

America's Slow Embrace of India

Aparna Pande

Hudson Institute

pandearna@gmail.com

Americans have started recognizing only recently the Indian subcontinent as critical to their grand strategy. During the Cold War, India, the region's largest country, refused to be part of the U.S. strategy of containing Communism. Pakistan, carved out in 1947, offered intelligence-gathering bases, primarily to secure American arms and money. While the Americans accepted Pakistan as an ally, it did not feature in the U.S. strategic calculus beyond being called "the most allied ally of the United States." For years, South Asia was split between and appended to other regional offices—usually dealing with the Middle East or East Asia—of the State Department, the CIA, and the Pentagon.

Since the end of the Cold War, American grand strategy has focused on Europe, East Asia, and the Middle East, with South Asia only being tangentially, or sporadically, important. Interest in India, the pre-eminent power and key country in South Asia, wavered between seeking Indian commitment to American global concerns and viewing India as peripheral to American interests. Only now, with the rise of China and the potential for an Asian giant vying for global leadership, have Ameri-

can strategists started acknowledging that India might be critical to U.S. strategy in the Indo-Pacific.

Interestingly, Indian leaders have been consistent in their belief that India would one day play the role on the global stage that an increasing number of American and European strategists now want to play. Immediately after independence, India's policymakers took the long view. They chose not to join either of the two Cold War blocs, opting for what they termed "nonalignment." Modern India's founding fathers were desirous of playing a role on the global stage but unwilling to risk a zero-sum alliance with one of the two superpowers.

For decades, India also remained bogged down in its immediate vicinity, dealing with security challenges, first from Pakistan and later from China. Slow economic growth also impeded India's greater role on the world stage and resulted in an inward orientation for more than four decades. It is only from the 1990s, with the end of the Cold War that the economic liberalization and military modernization have led to rising ambitions in international politics; and changing threat perceptions have led to a closer relationship with the United States.

Why is it that the world's oldest and the world's largest democracies have never really been allies and have taken so many decades to build a partnership? The two countries have several values in common—democracy, multiethnic and multireligious population, pluralism; they also face similar threats—terrorism, non-state actors, and the rise of China; and their vision for an open and rule-based global system overlaps significantly.

In *Fierce Enigmas* (published in India as *The Most Dangerous Place: A History of the United States in South Asia*), one of India's leading military historians, Srinath Raghavan, provides a panoramic overview of America's relationship with the subcontinent. In this essay, we will focus only on Raghavan's treatment of America's ties with India, not with other South Asian states.

Early and Enduring Impediments

Economics and adventure sparked Americans' interest in the subcontinent—the desire by the burgeoning class of American entrepreneurs to break out of Britain's imperial stranglehold and carve out opportunities for themselves. The vast Indian market was appealing. The economic dimension is a constant thread throughout the decades. But many of the issues that plague the India–U.S. relationship were present right from the beginning of this relationship as well.

The first major impediment to U.S. engagement in India was active

obstruction by Britain, jealously guarding its colonial privileges. Raghavan describes the British attitude toward Americans entering their captive colonial market and explains how, after reaching a high point during the Napoleonic wars in Europe and the Anglo-American war of 1812, American trade with India went into decline. The British not only tried to limit the American economic presence in India but also prevented American attempts, as early as 1792, to have a consul based in India.

While the Americans rarely pushed back against British pressure, they remained involved in India even under colonial rule. The relationship during that time was economic and cultural (mainly missionary activity). During the eighteenth century, the key trade was in ice and cotton from America. American cotton farmers built a relationship with their counterparts in India.

The British sought to block American presence in South Asia all the way until the Second World War, when the American support was critical for the British homeland's survival. The loss of East Asian colonies to Japan forced them to depend on American help in the defense of Asia. But the British still pushed back against any American attempts to support India's independence movement. After independence and partition, the British continued to try and impose their narrative of South Asia, especially about the reasons for partition and the Kashmir conflict, on American policymakers.

But American trade and aid—especially in agriculture—continued. India's famed "Green Revolution" of the 1960s—during which India adopted modern methods of technology such as high yielding varieties (HYV) of seeds, fertilizers, irrigation technologies—owes a major debt to the United States. Independent India benefitted from American technological help in modernizing its agrarian sector just as Americans had pursued mutual economic benefit with British-ruled India.

