



By Anubhav Gupta

January 2021

## NATURE AND NURTURE: HOW THE BIDEN ADMINISTRATION CAN ADVANCE TIES WITH INDIA

### ABOUT THE AUTHOR

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### ABOUT THE ASIA SOCIETY POLICY INSTITUTE

With a solution-oriented mandate, the Asia Society Policy Institute tackles major policy challenges confronting the Asia-Pacific in security, prosperity, sustainability, and the development of common norms and values for the region.

### SUMMARY

The state of the U.S.-India relationship is strong, but two critical developments in 2020 have created a new inflection point for the relationship. Growing apprehension in both New Delhi and Washington about Chinese aggression has created the strategic convergence long sought by a U.S. defense establishment eager to enlist India to balance China. On the other hand, devastated by the Covid-19 global pandemic, the United States and India face challenging economic recoveries amid growing protectionist sentiments at home that could diminish the relationship's promise. Having won the U.S. presidential election, Joe Biden has an opportunity to consolidate and accelerate the relationship by creating a substantive and broad partnership with India, which can undergird U.S. policy in Asia and support U.S. global interests for decades to come. This paper provides a blueprint for how the Biden administration can actualize what previous presidents have deemed a "natural partnership."<sup>1</sup>

### AMID DISCORD, SEEDS OF A NATURAL PARTNERSHIP

Speaking at the Asia Society's headquarters in New York in September 1998, Prime Minister Atal Bihari Vajpayee deemed the United States and India "natural allies."<sup>2</sup> Both his message and timing were provocative. India's leader was framing the relationship in lustrous terms at a time when bilateral ties had hit rock bottom. Months earlier, India had scandalized the world by conducting its first nuclear tests since 1974. The international community swiftly denounced the tests, and the United States, which had not been given advance warning by the Vajpayee government, imposed heavy sanctions on India.<sup>3</sup>

While an official alliance had always been

out of the question, nuclear policy had become an impediment even to a natural partnership. The previous months had been characterized by acrimony because of India's nuclear decision and U.S. fears that India's actions would spark a dangerous nuclear arms race in South Asia – this was borne out within 15 days of India's tests when Pakistan conducted tests of its own. The two South Asian rivals fought each other the next year in the Kargil War, forcing the United States into intensive shuttle diplomacy to prevent a full-scale conflict.

Strange as they may have seemed at the time, Vajpayee's words would prove prescient. The prime minister was cognizant of the structural and institutional forces that made a convergence between the United



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States and India inevitable. One was strategic (China’s rise), the other economic (India’s growth story), and at the base was a foundation of shared democratic values.

A new generation of U.S. policymakers was also receptive to these possibilities. In March 2000, Bill Clinton became the first U.S. president to visit India since Jimmy Carter in 1978.<sup>4</sup> His visit led to the kind of reset in the bilateral relationship that Vajpayee had sought. Twenty years later, the U.S.-India relationship is stronger than it has ever been. Bilateral trade in goods and services has increased from \$16 billion in 1999 to \$149 billion in 2019 when India was the ninth-largest U.S. trading partner, while India’s Ministry of Commerce deemed the United States its largest trading partner. Cultural and people-to-people ties between the two nations, driven by the vibrant Indian American community in the United States, are multifaceted and deep. For instance, the number of Indian students in the United States has grown from 81,000 in 2008 to “a record high of 202,000 in 2019.”<sup>5</sup> And in an otherwise polarized country, both major U.S. political parties support strengthening ties with India.

Now as the United States is set to embark on the administration of Joseph R. Biden Jr., the relationship is facing new tests. Biden, who deemed India a “natural partner” on the campaign trail, will have the task of upgrading a mature relationship already in robust shape at a time of new global dynamics and challenges.<sup>6</sup> A growing convergence between the views of New Delhi and Washington regarding Beijing will continue to facilitate a strong security partnership. At the same time, the coronavirus pandemic has devastated both economies and strengthened support for economic nationalism, which may impede

stronger commercial cooperation and the two nations’ ability to take on China. Moreover, a further weakening of democratic norms in India could raise difficult questions for the United States.

This paper seeks to outline the competing pressures currently shaping U.S.-India ties and provides a blueprint for how the next U.S. administration can substantially advance the partnership, nurturing what Vajpayee, more than 20 years ago, and Biden today consider “natural.” To advance U.S.-India ties to the next level, a Biden administration will need to

- Expand the scope of the relationship to elevate health, digital, and climate cooperation.
- Turn the page to a positive commercial agenda that emphasizes reform and openness.
- Renew U.S. leadership and regional consultation in the face of China’s rise.
- Emphasize shared values as the foundation of the relationship.

## **FROM “STRATEGIC ALTRUISM” TO “AMERICA FIRST”**

The collapse of the Soviet Union and the end of the Cold War created an opening in the 1990s for stronger ties between Washington and New Delhi. The U.S. rationale for crafting a robust partnership with India, the world’s largest democracy, was clear.

First, observing China’s rapid rise and its growing heft in Asia and globally, U.S. strategic thinkers began looking for other balancing powers in Asia. For multiple reasons, India fit the bill. Like China, India was vast and resource rich, with a large population and a growing economy. Its demo-



The U.S. strategy was not simply to strengthen relations with India; it was a gambit to actively buttress India's rise in hopes that a stronger India, economically, militarily and diplomatically, would be beneficial in tackling the China challenge.

cratic values and institutions also made it a natural partner for the United States and an obvious counterpoint to China's one-party system. Even though India had run afoul of some elements of the U.S.-led liberal international order, namely the Nuclear Non-Proliferation Treaty, it was a non-proliferating nuclear state and a non-revisionist power anchored firmly within the liberal international system. With the Cold War giving way briefly to an era of "end of history" optimism, a partnership between the world's largest and oldest democracies seemed fitting.

Second, due to the economic reforms of the early 1990s, the Indian economy was booming, drawing attention from U.S. firms as a large market and a growing investment destination. This economic boom was the catalyst for greater American interest, especially after the turn of the century. According to World Bank data, between 1990 and 2010, the Indian economy grew in size from \$321 billion to \$1.7 trillion. Bilateral goods trade between the United States and India grew from a mere \$6 billion in 1990 to \$27 billion in 2005, to \$92 billion in 2019.<sup>7</sup> Policymakers in New Delhi seeking investment and technology from abroad found a willing partner in a Washington that sought a stronger security partnership with India to balance China. The nuclear deal negotiated by the Bush administration was ultimately a case of strategic bargaining – the United States would welcome India into the fold as a legitimate nuclear power to resolve nuclear tensions that had prevented them from laying the foundation for longer-term economic and strategic ties.

