

The Marxist
Volume XXII, No. 1
January-March 2006

Subordinate Ally: Implications of the Indo-US Strategic Alliance

Prakash Karat

The UPA government has taken major steps to convert India into a strategic ally of the United States of America. This is the meaning of the strategic partnership which has been forged between the two countries. Though the Indian side would deny any alliance is in the making, the unstated assumption is precisely that. The joint statement issued after the Prime Minister Manmohan Singh's visit to Washington in July 2005 and the agreements arrived at during the visit of President Bush to India in March 2006 testify to the new course adopted. The contours of this alliance were being shaped during the past few years. It was set in motion during the BJP-led government.

The Background

The United States had traditionally seen Pakistan as its ally in South Asia from the days of the Cold War. Pakistan was important in the US strategy and as a frontline state against the Soviet Union and for West Asia. With the withdrawal of Soviet troops from Afghanistan and the end of the Soviet Union in 1991, the US began a reappraisal of the role of India and the South Asian situation. In the first half of the 1990's the U.S. began to draw in India into its strategic plans. With the advent of liberalization and the turn to the US and the IMF-World Bank for promoting the new economic orientation, the US simultaneously began establishing military and security ties. In 1995, during the Narasimha Rao government, the two governments signed the Agreed Minutes on Defence Cooperation, the first of its kind. The US intention was to forge strategic ties with both India and Pakistan, the latter still continuing to be the favoured ally.

It was during the six-year rule of the BJP that the impetus for a strategic alliance was created. Paradoxically, it came after a brief rupture in the developing relationship when the Vajpayee government conducted the nuclear tests at Pokharan in May 1998. The imposition of sanctions and the cessation of military cooperation did not last long. The BJP-led government entered into prolonged secret negotiations. The Strobe Talbott-Jaswant Singh talks went into eight rounds before the grounds were laid for resuming the strategic engagement.¹

¹ Strobe Talbott: Engaging India, Penguin Viking 2004: For An American Version of The Secret Talks

Between 1999 and May 2004, the architecture for the present alliance had been worked out in quite elaborate detail. In end 1999, the US decided to extend military training to the Indian armed forces officers under the International Military Exchange Training programme (IMET). India had not been a participant before in IMET. The Clinton visit in March 2000 was an important landmark. The US signalled its recognition that it considered India the pre-eminent regional power. The euphoria of the Indian ruling establishment at the success of the visit was all too visible. President Clinton had spent five days in India and only five hours in Pakistan. The BJP-RSS combine felt that it was near to achieving its cherished goal of getting the US to accept India, in Vajpayee's words, as its natural ally and not Pakistan.

The year 2001 saw the visits of Jaswant Singh as Foreign and Defence Minister to Washington. The same year saw the resumption of joint military exercises. These had earlier been mainly confined to naval exercises since 1992, but were now extended to land and air exercises. When Bush announced his National Missile Defense programme, India became the first country to welcome it.

The September 11, 2001 attacks in the US came as an unexpected setback to the plan of the BJP government. Vajpayee immediately wrote to President Bush offering to be a partner in the war against terrorism and placing India's military facilities at its disposal. The BJP leadership could not hide their disappointment when the US chose Pakistan as the frontline state in the war against Afghanistan - a fact that Advani dolefully called the 'logic of geography'. This however, only added to the determination of the Vajpayee government to convince the US of its credentials to be a natural ally. L.K. Advani as the Dy. Prime Minister, visited Washington. To make sure that their message went home, Advani visited the CIA headquarters to meet the Director of the CIA to talk of security cooperation against terrorism. The FBI was allowed to open an office in Delhi.

The US was reassured by another development. Domestically, the Vajpayee government proved to be the most hospitable to the demands of American capital. It opened the insurance sector to FDI, something no government had been able to do for the past six years. The amendments to the Patent law, the dismantling of the public sector and other rightwing measures made the Bush administration realize the immense potential of a strategic tie-up with India.

