



## The Future of India-US Partnership

*This editorial is based on "[Whether it is President Trump or President Harris, US-India relations must continue on an upward arc](#)" which was published in The Indian Express on 26/08/2024. The article highlights India's unique ability to maintain and strengthen its relationship with the US across different administrations, while also addressing the challenges in immigration, trade, and geopolitical alignments. It emphasizes the need for India to leverage its strategic advantages, such as strong diaspora ties and its role in the Indo-Pacific, to navigate these complexities and adapt to an increasingly multipolar world.*

**For Prelims:** [India-US partnership](#), [Cold War](#), Next Steps in Strategic Partnership, [2008 Civil Nuclear Agreement](#), [2008 Civil Nuclear Agreement](#), [US-India Strategic Clean Energy Partnership](#), [Critical and Emerging Technology Initiative](#), [Quadrilateral Security Dialogue](#), [US's CAATSA sanctions](#), [BRICS](#), [Defense Technology and Trade Initiative](#), [Green Energy Corridor](#).

**For Mains:** Evolution of India-US Relations, Major Areas of Friction in India-US Relations.

India stands in a unique position as it faces the potential political changes in the **United States**. **Unlike** many American allies, India has successfully strengthened its relationship with the US under both **Republican and Democratic administrations**, establishing itself as a key partner across various domains including trade, technology, and security.

While the [India-US partnership](#) has seen consistent growth over the past two decades, challenges persist in areas such as [immigration](#), [trade policies](#), and [geopolitical alignments](#), particularly concerning **Russia and China**. As India navigates these complexities, it must leverage its strategic advantages, including its robust engagement with US policymakers, strong diaspora connections, and growing importance in the Indo-Pacific region, to further strengthen and adapt this crucial relationship in an increasingly multipolar world.

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## How India and US Relations Evolved Over Time?

- **From Estrangement to Engagement-The Cold War Thaw:** During the Cold War, India and the US found themselves on opposite sides, with **India pursuing non-alignment and India's major rival of the time Pakistan aligning with the US.**
  - The relationship began to thaw in the 1990s with **India's economic liberalization and the end of the [Cold War](#).**
  - A significant turning point came with **President Bill Clinton's visit to India in 2000**, marking the first presidential visit in more than 20 years.
  - This period saw the beginning of strategic dialogues and increased economic cooperation.
  - The signing of the **Next Steps in Strategic Partnership (NSSP) in 2004** further solidified the growing ties.
- **Nuclear Breakthrough-A New Era of Trust:** The **[2008 Civil Nuclear Agreement](#)** marked a watershed moment in India-US relations.
  - This deal effectively **ended India's nuclear isolation** and recognized it as a responsible nuclear power.
  - The agreement paved the way for **India's integration into the global nuclear order**, despite not being a signatory to the **[Non-Proliferation Treaty](#)**.
  - It also led to increased cooperation in defense and high-technology sectors. The deal's implementation, completed in 2008, **demonstrated the US commitment to elevating India's global stature.**
- **Defense Ties- From Buyer to Partner:** India-US defense cooperation has grown exponentially

since the early 2000s.

- From being a peripheral buyer, in 2016, the US designated India as a Major Defense Partner.
  - In 2018, India was elevated to **Strategic Trade Authorization tier 1 status**, which allowed India to receive **licence-free access to a wide range of military and dual-use technologies** regulated by the US's department of commerce.
- The signing of foundational agreements like **LEMOA (2016)**, **COMCASA (2018)**, and **BECA (2020)** has enabled deeper military cooperation.
- Joint exercises like **Malabar** and the **establishment of the 2+2 Ministerial Dialogue in 2018** have further strengthened strategic ties.

▪ **Economic Synergy-Beyond Trade to Strategic Cooperation:** Economic relations have been a key driver of the India-US partnership.

- The bilateral trade between India and the US stood at **USD 118.28 billion in 2023-24**.
- The US is now India's largest trading partner and a significant source of FDI.
- Cooperation has expanded beyond trade to areas like **clean energy, digital economy, and healthcare**.
- The launch of initiatives like the **US-India Strategic Clean Energy Partnership (SCEP) in 2021** and collaboration in Covid-19 vaccine production showcase the evolving nature of economic ties.

