

# Prospects of Indo-US Defence Partnership

## A Prognosis

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### **Preamble**

Defence engagement between countries closely follows the track of strategic relationship. Thus before charting the future course of India's defence partnership with the United States, a brief look at the years gone by may be relevant. As a leader of the post colonial World, India was a pariah of sorts for the United States during initial years of the Cold War in the era of Central Treaty Organisation (CENTO) and South East Asia Treaty Organisation (SEATO). India China War 1962 dramatically altered this perspective and India was greatly assisted by American military largesse. But the bonhomie did not last long as India veered towards the Soviet orbit. The saga of US 7<sup>th</sup> Fleet heading towards Dhaka in 1971 was perhaps the perigee of Indo US strategic relationship when America sought to intervene in a humanitarian mission by India to relieve the people of Bangladesh from ravages of the Pakistan military and paramilitary forces in then East Pakistan.

India's peaceful nuclear explosion in 1974 and Shakti nuclear tests in 1998 were other milestones which need mention. The interim period saw sanctions marring the course with the Defence Research and Development Organisation (DRDO) and Indian Space Research Organisation (ISRO) in particular being denied critical technologies. The fall of the Soviet Union and the fragmentation of its defence industry led India to look for alternatives. The United States too

began looking for countries in the region which were intrinsically stable. India with democracy rooted in cosmopolitan ethos was perceived a strong bet in the long term despite rather un-endearing relations of the past.

Thus the relationship changed qualitatively in 2004 with inking of the Next Steps in Strategic Partnership by India and the United States followed by the Indo US Civil Nuclear Deal in 2005 ratified in 2008. The partnership fostered in an environment of bipartisan political support both in India and the United States. This does indicate a firm political grounding for further progress.

Thus a shift in the overall strategic understanding between the two countries has been translated into practical steps in defence cooperation in varied fields be it arms sales or troop exercises. This brief preamble highlights importance of strategic understanding that is necessary for long term defence relationship which appears to have fructified after years of experimenting of sorts by India and the United States and establishes a solid footing for expansion in the years ahead.

## **Strategic Underpinnings of Future Defence Relations**

In the emerging polycentric World, India and the United States more so the latter will form pivots for engagement with other nations regionally and globally. United States military balancing to the Asia Pacific and the rise of China's military power could be the two defining strategic trends dictating India's military posture in the future. India has sagely decided that cooperation remains the essence of relationship with China with which it has a long land border and legacy of past conflict. This is no different from the US aim as outlined by the US Secretary of Defence during his visit to India in June 2012. Yet both countries are preparing for uncertainties endemic in any relationship particularly given India's continued boundary dispute with China. While China is not regarded as a potential opponent by either the countries or a central theme for coming together, it does form a major vector for cooperation as a hedge against future ambiguities.

Afghanistan is another area where there is increasing congruence between India and the United States and which may sustain the strategic partnership. The United States has recognised India's genuine efforts to support the government and people of Afghanistan that go far beyond the needs of regional balancing with Pakistan. This denotes a will to lead in South Asia and the Indian Ocean Region (IOR). Faith in Indian leadership of the region is denoted by former US Defence Secretary Robert Gates nomination of India as a, "net security provider." India's defence leadership has well accepted this mantle and Defence Minister

A K Antony has been speaking of accepting this responsibility particularly in the context of the IOR.

Security of the global commons, oceans, trade routes, space and cyber medium are other areas where India and the US have a joint frame of reference and considerable investments are driver for expansion of their ties. Terrorism is another vector where India is closely cooperating with the United States given the common threat anticipated by both the countries.

However, there are differences between the two countries which may see fault lines emerge in the years ahead. Iran is one area where there are divergent views and India has only reluctantly agreed to follow the sanctions laid down by the United States which are beyond those of the UN. There does not seem to be any scope for convergence in this sphere in near future.

Pakistan may also be a factor of dissonance. India has seen US-Pakistan relationship swinging to extremes in the recent past. While New Delhi is committed to improving relations with Islamabad, there are inherent uncertainties to include terrorism and Afghanistan while the US interest with Pakistan seems to be transactional in nature. Internal developments in the country and US' assuaging the military intelligence establishment in Rawalpindi which directly conflicts with India's interests, is quite concerning for India. The inherent cultural biases (towards the West or the capitalist right) that the US represents is a constraint that may not allow full fructification of the strategic relationship. India is also a strong opponent of external intervention while the US sees this as a, "responsibility to protect." India is not likely to support such ventures which may create discord in the future.

On the Indian side, the small size of the Track I and Track II strategic community is a limitation. The paucity of staff in the Ministry of External Affairs (MEA) is well established and some corrective measures are reportedly underway. There is also a dearth of defence diplomacy advocates with the number of defence attaches remaining low while exposure to cooperation is limited to the United Nations. The MEA's, "through me," procedure and lack of joint services architecture with a single point of contact for defence diplomacy are bureaucratic hurdles. There is also a dearth of think tanks in India working on core defence issues thus policy inputs at this level are limited. To put it bluntly, India needs to get its act together in this important sphere of diplomacy.

To sum up there are strong underpinnings for the growth of Indo US defence partnership despite some deficiencies which have been outlined. With effective dialogue mechanisms between foreign and defence polity establishments as well

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as the military to military staff talks, it is expected that there will be a nuanced understanding of differences ensuring sustenance. Given this base of understanding practical unfolding of the defence relations can now be examined.

