

## Essay

# India and the Biden Administration

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India-US relations have not been easy in the past and are unlikely to be so in the future. In assessing India-US ties under the Biden administration some underlying drivers of the bilateral relationship as it has evolved over time have to be kept in mind. Big countries like the US and India, not being closed societies and their policies being open to public debate and scrutiny, have foreign policies based on identifiable criteria that gives them a certain steadiness in orientation. Major changes in policies can occur if the international scenario changes substantively and a re-assessment of national interest becomes necessary. This means that neither India nor the US are likely to re-think their basic approach to each other in the current international situation, reflected in the growing content of their bilateral ties.

However, there have always been positive and negative elements in India's ties with the US. What has changed in recent years is that earlier there were more negatives than positives and now the reverse is true. The reasons for this are changes in the global situation, the dilution of US global supremacy, the challenge posed by the rise of China, the shift of global economic and security stakes towards Asia and, of course, the steady rise of India. The Biden administration will have to operate within these realities.

The phase when India and the US were at loggerheads on non-proliferation issues, and India was subjected to technology sanctions, fortunately was closed with the India-US nuclear deal. Although this deal has not yet produced contracts for the supply of US nuclear reactors, it has opened doors in other sensitive areas such as defence where the strides made in the last few years have been impressive. India has purchased USD 20 billion worth of defence equipment from the US, and four key "foundational agreements" to

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allow interoperability, sharing of geo-spatial information and sale of high end defence technology to India have been signed. More military-to-military ties are being forged at the ground level. India is now a Major Defence Partner of the US, which makes it eligible for acquisition of equipment and technology on a par with America's NATO allies. India's defence needs will grow to meet the two-front challenge it faces in the north and west, made more real with the recent Chinese aggression against India in Ladakh. Military supplies are a key element in US foreign policy as they create dependencies and are a source of political influence, aside from the profits US defence companies make from export. This part of the relationship will, therefore, remain unaffected. Key issues for the future would be the extent of transfer of technology and the willingness of the US government and industry to support India's plans to expand domestic defence manufacturing. While statements by the new US Defence Secretary and the Under Secretary for Defence are positive about boosting India as a Major Defence Partner, the outlook on the US seriously contributing to India's project of self-reliance in defence manufacturing is unclear. The visit of the US Defence Secretary to India in March 2021 should give us an insight into the defence agenda of the new US administration related to India.

**...the China factor has assumed a strategic importance in the development of India-US ties**

### **The China Factor**

With the sharp deterioration of US-China ties, the China factor has assumed a strategic importance in the development of India-US ties that did not exist before. The concepts of Quad and the Indo-Pacific have emerged as a result. The US has boosted these two concepts as part of its strategy to counter China's rising maritime challenge. China has succeeded in grabbing strategic space in the South China Sea by reclaiming and militarising islands and reefs without resistance by either the ASEAN or the US. China has unveiled its naval ambitions. It is positioning itself in key countries in the Indian Ocean. Trump was challenging China on trade issues as well as maritime issues, and during his presidency the Indo-Pacific and Quad concepts progressed, though with some tentativeness on the part of its three partners, including India. There were some initial doubts about the commitment of the Biden administration to these two concepts as they are closely tied to Trump's policy towards China. Biden was expected to take a middle path with China. Papers produced by influential US think tanks and journals were seen to be promoting a more accommodative approach. The thrust was in favour of focusing on allies, especially Japan and South Korea, with India mentioned only in passing or as an adjunct to US security policies focused on the western Pacific. Some of the people nominated in key national

security positions have in the past advocated the necessity of engaging China, even as the US counters its expansionism.