This bargain required patience and short-term investments in India that would bear fruit in the future – an economic

dividend for American companies and a strategic one for Washington – if only the United States would bolster India to prevent China from dominating Asia. The Carnegie Endowment's Ashley Tellis and former U.S. Ambassador to India Robert Blackwill described this approach as "strategic altruism":

*Generous U.S. policies were not merely a favor to New Delhi; they were a conscious exercise of strategic altruism. When contemplating various forms of political support for India, U.S. leaders did not ask, "What can India do for us?" They hoped that India's upward trajectory would shift the Asian balance of power in ways favorable to the United States and thus prevent Beijing from abusing its growing clout in the region. A strong India was fundamentally in Washington's interest, even if New Delhi would often go its own way on specific policy issues.<sup>8</sup>*

The U.S. strategy was not simply to strengthen relations with India; it was a gambit to actively buttress India's rise in hopes that a stronger India, economically, militarily and diplomatically, would be beneficial in tackling the China challenge. This calculation was at the heart of President Bush's decision to seek a U.S.-India nuclear deal, which stabilized ties between the two countries. The Obama-Biden administration took the baton from the Bush administration and ran with it, doubling-down on strengthening the strategic and defense partnership. In 2015, for the first time, the two countries explicitly mapped out a shared vision for the Asia-Pacific and the Indian Ocean region, with India starting to echo the sterner China-focused U.S. rhetoric that affirmed "the importance of



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safeguarding maritime security and ensuring freedom of navigation and overflight throughout the region, especially in the South China Sea.”<sup>9</sup> New Delhi also began showing signs of growing courage in its dealings with Beijing, for instance, through its rejection of the Belt and Road Initiative.

The administration of President Donald Trump further strengthened strategic and defense ties with India. Trump publicly and pointedly leaned U.S. strategic rhetoric toward India by branding his Asia policy the “Free and Open Indo-Pacific.” He also renamed the U.S. Pacific Command as the U.S. Indo-Pacific Command. While symbolic, these changes signaled to New Delhi that the United States saw it as a critical partner and elevated the Indian Ocean region as a co-equal part of the U.S. military strategy in Asia, if not in reality then at least in rhetoric.

The Trump administration’s decision to cut \$300 million in defense aid to Pakistan over its failure to tackle terrorism and its more confrontational approach with China also drew praise in New Delhi. The U.S.-China trade war, which transitioned into decoupling upon the outset of the Covid-19 pandemic, heartened those in India’s policy community who wanted to take a stronger line against China. A key piece of evidence that the United States has embraced strategic competition with China is the revival of the Quadrilateral Security Dialogue (Quad) with India, Australia, and Japan. The Quad nations have held multiple meetings since 2017, including two ministerial-level engagements. The November 2020 Malabar Naval Exercise, which included Australia for the first time since 2007 when the Quad briefly took shape, underscores the seriousness of the grouping.<sup>10</sup> The Quad countries are also advancing joint security

and strategic priorities to balance China through a web of bilateral, trilateral, and multilateral efforts.

The Trump administration’s toughened stance on China, and to a lesser extent Pakistan, has bolstered the U.S.-India partnership and has emboldened Indian policymakers, who have become frustrated with Beijing’s coercive behavior. However, the Trump administration has veered away from the logic of strategic altruism that had driven U.S. policy toward India for more than a decade. It has made it clear to India and its allies in the region that they must share the burden of regional security, reduce their trade surplus with the United States, and do their part in taking on China.

This has less to do with India and more with President Trump’s “America First” philosophy. Even as he unilaterally pulled out of established multilateral agreements on Iran, Asia-Pacific trade, and climate change, President Trump made clear that America would not go it alone when it came to underwriting the maintenance of regional and global order. This has led to a retrenchment of U.S. leadership from multilateral forums and the protection of global commons, as well as to nationalist U.S. policies on trade and immigration that have complicated ties with partners and allies alike.

Though U.S.-India ties generally strengthened under Trump, they did fall victim to his administration deeming India criminal on both the trade and immigration fronts. In addition to cracking down on illegal immigration, the Trump White House unveiled a series of policies to limit legal immigration. While the “Muslim ban” and restrictions on refugees have garnered much of the media attention, the adminis-



**SUCCESSIVE U.S. AND INDIAN LEADERS HAVE ADVANCED U.S.-INDIA TIES (2000–2020)**

**BUSH-VAJPAYEE ERA**



George W. Bush White House Archives

- President Bush lifts all remaining sanctions on India that were imposed after India’s 1998 nuclear test. (2001)
- The United States engages in extensive back-channel diplomacy to prevent a conflict between India and Pakistan after attacks on India’s parliament. (2001)
- The United States and India sign the General Security of Military Information Agreement (GSOMIA), which enabled the sharing of classified information. (2002)
- The United States and India begin an energy security dialogue. (2005)
- The United States and India sign the New Framework for the U.S.-India Defense Relationship, followed by major naval, air, and land exercises. (2005)

**BUSH-SINGH ERA**



Agência Brasil / Wikicommons

- The United States lifts its moratorium on energy trade with India in exchange for India’s agreement to separate its civilian and military nuclear programs. (2005)
- The United States and India finalize a framework for a nuclear deal during President Bush’s visit to India. (2006)
- The United States and India reach a trade agreement to allow export of Indian mangoes to the United States and ease the export of U.S. motorcycles to India. (2007)
- The U.S.-India Civil Nuclear Agreement is completed; after it is signed into law, the Nuclear Suppliers Group allows India to engage in nuclear trade. (2008)
- The United States and India strengthen intelligence sharing and counterterrorism cooperation in the aftermath of the Mumbai terrorist attacks. (2008)

**OBAMA-SINGH ERA**



Obama White House / Flickr

- President Obama invites Prime Minister Singh to Washington, DC, for his first official state dinner. (2009)
- The U.S.-India Economic and Financial Partnership is launched and the United States and India hold the first U.S.-India Strategic Dialogue. (2010)
- President Obama makes an official visit to India, where he backs India’s bid to become a permanent member of the UN Security Council. (2010)
- The United States launches the Defense Technology and Trade Initiative to enhance bilateral defense trade, coproduction, and co-development. (2012)

**OBAMA-MODI ERA**



Obama White House / Flickr

- President Obama visits New Delhi and serves as the first U.S. president to be a special guest at India’s Republic Day Parade. The U.S.-India Defense Framework Agreement is renewed for another 10 years. (2015)
- Prime Minister Modi addresses the U.S. Congress during his official visit to Washington, and the United States designates India as a “Major Defense Partner.” (2016)
- The United States and India sign the Logistics Exchange Memorandum of Agreement (LEMOA), a foundational defense agreement. (2016)
- Obama and Modi agree to global climate cooperation, and India takes a leadership role at the Paris climate conference. (2016)

**TRUMP-MODI ERA**



Obama White House / Flickr

- The Communications Compatibility and Security Agreement is signed, giving India access to advanced communication technology for defense equipment. (2018)
- The United States, India, Japan, and Australia revive the Quadrilateral Security Dialogue (2017) and elevate it to the ministerial level. (2019)
- President Trump joins Prime Minister Modi in Houston for the Howdy Modi rally in front of the Indian American community (2019). Trump visits India and participates in a rally with Modi in his home state of Gujarat. (2020)
- The Basic Exchange and Cooperation Agreement (BECA), which eases sharing of intelligence, geospatial data, and high-end equipment is signed. (2020)



