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Introduction

On April 29, 2011 India's Ministry of Defence (MoD) announced that only two companies with their designated products—European Aeronautics Defence Space Agency (EADS) with Eurofighter Typhoon and Dassault Aviation with Rafael—would be extended commercial bids for the much publicized global tender for the acquisition of 126 medium multi-role combat aircraft (hereafter, MMRCA) at a provisional cost of USD 10.4 billion. Washington, taken totally by surprise, reacted with deep consternation. New Delhi, a US analyst said, had “settled for a plane, not a relationship”.¹ Another source commented that if “India had settled for an aircraft over a strategic relationship, there is no reason why the US administration should bend backwards to accommodate India on strategic matters”.² Within 24 hours of the decision on MMRCA, US Ambassador to India Timothy Roemer—coincidentally or otherwise—announced his resignation citing “personal commitments”.³ The reactions to the MMRCA verdict within India were equally strong.⁴

“The potential for Hindustan Aeronautics Limited, the Indian state-owned aerospace company, the prime contractor ranked [among] the world's top 100 arms companies for the past twenty years, to successfully partner with US firms on a truly advanced aircraft remains untested and suspect,” Timothy Roemer wrote in a confidential cable released by WikiLeaks and reported by the *Financial Times*. After a visit to the company's plant in Bangalore in February 2010, he described India's aviation industry as “two to three decades behind the United States and other western nations” despite advances. Mr Roemer was also struck by the lack of automation and safety

precautions at the HAL plant, adding that US companies needed to “approach partnerships carefully to understand the management and technological experience of Indian firms.”⁵ The very next day, the Indian side came out with a strong rebuttal. “If the Americans really think in this manner, it is self-contradictory to find them in the fray for the MMRCA deal,” said N.C. Agarwal, director of design and development at HAL’s design complex in Bangalore.⁶

Despite this setback, the US has become a major supplier of military weapons to India in the last few years, with signed contracts worth over USD 7 billion for six C-130J aircraft, eight P-8I aircraft, 10 C-17 Globemaster transport aircraft and a few other items, besides about an equivalent sum earmarked for military supplies.⁷ Moreover, the Senate Armed Services Committee (hereafter, SASC) recently asked the Pentagon to submit by November 1, 2011 a detailed assessment of the current state of US-India security co-operation, as well as a five-year plan for enhancing bilateral cooperation. Noteworthy in this is the bipartisan belief within the Committee that “it is in the national interest of the US, through military-to-military relations, arms sales, bilateral and multilateral joint exercises, and other means, to support India's rise and build a strategic and military culture of cooperation and interoperability between our two countries, in particular with regard to the Indo-Pacific region”.⁸ The SASC has also ordered “a detailed assessment of the desirability and feasibility of the sale of F-35 joint strike fighters to India in the future and a potential US partnership with India to co-develop one or more military weapon systems, including but not limited to the anticipated program to replace the US Air Force T-38 trainer jet”.⁹

The strong reactions to the non-inclusion of American firms in a major Indian military procurement tender, in the backdrop of the proposed aggressive weapons sales by the Americans, paint a contrasting picture that

could influence India-US defence relations in the near future. At the same time, this calls for a comprehensive assessment of the relationship—whether it is likely to deepen or weaken or muddle through in the future. Before such an endeavour is undertaken, it is important to put together both micro and macro developments impinging India-US defence relations in a larger framework. This is not as simple an exercise as it seems, for there is an involvement of inter-twined subjective factors that impinge on international relations in general and bilateral relations in particular.

This paper is divided into four major sections. The first section explains conceptual nuances of the bilateral 'strategic partnership' and tries to locate India-US defence relations in this framework. The second section narrates the history of this relationship and attempts to find out whether it has the backing of history to deepen the ties in future. This section sketches these important milestones in bilateral defence relations to understand how the ties have shaped up. The third section maps the current status of the bilateral defence relations and tries to examine the evolving trends. The fourth section assesses the plus and minus points in the relationship and tries to see whether the differences allow for space for a further deepening of ties.

Understanding Strategic Partnerships

India-US bilateral relations have been officially recognised as a strategic partnership, which is moving toward a 'next step in strategic partnership'. While many statements have been made at the highest political levels in both countries in the last decade or so, one of the more recent joint statements by President Barack Obama and Prime Minister Manmohan Singh during the former's visit to New Delhi in July 2009 highlights critical areas of joint efforts in which defence cooperation finds a prominent place.¹⁰ Before one interprets the meaning of such relations, one must ask some questions. What is a strategic partnership and is the India-US partnership really a strategic

one? What are the parameters by which a partnership changes from a bilateral partnership to a strategic partnership? A set of queries thus propels us to find reasonably appropriate meanings for these terms.

It is important to understand the concept of 'strategic partnership', as the term has gained much currency among both practitioners and scholars of international relations in the last two decades. Unfortunately, it has now become an almost casually used term for describing almost every relationship and is often used as a casual rhetoric by diplomats. For instance, India has around 17 'strategic partnerships' and the US has even more. In fact, Angola became a 'strategic partner' of the US in 2010, prompting many scholars to question the rationale behind the engagement principles of strategic partnerships.

There is lack of conceptual clarity about the term 'strategic partnership'. The origin of the concept in international relations is commonly attributed to the US-USSR talks in 1990 on the post Cold War European security architecture. The term 'strategic partnership' was used to describe the cooperation they entered into for mutual gains in influencing and establishing their spheres of influence.¹¹ In theoretical terms, the concept fits into the realist framework, particularly the relationship between offensive and defensive strategies of states.¹² For offensive realists, strategic partnerships are tools used by powerful states to maximize political, economic and diplomatic dominance, while for defensive realists, they reflect the balancing act of states.