A second major impediment was the continual distractions of other actors and events elsewhere. While Americans were drawn toward India, regional and global events often decided whether Americans remained involved or lost interest. From the early nineteenth century onward, through the world wars and into the Cold War, American economic interest in India and South Asia waxed and waned. During the 1930s, global turmoil led the United States to turn within, become an isolated, protectionist and produce primarily for the domestic market. This had an impact on foreign trade including with India. Decades later, as the United States under President Trump again gives in to protectionist temptations, there has once again been an impact on U.S.–India economic relations.

A third enduring impediment has been the American propensity for demanding immediate results. Americans tend to lack patience and get disenchanted when things do not change to their liking within a short span of time. This contrasts with the Indian

approach of waiting, watching, and weighing things before making major decisions. A civilization that believes in the endless cycle of life finds the American obsession with the "here and now" somewhat disappointing.

This was certainly true in the economic relationship. Challenges experienced by American individuals and corporate executives seeking to enter the vast Indian market, whether under the British Raj, newly independent India, or more recently after seven decades of independence, bear remarkable similarities. Americans, like many other Westerners, found it was easier to conduct commerce in India when it simply involved buying and selling. It was a lot more difficult when it involved seeking to instill changes, whether in the agrarian sector or in the broader economy, as this conflicted with the Indian way of doing things.

A fourth impediment, acute once the United States became a post-Second World War superpower and India was a post-colonial developing nation, was the substantive difference in economic and strategic policy. When India and Pakistan became independent in 1947, there was an American expectation that India would embrace economic ideas favored in the United States. The American view was that newly decolonized countries, like India, should initially focus only on "specialization in unfinished and semi-finished raw materials. As these activities grew large in scale and more mechanized, they would become more profitable" (168).

The Americans were ideologically opposed to a strong role for government in the economy. Their prescription for the Indian economy assumed that India's own business class could not manage large-scale investments for production beyond raw materials and low technology industries. India, however, chose a different path for accelerated modernization and industrialization, focusing on greater central planning and socialist policies.

The Indian government played a critical role in laying the foundations for an industrialized economy, ready to adapt advanced technologies. India's private sector worked alongside the government, instead of viewing it as an adversary in the way American businesses tend to do. While free enterprise ideologues in the United States found Indian policies blasphemous, India's subsequent economic expansion became possible partly because the state invested where individuals were initially unwilling to take the risk.

This different approach to the economy created friction between Indians and Americans. Toward the end of the British Raj—the British Indian Empire—Americans had already started negotiations regarding economic assistance and lend-lease arrangements with India. The United States sought removal of all tariff and trade barriers in their trade with India. Indian industry, however, wanted the modern Indian state to be protectionist. Instead of accepting the American economic prescription, India sought foreign technical assistance and skills to help build Indian industrial capacity. While foreign

capital was allowed, the control had to remain in Indian hands.

Raghavan points out that American economists criticized India's approach because it would "undermine the larger American plans for establishing an open capitalist international order after the war" (123). But American political analysts, who had dealt with the region for some time, argued that any attempt by the United States to force an agreement upon India that hurt India's future industrial development would hurt U.S.–India relations (124).

During the Truman and Eisenhower administrations, Washington circulated the draft of a "treaty of friendship, commerce and navigation" but Delhi was reluctant to accept it. It is interesting that to date, India and the United States have still not been able to agree upon what is now called a bilateral investment treaty (BIT). Disagreements over market access have also persisted. India not only seeks foreign capital and technical know-how, but also insists that producers "Make in India."

India's viewpoint has always been that it does not want its industries to be "replicas of American plants." India has sought technical assistance that would teach Indians how to build their own plants and develop their own brands. In the 1970s and 1980s, India's pursuit of a mixed economy, where state-led public-sector enterprises dominated the commanding heights of the economy, ensured that India–U.S. commercial relations remained limited to only some specific areas.

American interest in the Indian market was renewed only from the 1980s and especially after the 1991 economic reforms. Issues that created frictions between the two sides have, however, dominated the relationship since then, namely India's policy toward Foreign Direct Investment (FDI), Indian protectionism, and Intellectual Property Rights (IPR).

Dueling Exceptionalisms and Visions of the Other

In his seminal work *Democracy in America* (1838), French historian and diplomat Alexis de Tocqueville wrote that the Puritan zeal defined America's worldview. The belief in a "city on the hill" framed how Americans, whether adventurers, entrepreneurs, or officials, view the world and the place of the United States in the world. There is an underlying assumption that the American experience demonstrates that they have discovered the true path for human progress and it is their duty to help others find the path, be it capitalism or democracy.