For the Indian side, the denial of high technology and dual-use technology and the continuance of sanctions on the space and nuclear establishments had to be addressed by the US. In January

2004, the Next Steps in the Strategic Partnership (NSSP) round of talks were begun which involved cooperation in space, nuclear, hi-tech and missile defence fields.

US Strategy in Asia

The India-US relations have to be seen in the overall context of the US strategy in Asia. In 2002, the Bush Administration set out its National Security Strategy. This was an exposition which bluntly stated the imperialist hegemonic interests of the US. The US would not allow any other country to equal or surpass its military strength. For this it declared, it would use its military power to dissuade any potential aspirant. The strategic review points to China as the potential power that can threaten US hegemony. As far as India is concerned, the report stated that: "The United States has undertaken a transformation in its bilateral relationship with India based on a conviction that US interests require a strong relationship with India. We are the two largest democracies, committed to political freedom protected by representative governments. India is moving towards greater economic freedom as well."

With the war against terrorism declared, the document reiterates that pre-emptive military action is required to prevent hostile action by adversaries. For this the US will require bases and military stations outside Western Europe and Northeast Asia, "as well as temporary access arrangements for the long-distance deployment of US forces."

The Pentagon had commissioned a study by one of the think tanks affiliated to it. The Report was called the "The India-US Military Relationship: Expectations and Perceptions" and came out in October 2002. 40 serving senior US officials and around the same number of serving and retired Indian officials were interviewed for the study. Among the observations were that Indian armed forces could be used "for low-end operations in Asia such as peacekeeping operations, search and rescue operations..." The researcher who conducted the study concludes "We want a friend in 2020 that will be capable of assisting the U.S. military to deal with a Chinese threat. We cannot deny that India will create a countervailing force to China."²

Apart from Japan, there is no other country in Asia which can match up to this task. India as a growing economic power, given its size and military capacity could prove to be a useful ally in the coming decades when China is expected to challenge America's economic and military dominance.

² Juli A Mac Donald, "Indo-US Military Relationship: Expectations And Perceptions" Office of the Secretary of Defense - Net Assessment, October 2002

In Asia, India is preferred as an ally who can act as counter-weight to China and also provide access to military facilities, in the global war against terrorism and the quest to maintain US global dominance. The strategic alliance therefore encompasses a political dimension, the joint endeavours of the two worlds biggest democracies; the economic, which according to the US is defined as the partnership based on India moving to “economic freedom” and free markets and the military-security aspect of India’s strategic and military interests tying in with the USA’s strategic interests in a defense partnership.

The UPA Government Enters

It is in the process of building this strategic alliance step by step, that the political transformation took place in May 2—4, with the defeat of the BJP-led government and the formation of the UPA government.

If there were any doubts on the American side, that this changeover would lead to an interruption of the process, they were quickly dispelled. Even though, the Common Minimum Programme scrupulously avoids any reference to a strategic relationship with the US, events soon proved that this was the way matters were heading. The Joint Working Groups, the negotiations on the Next Steps in Strategic Partnership, the Defence Policy Group, all began meeting – it was business as usual.

The omission of a strategic relationship with the US in the CMP was made up in the first Presidential address to Parliament in June 2004, where it was stated that a closer “strategic and economic engagement with the US will be pursued.

The visit of Condoleezza Rice in March 2005 proved to be a significant turning point. Rice had taken over as the Secretary of State in the second Bush term which began in January 2005. Rice declared that the US was prepared to “help” India become a “great power”. In the second phase of the Bush presidency, the US began the rhetoric of addressing India’s great power aspirations. Ashley Tellis, a strategic expert on South Asia set out what could be expected “that transformed bilateral relations would aid India in a manner that would ultimately advance America’s own global interests with respect to defeating terrorism, arresting further proliferation, and preserving a stable balance of power in Asia over the long term.”³ It is the balance of power which requires the US to build up India as a counter-weight to China in Asia.