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tration also attempted to restrict the flow of labor into the country. For India, the H-1B visa program, which allows U.S. employers to hire high-skilled labor, is the most consequential. India has been the biggest beneficiary of the program, with nearly three-fourths of the 400,000 plus H-1B visa holders in the country in 2018 being of Indian descent.<sup>11</sup> In June 2020, the Trump administration temporarily suspended the issuance of new H-1B visas until the end of the year. And in October, it unveiled a set of new rules and restrictions for the program aimed at ensuring that “American workers are not disadvantaged by foreign labor.”<sup>12</sup>

The administration’s criticism of India has been far more pointed on trade, with President Trump lambasting India as the “tariff king.” The U.S. government has unilaterally imposed tariffs on multiple partners and allies over trade deficits and unfair trade practices. In 2018, the administration applied tariffs on steel and aluminum imports from a number of countries, including India, based on a national security rationale. Then in 2019, on the day that Modi won reelection, the Trump administration announced that it would revoke India’s status under the Generalized System of Preferences (GSP) program, which provided India with tariff relief by giving it “developing nation” status. India retaliated with tariffs on U.S. agricultural products, sparking a small trade dispute.<sup>13</sup> Despite efforts to resolve it through negotiations, that dispute has slowed U.S.-India commercial ties over the past year and a half. At a time when the United States and India are starting to decouple from the Chinese economy, they unfortunately have not found ways to draw closer together commercially.

This leaves the incoming Biden administration with a course to chart. While it will certainly pivot away from President Trump’s America First doctrine, it is unlikely to return completely to the strategic altruism championed by Tellis and Blackwill. This is partly because India is rightly perceived as being a greater economy and power than it was at the turn of the century, but it is largely because of America’s own domestic circumstances and economic travails. Biden’s “Build Back Better” campaign hinted that his administration would recalibrate U.S. foreign policy to work for the American people. In the midst of a worsening pandemic and struggling economy, there may be little domestic appetite or capability for far-reaching international concessions, even to friendly nations.

While a Biden administration will embrace multilateralism again and revive its leadership role on transnational challenges, its partners are cognizant that the domestic undercurrents that ushered Trump and America First to power have not dissipated. A Biden administration is unlikely to retract the Trump administration’s call for U.S. partners to do more, especially on issues such as climate change. And it may be constrained significantly if there is a Republican Senate.

## **NAVIGATING AN UNCERTAIN GLOBAL LANDSCAPE**

As it finds its footing, a Biden administration will face global dynamics that have shifted significantly in the past couple of years. While a shared sense of rivalry with China between New Delhi and Washington will create opportunities for closer bilateral ties, the economic challenges facing the United States and India in the Covid-19 era will create countercurrents. Finally, a Biden



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administration will be faced with a problem that the Trump administration neglected entirely – India’s growing democratic deficit. Two of the original justifications for the United States to actively support India’s rise – its economic promise and their shared values – are therefore in some doubt.

### **Convergence: The China Challenge**

When Joe Biden became vice president in 2009, China drew caution and suspicion in New Delhi and Washington. Today China is met with wariness and hostility. The two countries’ increasingly aligned outlook toward Beijing is a centrifugal force driving them together. The primary catalyst for this convergence is not American politics or Indian nationalism, but China itself. Since 2013, under Xi Jinping, China has shed its “hide and bide” strategy for a more strident global posture. This new approach has pushed the United States and India away and increasingly *into* each other’s arms.

China’s aggressiveness has manifested itself across the Asia-Pacific in Beijing’s military buildup in the disputed South China Sea, its muzzling of Hong Kong’s autonomy, and its building of numerous ports and infrastructure projects around the world as part of the ambitious Belt and Road Initiative (BRI). India has witnessed China’s coercive behavior on its border and seen China’s influence operation proliferate across its own backyard in South Asia and the Indian Ocean region.

Between 2000 and 2017, Beijing invested an estimated \$126 billion in financial diplomacy in South and Central Asia, nearly 95% of which was devoted to infrastructure projects.<sup>14</sup> Pakistan, India’s neighbor and enduring rival, was by far the biggest beneficiary, receiving \$38.43 billion through 2017 for a single set of

projects – the China Pakistan Economic Corridor (CPEC). New Delhi’s biggest grievance against the BRI is that part of CPEC lies on disputed territory claimed by India as well as Pakistan. India also worries that a number of Chinese-built infrastructure projects in South Asia, including the Hambantota Port in Sri Lanka, could one day be utilized by China’s People’s Liberation Army (PLA), especially if countries are unable to meet onerous debt commitments to Beijing. Research by the Asia Society Policy Institute suggests that “Beijing’s policy is to develop BRI port projects in the Indo-Pacific with civilian-military dual-use functionality, despite periodic Chinese claims to the contrary.”<sup>15</sup>

China’s growing presence and activity in the Indian Ocean region has raised alarm bells in New Delhi. Since 2008, the People’s Liberation Army Navy (PLAN) has been conducting regular counter-piracy deployments to the Gulf of Aden through the Indian Ocean. The Brookings Institution’s Joshua White writes, “The PLAN has used more than a decade of such deployments, undertaken as a unilateral effort rather than in conjunction with multinational task forces, to develop its blue-water logistics capabilities and justify its military presence far from Chinese shores” and in India’s sphere of influence.<sup>16</sup> Chinese firms currently operate nearly two dozen ports in the Indian Ocean region, and India’s biggest fear is that through coercive diplomacy China could gradually convert these into a “String of Pearls” – a network of military bases that would allow China to constrict India’s navy in a maritime conflict.<sup>17</sup>

Indian policymakers see the BRI’s and the PLAN’s growing presence in its own neighborhood as complementary elements of Beijing’s coercive diplomacy. They have



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been perturbed by Beijing's actions to block India's interests in multilateral forums as well. China's shielding of Pakistan, despite its alleged support of terrorism, at the United Nations and its decision to block India's membership in the Nuclear Suppliers Group have been consistent thorns in India's side.

China's conduct at the Sino-Indian border since the start of Xi Jinping's tenure has alarmed New Delhi most. During Xi's first visit to India as president, PLA soldiers intruded into Indian territory, shocking and embarrassing Xi's hosts. Then in 2017, Chinese attempts to change the situation on the ground in Doklam – near the borders of India, China, and Bhutan – led to a major standoff between the two countries that precipitated nationalist invectives and dangerous threats between them not seen since their 1962 war. The period of calm secured by the two leaders at their informal summit in Wuhan in April 2018 quickly faded with the extraordinary border clashes in eastern Ladakh during the spring and summer of 2020.