This American exceptionalism found its match in Indian exceptionalism. While the former was based on the notion that the Americans had found the key to political freedom and economic growth, its Indian version is anchored in a 5000-year-old civilization. The longevity of their way of life has led some Indians to believe that they have less to learn from upstarts and have a lot more to offer the West.

Initial American impressions about India and Indian society from

the eighteenth and nineteenth centuries were based on writings of American missionaries. As Raghavan notes these "accounts of the horror, evil and debauched sexuality of the Hindu religion" remained prevalent decades later and "would shape American views of India well into the twentieth century" (80). Many American government officials shared the British colonial view that the non-Western part of the world would benefit from their—Christian and capitalist—civilization.

Raghavan quotes William Henry Seward, U.S. Secretary of State from 1861 to 1869, who visited India in 1872 and found that India had "a very imperfect and unsatisfactory civilization" and their only hope "of a higher civilization" depended on "guidance and aid of Great Britain" (64). This perception of "white races" being inherently "superior" (63) remained embedded in American psyche. As late as 1971, an American President, Richard Nixon, spoke about how he believed that the British should not have left India as the people of the subcontinent were not fit to govern themselves.

Nevertheless, people-to-people links between India and United States continued to deepen, especially through the Indian diaspora in the United States. In the year 1900, there were 2301 Indians with legal permanent resident status in the United States (81). The majority were Sikhs—either those who had been part of the British colonial police or young men who had come as farm workers—and the remainder were students. Then, as now, many Indians who came to America

saw it as an inspiration and as markedly different from colonial Europe.

Indians like Taraknath Das, member of the Anushilan Samiti—an outfit who sought to violently overthrow British colonial rule in India—fled to the United States and based themselves in Seattle. Others like Har Dayal set up the Ghadar (Revolution) Party in the United States because “the United States offered the ideal location for launching a revolution for the liberation of India” (81).

Indian immigrants also faced a nativist backlash. White American workers were fearful of “competition of Asian laborers willing to work on the cheap” (82). Raghavan cites the February 1914 “Hindu Immigration hearings” held by the U.S. House Committee on Immigration and Naturalization, during which the commissioner-general of immigration asserted that Hindu immigration was a “menace to the country and particularly to California” (83).

On one hand, British pressure on President Woodrow Wilson’s administration ensured that the Ghadar party and other Indian revolutionaries faced prosecution on grounds of violating American neutrality laws. On the other, Wilson’s Fourteen Points were welcomed enthusiastically by Indian nationalists. Nobel Laureate Rabin-dranath Tagore stated that the United States “is the best exponent of Western ideals of humanity” (88). Indians ignored the fact that Wilson’s support of self-determination was not framed with India in mind.

While London was able to apply enough pressure on Washington to ensure that the American government did not show any open sympathy toward the Indian national struggle led by Mahatma Gandhi, American popular opinion was on Gandhi’s side. American media favorably covered Gandhi’s speeches, his fasts, and especially his famed Dandi March, also known as the Salt March—a 24-day nonviolent march to protest British colonial taxes on salt in March 1930. In December 1930, *Time* magazine named Gandhi its “Man of the Year.”

A Late-Blooming Strategic Alignment

An abiding economic interest in India and cultural ties with the subcontinent notwithstanding, the strategic dimension of the India–U.S. relationship lagged for decades after India’s independence. Today, strategic considerations drive the relationship.

Raghavan notes that the Second World War was the start of less intense American strategic interest in India with “desk-level officials” of the Near East Division of the Department of State concerned about “Indian attitude towards the War” (105). Many top American officials, including U.S. consul general Thomas Wilson, were sympathetic toward the Indian independence struggle. American attempts to convince their British counterparts about granting India independence, as an incentive to obtain Indian sup-

port for the war effort, fell on deaf ears. British Prime Minister Winston Churchill insisted that the Atlantic Charter applied only to countries under Nazi occupation and not to India. President Franklin Roosevelt and his officials realized that Churchill's statement would damage their relationship with Indian leaders, but they never pushed Churchill too far for fear that it would hurt the Anglo-American alliance.

American officials and intellectuals were against Partition of the British Raj into India and Pakistan as not only did it bring up visions of the American civil war but in their view damaged the prospects of a united South Asia that could potentially be a strong American ally. India was viewed as "the natural political and economic center of South Asia" and with the rise of Communist China, the CIA concluded that India alone could "compete with Communist China for establishing itself as the dominant influence in Southeastern Asia" (153).

This has been a common theme over the decades. India's strategic relevance to the United States was customarily framed instrumentally, in the context of American grand strategy and the main threat facing the United States at that time, rather than as a key power in its own right.