Unlike traditional forms of alignments like alliances, a strategic partnership shows the following characteristics: 1) it is organised around a general security purpose or a system principle (like supporting a multi-polar world), rather than a specific tasks like fighting a hostile state and are thus based on common interests rather than shared values; 2) it is a goal-driven rather than threat-driven arrangement and no enemy state is identified by the partners; 3)

it is informal in nature and entails low commitment costs, and does not have a formalised alliance treaty, thus allowing each partner to have more autonomy and flexibility in deciding their course of action; 4) economic exchange is the most important area of cooperation and is a key driver of the partnership along with security concerns.¹³ Bruno Tertrais suggests that 'strategic partnerships' would come within the broader definition of military alliance in today's parlance and include the recognition of common security interests as well as provisions for strong military cooperation to various degrees, though they do not include security guarantees.¹⁴

Former Indian Ambassador to the US, Lalit Mansingh, suggests that for a strategic partnership to blossom, the presence of three factors is necessary: a) long-term vision, b) volume of exchange, c) defence and security part or understanding.¹⁵ Chinese Prime Minister Wen Jiabao holds that a strategic partnership should take place on an "equal footing", should be long-term and mutually beneficial.¹⁶ Thomas Renard describes the following criteria based on which one can decide if a partnership is a strategic one. A strategic partnership: must be comprehensive so that there are linkages and tradeoffs between various policies; must be built upon reciprocity; must have a strong empathic dimension (which means that both partners share a common understanding of their mutual values and objectives)and; must be on a long-term basis, which is to say that it is not put into question by casual disputes and must go beyond bilateral issues to tackle (or have the potential to solve) regional and global challenges, as that is its true *raison d'être*.¹⁷ Thus, in a sense, a strategic partnership could be seen as a substantially diluted substitute for an alliance. It can be eroded by several reasons like external pressure, shifting goals, changes in partner status, hidden agendas, cultural friction or lack of resources or motivation for further capacity building.¹⁸ Significant examples of strategic partnerships are the US-Russia strategic partnership and the US-China strategic partnership.

India-US relations were first described as a strategic partnership in the Vajpayee-Bush joint statement of 2004, which called for the Next Steps in Strategic Partnership (hereafter, NSSP). As per the NSSP, the two countries agreed to expand cooperation in strategic areas like civilian nuclear activities, civilian space activities, the military field and high technology trade. Ties were further cemented with the signing of the ten-year 'New Framework in the India-US Defence Relationship' in June 2005. If one were to evaluate the India-US strategic partnership in terms of the four criteria suggested by Sean Kay, one would come to the conclusion that the partnership conforms more or less to his definition. For one, the partnership does not identify any enemy state and is organised on the basis of shared interests, though the partnership additionally has the attraction of being based on common values as well. Second, there is no formalised alliance treaty between India and the US and so the partnership does not entail any high costs to either partner. Third, economics plays an important role in bilateral relations along with security concerns. In fact, India-US trade has more than doubled in the last five years and while the US is one of the top investors in India, India has also made substantial investments in the US.¹⁹ However, the two states do not share a common worldview: while US foreign policy at large has been geared towards sustaining American primacy in the world order (unilateralism), India prefers a multilateral world.

If one were to take Mansingh's criteria regarding the necessary attributes for such a partnership to flourish, it would be safe to say that the Indo-US relations are on the way to meeting the three criteria, but are not there yet. For instance, at this stage, there is the long-term vision of not allowing any one power to dominate Asia, though this has not been stated explicitly. Again, the India-US Global Issues Forum on May 17, 2005 re-affirmed the commitment by the two countries to address global challenges such as protection of the environment, sustainable development, protection of the vulnerable, combating transnational organized crime and promotion of democratic

values and human rights—showing that there is a long-term vision to the relationship. Second, the volume of all kinds of exchanges, be it trade, people-to-people relations, etc., has increased, but is still way below the potential. Third, defence and security cooperation has increased in the last ten years, but again is below potential, as will be evident in subsequent sections. Going by Wen Jiabao's definition too, India-US relations would qualify to be a strategic partnership as relations are based on mutual respect, have a long-term vision and are mutually beneficial. The India-US partnership also fits into Thomas Renard's description of a strategic partnership. Thus, the Indo-US relationship can be termed as a strategic partnership as it fulfils most of the criteria described by the scholars mentioned above.

As can be seen from the preceding paragraphs, defence relations constitute an important part of any strategic partnership. Defence cooperation between India and the US has increased exponentially in the last few years and is testimony to the common interests and growing trust between the two partners, although sporadic differences within the realms of legal, political and geo-strategic have threatened to derail the partnership at times.

While we recognise and agree to most of the finer nuances of 'strategic partnerships' and 'bilateral relations' offered by scholars and practitioners, we find some of the negative elements particularly applicable to India-US relations. They are: the absence of complementary mind-sets; apparent socio-cultural differences; competing economic dynamics and; the absence of near-centrality of close defence ties that affects any strategic partnership in current times. Hence, we have attempted to find a definition here which would be subject to further scrutiny. We propose that a strategic partnership *“must bring together minds of two countries in totality, complement each other in strategic (both geo-strategic as well as defence) and non-strategic areas of activities, strive for a common vision and, while striving for such objectives, ought to give and take in the larger*

framework of mutual and individual national strategic interests". In this framework, we try to examine the factors that have impinged on India-US strategic relations in general and bilateral relations in particular. Assuming the importance of defence, we propose to place it on the high table while examining the India-US strategic partnership and try to offer some suggestions.