### **Inter-operability**

Inter-operability is a major component of a stable partnership. India and the US have a strong legacy in this sphere signified by the Malabar series of exercises which have a long legacy and have been held across the sea boards of the Indian Sub Continent since 2002. The armies and air force are also undertaking bilateral military training exercises such as Yudh Abhyas to build inter operability. In 2011 as per a statement by Defence Secretary Leon Panetta, 50 cooperative events were held with some of these in the sphere of training. It is anticipated that this trajectory is likely to continue particularly in the maritime sphere where there is ample scope for expanding engagement bilaterally.

The army exercises could graduate to battalion level as presently instead of the current exercises, which are limited to the company level. The Indian Air Force is due to participate in Exercise Red Flag at Fort Nellis in 2013 and plans to do so once in five years. While the United States is keen for multilateral exercises, Indian inclination is to keep these at a bilateral level given its aversion to be a part of an alliance of sort event if limited to the field of training. None the less, this vector is likely to see steady progress in the years ahead.

### **Arms Acquisition by India**

For a country that is fast modernising its defence forces with a low industrial base, import of arms and munitions is a bitter pill. For initial years this is likely to be through the, "Buy," rather than the, "Build," route which may vary to Buy and Make in India. The United States is steadily making inroads in the Indian market and estimates suggest that the present defence trade volumes is worth US \$ 8 - 10 billion over the last decade, though most of it are imports. The numbers are likely to cross US \$ 25 billion in the coming decade with big ticket deals in the pipeline including C 17 transport and P8i maritime reconnaissance aircraft.

There is a perception in India that the US would like to be a lead supplier and the Indian military will be more than willing to acquire state of the art American

equipment given the sophisticated technology. One hindrance is the US arms export laws. India is constrained by intrusive end use monitoring that does not harbour trust in a partnership that has been consistently build up over the last decade. Diluting the End User Monitoring Agreement (EUMA) to commonly accepted standards would drive up the US arms sales to India exponentially. In any case if some reports are to be believed the present administration of the EUMA in respect of some equipment on the USS Trenton or INS an amphibious assault ship sold by the US to India could well be taken care of by certification by Indian authorities at an appropriate level.

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India has also modified some of the acquisition processes such as the Defence Offsets in August 2012 though these have been diluted to an extent that the Indian defence industry is unlikely to benefit but this should please US suppliers and push up growth. On the other hand, Foreign Direct Investment (FDI) is unlikely to be moved up from 26 per cent to above 50 as desired by the US and may restrain the establishment of a base by US companies in India for which joint ventures remains the answer. This route has also been simplified with the Ministry of Defence issuing revised guidelines in February 2012 thereby providing opportunities for collaboration with Indian Defence Public Sector Undertakings (DPSUs).

However the pace of reforms and particularly functioning in India is too slow for real time progress. Some contracts such as the deals for 197 light helicopters are literally languishing for years after completion of trials, retendering is a permanent bugbear for acquisitions such as artillery guns. There is lack of synergy, deficiency of staff and more worryingly incompetence in the procurement organisations and personnel which has to be overcome. Corruption is another major cause of concern. Accountability issues have to be addressed urgently if India wants to benefit from interaction with well oiled and experienced defence acquisition US agencies and Original Equipment Manufacturers (OEMs).

At the same time the US must respect fair competitive process for procurement now established in India rather than berating it as evident after rejection of two US fighters in the Medium Multi Role Combat Aircraft competition. By offering products that were certainly not up to the mark in comparison with the competitors, the US companies failed to study the nuances of the Indian Defence

Procurement Procedure. The bad vibes that followed were also not in good form reflecting disrespect to the Indian Ministry of Defence as well as the Air Force which had done a fair selection. This underlines the need for expanding defence relations based on mutual respect.

## **Towards Co-development and Co-production**

India's defence acquisition profile will shift gradually from a buyer to a builder. Thus "Make," projects with foreign collaboration are the route that is increasingly adopted with focus on prototype development. This should fit into the overall paradigm of co-development and co-production that the US Secretary of Defence Leon Panetta and Deputy Defence Secretary of Defence Ashton B Carter emphasised during their back to back visits to Delhi in June-July 2012. Collaborative production is already undertaken between private companies as Tata Advanced Systems with Lockheed Martin and Sikorsky though this is presently for spare parts for transport aircraft but is a small and important beginning. What eventually should emerge is a co-development model as that with Russia for the Fifth Generation Fighter Aircraft. Both countries should plan to work out the various milestones for such an eventuality to fructify in the years ahead. This implies working jointly through the rough edges of the over 250 steps involved from the development to deployment phase of a weapon system highlighted by Mr Carter in his talk to the CII in Delhi, identifying strengths and harmonising rough edges for a road map in projects which are identified jointly. Combat vehicles, trainer aircraft and submarines are some areas which have potential for co-development in the long term perspective.

## **Humanitarian Vector**

The recent agreement between the US and Indian government for search of US service members who were lost during World War II is a very favourable development not just for fostering closer relations but as a humanitarian gesture. Special effort should be made in this direction by forming a task force which can provide relief to the families of those who lost their lives in India in the 1940's. This will embed an emotional bond which is necessary to expand the present transactional relationship between countries which have a strong belief in liberal humanitarian values.

## **Conclusion**

Defence relations are the last mile in cooperation between two countries. India

and the US are hopes of a liberal democratic world order for the future with pluralism, concord and equal opportunity being the essence of national values. This will provide a strong base for a future defence relationship which takes decades to foster. The First decade of the 21<sup>st</sup> Century is set to be the beginning of a long and enduring military partnership that will however have to be carefully nurtured for mutual benefit. It seems that the principal vectors are in place, the leadership is in tandem but implementation through the maze of bureaucracy and procedures will be a challenge in the years ahead. Indian government and military establishment in particular have to be prepared to do some heavy lifting if the trajectory is to be developed along pathways identified herein.

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