Whenever Communist China has been viewed as a threat—in the 1950s and 1960s and in the past decade—American analysts speak of balancing its power with that of India. After all, India is the only other country with a population of more than one

billion, it borders China, and has an ongoing border dispute with China. Its sheer size suggests that India could be a worthy economic and military rival to China.

Indian analysts have noted, however, that in times of positive disposition toward China in the United States—for example, beginning with Nixon's outreach to China in 1971, until the recent realization that China might emerge as America's rival for global leadership—India tends to be forgotten as a potential American ally. This waxing and waning of interest has led to skepticism on the Indian side. Mandarins in New Delhi often wonder if they should trust American encouragement for India to become a bulwark against China.

While India has never been—and never will be—an American treaty ally, there have been occasions over the decades when the two sides have understood and supported each other's interests. There have been American presidents (such as Eisenhower, Kennedy, Clinton, Bush, and Obama) who were willing to view the relationship with India as important and were thus able to build a rapport with their counterparts. They understood, even if reluctantly, that India will often choose a different economic path and may even disagree on certain aspects of American foreign policy, but that the two countries share common interests and values.

Problems, however, have occurred when American Presidents (such as Nixon, Carter, and Reagan) have wanted India to fall in line with their global policies even when those

clashed with Indian regional and domestic imperatives.

Raghavan shows that South Asia did not rank high in official Washington's mindset under the Truman administration. India's policies under Nehru also did not endear Delhi to Washington. Immediately after independence, however, India's policymakers, while desirous of playing a role on the global stage, chose not to join either of two Cold War blocs. Instead, they adopted the policy of nonalignment and sought to focus their attention on building the new nation.

Under President Eisenhower, there was recognition that "a weak and vulnerable India" would hurt American interests because "a strong India would be a successful example of an alternative to Communism in an Asian context" (209). Eisenhower helped strengthen the American alliance system, and yet—unlike his Secretary of State John F Dulles who viewed nonalignment as equal to neutrality—he was sympathetic to India's nonaligned policy.

Yet, it was during the Eisenhower administration that Pakistan became an American ally and was provided economic and military assistance. Starting a trend that continued for decades, Washington viewed the subcontinent through the lens of Pakistan, ignoring Indian concerns about how American assistance only led Pakistan's military-intelligence establishment to believe it could secure parity with India. New Delhi viewed Washington's support for Pakistan as an American attempt to deny Indian pre-eminence in South Asia.

Both these strands were reflected in the policy of President John F Kennedy. As Raghavan notes, during his electoral campaigns Kennedy had asserted "No struggle in the world deserves more time and attention ... [than] the struggle between India and China for the economic and political leadership of the East We want India to win that race with Red China. We want India to be a free and thriving leader of a free and thriving Asia" (233). Kennedy understood that the support of the nonaligned nations was critical if the United States sought to counter the Soviet Union's economic assistance to these third world former colonial countries.

The rising India–China border tensions during the late 1950s–early 1960s helped the closer U.S.–India relationship during Kennedy's short term in power. There is a parallel today with the United States seeking to counter China's Belt and Road Initiative—which uses the garb of infrastructure and lending to create a network of roads, rails, and ports across Asia and Africa, but whose primary purpose is to ensure Chinese strategic pre-eminence. The difference is that during the Cold War, when the United States was more attuned to the Soviet threat, it understood the importance of using economic, military, and ideological means to wage strategic competition.

For decades, however, India also remained bogged down in its immediate vicinity, dealing with security challenges, first from Pakistan and later from China. Slow economic growth also impeded India's greater role on the

world stage and resulted in an inward orientation for more than four decades.

In the immediate aftermath of the end of the Cold War, South Asia once again did not figure prominently in American grand strategy. The American unipolar moment led many American policymakers and analysts to believe in the “End of History”—the belief that the key ideological struggles had been won and the world would move toward democracy and capitalism.

The key concerns of American officials during the early 1990s were, therefore, prevention of nuclear proliferation, human rights, and opening markets for American companies. On all these fronts, there were once again disagreements between India and the United States. India's nuclear tests of 1998—followed by Pakistan's tests—led to American sanctions on both countries.

The 1990s also saw the building of close economic ties between the two countries, supported by a substructure of close cultural and societal ties (underpinned by a large and politically active Indian–American diaspora). The fourth India–Pakistan conflict, the Kargil war of 1999, was also the first time that the United States openly sided with India on the issue of Kashmir, helping the growing rapprochement between the two countries. During his visit to India in March 2000 (the first by an American President in over two decades), President Clinton referred to the countries as “natural allies.”