³ Ashley J Tellis, South Asian Seesaw: A New US Policy On the Subcontinent, May 2005

<http://www.carnegieendowment.org/files/PB38.pxf>

Defence Partnership

The visit of Condoleezza Rice set the stage for the UPA government's initiation into the big game already in play with the BJP-led government. The Indian Defence Minister's visit to Washington in June brought this out graphically. Pranab Mukherjee innocuously announced to the media that it was "an exploratory visit". Such an exploration yielded something very substantial, in the form of the ten year Defence Framework Agreement. Obviously, the terms of this landmark agreement were being negotiated before the UPA government took office. The Defence Minister continues to insist that "The Framework contains only enabling provisions. It does not contain any commitments or obligations." What he has not stated is that with the framework decided upon, the various agreements have to be fleshed out. This is already being done.

The US Department of Defense has no inhibitions to state the actual position. In a statement on March 2, coinciding with the Bush visit, the Pentagon announced that a "durable defence partnership" is being built. Setting out the new ground broken and the "precedent setting" joint army, air and naval exercises, the statement declares: "These will serve key objectives of our strategic partnership by helping to build ties among our defense establishments and industries and to develop interoperability among our armed forces. Defence technology cooperation will contribute to strengthened military capabilities and will also result in economic benefits through expanded trade."⁴

The Framework carries the existing military cooperation further. There are four features that stand out. The agreements provide that the two defence establishments will collaborate in multinational operations; by this clause India accepted the US concept of multinational operations in third countries outside the UN auspices. Secondly, the agreement states that both countries will expand collaboration relating to missile defence. The United States is building a missile defence shield by drawing in Asian countries. Japan and Taiwan are part of the theatre missile defence system. The US and India have been negotiating on missile defence cooperation and the US wants India to join its missile defence system by offering it the Patriot missile system. Thirdly, the framework talks about shared security interests in protecting free flow of commerce via land, air and sea-lanes along with preventing proliferation of weapons of mass destruction. Already the BJP-led government had agreed to escort US ships through the Malacca straits in 2003.

⁴ Defense Department Statement on India Partnership; US Department of Defense, March 2, 2006

Fourthly, the defence partnership is extended to sale of US weapons and co-production. The US has offered to sell F 16s and F 18s to India and other weapon systems. After the US decided to sell F 16s to Pakistan in March 2005, it promised to consider India's requirements on a whole range of weaponry including missiles.

During the Bush visit, it was announced that two agreements under the Framework are being finalized. The Maritime Security Cooperation and the Logistics Support Agreement. The Maritime Security Cooperation will take forward the joint operations of the two navies.

The Logistics support agreement is to facilitate "interoperability" of the armed forces. Using each other's facilities for refueling, maintenance, servicing communications etc. In fact the US had proposed an "Access and Cross-servicing agreement" but the Indian side demurred as it would make obvious the US aim to access India's military facilities for military operations in the region and in third countries.

Noteworthy in this regard, is the Pentagon statement of March 2 that declared its readiness to sell a whole range of weaponry including F-16 and F-18 fighter planes. The whole deal would amount to \$6.9 billion. Further, the Pentagon sought to assure India that there would be interruption in supplies of spare parts etc, a common feature of US arms supplies used as a political lever.

The joint exercises, the sending of Indian officers to the US under IMET and the coordination of the intelligence and security agencies have proceeded apace. The penetration of India's armed forces structure is taking place along with the potential danger of suborning its top personnel.

The strategic alliance contains other aspects which are equally disturbing.

The Democracy Bandwagon

The Manmohan Singh government has followed the BJP-led government in accepting the US rhetoric on democracy. All the India-US joint statements accord primacy to "democracy" and "freedom". This implicitly conveys the message that India is with the US politically and ideologically in its crusade to project democracy and freedom as weapons to enforce regime change, prise open economies and establish US hegemony in countries and regions. If Jaswant Singh enthusiastically joined the democracy bandwagon by co-sponsoring the democracy project so beloved of Madeleine Albright -- the Community of Democracies the Manmohan Singh establishment is equally thrilled to be in the company of Bush

and Rice in the Global Democracy Initiative announced in the July 2005 joint statement. The UPA government has forked out \$10 million dollars for the UN Democracy Fund which has been set up under US urging. During the Bush visit, the joint statement announced that India would designate a representative to the International Centre for Democratic Transition (ICDT) located in Budapest.