The balance between confrontation, competition and co-existence that would be struck by the US in the coming months with China would be difficult to anticipate. It appears that despite the internal pressures from US business in favour of accommodation, the overall political and public mood is to effectively counter the Chinese threat. Statements from President Biden, Secretary of State Blinken and others suggest an aggressive push back. The Interim National Security Strategic Guidance (INSSG) announced by Biden in March, speaks of holding China to account, with emphasis on reaffirming ties with allies like Australia, Japan, and South Korea, and recognising that America’s “vital national interests compel the deepest connection to the Indo-Pacific” and deterring “Chinese aggression”. It accuses China’s leaders of seeking “unfair advantages”, behaving “aggressively and

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coercively”, and undermining “the rules and values at the heart of an open and stable international system”. It speaks of confronting China’s “unfair and illegal trade practices, cyber theft, and coercive economic practices” that seek to erode America’s “strategic advantage and national competitiveness”, and that the US “will ensure that our supply chains for critical national security

technologies and medical supplies are secure.” The US, it says, will “support China’s neighbors and commercial partners in defending their rights to make independent political choices free of coercion or undue foreign influence” and “promote locally-led development to combat the manipulation of local priorities” (strictures against the BRI). Support for Taiwan and standing up for democracy, human rights, and human dignity, including in Hong Kong, Xinjiang, and Tibet, are mentioned. The document also speaks of welcoming “the Chinese government’s cooperation on issues such as climate change, global health security, arms control, and nonproliferation where our national fates are intertwined”. In this, the US will rally its allies and partners to join it, with a view to “pooling our negotiating leverage”. The agenda of confrontation with China is clear in this document, what is not clear is the importance attached to India in pursuing it. “We will deepen our partnership with India” the document says, but besides this there is no other reference to India in the 23-page document. India should therefore be careful in assessing the extent of its core importance in America’s Indo-Pacific strategy and not be manoeuvred into a situation where the gains to the two sides are not reasonably balanced in pursuing this strategy.

The Quad has already met at Foreign Ministers’ level and is slated to meet virtually at the summit level. This will commit India to the US vision of Quad as a security project,

a vision that India has been trying to distance itself from, as this has implications for its relations with China as the two countries work for disengagement in Ladakh. It could also affect India's relations with Russia which is openly opposed to both the Quad and the Indo-Pacific concept as Cold War strategies, this time aimed at China. Moreover, it is too early to say definitively what will be the trajectory of US-China ties as they are economically still very dense. Decoupling will not be easy as US companies, as well as European, will not turn their backs on the huge Chinese market. China's emergence as the world's second largest economy gives it a role that cannot be ignored. However, New Delhi could benefit if some American companies move their investments from China to India. How India can benefit from shared concerns about resilient supply chains would be a challenge. The task will be to successfully marry this idea with the government's plans for an 'atmanirbhar' Indian economy and promoting national champions that would be able to compete internationally. The US has concerns about these plans and perceives them as moves towards protectionism.

US concerns about China's connectivity projects, as reflected in the INSSG document, could open-up possibilities of Indo-US cooperation in developing "resilient infrastructure", including in Africa, an area listed in the INSSG document for higher US attention. Developing 5G networks to counter China's advance over others in this vitally important area can be carried forward with US partners. Areas such as AI and Quantum computing offer scope for higher India-US cooperation in innovative technologies. Given the threats to cyberspace, made more pressing by China's attempt to hack into India's power sector, underlines the importance of India and the US working together to frame new global norms in cyberspace, a US goal listed in the INSSG. Along with these potential areas of expanding technological cooperation, New Delhi also needs to carefully watch if tighter US rules on access to American technology-- a move directed against China -- would create problems for other countries like India.

