



Centre for Air Power Studies

MOMENTUM IN INDO - US RELATIONS: SHOULD RUSSIA BE CONCERNED?

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The recently concluded five day maiden voyage by Narendra Modi to United States has had foreign experts eagerly watch his foreign policy ambitions. President Obama and Prime Minister Modi deliberated on a wide range of issues and interests associated with recent developments in international situations. The visit has rebooted new dynamism to the Indo-US partnership as substantive talks have taken place to promote economic growth, bolster security cooperation and reaffirm their commitment to combat growing threat of terrorism in international community. Highlighting the partnership between India and the US as natural alliance, the visit displayed a new burst of energy and vitality between New Delhi and Washington which collaborated in activities that would enhance long-term benefits to both countries.

In the run-up to the prime ministerial visits, External Affairs Minister of India, Sushma Swaraj and Secretary of State John F. Kerry and senior figures of the US administration led their respective delegations to the fifth annual India-U.S. Strategic Dialogue in July. The two leaders firmed up an ambitious agenda to review efforts since November 2010 toward India's phased entry into the Nuclear Suppliers Group (NSG), the Missile Technology Control Regime (MTCR), the Wassenaar Arrangement and the Australia Group. Secretary Kerry also reiterated his country's support for India's membership in these groups and welcomed India's recent decision to ratify its Additional Protocol with the IAEA.¹

Raising the bar for a substantive outcome from the visit, India's business friendly premier also focused on widening the arc of co-prosperity to create new win-win opportunities for both sides. Both India-US have decided to extend the Framework Agreement for defence cooperation for a further 10 years. They also welcomed the resolution to enable the civil nuclear energy cooperation to take off.² Keeping in mind that US is India's largest trading partner, the visit advanced to attract American investments and seek the participation of US capital and expertise, Modi has sent positive signals to the global investor community. The FDI cap in insurance and defence sector has been raised to 49 per cent. As defence sector has been opened up for foreign investment, in return, India expects the US establishment to show some flexibility to accommodate India's interests and concerns vis-à-vis the IPR regime's application to life-saving generic drugs.³

Expecting a tectonic shift from the visit, the relations between India and US has indeed gained momentum. This has led many Russian experts to analyse its impact on Indo- Russia relationship. It is important to keep in mind that the foreign policy under the leadership of PM Modi will be solely guided by India's self- interest and hence Modi is unlikely to depart substantially from the strategic partnership with Russia. The focus of the new government on Asia neatly dovetails with Russia's Asian pivot. Both the countries share a common view that Asia is the future of international politics. Moreover, with the recently concluded Modi's first multi-lateral engagement with global leaders representing BRICS nations, New Delhi along with Kremlin aimed to promote strategic coalitions, or in other words, a multi-lateral alliance such as BRICS as a counterweight to American hegemony of global affairs.⁴

Mutual co-operation between both the countries is still being nurtured by shared long-term interests, mutual understanding and sincere trust. In addition, defence has been the biggest USP of Indo-Russia partnership. For the present moment the defence partnership between the two countries seems to be undeterred. But, Russia should realize that in the last three years, United States has beaten Russia in defence procurement by India. According to the latest defence expenditure figures, India has spent nearly Rs. 83,458 crore on import of weapons over the last three years out of which Rs 32,615 crore was on US arms followed by Rs 25, 364 crore from Russia. The purchases from the US include the

C130J Super Hercules aircraft, Harpoon anti-submarine missiles and the C-17 Heavy lift transport aircraft. In order to keep the momentum going, US has also showed interest in technology transfer and joint production during US Defence Secretary Hegel's visit in August this year.⁵ Although this has shaken the faith of Russia towards India, defence ties with the US however are still believed to be at a nascent stage. This is the right moment for Russia to tap the 49 per cent FDI introduced by India in Defence sector to rejuvenate defence ties with India.

Economic relations with Russia have been the weak link in the partnership which is yet to be tapped, but growing energy demand of India will be the next thrust area as both the countries are trying to diversify their energy focus. Talks are already on between the two countries to construct a pipeline that will transport gas from Russia across Himalayas via China to India.⁶ On the nuclear front, many experts in India believe that an over dependence on the US Nuclear deal might lead to overpowering decisions by the latter. Russia on the contrary has always been viewed as a more reliable partner with the first reactor at the KKNPP being online, Kudankulam 2 underway and agreements for a third and fourth recently signed along with several other roadmap nuclear agreements.⁷ In addition, multi-polar world is still the mantra of the global South with India promoting its ambition to emerge as an influential player in international arena. Russia has endorsed India's desire for candidature of many

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international and regional organisations including permanent membership in the UN Security Council, SCO and also APEC.⁸

Viewing India as a unique combination of democracy, demography and demand, PM Modi recently launched the 'Make in India' initiative to augment India's manufacturing sector. Indigenisation will not only have a major impact in the defence procurement pattern of India on Russian defence markets but also on US markets.⁹ However, with expanding Indian defence markets, there will be opportunities for both US and Russian defence industries to enter into mutual beneficial partnerships with counterpart Indian entities.¹⁰

It can be concluded here that the upward trend in Indo- US relations may have provided a fertile ground of thought for Moscow. But India's relations between US and Russia should not be viewed through the prism of US-Russia rivalry but rather through a pragmatic political spectrum of India's national interests and priorities. India can accommodate both US and Russia in its foreign policy to exploit opportunities coming from both, especially if she has to realize its dream of attaining global status in international community.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])

End Notes

¹ "Joint Statement on the Fifth India-U.S. Strategic Dialogue", July 31, 2014. <http://www.mea.gov.in/bilateral-documents.htm?dtl/23799/Joint+Statement+on+the+Fifth+IndiaUS+Strategic+Dialogue>

² <http://news.rediff.com/commentary/2014/sep/30/liveupdates.htm> Sep 30, 2014

³ Manish Chand, "India & US: Shaping the 21st Century", September 26, 2014. <http://mea.gov.in/in-focus-article.htm?24035/India+amp+US+Shaping+the+21st+century>

⁴ Rakesh Krishnan Simha, "Modi's Operandi in India's Foreign Policy", 16 May 2014. http://in.rbth.com/blogs/2014/05/16/modis_operandi_in_indias_foreign_policy_35293.html

⁵ Mugdha Variyar, "For the First Time India Buys More Arms From US Than Russia", 13 August 2014. <http://www.ibtimes.co.in/united-states-leaves-russia-behind-arms-supplies-india-606739>

⁶ Simha, 16 May 2014. http://in.rbth.com/blogs/2014/05/16/modis_operandi_in_indias_foreign_policy_35293.html

⁶ Sharma, 14 October 2014,

⁷ Jhinuk Chowdhury, *"When Energy Starved India Meets Oil Rich Russia"*, 14 May 2014.

⁸ Debidatta Aurobindo Mahapatra, *"Russia's Role in India and China's New Entente"*, 24 July 2014.

⁹ Simha, 16 May 2014.

http://in.rbth.com/blogs/2014/05/16/modis_operandi_in_indias_foreign_policy_35293.html

¹⁰ Sharma, 14 October 2014,

http://in.rbth.com/world/2013/10/14/more_proactive_russian_role_needed_in_indo_pacific_shyam_saran_30125.html

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