History as a Reflector

India has been sourcing its military equipment from Western countries ever since it became independent in 1947. India had retained most of the military industrial facilities that were built during British rule, including 16 Ordnance Factories (OFs), three shipyard repair facilities (Mazagaon Dockyard, Garden Reach Shipyard and Goa Shipyard) and an aircraft repair facility (which later became Hindustan Aeronautics Limited).²⁰ While the bulk of its low-key military equipment was met by the ordnance factories, India was critically dependent on Western sources for meeting its growing equipment needs.²¹

While the British and the French were prime suppliers to India during those years, the US was also a front-line supplier of military equipment. In fact, defence cooperation between India and America can be traced to the 1950s when they engaged in joint exercises with the UK and Australia. Arms sales from the US to India date back to 1951 when the US gave India five T-6 Texan Trainer aircrafts. In 1952, India asked for a large number of tanks and aircraft to modernize its armed forces. The request for 200 Sherman tanks worth \$19 million was approved quickly, though a request for 200 jet aircraft was not approved.²² However, the US acceded to India's request to sell it 54 C-119 aircraft. In 1954, Nehru refused to accept President Eisenhower's offer of military assistance. In May 1960, the US delivered the US C-119 aircraft bought by India. Again in 1962, the US rushed emergency military

assistance during the Sino-India war, despite the fact that it would hamper its ties with Pakistan. It is notable that, at this time, India's close friend, the USSR, first adopted a position of neutrality and then almost supported the Chinese by suggesting that India and China discuss the Chinese proposals on the border issue and even went to the extent of temporarily stopping MIG-21 deliveries to India.²³ Even India's non-aligned friends, other than Nasser and Tito, did not come out in support of India.

However, the US only sent equipment like light arms, communications equipment and ammunition that would be more useful in mountain warfare.²⁴ It refused to provide the air defence hardware asked for by India and the American Ambassador actively discouraged India from escalating the conflict by the use of air power.²⁵ The US did, however, promise military assistance in the future to India. In December 1962, President Kennedy approved an emergency military aid programme for India worth \$60 million and the two countries held joint air defence exercises in September 1963, but this was just a one-off instance. Dennis Kux claims that President Kennedy was on the verge of approving a five-year military package for India when he was assassinated.²⁶ The Johnson administration approved a five-year military aid package to India, though it refused to provide the F-104s that India wanted, as the Pentagon felt that these would cause strains in US-Pakistan relations.²⁷ After the 1965 Indo-Pak war, the US stopped all arms exports and military assistance to India. In 1969, India received ten Hughes-300/TH-55 Light helicopters from the US, which were delivered in 1971–1972. But again, on December 2, 1971 during the Bangladesh War, Washington announced a suspension of military sales to India, which meant that the sale of a \$70 million communications system aimed at improving India's air defence capabilities was stopped. During the Reagan administration, the US approved some high technology cooperation with India's defence industry and eased barriers to technology transfer and a MOU on transfer of technology was signed in 1984.²⁸ The most significant cooperation in

defence in the late 1980s was the collaboration with the US Air Force in India's Light Combat Aircraft project, for which India received F-404 engines for use in the project. During the Reagan administration, as part of its 'opening up to India' policy, defence relations received a thrust when US Defence Secretary Frank Carlucci visited India.²⁹ This was followed by a reciprocal visit by the Indian Defence Minister. Of the military aid supplied by the US to India between 1950 and 1990, 94% was a part of the agreement made in the early 1960s.³⁰ Thus, arms sales and consequently defence and bilateral relations during the Cold War were hampered by India's fears about the US' reliability as an arms supplier, as also by its sensitiveness to the terms of US government agreements³¹. Reliability factor continues to impinge on India-US defence relations even today.

Assessing India-US Defence Relations in Current Times

The end of the Cold War began auspiciously for India-US defence relations after India gave the US refuelling rights during the first Gulf War. Indo-US defence cooperation was strengthened by the Kicklighter proposals which recommended that Indo-US defence cooperation and military-to-military ties could be promoted through joint seminars, training, etc., and mooted the idea of expanding the defence cooperation framework. Executive Steering Groups were established in both the countries so as to deepen military-to-military cooperation. In February 1992, Indian and US Army and Air Force paratroopers held their first joint training exercise, codenamed 'Teak Iroquios', followed by another exercise in October 1993.³² Subsequently, the two nations' navies conducted joint exercises in the Indian Ocean in May 1992 and September 1995 and 1996, in keeping with the US policy of cooperative engagement with friendly militaries.³³ In 1995, India and the US signed the Agreed Minutes of Defence Relations, which became the foundation of defence relations between New Delhi and Washington till the New Framework for the India-US Defence Relationship was signed in 2005.

As per the 1995 agreement, bilateral cooperation was sought to be achieved through multi-interactions at the levels of: Defence Ministries; service-to-service; defence research and production as also at the level of senior officers from the Ministry of Defence and the US Office of the Secretary of Defense.³⁴ Three groups were created to aid discussion and improve interaction. These were the:³⁵

- Joint Defence Policy Group (DPG) of the Ministries of Defence for tackling issues of defence cooperation. It was meant to review issues of joint concern, such as post-Cold War security planning and policy perspectives on both sides, to provide policy guidance to the Joint Technical Group and Joint Steering Committee. The joint Indo-US Defence Ministry-Department of Defence Group also tackled sensitive issues like the Comprehensive Test Ban Treaty (CTBT) and Kashmir.
- Joint Technical Group (JTG) for discussing issues related to defence research and production cooperation, which was aimed at enhancing the scope and content of cooperative defence research and production activities. However, this was to be within the laws, policies and treaty commitments of each country.
- Joint Steering Committee (JSC) to increase the frequency and scope of Service-to-Service cooperation. It was agreed that the emphasis of such cooperation would be on professional contacts and functional cooperation, high level exchanges, presence of observers at each other's military exercises, attendance at seminars on subjects of mutual professional interest, professional/technical training and joint exercises at progressively higher levels of scale and sophistication.