In June 2020, after Chinese forces occupied multiple points near Ladakh that were previously controlled by India, the two armies were involved in their first deadly confrontation since October 1975. In a battle high in the Himalayas, 20 Indian soldiers lost their lives along with an unconfirmed number of PLA soldiers. There have been multiple confrontations since, and media reports suggest that India has lost control of approximately 115 square miles of disputed territory to Chinese control.<sup>18</sup> Several rounds of high-level military and diplomatic talks have failed to produce a resolution as both militaries have deployed additional troops to the border. For the first time since 1962, the two armies are plan-

ning an extended winter deployment in the harsh Himalayan terrain.<sup>19</sup>

The deadly clash transformed many Indians' perceptions of China from an untrustworthy neighbor to a hostile rival. Nirupama Rao, a former Indian foreign secretary believes, "what happened at Galwan on the fifteen of June was definitely an inflection point – more than that a near breaking point in the relationship."<sup>20</sup> And Shyam Saran, another former foreign secretary, has written, "the current series of incidents suggest that the substantive relationship has moved towards a more competitive phase."<sup>21</sup> Numerous analysts in the United States and India have concluded that the border clash "will push New Delhi toward Washington."<sup>22</sup>

Indian policymakers have noticed that this has all happened while Covid-19 wrecked public health and produced economic havoc in India. Despite being the origin of the pandemic, China has chosen to talk loudly and carry a big stick, raising alarm bells across global capitals. Months after securing a Phase 1 trade deal with Beijing, Washington quickly pivoted to decoupling. India began doing the same, banning Chinese technology apps, barring Chinese firms from bidding on Indian government projects, and starting a small trade war with China.

What years of U.S. persuasion could not do – painting Beijing as an outright rival for New Delhi – China accomplished in a few months. The confrontational posture of the United States toward China and its greater emphasis on the Indo-Pacific has made it easier for Indian policymakers to look to Washington. However, despite the increasing convergence with New Delhi on the China threat, Washington should not take for granted that a deeper strategic alignment



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is inevitable. India will continue to hold on to its strategic autonomy as it navigates an uncertain geopolitical landscape. But as Biden himself declared in India in 2013, “There is no contradiction between strategic autonomy and a strategic partnership.”<sup>23</sup>

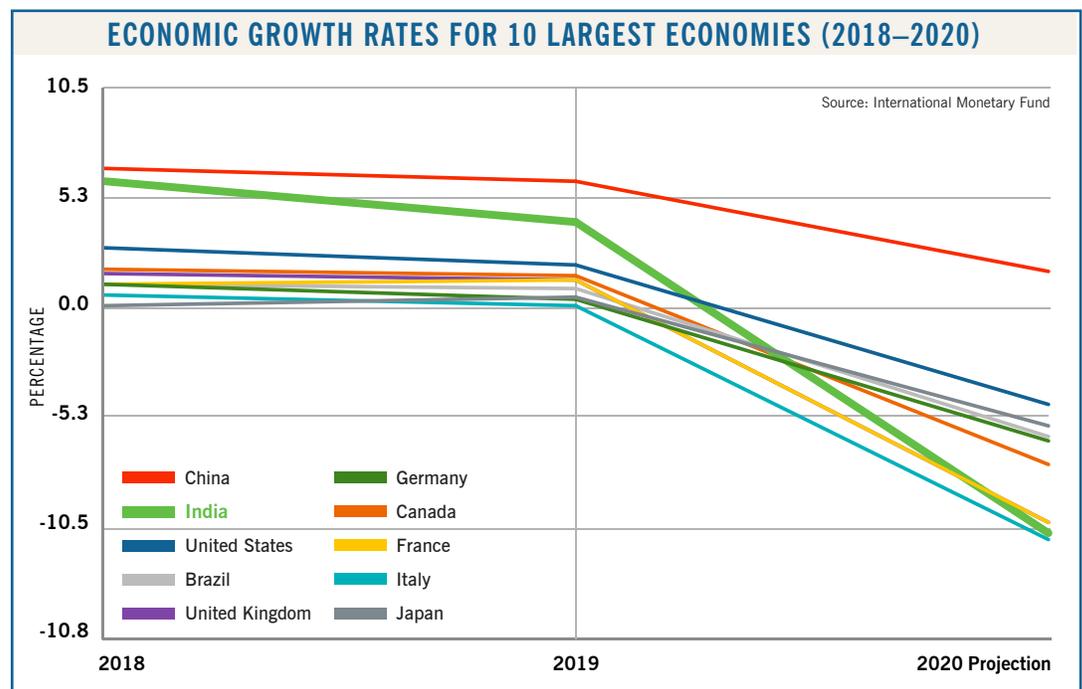
One of the Biden administration’s most critical tasks will be to ensure that the current convergence with India on the China threat endures. As they mull whether to partner with the United States in standing up to Beijing, policymakers in New Delhi will be carefully watching to determine whether they can rely on Washington to do the same. If they sense Washington adopting a more conciliatory approach toward Beijing, they may revert to a hedging approach once again.

**Divergence: India’s Economic Downturn and a “Self-Reliant India”**

As the growing threat posed by China brings the United States and India closer together, one of the most important drivers of the

relationship over the past two decades, the Indian economy, is grinding to a halt. The coronavirus pandemic and the lockdowns instituted to stem its spread have devastated the Indian economy. Despite implementing one of the world’s strictest lockdowns, India had over 10 million cases by the start of 2021, giving it the second-highest number of confirmed cases in the world. As a result, India’s GDP shrunk by 24% in the second quarter of 2020 and by 7.5% in the third quarter. Some economists believe that “once the impact on the country’s vast informal work force is taken into account, the damage might be much worse.”<sup>24</sup>

Championed as the world fastest-growing major economy just a few years ago, India’s current economic outlook is bleak. In its October report, the International Monetary Fund (IMF) predicted that India’s economy would shrink by an alarming 10.3% in 2020. To make matters worse, India’s economic struggles have been greater than those experienced by other large economies,





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even those that have had high numbers of Covid-19 cases. For instance, for the two other countries with the highest number of cases, the IMF estimates that the U.S. economy will *shrink* by 4.3% and Brazil's by 5.8% in 2020 – troubling projections but still much better than that of India.<sup>25</sup>

Unfortunately, India's economic struggles cannot be blamed on Covid-19 alone, as the Indian economy was starting to sputter prior to the pandemic. According to the IMF, growth had slowed to 4.2% in 2019, the lowest mark since 2008.<sup>26</sup> The government's boldest economic policies – a new Goods and Services tax and demonetization – had actually slowed growth by creating disruption. In 2019, a leaked government report showed that India was experiencing its highest unemployment rate in 45 years.<sup>27</sup> Covid-19 has knocked an economy that was starting to stall on the side of the highway right into the ditch. The road to recovery will be long and tortuous. Although the IMF estimates that India will climb back to an 8.8% growth rate next year, the continuation of the pandemic through 2021 likely means that the country will have some distance to cover to get out of the ditch completely.

Given the dire circumstances, India's stimulus efforts have been unimpressive. Thus far, India's direct spending to stimulate the economy has only amounted to 1.9% of GDP. After including forgone or deferred revenue and expedited spending, the IMF puts India's "fiscal support measures" at 2.5% of GDP. This pales in comparison with efforts by other countries hit hardest by Covid-19. For instance, in the United States, the \$2.3 trillion CARES Act alone amounted to around 11% of GDP. And in Brazil, the government "announced a series of fiscal measures adding up to 12%

of GDP."<sup>28</sup> India's fiscal response has clearly not been enough.

