

## ***India-US Relationship under the Biden Administration: Apprehensions and Outcomes***

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As the 46th President of the United States, Joe Biden, and his team of officials settle with global policy priorities, some initial apprehensions regarding his administration's India policy are giving way to more meaningful certainties. From the days of Biden's presidential campaign, there have been some apprehensions in India regarding a full embrace of his Administration, going forward. From India's perspective, this can be attributed to both internal and external factors. While externally, the politics and party-line of the Democratic Party in the US make the scrutiny of some issues globally by the US administrations inevitable, internally, India's own legacy and practice of poise in its foreign policy has prevented New Delhi from an immediate rush to embrace the Biden Administration. However, the uncertainty that prevailed in the Trump-to-Biden presidential transition in the US was undergirded by a strong sense of progress, especially in the backdrop of the foundational improvements in bilateral ties which the last two decades have characteristically depicted. Officially, a White House statement by its Press Secretary, Jen Psaki, has assured the Biden Administration's support to successful relations with India. The election of Kamala Harris as the Vice President has only 'cemented' the relationship further.

Already, some key communications between the two sides have sought to establish a regular channel. Prime Minister Modi and President Biden spoke over the telephone on 8 February 2021 to establish communication at the highest level in strategic areas, such as Climate Change, cooperation in the Indo-Pacific region, and especially their shared commitment to a rules-based international order. This was preceded by the External Affairs Minister S. Jaishankar, Defence Minister Rajnath Singh, and National Security Adviser (NSA) Ajit Doval talking to their respective US counterparts. Defence Minister Rajnath Singh spoke to the new US Defence Secretary, Lloyd Austin,

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about the first high-level engagement between the two countries, and exchanged views on regional and global issues of mutual interest. In particular, the firm commitment of both leaders to deepen the India-US defence and strategic cooperation was reiterated. This early engagement through serious discussion between the two sides has translated into concrete outcomes for both sides, with reports that the US Defence Secretary, Lloyd Austin, will be visiting India towards the end of March 2021. At stake is one of the most important pillars of India-US relations: the defence sector.

Through a series of communications between the two sides, and a potential visit of the US Defence Secretary to India very early in his term, the Biden Administration has looked to make early gains in broadening the spectrum of the India-US strategic partnership. In this effort, the Biden Administration's early steps depict a tripartite focus on continuity, sustainability, and progress in Indo-US ties. While the US has already underscored the importance of the continuity of ties through strong bipartisan support, it has also potentially identified sectors for the broadening of ties with India. Among the most prominent promises to this end is the expansion of the Comprehensive Global Strategic Partnership. The priority domains in this direction are ties in the defence sector which could reflect immediate gains for both countries; continuity in Indo-Pacific priorities albeit with a different approach from that of the Trump Administration; the elevation of the Quad to the highest level of the governments; and issues of trade and energy which could come in at a later stage for both governments.

These sentiments have also been reflected in other channels of communication between the leaders of the two countries. For instance, during NSA Doval's conversation with his counterpart Jake Sullivan, the former underscored<sup>1</sup> that "as leading democracies, with an abiding faith in an open and inclusive world order, India and the US were uniquely positioned to work closely on regional and international issues, including combating the scourge of terrorism, maritime security, cyber security and peace and stability in the Indo-Pacific region and beyond." Importantly, the two NSAs maintained the importance of an upward growth trajectory that the bilateral ties need. They sought to achieve this by building on shared values as well as common strategic and security interests. More importantly, the NSAs' conversation promised a roadmap for cooperation between India and the US to jointly address the challenges of the post-COVID international order.

The telephonic conversation between the US Secretary of State, Antony Blinken, and India's External Affairs Minister, S. Jaishankar (9 February 2021) also importantly included discussions on the COVID-19 response, regional

developments, such as like the political turmoil in Myanmar, and developments in the Indo-Pacific region - especially the Quad. While the Biden Administration may have just hinted at policy continuity in the Indo-Pacific, the first ever leaders' summit at the level of the Quad will, undoubtedly, signify a step further in consolidating the four-nation grouping, and in essence, US-India cooperation at the regional level. The likely meeting of the leaders of the four Quad countries - Australia, Japan, India and the US -, depicts an unprecedented elevation of the group's symbolic and potentially actionable relevance to the Indo-Pacific region. The meeting between heads of state of the four Quad nations is a step towards possible institutionalisation of the group. This is yet another important step after the group was elevated to the level of Foreign Ministers, with a meeting on the side lines of the United Nations General Assembly in September 2019. More importantly, the current step strengthens common regional resolve between the four countries, particularly vis-à-vis China. China has also figured prominently in the series of bilateral discussions between the USA and India since the Biden Administration took over the Oval office.