The Agreed Minutes promoted greater mutual understanding, facilitated greater interaction, identification of issues of mutual concern, led to high-level visits and more joint exercises. However, the US stressed that arms sales and transfer of technology were not part of the agreement and

that no arms/technology transfer would be done at the expense of Pakistan.³⁶ The DPG is even today the prime mechanism to guide India-US defence relations. Defence and bilateral relations took a nosedive in the wake of India's nuclear tests in 1998. Losing no time, the US imposed sanctions on India under the provisions of the Arms Export Control Act, which (among other things) terminated military sales to India and withdrew product support for the F-404 engines in India's LCA project. Many of these sanctions were lifted between 1998–2000 by President Clinton and President Bush lifted them totally on September 22, 2001. This change in America's policy was propelled by India's quick response to the 9/11 attacks and its support for the US war on terrorism. The lifting of sanctions paved the way for a major improvement in defence relations and subsequently led to major arms purchases by India from the US.

The India-US Defence Policy Group, which was stalled after the 1998 nuclear tests, was revived in 2001 and now meets every year. In 2000, sanctions imposed on India were revoked and since then defence cooperation between India and the US has reached a new high. Defence sales, joint military exercises, subject matter expert exchanges, high-level visits and seminars and conferences are the important components of the new Indo-US defence relationship. The first major arms sale to India was in 2002, when India bought 12 counter-battery radar sets (“Firefinder” radars) worth \$190 million.³⁷ In 2003, India became eligible for Excess Defense Articles (EDA) on grant basis under the US Foreign Assistance Act. This was meant to support the war on terrorism, promote interoperability of systems and to modernise previously sold equipment.³⁸ This was followed by a momentous agreement, the Next Steps in Strategic Partnership (NSSP), which was signed in January 2004. The NSSP sought to expand cooperation on nuclear and civilian space technology, missile defence and dual use high-technology trade. Another agreement on High Technology Trade resulted in the removal of ISRO from the US' Entity List. Later, after the tsunami struck

in 2004, the armed forces of the two countries worked along with those of Japan and Australia in a multilateral disaster management effort, showing that cooperation in the military field was no longer constrained by bureaucratic formalities.³⁹ The next big breakthrough came with the ten-year 'New Framework in the India-US Defence Relationship' signed on June 28, 2005, which charts a course for defence relations in the coming years as a key component of the burgeoning Indo-US strategic partnership.⁴⁰ This replaced the Agreed Minutes of 1995 and seeks to remove mutual suspicion of the past and replace it with an active agenda for military cooperation⁴¹. The Agreement aimed at advancing “shared security interests”, namely:⁴²

- Maintaining security and stability;
- Defeating terrorism and violent religious extremism;
- Preventing the spread of weapons of mass destruction and associated materials, data, and technologies and;
- Protecting the free flow of commerce via land, air and sea lanes.

In pursuit of these interests, India and USA agreed to:

- a) Conduct joint and combined exercises and exchanges;
- b) Collaborate in multinational operations if it is in common interest;
- c) Strengthen capabilities of militaries to promote security and defeat terrorism;
- d) Promote regional and global peace and stability;
- e) Enhance capabilities to combat the proliferation of weapons of mass destruction;
- f) Increase opportunities for technology transfer, collaboration, co-production, and research and development;
- g) Expand collaboration relating to missile defence;
- h) Strengthen abilities of the Armed Forces to respond quickly to disasters, including in combined operations;
- i) Conduct successful peacekeeping operations;
- j) Conduct and increase exchanges of intelligence.

Under this framework, the institutionalized framework for cooperation was further strengthened with the creation of the Defence Procurement and Production Group and the Joint Working Group on Defence, under the comprehensive bilateral mechanism of the Defence Policy Group.⁴³

In 2006, India bought the *USS Trenton*, a decommissioned American amphibious transport dock, for \$44 million. This was later named the *INS Jalashwa*. Subsequently, India spent another \$39 million on six Sikorsky UH-3H Sea King helicopters. In 2008, India decided to buy six C-130J Hercules military transport aircrafts worth nearly \$1 billion from the US. The same year, the Indo-US civil nuclear deal was signed, showing the growing trust between the two countries. In 2009, India purchased eight P-8I maritime surveillance aircraft worth \$2.1 billion, six C-1301J transport aircraft worth \$1 billion and 99 jet engines for the Tejas LCA worth around \$800 million from General Electric. During his visit to India, President Obama announced that Washington would sell New Delhi US military equipment worth \$5 billion, including ten C-17 Globemaster III military transport aircraft and 100 F-414 fighter aircraft. The Security Cooperation Act of 2010 (P.L. 111-266) authorized the President to transfer to India two Osprey-class coastal minehunter ships as Excess Defence Articles. Obama also removed as many as nine Indian defence and space-related companies from the Entity List. Yet, the US has lost out on by far the most lucrative potential sale, i.e., the bid for 126 new medium, multi-role combat aircraft (MMRCA) worth USD 10.4 billion. However, this should not affect defence ties between the two countries, as it was a decision based mainly on technical evaluation. The strength of Indo-US relations can be seen from the fact that despite its disappointment over not getting the deal, the Pentagon has said that it will continue its defence cooperation with India. There are more deals in the pipeline, as India has announced a military modernisation for which it will spend around \$100 billion over the next decade; thus, India is a lucrative market for American arms manufacturers.