▪ **Collaborating in the Digital Age:** Technology cooperation has emerged as a cornerstone of India-US relations in the 21st century.

- The two countries have established multiple forums for collaboration in emerging technologies like **AI, quantum computing, and 5G**.
- The **US-India Science and Technology Endowment Fund**, established in **2009**, has fostered innovation and entrepreneurship.
- Recent initiatives like the **US-India Artificial Intelligence Initiative** and the **Critical and Emerging Technology Initiative (iCET) launched in 2022** underscore the strategic importance of tech cooperation in bilateral ties.

▪ **Geopolitical Alignment-Partners in the Indo-Pacific:** The rise of China has brought India and the US closer in their strategic outlook.

- The revival of the **Quadrilateral Security Dialogue (Quad)** involving **India, US, Japan, and Australia**, signifies this alignment.
- India's inclusion in the **US Indo-Pacific strategy** reflects the growing convergence.
- Joint statements emphasizing a "**free and open Indo-Pacific**" and initiatives like the **Supply Chain Resilience Initiative** demonstrate the depth of geopolitical cooperation.

# INDIA-US PARTNERSHIP

## Economic Relations



- US became India's biggest trading partner in 2022-23 followed by China and UAE
- The bilateral trade has increased by 7.65% in 2022-23 (compared to 2021-22)

## Defence Cooperation



- India-US Defence Acceleration Ecosystem (INDUS-X), 2023: Start-ups and tech companies to collaborate on the co-development and co-production of advanced technologies
- Fighter Jet Deal, 2023: GE's F414 engine technology and manufacturing will be transferred for India's Tejas Mk2 jet, enhancing its indigenous capabilities
- Defence Technology and Trade Initiative (DTTI), 2012: To facilitate collaboration in defence manufacturing, research and development, and technology transfer
- New Framework for India-US Defence Relations, 2005: Updated for 10 years in 2015

India intends to procure armed MQ-9B SeaGuardian UAVs

## Science & Technology



- Initiative on Critical and Emerging Technologies (iCET), 2022: Cooperation on CETs in areas including AI, quantum computing, semiconductors and wireless telecommunications
- Critical Minerals Partnership: Recently, India joined the US-led Minerals Security Partnership (MSP) to boost global critical energy and minerals supply chains
- Collaboration in Space: NASA to train ISRO astronauts, aiming for a joint International Space Station (ISS) mission in 2024
  - Artemis Accord: A US-led alliance seeking to facilitate international collaboration in planetary exploration and research; signed by India
  - NASA-ISRO Synthetic Aperture Radar (NISAR): For understanding changes in Earth's ecosystems and other environmental changes

## Civil Nuclear Deal



- Civil Nuclear Cooperation: Bilateral civil nuclear cooperation agreement signed in October 2008

## Energy & Climate Change



- Joint Clean Energy Research and Development Centre (JCERDC), 2010: To promote clean energy innovations by teams of scientists from India and the United States
- Clean Energy Agenda 2030 Partnership: Launched at the Leaders climate summit 2021
- Global Biofuel Alliance (India, Brazil and US), 2023: Aimed at facilitating cooperation and intensifying the use of sustainable biofuels, including in the transportation sector

## Security



- Counter-Terrorism Cooperation Initiative, 2010: To expand collaboration on counter-terrorism, information sharing and capacity building

## Four Foundational Agreements:

General Security of Military Information Agreement (GSOMIA), 2002: Allows militaries to share intelligence gathered by them

- ◆ Industrial Security Annex, 2019 is a part of GSOMIA

Logistics Exchange Memorandum of Agreement (LEMOA), 2016: Both countries gain access to designated military facilities for refuelling and replenishment.