Unless drastic changes are made, there is now a growing concern for the first time in years about whether India can truly sustain robust growth in the medium to long term. Economist Vivek Dehejia has warned, "The India growth story may not have merely hit a temporary roadblock, it may be over for the foreseeable future."<sup>29</sup> While this dark prediction is not a given and remains an outlier, the Indian economy faces more challenges and questions today than it has in three decades. Dehejia blames the past few Indian governments, which have not "followed suit with the much-awaited and long-neglected 'second generation' structural reforms of land, labor and capital markets, not to mention the allied regulatory reforms that have gone abegging since at least the time of the Manmohan Singh government of 2004–14."<sup>30</sup>

The current government's record has been problematic. As Richard Rossow, who tracks India's economic reforms at the Center for Strategic & International Studies, pointed out at the start of the pandemic, "the Indian government was not able to carry through a single significant reform during the last two years of its 2014–19 term and has only initiated one reform from our tracker for 2019–24—a tax cut that helps make India's corporate tax rate competitive with other emerging Asian economies."<sup>31</sup>

The economic pain caused by Covid-19 seems to have sparked some realization that things must change. In a major speech in May 2020, Prime Minister Modi called for bold reforms and an economic transformation as part of a new "Self-Reliant India" campaign. Although the government was



[T]here is a misapprehension in New Delhi that it can secure FDI and access to supply chains while keeping trade at arm's length.

adamant that self-reliance is not code for protectionism, its recent record has made foreign firms skittish. The slew of agricultural and labor policies announced in the wake of the Covid-19 crisis have been positive. However, the structural reforms long encouraged by economists and businesspeople to make the Indian private sector more competitive, make it easier to do business in India, and attract a greater amount of foreign investment to accelerate the growth of India's manufacturing sector are still missing in action.

Even more worrying is the fact that the past year has seen India drift backward on the trade openness front. It is becoming clear that India has grown skeptical of free trade and views it as detrimental to its short-term interests. New Delhi's posture toward global and regional trade has left India on the outside looking in as the regional trade landscape has transformed during Modi's tenure. His government's most troubling decision, out of fear of Chinese goods flooding the Indian market, was to withdraw from the Regional Comprehensive Economic Partnership (RCEP), which was finalized in November 2020. India may never have been ready to be a part of the 11-member Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) trade agreement, the highest-standard Asia-Pacific trade pact and the third largest in the world. And despite its prior interest, India has been on the outside of the most inclusive Asia-Pacific trade forum in the region – Asia-Pacific Economic Cooperation (APEC) – a 21-member bloc that aims to enhance regional economic integration through consensus.

India has also been reviewing the trade agreements it already has on the books, including with the Association of Southeast

Asian Nations (ASEAN), sending alarm bells that instead of embracing regional integration to jump-start its flagging economy, New Delhi is actively shutting its doors. Recent remarks by India's external affairs minister at the Deccan Dialogue will only reinforce international skepticism. Criticizing “the mantra of an open and globalized economy,” S. Jaishankar signaled that India would think twice about entering new trade agreements for they “would lock us into global commitments, many of them not to our advantage.”<sup>32</sup> This despite evidence that growing trade and exports since the 1990s have contributed significantly to India's growth. Shoumitro Chatterjee and Arvind Subramanian outline how, from 1995 to 2018, India was third in the world – behind only Vietnam and China – in export growth in goods and services and that exports resulted in about one-third of India's exogenous aggregate demand over the past three decades.<sup>33</sup>

Indian policymakers express a growing desire to access global supply chains and investment to sustain growth. Conveniently, China's contribution to the Covid-19 pandemic has catalyzed an effort by the United States, Japan, and other nations to shift their production centers outside of China and to diversify global value chains. This would have the economic benefit of protecting their businesses and commerce in future crises and the added strategic benefit of limiting China's center of gravity in the global economy. Without naming Beijing, Prime Minister Modi suggested as much, stating, “the pandemic showed the risk involved in excessive dependence of the global supply chain on any single source.”<sup>34</sup>

India, presumably, could have much to gain from this shift by attracting the firms and value chains that are eager to leave



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China. Yet, there is a misapprehension in New Delhi that it can secure foreign direct investment (FDI) and access to supply chains while keeping trade at arm's length. Until India embraces trade, implements domestic reform, and significantly upgrades infrastructure to make it easier for foreign firms to set up and do business in India, it will find itself losing out to nations better plugged into the regional economy.

A Biden administration will have to navigate what a self-reliant India really looks like. Is there now a realization in New Delhi that real domestic economic reform is necessary? Or does this campaign foreshadow a further protectionist turn? Or, as C. Raja Mohan has argued, is this another bit of Modi's rhetorical flourish – nationalist branding during a challenging moment for India?<sup>35</sup> What direction India goes in will shape the future of the U.S.-India commercial relationship. If India's economy continues to struggle or if policymakers in New Delhi turn inward, it will cause complications for the new U.S. administration. The Biden administration will need to be patient and creative because its Indian counterparts are likely to remain unwilling to move toward more open markets in the short term, even as they welcome greater commercial cooperation.

The logic of strategic altruism dictated that the United States “build up new power centers in Asia” to balance China. India qualified primarily based on the promise of its growing economy. Over the years, India has fulfilled that promise by growing at a fast clip, even as it has disappointed Washington by eschewing free trade and failing to implement major reforms that would sustain long-term growth and benefit American firms. Now, however, with India's economy hitting rock bottom and the

country facing a long and difficult road to recovery, the original rationale is considerably weakened. As Ashley Tellis writes, “Slowing growth bodes ill for India's capacity to modernize its military fast enough to both balance out China's growing power in its neighborhood and expand defense trade with the United States.”<sup>36</sup> Ultimately, the health of India's economy will shape the strength and ambition of the U.S.-India partnership.

During his visit to India in 2013, Vice President Biden suggested that \$500 billion in U.S.-India trade was a real possibility.<sup>37</sup> That kind of ambitious vision seems out of reach today given India's economic travails and policy approach, but Biden should not shirk from setting an optimistic tone for the relationship that deviates from the recriminations of the past four years. As it develops a more positive agenda, the administration would do well to advance cooperation in emerging areas such as digital trade, renewables, and smart infrastructure.

### **Divergence: Shared Values**

A final factor that could slightly complicate ties between the world's oldest and largest democracies is their poor record in recent years on the shared values that underpin the relationship. The Trump administration took a series of steps domestically to undermine faith in U.S. elections, erode the independence of key institutions, attack and discredit the press, and stoke political and racial division by singling out particular minority groups. The Trump White House also took the human rights agenda off its list of foreign policy priorities. With an imperfect record at home, U.S. officials were in no position to stand up for human rights and democracy issues on the world stage as previous administrations had.



The new U.S. administration will have to walk a tightrope of standing up for democratic ideals while ensuring that it does not alienate important partners like India in the process, thereby undermining its ability to marshal a coordinated front against Beijing.

One of the countries that benefited most from the Trump administration's negligence of these issues was India. After winning a landslide reelection in May 2019, Modi and the ruling Bharatiya Janata Party (BJP) adopted a sharper majoritarian agenda. In the months after the election, the government approved the construction of a Hindu temple on the site of the Babri Masjid, a historic mosque in the northeastern town of Ayodhya; abrogated the special autonomy of the Muslim-majority state of Jammu and Kashmir; and instituted a security clampdown in the state to suppress any opposition. Passage of the controversial Citizenship Amendment Act in December 2019 led to popular protests against the government in many cities.