Interoperability is a key aim for Washington in pursuing the Indo-US defence relationship. Interoperability is possible only when the armed forces of both countries are familiar with each other's procedures, systems and methodologies and when there is trust between them. Interoperability also depends on compatibility of equipment. Joint exercises (which are a key component of Indo-US defence relations) are one way of enhancing interoperability. Since early 2002, India and the US have held several such exercises. The Indian and US navies have annually held what has been termed as the Malabar Exercises. Similarly, the US Marines and Indian Army hold an exercise called 'Shatrujeet', which focuses on amphibious operations. The Air Forces have held the 'Cope India' air exercises and Special Forces of both countries have held joint exercises called the 'Vajra Prahar'. Hundreds of Special Forces soldiers from the US have attended courses in India's Counter-Insurgency Jungle Warfare School. Over the last ten years, Indian and American forces have participated in over sixty joint exercises and military-to-military training programmes.⁴⁴ These exercises have helped to improve interoperability between the two armed forces. Improved interaction between the two militaries gives clout, specifically, to US national interests in India, South Asia and, generally, the entire Asia, the Middle East, as also across the globe.⁴⁵ Dependable military ties with India facilitates the US ability to fight terrorism, prevent the proliferation of nuclear materials and WMDs, protect energy supply routes, fight piracy in the Indian Ocean, rebuild Afghanistan and prevent the spread of drugs and narcotics. Indo-US military co-operation has expanded into joint peacekeeping exercises like the February 2003 "Shanti Path 03" in which they joined participants from eleven other countries to familiarize themselves with the techniques and principles of peacekeeping in a multilateral environment.⁴⁶

Though the benefits of increased military interaction and engagement will be intangible and difficult to quantify in the short term, they are as important as other more visible achievements.⁴⁷ Sustained and more sophisticated

interactions will help enhance understanding of each other's policies and perspectives, reduce distrust, promote the habit of cooperation, create new channels of communication between individuals as well as institutions, thus laying the groundwork for consultation and possible collaboration in future crises.⁴⁸ Such ties offer immense opportunities for the militaries of India and the US, allowing their chiefs to contact each other during 'time-sensitive situations' or reduce the preparations needed before responding to a natural disaster.⁴⁹ Thus, military-to-military interaction between India and the US has increased in depth, scope and frequency since 2001 and India is today the US' largest training partner; the latter is likely to replace Israel as the second largest weapons supplier to India in the near future.

Hindrances and Possible Opportunities

The main obstacles in India-US defence relations are American and Indian laws. India wants access to technology and the manufacturing processes when it buys equipment. But US laws prevent the transfer of sensitive defence technologies to countries that have not signed certain agreements with the US. Examples of such defence cooperation agreements are the Basic Exchange and Cooperation Agreement for geo-spatial cooperation (BECA), Logistics Support Agreement (LSA), Communication Interoperability and Security Memorandum of Agreement (CISMOA) and End User Monitoring Agreement (EUMA), Proliferation Security Initiative (PSI) and the Container Security Initiative (CSI). The BECA aims at the exchange of geospatial information between two governments, mutual technical assistance and cooperative production programmes. The CISMOA lays down protocols for interoperability and assures the security of communication between the armed forces of the two countries. The LSA allows the armed forces of the two countries to procure fuel and supplies from each other's facilities. The PSI aims at preventing proliferation of nuclear material through interdiction of ships in international waters. India

has refused to sign the PSI despite being one of the first countries to stop, board and confiscate the cargo of missile components” from a North Korean ship en route to Pakistan during the 1990s.⁵⁰ India signed the End User Monitoring Agreement (EUMA) in 2009. This allows American representatives to regularly check and take inventory of items transferred to India.

But there has been no forward movement on any of the other agreements so far despite extensive negotiations over the years between the two countries. In fact, any movement on these agreements has been bedevilled by what Sumit Ganguly calls the 'reflexive anti-American political constituencies' in India. While Ganguly's assessment is generally acknowledged both in India and the US, we find that such generalisations do not conform fully to existing reality, at least within Indian establishments at present. Through our interactions with most of the members of Indian strategic community, most of whom have held responsible positions in the Indian Government and the Armed Forces, serving officials from Ministry of Defence, External Affairs and related government agencies like DRDO, Defence Public Sector Units (hereafter, DPSUs), we find that while some elements of reflexive Anti-American sentiment still exist, the degree and extent of such constituencies have gone down in recent years.⁵¹ If India does not sign these agreements, its military will have no option but to use US military platforms without crucial technologies like sophisticated navigational capabilities in aircraft bought from the US. However, non-availability of such critical technologies and products may not hamper Indian armed forces, as many of these can probably be developed through indigenous efforts.⁵²

The Indian government and the armed forces feel that these agreements—essentially aimed at improving interoperability—will benefit more than the Indian military the American military and have therefore objected to them. India also finds the agreements intrusive and restrictive

and sees them as constraining its strategic autonomy.⁵³ It feels that there is no need to sign these agreements, as its other arms suppliers like Russia or Israel or Europeans do not ask for such agreements to be signed.⁵⁴ India is moreover worried about the implications of these agreements on traditional friends like Russia or for that matter any other supplier who could then demand similar terms from India. The US, on its part, has said that these agreements are entered into only with its closest allies and are not India-specific agreements. Though anti-Americanism is not as strong as it was during the Cold War, Indian policy makers still hesitate to adopt a policy that could benefit the Americans directly or indirectly. Therefore, we suggest that both the countries need to make political concessions and adopt a policy of give and take to get around these legal/politico-strategic constraints.