Communication Compatibility and Security Agreement (COMCASA), 2018: A legal framework for the transfer of highly sensitive communication security equipment from the US to India

Basic Exchange and Cooperation Agreement for Geospatial Intelligence (BECA), 2020: Allow both countries to share geospatial and satellite data with each other

In 2015, both countries issued Delhi Declaration of Friendship and adopted a Joint Strategic Vision for Asia-Pacific and the Indian Ocean Region

Popular Visa Among Indians include H-1B, L. Indian citizens set to become largest foreign student community in the US (20% growth in 2022)



Drishti IAS

## What are the Major Areas of Friction in India-US Relations?

- **Trade Tensions-Navigating Economic Choppy Waters:** Despite growing bilateral trade, economic frictions persist between India and the US.
  - Key issues from the US end include India's trade surplus (**USD 36.74 billion in 2023-24**), market access barriers, and intellectual property rights concerns.
  - The US has criticized **India's data localization policies** and **e-commerce regulations**, while India has objected to **US tariffs on steel and aluminum**.
  - The removal of India from the **Generalized System of Preferences (GSP) in 2019** and ongoing disagreements at the WTO over agricultural subsidies further complicate trade relations.
- **Strategic Autonomy vs. Alliance Expectations:** India's policy of strategic autonomy often clashes with US expectations of closer alignment.
  - This is evident in **India's stance on Russia-Ukraine War**, including its refusal to

- condemn Russian actions in Ukraine and its **continued purchase of Russian military equipment** (like the S-400 missile system) **and oil** (Russia being India's major supplier).
- The **US's CAATSA sanctions** threat looms over India's defense choices.
- Similarly, India's participation in groupings like **BRICS and SCO**, which include US adversaries, sometimes creates friction.
- Balancing these divergent interests while maintaining a strong partnership remains a significant challenge for both nations.
- **Technology Transfer and Defense Cooperation:** While defense ties have improved dramatically, issues persist in technology transfer and joint production.
  - India seeks advanced technologies and greater technology sharing, but **US export control regulations often limit such transfers**.
  - The lag in implementing agreements like COMCASA and BECA due to Indian concerns about information security also impacts deeper defense cooperation.
  - Recent initiatives like the **Defense Technology and Trade Initiative (DTTI)** aim to address these issues, but progress has been slower than anticipated.
- **Human Rights and Democratic Values:** US concerns over human rights issues in India, including **religious freedom, press freedom, and treatment of minorities**, occasionally strain bilateral relations.
  - The US Commission on International Religious Freedom's recommendations to designate India as a **"country of particular concern" in 2020 and 2021** highlight these tensions.
  - India views such criticisms as **interference in internal affairs**. Balancing strategic partnership with **values-based diplomacy** remains a challenge, as evidenced by muted US responses to controversial Indian policies like the **revocation of Article 370 in Kashmir**.
- **Visa and Immigration:** Immigration policies, particularly those affecting Indian tech workers and students, have been a persistent irritant.
  - Changes to **H-1B visa rules** have caused concern in India.
  - The backlog for employment-based green cards, disproportionately affecting Indians, remains a major issue.
    - More than **1 million Indians** are waiting for highly skilled immigrant visas.
- **Climate Change and Energy:** While both countries are committed to addressing climate change, **differences persist over the pace and scale of action**.
  - The US pushes for more **ambitious emission reduction targets**, while India emphasizes its **development needs and calls for greater financial support** from developed nations.
  - Disagreements over issues like **carbon border taxes** and the **phasing out of coal or phasing down** highlight the challenges.
- **Intellectual Property Rights:** Intellectual property rights (IPR) protection remains a contentious issue in India-US relations.
  - The US has consistently placed India on its **Priority Watch List in the Special 301 Report**, citing concerns over patent laws, copyright piracy, and trademark infringement.
  - India's use of **compulsory licensing for pharmaceuticals** and its stance on agricultural patents have been particular points of friction.
  - While India has made efforts to strengthen its IPR regime, including the **National IPR Policy in 2016**, differences in approach to innovation and access to technology persist.

## How can India Further Enhance its Relations with the US?

- **"Make in India" Meets "Buy American":** India can propose joint manufacturing initiatives that align with **both countries' economic goals**.
  - This could focus on sectors like **electronics, pharmaceuticals, and defense equipment**.
  - Implementing a **fast-track approval process for such joint ventures** and **creating special economic zones tailored for US companies** could make this initiative attractive.
  - This approach could potentially create a win-win situation, addressing US concerns about job creation while boosting India's manufacturing capabilities.
- **Green Energy Corridor:** India can propose a bilateral **Green Energy Corridor**, focusing on joint development and production of renewable energy technologies.