The pro-US media and the ruling circles have not revealed the true nature of organisations like the ICDT. This is nothing but a US-sponsored platform to promote “regime change” under the garb of democracy in all those countries which oppose US hegemony or have a socialist system. What was being done by the US through its organisations like the National Endowment for Democracy is now being carried forward by the Community of Democracies, the Democracy Fund and the ICDT. What the Manmohan Singh government has agreed to is to join the US sponsored global crusade against socialist countries like Cuba and countries targeted by the United States like Iran, Venezuela, Syria and Zimbabwe.

President Bush in his Purana Qila speech called for “regime change” in Iran, Cuba, Syria, Zimbabwe and Myanmar by declaring that the people of these countries yearn for liberty. He followed that up by calling upon India to discharge its historic duty to spread democracy around the world. There was no official Indian reaction distancing from Bush’s outrageous remarks against friendly countries.

The Democracy bandwagon goes against India’s basic positions and the non-aligned movement. At one time, Jaswant Singh had said that democracy must become a plank of the nonaligned movement, which was a patent US ploy to divide and disrupt the non-aligned forum. Now India has set itself against a host of countries who do not accept the US version of democracy.

The democracy and free market theme was flogged to the extreme at the World Economic Forum at Davos this January. Its domestic implications are that the right wing and corporate interests will be strengthened to demand that the Government take all necessary measures to privatize and foster big capital while disciplining labour so that a hospitable climate is created for large inflows of foreign capital. Already, the US corporate interests including the American ambassador are demanding that the UPA government comply with its demands to open up the economy, even if Parliament is not agreeable to do so. This version of democracy is going to increasingly pose a threat to real democracy and its democratic institutions.

The legitimising of the US “democracy” offensive which began during the BJP rule is fraught with sinister implications. A National

Endowment for Democracy office was set up in New Delhi as an outcome of the Clinton visit. The NED and its affiliates fund political parties, trade unions, media and research institutions to propagate the US political aims of regime change, subversion of popular movements and ideologically denounce those who oppose “free market democracy”. We know how the NED operates in Venezuela, Cuba, in Eastern Europe and the former republics of the Soviet Union. But so far there is a cloak of silence about such activities in India.

Blueprint for US Capital

That the strategic alliance is advantageous to the United States becomes more evident when the other aspects of the joint statement issued during the visit of Bush are considered.

The joint statement has welcomed the report of the US-India CEO Forum and agrees to consider its recommendations. Both the CEO Forum and the Trade Policy Forum have submitted reports which are a blueprint for American capital and corporations to penetrate the economy and capture the Indian market. Among the recommendations of the CEO Forum are steps to facilitate US banks taking over Indian private banks; increasing FDI in the insurance sector to 49 percent, opening up retail trade further to FDI and setting up of a \$ 5 billion Infrastructure Development Fund which can act as a vehicle for US investment in infrastructure. It is stated clearly that the Fund should only have minority Indian government participation and should leverage the expertise of the World Bank and other financial institutions for selection and monitoring of investments. The Dy. Chairman of the Planning Commission, Dr. Montek Singh Ahluwalia has promptly and not surprisingly, announced that there will be 24 committees set up, one for each recommendation made by the CEO Forum. It is strange how the Planning Commission set up such committees whose sole purpose would be to facilitate American private investment in the country.

Privatising Agricultural Research

Another agreement being given concrete shape is the “Indo-US Knowledge Initiative on Agriculture, Research and Education”. The board set up for this has representatives of US companies like Wal-Mart and Monsanto. Forty agricultural universities and research institutions are being linked to this initiative. The agreement marks a shift away from public domain science to promote private sector interests with US multinational companies identifying the research areas with the aim of rapid commercialisation. In February 2006, the Board adopted a three-year work plan to achieve an “evergreen revolution” based on “market oriented” agriculture. The plan for agriculture research and education includes food processing and

marketing, biotechnology and water management. Analysing the conduct of the work plan, a senior science correspondent has noted: "With Wal-Mart's interests in retailing agricultural products and Monsanto's focus on the development of genetically modified (GM) crops or transgenics, it is clear that the agenda of collaborative farm research with Indian agricultural institutions is being set by the multinationals and this is cause for serious concern."⁵ There are serious apprehensions that the terms of the intellectual property rights would favour United States as their IPR regime offers patent holders rights to life forms, plants and seeds which can threaten the interests of local communities and their rights to indigenous genetic resources.