India wants most of the licensing requirements of the US on export of dual use export technology to be lifted. But this can only be done when India harmonizes its import of dual use technology with those of two important multilateral regimes, the Wassenaar Arrangement (relating to dual-use goods and technologies and conventional arms) and the Australia Group (relating to items contributing to chemical and biological weapons).⁵⁵ Now that the US has expressed its willingness to help India gain membership to these clubs, this issue could be overcome soon. However, such issues take time for eventual fruition.

Another hurdle, according to some scholars, is India's procurement system, which is non-transparent, corrupt and lacks legitimacy.⁵⁶ An additional problem is Indian laws (offset policy), which require foreign suppliers to source components and invest in R&D in India, but prevent them from establishing wholly owned or majority-owned subsidiaries in India.⁵⁷ Though meant to ensure that foreign technology is eventually transferred to Indian companies, Americans will not agree to this till US laws on transfer of technology are amended and India guarantees the protection of IPRs.⁵⁸ The

FDI cap of 26% on foreign investment in India's defence sector is another sore point for the US.⁵⁹ India's nuclear liability bill could also upset American companies. Other structural obstacles include India's long-standing defence procurement relationship with Russia and American military aid to Pakistan.⁶⁰

Cohen and Dasgupta have highlighted the above-mentioned problems, many of which are debatable. First, we agree with the scholars that Indian procurement system is non-transparent, but to argue that it lacks legitimacy amounts to jumping the gun for the very simple reason that the defence procurement system goes through multiple channels with checks and balances at every step, with the final announcement of any major procurement subject to approval at the highest level—the Cabinet Committee on Security, chaired by the Prime Minister. Second, we agree with the authors that the Indian defence procurement system is largely non-transparent. In fact, not only is the system non-transparent, it is also complex from top to bottom.

The Indian Defence Procurement Procedure (hereafter, DPP) has been revised seven times in the last nine years, with very little improvements witnessed in the core areas of defence procurement.⁶¹ It suggests an eleven step procurement systems, right from acceptance of necessities (AoN) till post-contract management, with enough gaps for manoeuvre from both suppliers' and end-users' sides.⁶² It normally takes about 12 months before the AoN is officially accepted for any procurement tender. While there is no evidence to calculate the exact number of steps, departments, sections within the Government through which a procurement file moves, it is generally believed that these files pass through about 80 hands before any major procurement decision is finally announced.⁶³ We find that most of the complexities associated with the procurement procedure create hurdles, but we have also witnessed some improvements in the last few years that make procedural arrangements in defence procurement more effective.⁶⁴

Third, the scholar's stand with regard to Indian defence offsets provisions is debateable. We argue that introduction of 'direct' defence offsets conditions as part of DPP does not amount to a policy. Rather it is one of the conditions within the procurement procedure.⁶⁵ Such direct offsets have recently been diluted to include certain indirect areas like civil aerospace and homeland security.⁶⁶ The MoD is likely to come out with a defence offsets policy soon.⁶⁷ However, till it happens, we must recognise that the offsets conditions are linked to procedural complexities within the MoD and even goes beyond it.⁶⁸

The biggest obstacle, of course, continues to be the lingering remnants of mutual mistrust carried over from Cold War experiences. India feels that even with enhanced defence cooperation and arms, sales existing American laws can put India at a disadvantage by stopping arms deliveries. What a major non-NATO ally, Pakistan, has experienced—for example the stopping of the sales of F-16s—because of American laws is a reminder for Indian policymakers of this uncertainty. India is thus suspicious about the reliability of American arms supplies. Policy wise, the US is extremely chary of transferring its technology, as it needs to protect its high-tech advantages from its current and future adversaries. This is a known American strategy and there is nothing wrong with this, as every nation has its own way of preserving its core national interests.

We find that both countries have legitimate concerns about each other. But these need to be deliberated through a policy of give and take as any partnership to be sustainable has to be a two-way street. Overcoming these challenges might take time, but they are not insurmountable and, in fact, given the rapidly changing security environment and geo-political changes taking place in the world (particularly in Asia), they have become a strategic necessity. Policymakers on either should not lose track of the fact that defence cooperation is mutually beneficial.

Conclusion

Given the fact that both countries face similar challenges and share long-term strategic convergence on many issues, it is important that they cooperate in the areas of defence and security, among others. Defence cooperation, despite having increased exponentially since 2001, has not realised its full potential. This is because of the prevalence of mutual suspicion and non-understanding of each other's concerns, existing at both tactical and strategic levels. While tactical factors include differences primarily in operational and legal frameworks, it is at the strategic level that both countries need to understand each other's necessities. It may be argued that once both countries strive to iron out their differences at strategic levels, tactical differences could fall in place. Grand strategic objectives of both countries are neither inclusivist nor exclusivist in totality. Hence, at certain points both could collide or complement each other. While the US primacy is well known and accepted by many, this could lead to differences on major international issues since both are likely to take divergent approaches. However, at a different level, both countries do not see each other as formidable threats. This is one point of convergence, which could raise bilateral relations to new heights.

