Obama Administration II & India

Chintamani Mahapatra*

On the floor of the Indian Parliament, US President Barack Obama in November 2010 said, “…the just and sustainable international order that America seeks includes a United Nations that is efficient, effective, credible and legitimate. That is why I can say today, in the years ahead, I look forward to a reformed United Nations Security Council that includes India as a permanent member”. He further extended his support to expand the membership in international non-proliferation regimes, such as the NSG, MTCR and Australia Group to include India in them. In his view India has become an “indispensable partner” of the US in the 21st century.

More than two years have since passed and Obama will remain the US president for more than three years. Will the “indispensable partnership” help fulfil all those promises? If not, due to inadequate time and fiercely complicated processes, will the “strategic partnership” between India and the US move closer towards that goal during the second presidential term of Obama?

India rarely comes on to the foreign policy radar of American presidents, particularly during the first few months of a new administration taking charge in the White House. If it does, the atmospheric is generally downbeat. This pattern has been quite noticeable in the recent history of US-India relations.

Bill Clinton, the first post-Cold War American president, for instance, was too exceedingly engaged during the early years of his presidency in handling global developments in the aftermath of the Soviet disintegration to pay attention to India. Whatever little attention that was paid did not lead to optimism. India was put on the target list of Super 301 and Special 301 clauses of US Omnibus Trade Act. Assistant Secretary of State Robin Raphael challenged the legal validity of Instrument of Accession that made Jammu and Kashmir part of India. President Clinton did not receive the credential of the new Indian ambassador for about six months. All these

*The Author is Professor of American Studies, School of International Studies, Jawaharlal Nehru University, New Delhi.
developments signalled that negativity would largely govern US-Indian relations in the post-Cold War era.

There is no doubt that by the time President Clinton ended his term, Indo-US relations had substantively transformed and a new foundation of bilateral partnership was inaugurated when Clinton visited India in March 2000. Clinton imposed US sanctions on India after the Indian decision to go nuclear in May 1998, but in less than two years crafted a new and decidedly constructive approach, and laid its groundwork during his visit to India.

When George W. Bush entered the White House in January 2001, doubts spread across the Indian policy making community that the new partnership launched by Bill Clinton during the closing years of his presidency may just be dumped by the new Republican administration. Sceptics felt that nothing much could be expected of George Bush, who as a presidential candidate in 2000 could not even name the Indian prime minister! Although India sprang a surprise by endorsing Bush’s Missile Defence Plan in May 2001 and months later offered unqualified support to his war against terror in the wake of the 9/11 terrorist attacks on the US, President Bush had other more pressing problems. He was busy appealing, persuading and finally bulling Pakistan and made it a frontline ally in the war against Al Qaeda and the Taliban regime in Kabul, his primary pre-occupation at that time.

However, just like his predecessor, Bush ended his presidency with an innovative strategic partnership with India and cementing it with a civil nuclear cooperation agreement between India and the United States. In one stroke, India ceased to be a target of the US-sponsored international non-proliferation regimes and a new paradigm of Indo-US engagement emerged incorporating almost every conceivable dimension of cooperation and initiatives.

Such a pattern of US approach towards India was repeated when Barrack Obama of the Democratic Party became the US president in 2009. Indian foreign policy analysts had few signals from Obama to entertain hopes for better days in Indo-US relations under his administration. His Republican predecessor had elevated American strategic partnership with India to a pinnacle, which Barrack Obama could not have bettered. The real Indian expectation was not about reaching a new heights but strengthening the planned strategic partnership initiated by Bush that encompassed building closer defence ties and forging new cooperation in the civil nuclear sector.

There were also apprehensions that President Obama might just put the Indo-US civil nuclear cooperation agreement on the back-burner - raising questions about the longevity of the nascent US-Indian strategic partnership.
When the Obama team displayed lofty enthusiasm for promoting non-proliferation and even proposed to send the CTBT draft back to the Senate for ratification, doubts over the fate of the Indo-US nuclear deal and its implementation were palpable. Obama’s penchant for promoting nuclear non-proliferation, his earlier emphasis on NPT and CTBT, his keenness to reverse outsourcing businesses, his initial attempt to demonstrate diplomatic activism on the Kashmir issue and no new expression of interest in India by the State Department’s new high profile head, Hillary Clinton, for more than six months, signalled, if not an end, at least a brake in the momentum of emerging partnership between India and the United States.