### **Trade Issues**

On the economic side, India and the US have seen impressive growth in bilateral trade in goods and services, which have reached almost \$146 billion. But the two sides were unable to resolve some pending trade issues despite intensive discussions when Trump was in power. India has always had difficult ties with United States Trade Representatives (USTRs), with constant pressure on India on issues of tariff, local content, market opening, lifting caps on foreign investment in sectors of interest to the US and regulation. Biden has already announced his version of America First by emphasising 'buy American'. He has also said that the US will be in no hurry to look at any new Free Trade Agreement

(FTA) until an assessment has been made of the impact of FTAs on the US economy. The INSSG document reiterates this, emphasising that the US will press for elevated labour and environmental standards in any new trade deal. Biden has ruled out the US joining the Trans-Pacific Partnership (TPP) in its present avatar. This means that China will not be challenged economically in Asia and the Regional Comprehensive Economic Partnership (RCEP) will not be countered. India and the US were unable to resolve some outstanding market access issues despite several rounds of negotiations. Whether the two sides will pick up the same agenda or have a more ambitious one is not clear at this stage. Apparently, negotiations are continuing. Some of the issues will be difficult to negotiate such as differences over data protection and privacy laws, digital tax on e-commerce, and regulating the operation of US social media giants. These are over and above the issues of market access covering tariffs, IT, agricultural and medical products, restoration of the Generalised System of Preferences (GSP) benefits, etc. On India's concerns about H1B visas the Biden administration is more accommodating.

### **Ties with Russia**

With the collapse of the Soviet Union and the decline of Russian power, India's long-standing ties with Russia are no longer seen by the US through an ideological prism. This historical deep irritant in India-US ties no longer has the same salience. Nevertheless, Russia has become a factor in the management of Indo-US relations. Earlier, during the Trump presidency, the US Congress, the intelligence agencies, the think-tanks and the media were fuelling anti-Russian sentiments which Trump tried to contain, although not too successfully as a slew of sanctions were imposed on Russia and the Countering America's Adversaries Through Sanctions Act (CAATSA) legislation was framed to disrupt third country ties with Russia, particularly in the areas of defence. Biden himself and his key appointees, including the Secretary of State and the National Security Adviser, are deeply anti-Russian. This will test India's ability to isolate its Russia ties from those with the US. India's ties with Russia, already under some strain, are far too important to be sacrificed for what seems an irrational US policy towards Moscow. Once India begins to get deliveries of the S-400 system, the waiver for India under CAATSA will be tested, a waiver denied to Turkey. India is not a US ally, it is not member of NATO, its armed forces are not integrated with NATO and its systems, and therefore, logically, India cannot be bracketed with Turkey. India's case is political and not military. If the US wants to strengthen ties, increase its share of India's defence programmes and not seriously erode the trust that has been built in recent years, as well as not raise questions in India's mind

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about the Quad and the Indo-Pacific as strategies that India should fully embrace, it would be politically self-defeating on the part of the US to impose any CAATSA related sanctions. India cannot afford to be a collateral damage in US failure to manage its ties with Russia. CAATSA had also damaged India's relations with Iran. With Biden looking for re-entering the Joint Comprehensive Plan of Action (JCPOA) on the Iran nuclear programme, subject to some difficult conditions, the prospect of restoring energy ties with Iran can be envisaged.

The so-called bi-partisan support for India in the US Congress and positive sentiments towards India in the US system as a whole has been a result of many factors: the opening up of the Indian economy, the "Chindia" narrative that held the promise of a huge Indian market for US corporations, the increasing role of the India-American community in American political life, universities, the Silicon Valley, and, of course, the rising threat of China to US power. But the asymmetries in power between the two countries in all domains continue to generate creases in ties. The US as a global power is prone to balance its interests in various regions, including Southern Asia. Its policy toward Pakistan is based on its interests, not India's. If it is responsive to India's terrorism concerns it is because it has its own independent concerns about Pakistan. The expression of joint concerns with India on the activities of jihadi groups in Pakistan serves as a point of pressure on the latter, while giving New Delhi some political satisfaction. However, America's unwillingness to apply sanctions on Pakistan, even a diluted version of the kind applied on Iran and Russia, as well as its willingness to negotiate equal to equal with a terrorist organisation like the Taliban and open doors for it to come to power in Afghanistan is divorced from India's regional interests.