Nuclear Deal: Quid Pro Quo

The July 2005 visit of the Indian Prime Minister to Washington had led to the nuclear cooperation agreement which became the main focus of attention to the exclusion of other aspects of the strategic alliance. The nuclear cooperation deal must be seen as part of the wider strategic tie up that the United States wants India to be involved in. It will be a mistake to see the nuclear cooperation deal in isolation from the overall context of the strategic alliance which involves *quid pro quo*.

India imports 70 percent of its oil requirements and this is expected to go up to 85 per cent in two decades. The strategy for energy security requires India developing various sources of energy both hydrocarbon and nuclear power. India must get access to diverse sources of energy particularly oil and gas and should promote efforts for an Asian energy security grid. In this it needs to collaborate with China which is the other country with major energy requirements and develop cooperation with Russia which has emerged as an energy super power. The proposal for an Iran-Pakistan-India gas pipeline has to be seen in the context of developing pipelines which can extend from Russia, Central Asia, West Asia, South Asia to China. The United States is opposed to any such moves as it wants to protect its own interests in the energy sphere and prevent any step which would challenge its efforts to control and monopolise the energy reserves of West Asia and Central Asia.

The decision of the Bush administration to break with past policy and offer a civilian nuclear cooperation agreement should be seen as part of the effort to win over India as an ally and to prevent India playing any role in developing the alternative energy security plan. The CPI(M) has consistently advocated that India should have a nuclear policy. Regarding the nuclear cooperation deal, the Party had demanded that the separation of civilian and nuclear facilities

⁵ R. Ramachandran: Unequal Partners, *Frontline*, March 24, 2006

be phased, voluntary and decided by the Indian side. The placement of future nuclear facilities in either category should also be determined by India alone. India's future energy programme should not become dependent on imported nuclear reactors and imported fuel and must take into account the techno economics of nuclear energy to determine its quantum in India's energy basket. The implementation of the nuclear cooperation agreement should not hamper the pursuit of an independent nuclear technology policy for peaceful purposes based on the three-phase nuclear energy programme. The danger of the nuclear cooperation agreement involving an unacceptable price is ever present. While negotiating for the nuclear deal, the United States had simultaneously opposed India going ahead with the Iran pipeline project. The strategic alliance with the United States will constrain India from accessing energy from Iran and working for an Asian energy security grid which will link Central Asia, West Asia and South Asia.

It is not the nuclear cooperation deal as such which is the issue but the *quid pro quo* which is demanded of India. Compliance by India of aligning with the US approach in other spheres is the real issue.

India and China are looking for access to energy around the world and both countries are cooperating with Russia. The United States does not look upon this with equanimity. As a foreign policy expert has put it: "Apart from 'locking in' energy reserves at a time when the US is poised to hugely increase its own energy imports, any concord between Russia, China and India would have far-reaching strategic import by strengthening multi-polarity in the world order. (Russia also has evinced interest in participating in an Iran-Pakistan-India gas pipeline project, with a potential role for China as well in it.)"⁶

Iran Nuclear Issue

As far as the Bush administration is concerned, the strategic partnership involves obligations to be fulfilled by India. This became amply clear soon after the July 2005 joint statement. India was told bluntly at all levels, the administration, the US Congress and even the American ambassador in India that "either you support the United States on Iran or the nuclear deal is off". The pressure began to mount even before the Prime Minister could return to Delhi. It culminated in the infamous vote against Iran on September 24, 2005 at the IAEA board meeting in Vienna. That the UPA government had committed on a whole range of issues became more evident in the second vote in February 2006 at the IAEA board.

