the non-proliferation regime, or as a significant achievement for it.[128] Specifics of the deal aside, its broad thrust once again emphasized the American attempt to reign in a rising power, and India's attempt to maximize the opportunities of a strategic relationship with a hegemonic power.

The Obama Administration's foreign policy orientations at the outset were crafted to emphasize a degree of contrast with those of the previous Washington team. Gone was assertive international democracy promotion. In its place President Obama and Secretary of State Hillary Clinton advanced a wider approach to values, rooted in concepts of 'smart' power, and a greater determination to engage allies and partners.[129] Many in the Indian media and political communities worried that the intensity of the Bush Administration's commitment to improving ties with India would not be

replicated by President Obama and his crew. Early signals from the Obama team that it might seek to insert Washington into the Kashmir file, seeing in it a key to unlocking a happy outcome in Afghanistan, worried New Delhi. Ultimately, Obama skated away from that dimension of his transition team's thinking by appointing Richard Holbrooke as Special Envoy for Afghanistan and Pakistan (and noticeably not for India or Kashmir). And while the Administration included more champions of the multilateral non-proliferation regime than had that of President Bush, all official early signals toward India were positive, including during early visits by both Secretary of State Clinton and Special Envoy Holbrooke. Nevertheless, suspicions of Holbrooke's approach and intentions, perceived as favouring Pakistan unduly, remained lively in India throughout 2009.

Although, prior to Obama's visit to India in November 2010, which proved successful, some Indians remained reserved on his commitment to the US relationship with India, Nicholas R. Burns, who negotiated the US–India nuclear cooperation agreement for the previous (Republican) Administration asserts:

> While President Obama was forced to pay more attention to Afghanistan/Pakistan and China in his first year of office, he has made abundantly clear his commitment to continue to build the US–India relationship. As a global power, the US will need to secure close working relations with China, Pakistan and other countries with which India has a difficult relationship. Indians should understand, however, that the US will very likely see India as one of its primary global partners for the next several decades.[130]

Karl F. Inderfurth, who served as Assistant Secretary of State for South Asia under President Clinton, concurs:

> The civilian nuclear agreement with India was a milestone in the relationship and would be a hard act to follow, by any successor US administration. Moreover, as one US South Asia expert has correctly pointed out, the Obama administration is consumed by problems both at home and abroad, and India is simply not a problem.[131]

Conclusion: looking forward

The doctrine John Foster Dulles developed of 'those who are not with us are against us' (echoed in the aftermath of 9/11 by President George W. Bush) is no longer apposite to the USA–India relationship.[132] Today India finds itself 'with' the United States on several key issues when until very recently it was 'against' on most, and Washington is grateful for its support. The interests and values of the two nations converge today much more than they diverge. Yet the stability of this new relationship is not guaranteed. Depending on the

circumstances, India might find the USA reluctant to intervene on its behalf. Similarly, the USA cannot always count on India's support for its initiatives, particularly regarding the Islamic world, with which India has strong and ancient cultural and social ties. In the USA, India is often out of focus, neither much better known nor beyond Washington much better liked than fifty years ago. Raju Narisetti, former editor in Delhi of the business daily *Mint*, and today managing editor of the *Washington Post*, writes:

> The sharp shift in India's psyche, to a relatively independent, even arrogant, nation that believes it has come into its own both economically and politically, is not understood widely in the USA. While India's rising economic clout is a matter of much interest, there is very little conviction in the USA that India has matured enough to translate that rising economic clout into any meaningful global political influence, even when India does create the occasional—and very successful—roadblocks, such as its contribution to the deadlock of the WTO Doha round in 2008.[133]

On the nuclear issue, India and the USA are yet to fully resolve their non-proliferation differences and some potential discord in this realm is perfectly conceivable. As well, the issues of energy security and the diversification of energy sources, including natural gas supplies from Iran and other Gulf states, could come to complicate the relationship. India's attempts to obtain a permanent seat in the UN Security Council, endorsed by Obama in Delhi in 2010 but inspiring a sense of international urgency on the issue, may return to haunt the relationship if Delhi were to press hard for Washington to deliver results. Meanwhile, the two countries will likely continue to work cooperatively in the G-20 and several other international forums.[134]

The entente between the two nations is not so much an alliance as a 'selective partnership' based on specific shared interests in some areas and *quid pro quo* arrangements in others, all underscored by strong economic interdependence.[135] As long as their interests are aligned, India and the United States will seem locked in a wider strategic embrace. But perceptions of interests can change rapidly in today's fast-moving and uncertain world. To predicate long-term strategies excessively on systematic cooperation would be hazardous for both nations.

India's ability to overcome its anxieties about and resentment of the United States owes a great deal to its growing self-confidence and to the realization that a policy of non-alignment makes little sense in a world in which several great powers vie with each other and in which India aspires to join them as one of the leading countries of the twenty-first century. American interest in closer relations with India, spurred by its growing market for American goods and the close connections of the two countries in the provision of global services, has been intensified by a very different dynamic—Washington's loss of absolute dominance of international relations in the wake of the Iraq and Afghanistan wars and the US-induced global economic crisis of 2008–9.

Nevertheless, most Indians welcome better ties, as their own economic aspirations exhibit marked affinities with those of Americans, with whom they share many other bonds, not least democratic governance. And Americans, notably in the corridors of power in Washington, often see India as a useful hedge against the rise of China, if not as a reliable ally in all of its global adventures.

This makes clear how far India has come, and perhaps also how US-centred unipolarity proved but a fleeting consequence of the end of the Cold War.