However, Hillary Clinton’s crucial visit to India in July 2009 set at rest most of these concerns about the new administration towards India. The significance of this visit was amply reflected in the fact that never before in history had a US Secretary of State come to India for such a long duration of time; met with such a vast cross-section of people, come with such wide ranging agenda items and signed three significant agreements. Never before had a top US administration official been so warmly greeted by the business community, academia and political leaders; and gave a fillip to the bilateral relations, as Hillary Clinton did.

While there were anxieties in certain quarters of India that the Obama administration could soft-pedal the 123 agreement and some even went to the extent of reading the G-8 summit statement on non-proliferation as additional pressure on India to sign the NPT and CTBT, Secretary Clinton made it amply clear on Indian soil that the US is very much interested in timely implementation of the 123 agreement. India, on its part, announced two places, Andhra Pradesh and Gujarat, as nuclear energy parks earmarked for the US companies to set up nuclear power stations. She, moreover, made it unambiguous that the NPT and the CTBT would not be allowed to create new tensions in US-Indian relations.

**Obama Administration II: Little Excitement and Less Expectation**

The first six months of the second Obama administration has been strikingly similar to the first six months of its first administration, particularly as it related to US-India relations. President Barak Obama’s stunning victory in the 2012 US election sparked jubilation in certain world capitals due to the belief that the US foreign policy approach would remain predictable for another four years. However, countries in South Asia reacted differently. Obama’s second term would not mean more of the same policy as far as South Asia is
concerned, it was felt. The Indian strategic community always entertains doubts about the continuity of the US policy as and when there is a change of guard in Washington after quadrennial presidential elections. If the incumbent US president is re-elected, New Delhi should normally worry little.

The disquiet in New Delhi about the future course of US-Indian relations was understandable. One of the factors that disconcerted America watchers in India was formation of a new foreign policy and national security team of advisors and officials by the new administration. While the White House resident remained the same, the State Department head, the Pentagon chief and the CIA boss changed. Secretary of Defence Robert Gates and Secretary of State Hillary Clinton stepped down. John Kerry became the Secretary of State and Chuck Hegel the Defence Secretary, igniting speculations over possible new directions in Washington’s engagements in South Asia.

While personnel changes in American administrations serve as a weathercock to some extent, there are institutions above individuals that are indubitably more durable and resilient. India thus, had relatively less to worry about the new team of foreign and national security officials under the Obama Administration II. The new team was expected to carry on the successful initiatives of the previous team and seek transformations only in stalled projects, while offering new measures.

India’s concerns were not limited to bureaucratic changes in Washington. During the last years of the first Obama administration, the momentum in US-Indian relations had almost stalled. In striking contrast to Clinton and Bush administrations, Obama struck a very friendly chord with the Indian government early in his administration. He invited the Indian prime minister, Manmohan Singh as the first State Guest to the White House and signalled his intention to carry forward the already budding economic, defence and security ties with India.

Obama’s visit to India was a grand success both in symbolism and in substance. He first landed in Mumbai, the finance capital of India, and struck billions of dollars of commercial deals generating profits for the US companies and jobs for the American people. His address to the Indian Parliament was a memorable one. Here the American president expressed his views loud and clear about his country’s support to Indian permanent membership in an expanded UN Security Council in the future. It pleased many optimists, failed to satisfy the sceptics and energised those who have been working towards this project for years. Obama then went a step forward and announced that his administration would extend support to Indian membership in the major international non-proliferation regimes, such as the Nuclear Security Group
(NSG), Australia Group, Missile Technology Control Regime (MTCR) and Wassenaar Arrangement.

While the 123 agreement between the US and India signed under the Bush administration clearly helped in keeping India outside the target list of a non-proliferation regime and enabled India to indulge in nuclear trade despite its refusal to sign the NPT, Obama’s promise to make India a member of such regimes was certainly a step forward in the US approach towards India.

However, by the end of his first term, all these promises remained unrealised. While Indo-US trade kept rising in volume, several initiatives were taken to improve energy cooperation, a new education initiative was launched by Obama-Singh joint effort and steps were taken to launch new agricultural cooperation, global and regional issues, such as climate change, Iran’s nuclear programme, developments in the Arab World, particularly in Egypt, Libya and Syria saw little convergence of views between the Indians and the Americans.

In the last few years, the Indian prime minister and the American president were too preoccupied with domestic politics and economic challenges to pay adequate attention to foreign policy. Indian economic reforms were stymied and the US economic recovery was moving at snail’s pace. High profile corruption scams and stern opposition to opening up of the retail and service sector to international bidders circumscribed the Indian government’s efforts to institute additional economic reforms. The continuing impact of the 2008 recession, the financial market crash, the unbending attitude of the Republican Party on revising the country’s debt ceiling, instituting tax reforms and immigration reforms, etc tied the hands of the Obama administration. Domestic issues in both the countries took their toll and allowed little innovative initiatives on foreign policy areas.