When President Trump visited India earlier this year, he made no comment on the communal riots taking place just miles from him in Delhi as a result of the citizenship law. In September 2019, as many Western nations were criticizing India for its security lockdown and abrogation of autonomy in Kashmir, Trump appeared hand-in-hand with Modi at a political rally in Texas, essentially giving his actions tacit endorsement. While the State Department has continued to express human rights concerns to New Delhi at the working level, the White House has been pointedly silent.

A Biden administration is likely to reverse course both at home and abroad. During the campaign Biden declared that he would “ensure that the White House is once again the great defender—not the chief assailant—of the core pillars and institutions of our democratic values.”<sup>38</sup> And he promised that standing up for democratic ideals abroad would once again be a top priority for the United States if he were president. Biden demonstrated the seriousness of this

claim by announcing that during his first year in office, he would “organize and host a global Summit for Democracy to renew the spirit and shared purpose of the nations of the free world. It will bring together the world’s democracies to strengthen our democratic institutions, honestly confront nations that are backsliding, and forge a common agenda.”<sup>39</sup> The Biden campaign also specifically criticized India’s actions in Kashmir and its citizenship law as “inconsistent with the country’s long tradition of secularism and with sustaining a multi-ethnic and multi-religious democracy.”<sup>40</sup>

Those comments by Biden and similar ones by his primary challengers Senators Kamala Harris, Bernie Sanders, and Elizabeth Warren raised eyebrows in New Delhi. Biden’s victory increases the possibility of greater U.S. scrutiny and public commentary on human rights violations in India. There is plenty of precedent for that – for instance, President Obama did not shy away from raising thorny issues privately and publicly. In a speech in New Delhi in January 2015, he highlighted the importance of human rights and raised the issues of trafficking and religious intolerance without jeopardizing the relationship.<sup>41</sup> Nevertheless, a President Biden will be dealing with a very different Modi government than he did from 2014 to 2016. There is speculation in both countries about whether this could pose a problem for the bilateral relationship, given the level of defensiveness India has shown in the past year on what it labels internal matters.<sup>42</sup>

What is clear is that the long-standing foundation on which the U.S.-India partnership has stood is considerably weaker today than it was four years ago. The new U.S. administration will have to walk a tightrope of standing up for democratic ideals while



**As it surveys the bilateral relationship, the incoming Biden administration will encounter a curious problem: there are few obvious low-hanging fruit in the sphere where the relationship has been strongest – security and strategic ties.**

ensuring that it does not alienate important partners like India in the process, thereby undermining its ability to marshal a coordinated front against Beijing. China's rise will serve as one of the key drivers bringing Washington and New Delhi closer. But as Ashley Tellis has warned, "the future of the U.S.-Indian defense relationship hinges on India's ability to maintain prosperity, stability, and social cohesion at home. An India that is distracted by internal strife, domestic cleavages, and corrosive ideological confrontations will be unable to either grow rapidly or modernize its military fast enough to project power beyond the Indian subcontinent."<sup>43</sup> India's democratic deficiencies are not only problematic on their face; the division and discord they sow pose a real threat to its rise, as well as to its image and reputation abroad. As America looks inward to strengthen its own institutions and democratic credentials, it would do well to remind India to do the same. However, it will need to do so with care, so as not to jeopardize other facets of the relationship.

## **A BLUEPRINT FOR THE BIDEN ADMINISTRATION**

As it surveys the bilateral relationship, the incoming Biden administration will encounter a curious problem: there are few obvious low-hanging fruit in the sphere where the relationship has been strongest – security and strategic ties.\* As Dhruva Jaishankar writes, "the basic building blocks of an India-U.S. defense relationship have [already] been put in place."<sup>44</sup>

Today, the U.S. military conducts more joint exercises with India than with any other non-NATO partner, and it often does so with other like-minded countries in tow as participants or observers. For instance, in

November 2020, the navies of the United States, India, Japan, and Australia all participated in the Malabar Exercise for the first time since 2007.<sup>45</sup> The exercise gives ballast to the Quadrilateral Dialogue that the Trump administration has prioritized as a mechanism to bolster security cooperation among democracies in the region. Defense trade has also blossomed, with India purchasing C-17 transport aircraft, Apache and MH-60R multi-role helicopters, as well as rifles, howitzers, missiles, and torpedoes from the United States in the past four years. Counterterrorism and cyber cooperation have been deepened as well. Few obvious big wins are left in the security sphere, and most of the work remaining is about operationalizing and implementing agreements.

Given the distance already covered in the security sphere, the easiest way to take the U.S.-India relationship to the next level is to expand its parameters. The Biden administration should turn the page to a less contentious economic cooperation agenda, revive the health and energy partnership to combat Covid-19 and climate change, and broaden strategic cooperation with India by reasserting U.S. leadership in the region.

### **Expand the Scope of the Relationship**

#### *1. Show up and re-embrace the U.S.-India Strategic Dialogue*

Past administrations have spent significant political capital and time, including at the leaders level, on India, and a President Biden will be wise to do the same. He benefits from already having met and worked with Prime Minister Modi as vice president. Though travel will remain difficult in 2021 due to Covid-19, it would be useful for President Biden to visit India in 2022 and engage with Prime Minister Modi at

\* During the final U.S.-India 2+2 Dialogue in October, the two nations signed the Basic Exchange and Cooperation Agreement (BECA), a defense pact that will enhance geospatial cooperation between the two militaries. BECA is the fourth foundational defense agreement signed between India and the United States, and the second sealed by the Trump administration after it finalized the Communications Compatibility and Security Agreement (COMCASA) in 2018. Its completion highlights the leaps that U.S.-India security cooperation has taken over the past two decades, with greater defense technology cooperation, easier sharing of sensitive geospatial data and classified information, and greater interoperability between the two militaries.



In 2013, Biden became the first vice president to visit India in three decades. Kamala Harris, the first South Asian American vice president, should follow in his footsteps.

multilateral gatherings whenever possible. In 2013, Biden became the first vice president to visit India in three decades. Kamala Harris, the first South Asian American vice president, should follow in his footsteps. In the meantime, the administration should arrange early conversations and dialogues at the ministerial and working levels and fill key agency positions related to India expeditiously, unlike under President Trump.

The Trump administration switched its highest ministerial-level engagement with India to a 2+2 Dialogue, led by the secretaries of state and defense on the U.S. side. Previously, the United States and India maintained a comprehensive diplomatic framework through an annual Strategic Dialogue, which convened other cabinet ministers as well, including those covering commerce, education, energy, health, and more. By reinstating a broader U.S.-India Strategic Dialogue with the 2+2 as a central component, the Biden administration can expand the aperture of the relationship and prioritize elements of the partnership that have been neglected over the past four years.