### **Two Critical Domains**

From the highlights and the trends in the early discussions between high level officials of the Biden and Modi governments, along with the irreplaceable legacy of India-US ties under preceding US administrations, it is imperative that the immediate twin focus areas under the Biden Administration remain the defence sector and regional cooperation in the Indo-Pacific. The defence sector provides the opportunity to both countries to focus on building concrete gains in the immediate future, riding on the momentum of the Trump Administration's steps, strengthening the joint resolve in the Indo-Pacific through the Quad, and other mechanisms.

### **The Defence Sector**

For both the USA and India, the defence sector provides the most fertile grounds for immediate gains. To this end, a read-out by the US Defence Secretary, Lloyd Austin, has emphasised the US Defence Department's commitment to the US-India major defence partnership, underscoring the importance of shared values, and a common interest in ensuring that the Indo-Pacific region remains free and open. His visit to India announced for 19-21 March 2021, on his maiden trip abroad, underscores the importance and immediacy for building early trust in at least three areas which are

impinged by strong strategic ties between India and the US: military-to-military cooperation; defence trade; and the Indo-Pacific region. A statement released by the Pentagon on US Defence Secretary's visit has said, "In India, Secretary Austin will meet his counterpart, Minister of Defence Rajnath Singh, and other senior national security leaders to discuss deepening the US-India Major Defence Partnership and advancing cooperation between our countries for a free, prosperous and open Indo-Pacific and Western Indian Ocean Region."<sup>2</sup>

From early indications, the Biden Administration has sought to build on the tangible benefits of India's Major Defence Partner status. While a more holistic view of the implementation of the India-US Defence Agreed Framework Agreement of 2005 will form the basis of India-US ties, a greater leveraging of established channels and frameworks is likely to catapult defence and security exchanges with India to the fore under the Biden Administration. The Biden Administration has inherited a rather robust legacy of India-US defence cooperation, albeit with much scope to further the relationship in this domain. Just before the end of his Presidential tenure, President Trump had pushed for military sales to India. In November 2020, the Indian Navy inducted two MQ-9B Sea Guardian unarmed drones procured from the USA on lease for one year. Then, there was the proposed ramped up sale of defence equipment to India, including armed drones that can carry over 1,000 pounds of bombs and missiles which were earlier restricted. These are likely to be taken forward by the Biden Administration. Among some of the big-ticket items in the defence sector which are in the pipeline with the potential for growth are: a proposal for 30 armed drones (10 for each Service) from General Atomics estimated at over US\$ 3 billion, which is at advanced stages of being cleared by the Indian Ministry of Defence. India is also looking to buy six additional P-8I long ranges maritime patrol aircraft to add to the 12 already contracted. The US has also been in talks with India for the possible sale of fighter jets for the Indian Air Force and the Navy, besides unmanned aerial systems and mid-air refuellers. All these will also assume importance during the visit of the US Defence Secretary to India. The Biden Administration will also look to take forward the Strategic Trade Authorization Tier 1 status acquired by India during the Trump Administration, which enables the transfer of sensitive high-tech equipment.

India and the US have already pledged to work collectively to address challenges in the post-COVID-19 era, and further broaden the Comprehensive Global Strategic Partnership. Donald Trump's steps towards amending the rules that hitherto restricted the sale of military-grade drones to foreign partners

like India, could prove to be a new conduit for defence sales between the two countries. The sale of armed drones, which had previously been restricted because of their speeds and payloads, will now be considered alongside surveillance drones for sales to India, adding a much-awaited dimension. The USA's defence sales to India have jumped from near zero in 2008 to over US\$ 20 billion in 2020, and are poised for an upward trajectory under Biden.