The Indo-US defence trade rose in volume to unprecedented levels, but India’s unwillingness to sign the Communications Interoperability and Security Memorandum of Agreement (CISMOA) and accept End-Users terms and conditions attached to US-origin weapon systems set limits to it. The way India handled the purchase of 126 multi-role aircraft from the international suppliers led to new misgivings over the depth of strategic partnership, particularly since the US had developed high stakes and assumed that Indian decisions on key issues would have strategic considerations. Both, the Obama administration and the Manmohan Singh government possessed the political will to execute the nuclear cooperation agreement, but the US nuclear industry was unwilling to embrace the Indian Liability Act.
By the time President Obama began his second term in office, US-Indian relations appeared to have entered a state of limbo. This does not mean that Washington and New Delhi had reversed course. In fact, Indo-US bilateral interaction had turned quite mature and the level of cooperation in various fields had assumed unique proportions over the years. However, the prevailing perception in Washington and Delhi indicated that the strategic cooperation had lost its thrust and lacked sufficient drive.

Kerry’s India Visit - June 2013

The US Secretary of State, John Kerry landed in Delhi in the backdrop of downbeat mood in both the capitals. Many in India and the United States had developed an impression that the impulsion in Indo-US relationship had encountered a grave logjam. Respective domestic politics had gripped both President Barrack Obama and Prime Minister Manmohan Singh, thus disabling them from nurturing the bourgeoning defence and security ties, and trade and investment relations. Sluggish recovery of the US economy and inconsequential progress in Indian economic reforms were also responsible for lacklustre partnership between India and the US. In addition, there were diplomatic differences between Washington and New Delhi on a host of issues involving developments in Syria, Iran, China and Afghanistan.

Moreover, Secretary Kerry was generally perceived as sympathetic towards Pakistan and his arrival in Delhi generated little excitement or expectation. The vibrant Indian media gave scant attention to the fourth round of the Indo-US strategic dialogue that Kerry was to lead from the American side.

During his three-day stay in Delhi, Kerry focused on selling the American idea of tackling climate change, marketing US energy resources and technology in the energy sector, and assuring India that the peace processes aimed at ending the US and NATO military operations in Afghanistan, would take into account Indian concerns.

Although he emphasised that Indo-US trade had increased five times within a decade, several US corporations and traders had approached him before his departure to Delhi with complaints about inadequate opportunities in India to do business and the slow pace of economic reforms. The US nuclear industry too was dismayed over lack of progress in implementation of the 123 agreement largely due to the Indian Liability Act. The US arms industry and the Pentagon were already discontented about the Indian decision to keep the American companies out of the tender pertaining to the 126 multi role aircraft.
On the Indian side, hike in the visa fee for IT professionals, new immigration bill pending in the US congress that could potentially affect the Indian IT sector, the US decision to directly hold talks with the dreaded Taliban forces in Afghanistan and the uncertainty over the fallout of the US withdrawal from Afghanistan were the major worries.

John Kerry made a good diplomatic effort to convince his counterpart that the “strategic partnership” is very much on track. He reiterated the Obama administration’s support for India’s membership in the UN Security Council and non-proliferation regimes, India’s critical role in the Asia “pivot” strategy, and joint US-Indian efforts for evolving security and economic partnership in the Indo-Pacific region.

In a public address during the visit, he said little on China’s assertiveness and rather promoted the idea of US-China-India cooperation in tackling climate change. Moreover, he pressed for Indo-Pakistan economic and trade cooperation for peace, stability and development in South Asia, but spoke little about the dangerous knock-on effect of the ongoing terrorist activities within Pakistan.

One possibly cannot fault Kerry, since India itself officially opposes any idea of containing or restraining China, and is engaged in maintaining stable relationship with the eastern neighbour. Similarly, one cannot find fault with his nuanced and positive remarks on Pakistan, especially when Washington is quietly trying to deal with the trust deficit with Islamabad and not so secretly seeking a negotiated exit from the trouble-torn Afghanistan.

However, Kerry’s assurances about considering Indian concerns while negotiating peace with the Taliban cut little ice. India has been kept out of the Afghan peace process; Pakistan vehemently opposes inclusion of India in the dialogue process; and the US itself does not have much leverage over the Taliban.

The US decision on ending military operations and withdrawing troops from Afghanistan is final; and the Taliban seems to be having the upper hand and buying time. What can the US do to protect Indian interests?