### *2. Jump-start Covid-19–related health cooperation*

As the two countries with the most confirmed coronavirus cases in the world, the United States and India share a pressing interest in getting the pandemic under control as well as securing and disseminating a safe and effective vaccine as quickly as possible. Both nations are global hubs of production for the health industry. “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,” making medical trade cooperation between these two countries critical to tackling the pandemic domesti-

cally and globally.<sup>46</sup> The Biden administration should immediately create a dialogue track to engage India on Covid-19. As former Assistant U.S. Trade Representative Mark Linscott suggests, the two governments would benefit from a regular dialogue mechanism on pandemic-related matters, including exchanging views and coordinating their positions on global rules regarding the trade in medical supplies.<sup>47</sup> The dialogue could be tasked to quickly produce actionable recommendations to aid the public health response in both countries, such as jointly easing trade restrictions that might impact the public health response and creating a visa waiver for Indians who could assist in the fight against the pandemic in the United States.

### *3. Revitalize U.S.-India energy and climate cooperation*

In 2015 and 2016, the Obama-Biden administration successfully engaged the Modi government in accepting greater responsibility in global climate negotiations. India submitted an ambitious set of nationally determined contributions (NDCs) as part of the Paris Agreement and officially ratified it. However, given the Trump administration’s antipathy for climate action, bilateral cooperation on climate and renewable energy flagged over the past four years. It is promising therefore that India remains “on track to meet its Paris Agreement targets – to reduce emissions by 33% to 35% of its gross domestic product (GDP) by 2030 from 2005 levels and achieve 40% of installed power capacity from non-fossil fuels by 2030.”<sup>48</sup> This past year in a joint statement with French President Emmanuel Macron, Modi hinted that India is ready to go further and “increase its climate pledges, or nationally determined contributions (NDCs), under



[A Biden administration] should craft a comprehensive immigration reform bill that ensures that the United States remains welcoming to job creators and innovators and provides a pathway to citizenship for undocumented residents. Such a policy would benefit nearly 500,000 Indians who are currently residing in the United States illegally.

the Paris Agreement.”<sup>49</sup> Since then, India’s economy, which remains highly dependent on fossil fuels, has suffered tremendously from the Covid-19 pandemic.

Therefore, as it rolls out its own climate plan and renews U.S. commitment to the Paris Agreement and the Montreal Protocol, the Biden administration could urge India to upgrade its NDCs at the 26<sup>th</sup> UN Climate Change Conference in Glasgow in 2021. It should also push to accelerate bilateral energy cooperation with a focus on advancing India’s renewable energy investments and capacity and helping India manufacture renewable energy components to transition to a greener economy. This will require boosting climate finance, investments, and trade with India through the International Development Finance Corporation (IDFC), as well as expanding existing clean energy programs.<sup>50</sup> Officially joining Prime Minister Modi’s International Solar Alliance, which has 121 prospective members, would be a small but positive means of demonstrating appreciation for and support of India’s climate actions.

#### **Turn the Page to a Less Contentious Commercial Agenda**

##### *4. Scrap the Trump administration’s immigration policies and move past the trade dispute*

The Trump administration’s interest in limiting legal immigration created a dark cloud over bilateral ties because the Indian American community is a crucial proponent and element of the partnership. Indian immigration to the United States directly impacts the commercial relationship and adds value to both economies. Therefore, the Biden administration, in its first 100 days in office, should reverse Trump’s executive orders limiting H1-B and L-1 visas.

And upon review of various worker visas, it should consider increasing the number of high-skilled visas as well as eliminating the limit on employment-based visas based on country. In addition, as promised during the campaign, it should craft a comprehensive immigration reform bill that ensures that the United States remains welcoming to job creators and innovators and provides a pathway to citizenship for undocumented residents. Such a policy would benefit nearly 500,000 Indians who are currently residing in the United States illegally and would be welcomed by the Indian government, the Indian American community, as well as the American business community.<sup>51</sup>

Similarly, the United States can seize the opportunity to move past the trade disputes that have characterized the relationship over the past two years. The incoming Biden administration should engage India immediately with an eye to resolving bilateral trade irritants in 2021. As a show of good faith, the United States could suspend Trump’s steel and aluminum tariffs to jumpstart negotiations and urge India to reverse its policies on data localization and e-commerce, as well as relax duties and restrictions on medical supplies, poultry, and dairy products. The completion of a deal could result in the United States reinstating India’s GSP status and officially lifting U.S. steel and aluminum tariffs and India undoing its retaliatory measures. As former U.S. Ambassador to India Richard Verma has advised, the two sides can reach a resolution if they “engage in an open, predictable and rules based set of commercial exchanges.”<sup>52</sup>

##### *5. Boost U.S.-India digital cooperation*

The global digital arena is becoming increasingly multipolar and contentious. Competing rules, standards, and norms



If the United States and India could craft a consensus template for digital rules, it would likely address the varied concerns of developed and developing economies in the digital space and make regional progress more likely. However, this will not be possible until the United States and India address their significant differences on data governance.

threaten to bifurcate the Internet, undermine innovation, and stifle the digital economy. As the world's largest democracy, India's dynamic technology landscape and recent decisions on Huawei, ZTE, and Chinese applications make it a natural strategic partner for the United States to advance digital cooperation on a shared set of rules. If the United States and India could craft a consensus template for digital rules, it would likely address the varied concerns of developed and developing economies in the digital space and make regional progress more likely. However, this will not be possible until the United States and India address their significant differences on data governance. India has alarmed U.S. technology and financial companies through some of its proposed rules on data localization and e-commerce as it is in the midst of shaping its entire digital regulatory framework.

Therefore, the Biden administration would be wise to institute a bilateral dialogue track focused on digital cooperation, with the objective of identifying shared standards for cross-border data flows. The United States could convene a formal dialogue in 2021 involving public and private sector representatives to identify gaps to be bridged. Both nations could then advance a consensus framework in other bilateral engagements and multilateral forums. If successful, India could push to adapt the G20 Osaka Track on Digital Economy, which it did not sign onto in 2019, at the 2022 G20 summit, while it holds the presidency.

#### *6. Encourage reform and openness in India by securing India's membership in APEC*

With the signing of the RCEP agreement on November 14, 2020, India finds itself on the outside looking in on Asia's three most important trade groupings – RCEP,

CPTPP, and APEC. While the two trade pacts have a higher bar for entry, India has previously shown interest in APEC and is badly in need of reorientation in its trade policy. The grouping's regional integration agenda could benefit from the inclusion of a large emerging economy, and India's participation would socialize its policymakers and businesses to best practices that will improve competitiveness and ease access to global value chains, particularly in the aftermath of Covid-19.

The United States could coordinate with India and APEC economies to push for Indian membership in APEC by the end of the Biden administration's first term. Specifically, the United States could work with the 2021 APEC host, New Zealand, to grant India observer status and create a roadmap for how it can strengthen its case for membership. The United States could then coordinate with Thailand, the 2022 APEC host, to officially reopen consideration of new members in time for India's entry in 2023 or 2024 if it exhibits a commitment to APEC's regional integration agenda.