The US Defence Secretary's visit to India is going to be one of his first foreign visits, and the immediacy of his visit reflects New Delhi's priority in US defence relations. Importantly, the asymmetry characteristic of a buyer-seller relationship between the two nations is giving way to a partnership spread over a broad spectrum of mutually advantageous domains. That Secretary Austin's visit to India will be on the heels of the Quad leaders' meet is also very symbolic. Besides strengthening bilateral frameworks - such as the Comprehensive Global Strategic Partnership, the 2+2 dialogue; the Major Defence Partnership, the Indo-Pacific, and the Quad - his visit is also likely to figure out India's priorities, compulsions, and the nature of established channels for these sales. For instance, Direct Commercial Sales (DCS) has been a major way for the USA since 2015 to authorise India over US\$ 3 billion in the sale of defence articles. The DCS processes, which licenses the export of the defence equipment, services as well as the related manufacturing technologies controlled under the 21 categories of the US Munitions List (USML).

Accelerating the Defence Trade and Technology Initiative (DTTI) could be another important opportunity for India-US relations under the Biden Administration. The platform for the same has been set up by some of the developments under the Trump Administration. A defence agreement was signed at the end of the 10th DTTI Group Meeting held in September 2020, which was held virtually due to the COVID-19 pandemic. Under this, the USA and India agreed to a Statement of Intent (SOI), under which they have declared their intent "to strengthen dialogue on defence technology cooperation by pursuing detailed planning and making measurable progress"<sup>3</sup> on many DTTI projects. The projects under the DTTI are important for developing the next generation technologies. Under the DTTI, projects have been identified as near, medium, and long-term projects, and they include Air-launched Small Unmanned Systems; Light Weight Small Arms Technology; and Intelligence-Surveillance-Targetting & Reconnaissance (ISTAR). Maritime Domain Awareness Solution, and Virtual Augmented Mixed Reality for Aircraft Maintenance (VAMRAM) have been identified as medium-term projects. The two long term projects are the Terrain Shaping Obstacle, and the Counter-UAS, Rocket, Artillery & Mortar (CURAM) system, for the Indian Army.

### **Cooperation in the Indo-Pacific**

Besides direct businesses and trade outcomes from the US Defence Secretary, Lloyd Austin's India visit, his expected meetings with the External Affairs Minister, S. Jaishankar and Prime Minister Narendra Modi are likely to draw the contours of the broader tenets of the bilateral strategic relationship. The visit is being seen as important as it follows on the heels of the first meeting of the heads of state of the Quad countries: US President Joe Biden, Australian Prime Minister Scott Morrison, Japanese Prime Minister Yoshihide Suga, and Prime Minister Narendra Modi. The leaders of the Quad countries had their first-ever Quad leaders' Summit on 12 March 2021 through a virtual platform, giving the grouping a formal shape. Among the top priorities of this meeting was vaccine diplomacy as well as preserving freedom and a rules-based order in the Indo-Pacific region. The meeting of the heads of states of the Quad is important in many respects. First, it represents the gradually rising profile of the grouping, coming a long way from the initial days of each member's own set of apprehensions vis-à-vis China. Second, the meeting shows that the four countries are now using the Quad as a serious forum for consolidating commonalities and convergences in the Indo-Pacific. Finally, it shows the combined resolve of the member countries apropos China, although without spelling out such strategic compulsions. The Quad leaders' meet could also be seen as an indication that the four countries could come up with a joint statement by the end of 2021, further institutionalising the Quad mechanism.

The Quad promises to become a stronger platform under the Biden Administration, especially in the context of India-US relations for at least two reasons: first, both countries look to consolidating their position, strategy, and vision in the Indo-Pacific, with the Quad forming an indispensable component of that calculus. Secondly, the broadening umbrella of the bilateral and multilateral relations for both the US and India now includes mechanisms, metrics, and channels symbolic of a partnership that is closer to an alliance, and yet not one. Thirdly, both the USA and India face a China that has compelled them to turn strategic corners in dealing with Beijing.