India’s problem lies in the fact that it is not prepared to have a dialogue with the Taliban. India has developed cordial ties with the Karzai government that has been fighting the Taliban insurgency for years. The big question is, “Will India change its policy after the Karzai government begins negotiating a peace deal with the Taliban?”

If Indian reservations about the Taliban continue even after the Americans, the present Afghan Government and Pakistan seek a compromise deal on
Afghan peace, there is no way India can run away from the large possibility of a direct or indirect role of the Taliban in the formation of the next Afghan government.

Way Ahead

Compared with Hillary Clinton’s successful visit to India in July 2009, Kerry’s visit in June 2013 was lacklustre. His assurances were not effective, no new initiatives were announced, uncertainties over peace and stability in the subcontinent persisted, and the “China challenge” was hardly addressed.

Since President Obama’s momentous summit with the Indian Prime Minister in November 2010, Indo-US relations in strategic terms appeared to be a work-in-progress, but the pace of progress has been agonisingly slow. While Obama was exceedingly preoccupied with his re-election campaign throughout 2012, the UPA government has been in an election mode since the beginning of 2013. The year 2014 will also carry a considerable amount of uncertainty due to the Indian national election and the US plan to exit from the Afghan battlefield.

The fourth round of the Indo-US strategic partnership thus took place in an atmosphere of tremendous uncertainties. No matter what assurances Kerry has given, India has to protect its interests in Afghanistan by being more realistic rather than accepting American assurances that are very difficult to fulfil. Likewise, Indo-Pakistan relations cannot improve, notwithstanding Kerry’s wishes, unless the anti-India terror groups in Pakistan are reigned in.

The big question is that after winding down the war operations in Afghanistan, will the US care to do much to tackle terror in the subcontinent? What should actually energise the Indian foreign and defence policy establishment to think hard are Obama Administration II’s handling of the end-game in Afghanistan, private understandings and compromises to be concluded with Pakistan, its management of a progressively pushy China and its attitude towards implementing the promises made and proposals drawn to further strengthen Indo-US relations.

The biggest concern related to Indian security and sub-continental stability is the state of Afghanistan after 2014, which will be messier than what it has been. While multiple scenarios can be envisioned about the future of that country after the withdrawal of foreign forces, the end of the US combat role is now beyond doubt.
Where does India figure in the efforts to stage the end-game in Afghanistan? The actors are the Obama Administration, Taliban, and President Karzai or the US, Pakistan and Taliban or Taliban, Turkey and Pakistan. India is conspicuous by its absence in the negotiations over the future of Afghanistan, although one of the treacherous fallouts of post-American Afghanistan will affect India.

More hazardous for India would be secret deals Washington and Pakistan make to facilitate the American exit from Afghanistan. The trust deficit in the US-Pak alliance since the Navy Seals operation to kill Osama Bin Laden has already been managed and most conditionalities attached to US economic and military assistance to Pakistan have been done away with.

In addition, from the US perspective, India has not fulfilled its part of the “strategic partnership”, be it the implementation of the nuclear cooperation agreement, India’s strategic arms and weapons acquisition or opportunities for American businesses to enter the Indian market.

India, moreover, has shown no enthusiasm about Obama’s “pivot” to the Asia doctrine and the maritime strategy in the “Indo-Pacific”. The US is unsure about India’s participation in its efforts to deal with an increasingly assertive China.

India no doubt has to debate seriously its role in the Indo-Pacific and the Asia “pivot” strategy of the US. India can afford neither a US-China cold war nor a Sino-US condominium in the region. Accepting a role in the emerging American strategy is almost certain to rub China up the wrong way. Rejecting any role may please China, but will certainly not lead to any great friendship with China. In addition, India and the United States are not on the same page over the appropriate means to handle the Iranian nuclear question.

In the backdrop of all such developments, Obama Administration-II is quite unlikely to move forward in its promise of supporting Indian membership in either the UN Security Council or other non-proliferation regimes, such as the NSG or the MTCR.

Nor are the US-Indian economic ties likely to contribute much in the next four years to make the so-called “indispensable” relationship look good. The US recovery is slow and so is India’s emergence. The Indo-US relationship for the time being appears to have entered a period bereft of both excitement and positive expectations.

Optimists in India and the US believe that the “strategic partnership” is maturing by the day. Absence of big-ticket items, high profile frequent summits and occasional hiccups on diplomatic and economic issues does not mean
that the two countries are stepping back. Pessimists argue that developments in Afghanistan, Pakistan, Iran and China are crucial to Indian security and unless Washington goes beyond sympathising with Indian interests and concerns, and coordinates its policy with New Delhi, no strategic partnerships worth its salt can materialise.

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