A New Partnership in the New Century

Every American President since Clinton has continued to view India as a primarily strategic policy partner. The 9/11 attacks and the global war on terrorism, and the rise of China, only increased India's appeal as a key partner and potential ally. Like in previous decades, changes within Indian and American societies helped these developments. Raghavan's book traces the rise of a generation of Indians that had a positive view of and closer links with the United States, and was paralleled by an Indian–American diaspora that became active within American politics and society.

While ties were deepening, differences remained—especially regarding Pakistan. The United States administration knew that the Pakistani security establishment supported certain jihadi groups in the region, and especially in India and Afghanistan. But the United States remained completely dependent on Pakistan, through which it resupplied its forces deployed in Afghanistan—so successive U.S. administrations were unwilling to apply real pressure on Pakistan. Washington argued that while Pakistan might have supported jihadi groups, Pakistan held a veto on any peace settlement in Afghanistan. Pakistan, however, has used this American hope to obtain economic and military assistance and avoid acting against most of the terrorist groups that operate using Pakistani territory.

Each time there are discussions of negotiations toward a peace process in Afghanistan—whether during the 1990s or in recent years—Pakistan has always demanded a seat at the table, but used that position to ensure that the negotiations stretch on without any conclusion.

Similarly, when it came to Kashmir and Pakistan-based jihadi groups like Jaish-e-Muhammad and Lashkar-e-Taiba that were responsible for terrorist attacks inside India—like the 2001 attack on the Indian parliament and the 2008 Mumbai terror attacks—American policy aimed at conflict resolution and lowering of tensions between two nuclear armed neighbors.

Even though American military and economic aid to Pakistan increased during the 9/11 era, the United States also undertook what was referred to as dehyphenation: instead of treating the two countries as complementary parts of a strategic whole, the United States would now treat each country on its own terms. The best representation of this policy was the India–U.S. civil nuclear deal; Pakistan was not offered a similar deal.

Presidents George W Bush and Barack Obama continued this policy based on the belief that an economically and militarily powerful India was in America's interest. They argued that the United States should, therefore, be willing to ignore the minor disagreements on the economic front (for example, the issue of India's trade surplus) to build what Obama referred to as the "defining partnership of the twenty-first century."

Secretary of State Hilary Clinton even referred to America's "strategic bet" on India.

Two years into the administration of President Donald J Trump, many of the same dynamics that defined the relationship in the past two centuries continue to define it. India and the United States have a bilateral trade relationship of over \$115 billion and a defense relationship where India is a Major Defense Partner. India lies at the core of the Trump administration's Indo-Pacific strategy. Unlike his predecessors, President Trump has been openly critical of Pakistan, has cut almost all aid to Pakistan and asked India to play a bigger role in Afghanistan.

Yet, Trump's penchant for erratic policy decisions has raised fears within the Indian strategic community over future American policy toward Afghanistan, as well as its repercussions for India. If the United States withdraws its troops from Afghanistan, either unilaterally or as part of the ongoing negotiations with the Taliban, Delhi is certain that Islamabad will fill the vacuum. Not only would that amount to rewarding Pakistan for supporting terrorism, it would also deny India access to Central Asia while bolstering China's role in that region.

There is a similar fear that American withdrawal from the Middle East would create a vacuum that could lead to the regrouping and rebuilding of the Islamic State (ISIS) and Al Qaeda. If the United States is serious about partnering with India to reduce Chinese dominance of the Indo-Pacif-

ic, it must take India's concerns about Southwest Asia seriously. India cannot risk confrontation with China across its land border and throughout the Indian Ocean, including the South China Sea, while the United States fails to recognize its interests along its western borders.

India and the United States are closer today than they have ever been during the last seventy years. Many of the historic impediments to a strategic partnership have been removed and there is less mutual suspicion than in the past. But Indians remain wary of the erratic nature of American decision-making. Indian advocates of

“strategic autonomy” argue that India must hedge against being abandoned amid one of Washington's episodic policy shifts. As a result, India is torn between the arguments of those who see an alignment with the United States as critical to the emerging confrontation with China and those who maintain that India cannot rely on the Americans for its security. For the latter, it is important for India to maintain separate relationships with China, Russia, and Iran instead of following America's lead too closely. As Raghavan has shown, America's embrace of India has been slow and fitful— so has India's acceptance of American affections.