Under the Biden Administration, US-India ties have the potential to further strengthen cooperation in the Indo-Pacific as its pivot. While the Trump Administration had taken steps towards sustaining cooperation with India in the Indo-Pacific too, its broader contours were shaped by a sense of asymmetry that the US's own animosity with China characterised. Under President Biden, who has promised more poise in dealing with China, the US has signalled its reliance on a multilateral approach and partnerships to deal with China, as

opposed to President Trump's policy of unilateral confrontation with China. Some of the assurances coming out of the Biden Administration about partnership with India in the Indo-Pacific already signal trust and stability. Ned Price, spokesman for the US Department of State under the Biden Administration has said the following with regard to partnership with India: "India is one of the most important partners in the Indo-Pacific region to us. We welcome India's emergence as a leading global power and its role as a net security provider in the region. We cooperate on a wide range of diplomatic and security issues, including defence, non-proliferation, regional cooperation in the Indo-Pacific, counterterrorism, peacekeeping, the environment, health, education, technology, agriculture, space, and oceans. And of course, that list is not exhaustive."<sup>4</sup>

Furthermore, in the first week of March 2021, the US released its Interim National Security Strategic Guidance which states that, "We will deepen our partnership with India and work alongside New Zealand, as well as Singapore, Vietnam and other Association of South East Asian Nations (ASEAN) member states to advance shared objectives..."<sup>55</sup>

The sentiment further strengthens the ideas of the Quad-Plus and ASEAN-centrality in the Indo-Pacific outlook. These frameworks seek to further strengthen the common vision in the Indo-Pacific region and beyond for the two countries.

The Biden Administration has the privilege to work on an already nurtured relationship between the US and India in the Indo-Pacific. The two countries have moved towards issue-based partnerships, while still maintaining differences and their core interests intact. This dynamic of bilateral cooperation also gets reflected in their Indo-Pacific partnership. The Indo-Pacific represents both convergences and divergences between India and the US. As such, both will have to approach their differences carefully - specifically on the definition of the exact geographic limits and definitive strategic intentions of their respective Indo-Pacific strategy.

At the regional level, reversing some of the US withdrawal initiated by the Trump Administration could be critical in consolidating the Biden Administration's approach to the Indo-Pacific region. Some of these concerns are: the US role in Afghanistan; the possible US return to the TPP; greater and more strengthened implementation of the foundational agreements with partners like India; and the US strengthening its relationship with smaller Indian Ocean nations, like the Maldives and Sri Lanka. In September 2020, the US signed a security agreement with the Maldives, while in July 2020, Sri

Lanka acknowledged that it has entered into a Status of Forces Agreement with the United States. The Biden Administration will look to further consolidate its relationship with its Indian Ocean partners and the nations of the Indo-Pacific more broadly.

The COVID-19 pandemic has broadened the spectrum of bilateral cooperation between India and the US. In particular, are the regional and global responses to COVID-19 through vaccines, scientific cooperation in vaccine development, and the export and import of medicines related to the pandemic, or even general medicines. India is the second largest exporter of pharmaceuticals to the United States and the United States is the largest exporter of medical devices to India. The enormous disruptions in global supply chains brought about by the pandemic, including in the pharmaceutical sector, has provided opportunities for the US-India partnership to work towards building resilient and trusted supply chains. With US support in scientific research and technology, India can bring about the mass production of vaccines and essential drugs for COVID-19, both for domestic and international purposes.

### **Conclusion**

The Modi-Biden talks have set the platform for the launch of a more resolved India-US relationship through stronger strategic and economic ties. Regular meetings and discussions through established channels between the two countries; strengthening ties in the defence sector; increasing the true potential of energy supplies as a binder in bilateral relations; a possible trade deal; and improving other metrics of bilateral trade outside the defence sector are likely to be critical conduits for improving bilateral relations between India and the US under the Biden Administration. In the areas of trade and commerce particularly, the restoration of India's Generalised System of Preferences (GSP) status may prove critical in catapulting ties to a new level. Furthermore, a limited trade deal, if not a full-fledged one, along with US support at the WTO on Trade-Related Aspects of Intellectual Property Rights (TRIPS) related issues could be an opportunity for the Biden Administration. Most recently, some US legislators have urged President Joe Biden to support the move by India (along with South Africa) before the World Trade Organization for an emergency temporary waiver of some TRIPS rules to enable greater production and supply of COVID-19 vaccines, treatments, and diagnostic tests. The move follows India's request to the WTO for a time-limited waiver of the TRIPS agreement. During COVID-

19, this request assumes importance as it would allow countries and manufacturers to directly access and share technologies to produce vaccines and therapeutics without causing trade sanctions or international disputes.