At a more tactical level, India's insistence on reliability and trust in defence relations is a factor that needs to be perused further by the American establishment. Several Indian political and military leaders have raised concerns about reliability and trust, which need to be taken into account by the American leadership. At other tactical levels, both sides need to discuss and find solutions to remove legal and other restrictions in order to further boost defence trade, high technology included. One way of getting around American and Indian laws would be for India and the US to pursue joint projects for technology development.⁶⁹ The latest attempt by the Senate Armed Services Committee efforts to enhance partnership through joint

projects, as explained elsewhere, is thus considered a step in the right direction. India's highly skilled personnel can make significant contributions in this and also learn from the Americans. Joint ventures would also reduce unpredictability in future military cooperation and sales. The US' suspension of military sales during the 1965 and 1971 wars continues to cast a long shadow on the minds of Indian policymakers about the reliability of the US as a weapons supplier and as a strategic partner. This mutual suspicion can be reduced only through greater interaction and more joint exercises.

However, closer defence cooperation should not constrain either country's freedom of action in pursuing respective national interests. Military cooperation depends on mutuality in trust, aims and objectives as well as common perceptions of threats and agreements on grand strategies. Though he was writing on alliances, Stephen Walt's analysis is applicable here: The US-India strategic partnership can be durable over the long term only if there is a strong commitment to the partnership by leaders in both countries, increase in the role of economic and military lobbies of both countries as well as the Indian diaspora and more institutionalisation in bilateral exchanges, making difficult for either country to dismantle it due to the high economic political and diplomatic costs.⁷⁰ India-US defence cooperation in the long-term is considered mutually beneficial and thus must be pursued in a desirable manner in the right direction.

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Annexures:

Table 1: US Military Assistance and Sales to India from 1950–2009

Years	Total Sales Agreements	Total Sales Deliveries	FMS Agreements	FMS Deliveries	Foreign Mil Fin Waived	Foreign Mil Fin Direct	Commercial Exports Deliveries
1950-69	58,267	56,745	58,267	56,745	-	27,310	-
70	911	1,931	911	1,931	-	-	-
71	856	1,072	856	1,072	-	-	2,277
72	46	254	46	254	-	-	3,591
73	*	77	*	77	-	-	22
74	1,941	81	1,941	81	-	-	659
75	2,559	2,370	2,559	2,370	-	-	219
76	2,933	3,134	2,933	3,134	-	-	6,169
77	1,366	1,410	1,366	1,410	-	-	9,132
78	1,145	1,168	1,145	1,168	-	-	9,456
79	6,184	1,272	6,184	1,272	-	-	9,887
80	1,019	6,224	1,019	6,224	-	-	2,833
81	184	509	184	509	-	-	4,643
82	675	581	675	581	-	-	5,000
83	10	904	10	904	-	-	2,389
84	446	548	446	548	-	-	12,454
85	1	144	1	44	-	-	19,395
86	53	21	53	21	-	-	48,088
87	-	126	-	126	-	-	88,256
88	3,751	14	3,751	14	-	-	11,643
89	35	675	35	675	-	-	43,357
90	4	40	4	40	-	-	17,389
91	2,000	359	2,000	359	-	-	62,210
92	-	36	-	36	-	-	4,503
93	4	12	4	12	-	-	10,440
94	-	31	-	31	-	-	97,367
95	*	24	*	24	-	-	-
96	-	4,497	-	4,497	-	-	-
97	297	*	297	*	-	-	-
98	-	171	-	171	-	-	-
99	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-
1	-	-	-	-	-	-	-
2	140,002	38	140,002	38	800	-	-
3	60,640	20,507	60,640	20,507	-	-	5,651
4	946	6,567	946	6,567	-	-	15,516
5	76,885	100,328	76,885	100,328	-	-	31,891
6	25	48,576	25	48,576	-	-	39,673
7	92,340	91,999	92,340	91,999	-	-	27,784
8	1,020,944	40,108	1,020,944	40,108	-	-	129,516
9	10,401	15,004	10,401	15,004	-	-	-
TOTAL	1,486,869	407,561	1,486,869	407,561	800	27,310	721,409

Table 1A: continued

Years	MAP Program (Emergency Drawdowns)	MAP DELS (Emergency Drawdowns)	Excess MAP/MASF Program	Excess MAP/MASF Deliveries	IMET Program (Emergency Drawdowns)	Number of Students Trained (IMET,MASF Emergency Drawdowns)
1950-69	90,017	86,677	21,995	21,990	4,773	477
70	-	630	*	4	78	19
71	-	754	-	-	151	26
72	-	369	-	-	27	10
73	-	493	-	-	-	-
74	28	214	-	-	196	25
75	39	219	-	-	57	6
76	116	511	-	-	133	17
77	35	76	-	-	165	13
78	9	230	-	-	300	21
79	10	68	-	-	444	31
80	-	7	-	-	263	26
81	1	2	-	-	4	-
82	-	6	-	-	82	9
83	-	1	-	-	139	27
84	*	-	-	-	129	19
85	-	-	-	-	293	35
86	-	-	-	-	303	44
87	-	-	-	-	194	18
88	-	-	-	-	261	24
89	-	-	-	-	297	29
90	-	-	-	-	263	30
91	-	-	-	-	226	20
92	-	-	-	-	310	31
93	-	-	-	-	362	42
94	-	-	-	-	152	8
95	-	-	-	-	208	10
96	-	-	-	-	357	21
97	-	-	-	-	404	18
98	-	-	-	-	177	13
99	-	-	-	-	241	6
2000	-	-	-	-	489	18
1	-	-	-	-	498	24
2	-	-	-	-	1,012	78
3	-	-	-	-	1,000	36
4	-	-	-	-	1,354	101
5	6,842	-	-	-	1,462	86
6	-	6,842	-	-	1,217	48
7	-	-	-	-	1,427	55
8	-	-	-	-	1,353	82
9	-	-	-	-	1,361	56
TOTAL	97,098	97,098	21,995	21,995	22,163	1,659

Source: Fiscal Year Series, Defence Security Cooperation Agency, Ministry of Defence. (Latest Data available), http://www.dsca.osd.mil/programs/biops/factsbook/Fiscal_Year_Series_2009.pdf.