#### **Renew U.S. Leadership and Regional Consultation amid Great Power Competition**

##### *7. Marshal a consistent, coordinated, and multilateral effort against China*

A Biden administration will need to demonstrate that campaign rhetoric about confronting Beijing in a more coordinated, consistent, and effective manner was not just talk. This will include telegraphing to New Delhi that Washington will continue some of the Trump administration's key strategic initiatives, including the Quadrilateral Dialogue, and redouble bilateral and trilateral engagement and security cooperation



It will also be important for the United States to utilize diplomacy to manage growing tensions with Iran and Russia, two of India's partners that are increasingly tilting toward China.

with key allies and partners in the region. It will also be important for the United States to utilize diplomacy to manage growing tensions with Iran and Russia, two of India's partners that are increasingly tilting toward China. Ultimately, India will want to see the United States marshal a more coordinated diplomatic effort and a whole-of-government approach to China. To earn India's continued support with regard to China, the United States may need to

- Stand up for allies and partners in the face of Chinese bullying, and not just in cases relevant to India;
- Continue to apply economic pressure on Beijing to reform its economy toward fair market principles;
- Return to a visible, leadership role in regional and multilateral organizations when it comes to the maintenance of regional peace and security, the protection of the global commons, and the advancement of shared values;
- Increase investment in the IDFC to finance global infrastructure development projects endorsed by the Blue Dot Network to raise regional standards for infrastructure financing and development and put pressure on China's Belt and Road Initiative;
- Redouble research and investments in technology to undermine China's advantages in that area.

#### *8. Operationalize the defense and security partnership*

Given that the United States and India have now signed the four foundational defense agreements and already engage in a whole host of defense trade and joint military exercises, the task of substantively enhancing security and defense ties will be diffi-

cult. Instead of signing new agreements, the Biden administration will need to start defining and operationalizing agreements already in place. It could do so by creating a body within the Defense Department specifically focused on India. In 2015, Defense Secretary Ash Carter started a first of its kind "India Rapid Reaction Cell" in the Defense Department focused on accelerating initiatives under the U.S.-India Defense Trade and Technology Initiative.<sup>53</sup> The Biden administration should elevate the role and positioning of this cell to focus on the entirety of the defense relationship. This India team could be tasked to

- Operationalize the foundational defense agreements;
- Speed up defense trade, coproduction, and co-development with the cooperation of the Indian defense establishment, in part by starting to align India's export control and procurement regimes with U.S. regimes;
- Identify and facilitate bilateral and multilateral military exercises and enhance interoperability with the Indian military and like-minded partners;
- Boost cooperation on disaster relief and maritime security, especially in the Indian Ocean region;
- Oversee a series of regular bilateral talks to advance intelligence and information sharing and further coordination on counterterrorism and cybersecurity.

In addition, Richard Verma and Samir Saran have offered mechanisms to help facilitate the defense partnership. These include creating a new visa category to ease the travel of senior military leaders and increasing the number of educational and professional military exchanges.<sup>54</sup>



[T]he Biden administration should not hesitate to voice support for human rights, democratic institutions, and the rule of law as it deals with any of its partners... That said, Washington is in no position to shame another democracy into change nor can it afford to alienate New Delhi.

*9. Enhance cooperation with India on regional security in South Asia*

New Delhi was of two minds regarding President Trump's South Asia policy. On the one hand, it welcomed the Trump administration's more forceful approach to Pakistan, wherein the United States cut aid and publicly criticized Islamabad over its support of terrorism. On the other, it was wary of the Trump administration potentially cutting and running in Afghanistan, leaving a glaring security vacuum that would threaten the Afghan government. During the campaign, Vice President Biden pledged to "end the forever wars in Afghanistan and the Middle East" but maintained the necessity of keeping some troops deployed to fight terrorism.<sup>55</sup>

Keeping India apprised of any changes in U.S. policy toward Pakistan and Afghanistan will be critical. While a Biden administration must be prepared for the likely eventuality of another India-Pakistan crisis, it would be wise to try to reduce that possibility by pressuring Islamabad in bilateral and multilateral talks to clamp down on cross-border terrorism into India. With the Taliban and the Afghan government now in advanced peace talks that could lead to a U.S. drawdown, the Biden administration could also consider including India in a small grouping of supportive countries, including Central Asian nations and Iran, that it convenes to support and inform the peace process. To ensure that a security vacuum does not follow the departure of American troops, the Biden administration could ask India to expand its reconstruction and development efforts in Afghanistan, as well as enhance its military role by training security forces and providing more defense assistance. While this would lead to howls from Pakistan, the United States needs

more partners that are fully committed to Afghanistan's stability.

**Reemphasize Shared Values while Managing Differences**

*10. Support human rights and democracy through the power of example*

In his first call as president-elect with Prime Minister Modi on November 17, 2020, Biden stressed the importance of "strengthening democracy at home and abroad." His administration should continue to publicly and privately emphasize the shared democratic ideals that underpin the relationship. However, this work must start at home. The Biden administration would be wise to make a strident call to shore up democracy domestically in his Inauguration Day speech and end the Muslim ban and family separation at the U.S. border on day one. Unless the United States acknowledges and accepts its own imperfections, its international calls will ring hollow.

It will be a tightrope walk, but the Biden administration should not hesitate to voice support for human rights, democratic institutions, and the rule of law as it deals with any of its partners, including India. The Trump administration only hued to this long-standing practice at working levels, not at the ministerial or leaders level. Biden officials should change that by expressing concerns about India's security clampdown in Kashmir, the intimidation of the press and independent institutions, as well as the discrimination and vilification faced by religious minorities and political protestors. That said, Washington is in no position to shame another democracy into change nor can it afford to alienate New Delhi, which has a different viewpoint about the nature of democracy. Therefore, the administration will need to frame these conversations as



In 2006, Senator Joe Biden stated, “My dream is that in 2020, the two closest nations in the world will be India and the United States.” While that dream has not come to fruition, as president, Joe Biden has a chance to make it more real over the next four years.

honest and open communication between friends and a U.S. desire to see a stable and prosperous India.

It should also position these issues within the larger context of its Global Summit for Democracy, which it plans to hold during its first year.<sup>56</sup> The United States should invite India to participate in the summit and encourage it to take on a leadership role to “renew the spirit and shared purpose of the nations of the Free World.”<sup>57</sup> India has much to offer the world, especially in the realm of election management and training. It also has room to expand its support and funding of projects to bolster civil society and balanced civil-military relations in other countries. While differences clearly exist on particular issues, the U.S.-India relationship is strong enough for the administration to navigate bilateral concerns while reasserting U.S. leadership in the defense of democracy and human rights on the world stage.

## CONCLUSION

In 2006, Senator Joe Biden stated, “My dream is that in 2020, the two closest

nations in the world will be India and the United States.”<sup>58</sup> While that dream has not come to fruition, as president, Joe Biden has a chance to make it more real over the next four years. One of his challenges will be that the U.S.-India relationship is stronger today than it has ever been. Biden follows in the footsteps of three successive U.S. presidents – George W. Bush, Barack Obama, and Donald J. Trump – who have undoubtedly advanced the relationship and elevated the significance of India within the U.S. strategic framework.

It has helped that all of their presidential terms have coincided for significant portions with the terms of their Indian counterparts. Bush had about four years each to work with Vajpayee and Singh. Obama had more than five years with Singh and nearly three with Modi, and Trump’s term has coincided entirely with Modi’s tenure. Unless there are massive shifts in Indian politics, Modi’s second term will take him through the majority of Joe Biden’s first. This gives the Biden administration a real window to nurture a natural partnership.

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