At the broader strategic level, exhorting India to assume greater responsibility in the Indo-Pacific region is also going to determine how the US-India relationship shapes up. There are some speculations that the US Defence Secretary, Lloyd Austin's India visit in March 2021 could also bring the issue of India's role in Afghanistan on the table. While for the Biden Administration restoring some ground control in Afghanistan will be a policy priority for its role in this region - especially in the wake of a hasty withdrawal plan framed by the Trump Administration in the face of worsening security situation in Afghanistan - India will be wary and cautious of how much to commit, and in what way. The dilemma regarding India's role in Afghanistan may get further compounded in the wake of the expected quid pro quo in the face of recent US efforts to facilitate India's inclusion in critical Afghan talks.

India expects that the Biden Administration will be concessional with India on some issues like the Countering America's Adversaries Through Sanctions Act (CAATSA) sanctions for the purchase of Russian S-400 air defence systems and the easing of sanctions on Iran, which could in turn help India resume joint work on the Chabahar port project. To this end, the Indian Shipping Minister has already hinted that India expects to start full-scale operations at Iran's Chabahar port by the end of May 2021. With US\$ 500 million worth investment in the development of the port, India is expecting a thaw in US-Iran relations to further one of its most important development projects, with consequences beyond Afghanistan.

Finally, can increased investment flows from the US be an opportunity for India under the Biden administration? At the height of the pandemic in July 2020, in his Keynote Address at the US India Business Council, Prime Minister Narendra Modi invited US firms to invest in India. His speech is being seen as important for quite a few reasons. First, it was a direct outreach/invitation to the US for investment in India at the highest level on the back of a government move to restrict direct investments from countries sharing borders with India - a move that is being seen as directed against China as India looks to lessen trade dependence on China, and lower its trade deficit with China. Second, the move to invite the US as an investor in a big way is part of India's larger plan to replace supply chains now largely dependent on China. Particularly in this regard, Prime Minister Modi highlighted the

“diversification of trade” as an indispensable requirement. As a long-term strategy, India has drawn a list of 63 countries from Southeast Asia, Europe, the Americas, and Africa to replace its import and export lines, which are, at the moment, heavily dependent on China. Third, Prime Minister Modi pitched India’s improvement in the ease of doing business to the USA, which has been one of the oldest grouses for US investors in India. Fourth, the idea finds its roots in the “Atmanirbhar Bharat” through which India considers boosting domestic manufacturing in a big way, particularly after the defence sector FDI cap has been raised to 74 percent. India assesses the US role in enabling this process in a big way in coming times - particularly by supplying critical technologies in the defence and security sector. Besides, making the US an investment partner in areas like agriculture will likely end the disputes between the two countries at the WTO level, and make the finalisation of the trade deal easier. Lastly, Prime Minister Modi sees the India-US partnership as having the potential to help the world bounce back from the COVID-19 crisis.

However, despite these early positive signals from the Biden Administration, New Delhi’s cautiousness will persist in its embrace of Washington. India’s partnerships with the USA will be defined by a strong bilateral relationship, but, at the same time, it will be undergirded by both India’s multi-alignment policy and strategic autonomy.

### **Notes:**

- <sup>1</sup> “Telephonic Conversation between National Security Adviser and Mr. Jake Sullivan, National Security Advisor of U.S.A”. Ministry of External Affairs, Government of India. Available at: <https://mea.gov.in/press-releases.htm?dtl/33417/Telephonic+Conversation+between+National+Security+Adviser+and+Mr+Jake+Sullivan+National+Security+Advisor+of+USA> (Accessed February 25, 2021).
- <sup>2</sup> “US Defence Secretary on three day India visit from today - full schedule here”. *DNA*. March 19, 2021. Available at: <https://www.dnaindia.com/india/report-us-defence-secretary-on-three-day-india-visit-from-today-full-schedule-here-2881946> (Accessed February 25, 2021).
- <sup>3</sup> Siddiqui, H (2020). “India-US meet virtually, agree to further strengthen defence technology cooperation”. *Financial Express*. September 16. Available at: <https://www.financialexpress.com/defence/india-us-meet-virtually-agree-to-further-strengthen-defence-technology-cooperation/2084548/> (Accessed February 25, 2021)
- <sup>4</sup> “Department Press Briefing – February 9, 2021”. U.S. Department of State. Available at: <https://www.state.gov/briefings/department-press-briefing-february-9-2021/> (Accessed February 25, 2021).

- <sup>5</sup> “Interim National Security Strategic Guidance”. March 2021. Available at: <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf> (Accessed March 08, 2021).

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