Table 2: US Arms Sales to India

Supplier /USA	No. ordered	Weapon designation	Weapon description	Year of order /license	Year(s) of deliveries	No. delivered /produced	Comments
R: India	200	M-4 Sherman	Tank	1951	1952	200	Ex-US; \$19 m deal
	5	T-6 Texan	Trainer aircraft	1951	1951	5	Ex-US; probably modernized to T-6G before delivery
	6	S-55/H-19 Chickasaw	Helicopter	1952	1954	6	S-55C version
	26	C-119G Packet	Transport aircraft	1954	1954-1955	26	'MDAP' aid
	30	T-6 Texan	Trainer aircraft	1955	1956	30	Ex-US; T-6G version
	4	Bell-47/OH-13	Light helicopter	1956	1957	4	Bell-47G-2 version
	2	S-55/H-19 Chickasaw	Helicopter	1956	1957	2	
	12	Bell-47/OH-13	Light helicopter	1960	1961-1962	12	
	28	C-119G Packet	Transport aircraft	1960	1961	28	Ex-US
	2	S-62A	Helicopter	1960	1960	2	For evaluation and VIP transport
	24	C-119G Packet	Transport aircraft	1962	1963	24	Ex-US; aid during border war with China
	2	DHC-4 Caribou	Transport aircraft	1962	1963	2	Originally ordered for US armed forces but transferred to India as aid during border war with China
	10	Hughes-300/TH-55	Light helicopter	1969	1971-1972	10	
	112	TPE-331	Turboprop	1983	1986-2010	112	For 61 Do-228 MP aircraft from FRG
	2	Gulfstream-3	Transport aircraft	1987	1988	2	Incl for reconnaissance role
	2	AN/TPQ-37 Firefinder	Arty locating radar	1990	1992	2	\$22 m deal
	315	Paveway	Guided bomb	1993	1994	315	Paveway-2 version
	6	LM-2500	Gas turbine	1999	2010	2	For 3 Shivalik (Project-17) frigates produced in India; possibly from Italian production line
	8	AN/TPQ-37 Firefinder	Arty locating radar	2002	2006	8	Part of \$142-190 m deal; originally planned for 1998 but embargoed by USA after Indian nuclear tests in 1998; AN/TPQ-37 (V)3 version
	4	AN/TPQ-37 Firefinder	Arty locating radar	2003	2006-2007	4	Part of \$142-190 m deal; AN/TPQ-37(V) 3 version
	4	LM-2500	Gas turbine	2003		4	For 1 IAC (ADS) aircraft carrier produced in India; from Italian production line
	17	F-404	Turbofan	2004			\$105 m deal; for Tejas (LCA) combat aircraft produced in India; F404-GE-IN20 version; ordered after Indian Kaveri engine delayed
	1	Austin	AALS	2006	2007	1	Ex-US; INR2.2 b (\$48 m) deal (incl modernization); Indian designation Jalashwa
	6	S-61/H-3A Sea King	Helicopter	2006	2007	6	Ex-US; \$39 m deal; UH-3H version
	24	F-404	Turbofan	2007			\$100 m deal; for Tejas (LCA) combat aircraft produced in India; F-404-GE-F2J3 version
	6	C-130J Hercules-2	Transport aircraft	2008	2010	1	\$1 b deal (incl \$596 m for aircraft and \$400 m for special equipment); C-130J-30 version; for special forces; delivery 2010-2011
	10	C-17A Globemaster-3	Transport aircraft	2010			\$4.1-5.8 b deal; contract not yet signed
	512	CBU-97 SFW	Guided bomb	2010			\$258 m deal; CBU-105 version
	20	RGM-84L Harpoon-2	Anti-ship missile	2010			\$170 m deal; AGM-84L version
L: India	8	P-8A Poseidon	ASW aircraft				\$2 b deal (offsets 30% incl production of components in India); P-8I version; delivery by 2015
	99	F-414	Turbofan				For Tejas (LCA) combat aircraft produced in India; F-414INS-6 version
	8356	FGM-148 Javelin					Ordered after India Nag anti-tank missile delayed; contract not yet signed

Source: Generated from SIPRI trade registers, available at http://armstrade.sipri.org/armstrade/page/trade_register.php.

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62. Such remarks have been made by many serving and retired officers from the MoD, primarily from the Department of Defence and Department of Defence Finance.
63. Incremental changes are being made with introduction of more effective provisions within the DPP. For example, timelines for each step in procurement tender have been marked in order to reduce time lags, time lines for offsets banking have been increased, etc.
64. Direct defence offsets were introduced in DPP-2005 and has subsequently been amended in successive DPPs. The latest DPP-2010 has diluted the 'direct' aspects of defence offsets to include certain 'indirect' areas like civil aerospace, homeland security, training, etc. See, DPP-2010, available at <www.mod.nic.in>
65. See, DPP-2010, available at <www.mod.nic.in>
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