- This could include collaborative **research on solar, wind, and hydrogen technologies**, joint ventures for manufacturing green energy equipment, and shared projects for sustainable urban development.
- By leveraging **US technological expertise and India's scale**, this initiative could accelerate both countries' clean energy transitions.
- Offering preferential market access for jointly developed green technologies could make this partnership economically viable while addressing climate change concerns.
- **Digital Democracy Initiative:** India can initiate a Digital Democracy Initiative with the US, focusing on developing shared norms and technologies for an **open, secure internet**.
  - This could include joint efforts in **cybersecurity, countering disinformation, and promoting digital literacy**.
  - Collaborative projects to develop **privacy-preserving technologies** and open-source digital public goods could be key components.
  - By aligning digital governance approaches, India can address US concerns about its tech policies while asserting its role in shaping global digital norms. This initiative could also include joint programs to bridge the digital divide in both countries.
- **Skills Passport Program:** India can propose a **Skills Passport Program** to address US labor shortages while providing opportunities for Indian workers.
  - This program would involve **standardized skill certification recognized by both countries**, streamlined visa processes for certified workers, and joint training programs.
  - Focusing on sectors with **high demand in the US, such as healthcare, IT, and advanced manufacturing**, could make this initiative mutually beneficial.
  - Including provisions for knowledge transfer and return migration could address brain drain concerns while facilitating circular migration.
- **Strategic Resource Partnership:** India can offer to become a key partner in securing and diversifying **US supply chains for critical resources**.
  - This could involve **joint exploration and production of rare earth elements**, collaborative research on alternative materials, and coordinated stockpiling of strategic resources.
  - By leveraging its **geological resources and manufacturing capabilities**, India can position itself as a reliable alternative to China in critical supply chains.
  - Implementing fast-track environmental clearances and offering fiscal incentives for such projects could accelerate this partnership.
- **Pandemic Preparedness and Beyond:** Building on the cooperation during the Covid-19 pandemic, India can propose a **comprehensive Health Security Alliance**.
  - This could include **joint vaccine development and production facilities**, collaborative research on emerging infectious diseases, and shared early warning systems for potential pandemics.
  - Extending this to areas like **telemedicine**, medical device development, and health data analytics could create a robust, multifaceted partnership.
  - Offering **reciprocal recognition of medical qualifications** and streamlined approval processes for joint medical research could further strengthen this alliance.
- **Space Commercialization Consortium:** India can initiate a **Space Commercialization Consortium with the US**, focusing on joint development of commercial space technologies and services.
  - This could include collaborative projects in **small satellite development, space-based internet services**, and space tourism technologies.
  - By combining **ISRO's cost-effective approach with NASA's advanced capabilities**, this consortium could accelerate space commercialization.
  - Offering preferential launch services for joint projects and creating a shared regulatory framework for commercial space activities could make this partnership attractive to both countries.
- **AgriTech Innovation Hub:** India can establish an AgriTech Innovation Hub in partnership with the US, focusing on developing and deploying advanced agricultural technologies.
  - This could include joint research on **climate-resilient crops, precision farming techniques**, and AI-driven pest management systems.
  - By combining US agricultural research capabilities with **India's diverse agro-climatic zones**, this hub could accelerate innovations in food security.
  - Offering field testing opportunities in India for jointly developed technologies and creating

farmer exchange programs could enhance the practical impact of this initiative.

**Drishti Mains Question:**

India-US relations have evolved significantly over the past two decades, transitioning from a cautious engagement to a robust strategic partnership. Analyze the key factors driving this transformation and discuss the challenges that continue to shape the bilateral relationship.

**UPSC Civil Services Examination, Previous Year Question (PYQ)**

**Q.** 'What introduces friction into the ties between India and the United States is that Washington is still unable to find for India a position in its global strategy, which would satisfy India's National self-esteem and ambitions'. Explain with suitable examples. **(2019)**

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