The Biden administration has given early signs of a softer posture towards Pakistan, with the new US Defence Secretary expressing views in favour of restoring military training under International Military Education and Training (IMET). Its Afghan policy has not yet taken shape, but the re-appointment of Zalmay Khalilzad

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may not be a good sign. It has announced its intention to review the Taliban deal, but if it wants to withdraw from Afghanistan it has no other choice than to pursue the agreement with the Taliban, for which it will continue to rely on Pakistani facilitation. The US has welcomed

the recent ceasefire agreement between India and Pakistan and hinted it had a role. Indirectly, the US has been interfering in Jammu and Kashmir to Pakistan's advantage by commenting on the internal situation there, on the lockdown, the detention of Kashmiri leaders, the restrictions on access to the internet, which are issues of no direct concern to the US. Islamism oriented members of the US Congress and some Indian origin legislators

with pronounced leftist bias have been commenting adversely in this vein on developments in J&K. The US has always failed to satisfy India on its position on Pakistan and this will continue under the Biden Presidency which has many Indian-origin appointees in the White House whose attitude towards India is suspect, to say the least.

### **Human Rights and Other Issues**

The progressive wing of the Democratic Party has some powerful but uninformed India-baiters like Bernie Sanders. The Trump administration de-emphasised human rights as an instrument of US policy, but the Biden administration seems determined to restore human rights as a core element of US foreign policy. The INSSG document says that the US “will ensure that U.S. companies do not sacrifice American values in doing business in China. And we will stand up for democracy, human rights, and human dignity, including in Hong Kong, Xinjiang, and Tibet”. While China coming under pressure on human rights may give us some satisfaction, this is also a weapon that could be ironically directed at India. Jake Sullivan, the NSA, is on record before he took office that the US will raise human rights issues with India frankly in private and more discreetly in public. India experts in the US have been warning that India should be prepared for the Biden administration to raise the issue of human rights, as if India is answerable to the US.

The human rights instrument is in fact a matter of differential of power. The narrative of opposition groups in India, including civil society activists, that are lurid at times in evoking Nazism, fascism, genocide, minorities in danger, intolerance, lynching, institutional decay, compliant judges, muzzled media, suppression of dissent, curbs on NGOs, backsliding of democracy, has been assimilated by traditional anti-Indian lobbies in the US, especially in the mainstream media. Even the leaders of the India Caucus have expressed concerns. The latest salvo is from Freedom House, which is almost totally financed by the US government. India will have to decide if it will take such exaggerated and at times fabricated criticism head-on and engage in polemics in return, or push-back without allowing these issues to gain undue prominence in bilateral ties. The US needs to understand that it will be doing great dis-service to ties by making human rights an unnecessary irritant, especially when democracy and race relations in the US are under a serious cloud.

The INSSG speaks of the US intention to “convene a global Summit for Democracy to ensure broad cooperation among allies and partners on the interests and values we hold most dear”. India will of course participate as a democracy, though the diplomatic thrust of this initiative would be against the authoritarian regimes of China and Russia.

Finally, unlike the Trump administration which had walked out of the Paris Agreement on Climate Change, the US has rejoined the agreement immediately on Biden assuming office. Biden is obsessed with climate change issues. During his visit to India in 2013 as Vice-President his public address focused largely on climate change. He has appointed former Secretary of State John Kerry as US Climate Change envoy. Kerry has already signalled that his focus will be on big carbon gas emitters like China and India, without considering the significantly smaller total Indian emissions compared to the US and Chinese, and India's extremely low per capita emissions. India has positioned itself well by announcing at the COP 26 in Glasgow in November 2020 its success in meeting the Nationally Determined Contribution (NDC) commitments on time, its large renewable energy and energy saving programmes, expansion of forest cover as carbon sinks, the leadership of the International Solar Alliance, etc. But India will be pressed by the US and others to fix a year for becoming a carbon neutral economy, emulating China (2060) and the EU (2050). The US is expected to fix 2050 as its target year too. India is likely to resist, calling for developed countries to meet their financial commitments and for climate justice. Difficult negotiations between India and the US lie ahead.