⁶ M.K. Bhadrakumar: America's Energy Diplomacy in a Multipolar World- Implications for the Indo-US Nuclear Deal *Seminar*, April 2006

The shifting out of Mani Shankar Aiyar from the Ministry of Petroleum and Natural Gas at this juncture further strengthened the view that any effort outside the confines of the US imposed energy programme would not be tolerated.

The shameful reversal of India's stand that a sovereign country which is a member of the NPT can develop nuclear technology for peaceful purposes adhering to its international obligations, is a stark illustration of how independence in foreign policy has got compromised. India did not adhere to the official NAM position taken at the IAEA board meetings.

After the March IAEA board meeting, the matter has now been taken up by the UN Security Council. The United States is leading an offensive against Iran threatening it with sanctions and other coercive measures. Spokespersons for the Bush administration have repeatedly stated that all options including the military option will be considered. The Iraq route to unilateral aggression is being repeated.

The UPA government has chosen to keep silent on this barrage of attacks on Iran and is complicit by having stated that India does not want to see another nuclear weapon State in the region. By taking this position, India stands along with the US and the western countries who have patronized and helped Israel to stockpile a nuclear arsenal.

During the recent visit to the United States by the Indian foreign secretary, Shyam Saran, the US congressman Tom Lantos accused India of entertaining two Iranian naval ships in an Indian port. The response from the Indian side was weak and defensive having to explain that the two ships were not engaged in any joint exercise but were only on a goodwill visit. The pattern is clear. In the coming days, the United States will be exercising crude pressure on India to conform to and behave as a subordinate ally.

UPA Government

The strategic alliance with the US will impede our strategic autonomy. Those elements of foreign policy which were being pursued and are vital for the development of a multi-polar international situation are going to be constrained. The process of extending trilateral cooperation between India, Russia and China; the development of Asian security and energy cooperation; the strengthening of the India-Brazil- South African cooperation (IBSA); the traditional ties with the Arab countries and West Asia; the revitalization of the non-aligned movement; the reform and democratization of the United Nations - these are some areas which

the United States views differently and in alignment with India's interests.

The UPA government has not set out a strategic policy document. Nor is the foreign policy perspective clearly spelt out. What stands out is the step by step movement towards a strategic engagement with the US in which the latter's interests predominate and this shift is camouflaged with evasive and high-sounding pronouncements. The Manmohan Singh government has failed to give any convincing explanation why India should jump onto the Bush bandwagon of "democracy" and "fight against terrorism" given the awful record of the US in Iraq and its unilateral and aggressive efforts to destabilize popular governments around the world. What is the basis for spoiling relations with Iran and the Arab countries by pursuing close strategic ties with Israel and giving tacit support to US moves to reorder West Asia to suit its interest? Why India should have a military partnership with the US and even commit to multinational operations in third countries? Why is the government capitulating to US pressures to open vital sectors of the economy to foreign capital including full capital account convertibility?

The Manmohan Singh government should realize that there is no consensus on the pro-US foreign policy orientation and for military collaboration with America. As a government that does not command a majority in Parliament is has been unmindful of the need to create a broader understanding on such issues.

The evolution of Indo-US relations towards a strategic alliance has serious implications for the country and the people. In the recent years, the strategic tie up with the United States has eroded the independent base of foreign policy. The UPA government had committed in the Common Minimum Programme that it "will pursue an independent foreign policy keeping in mind its best traditions. This policy will seek to promote multipolarity in world relations and oppose all attempts at unilateralism." The CMP does not advocate a strategic alliance with the United States. This has come into being with the Bush-Manmohan Singh agreements in Washington and New Delhi in the past one year.

The political, economic and strategic consequences of this emerging alliance are going to be far-reaching. The orientation of economic policies are going to be more neo-liberal and in tune with international finance capital. It will not be the pro-people measures in the CMP which will be implemented but the programme drawn up with US inputs. More and more onslaughts on the livelihood of the workers, farmers and the common people will be in the offing. The already growing social and economic inequalities are going to be widened further. The strategic autonomy for pursuing external and

domestic policies which are in line with the country's interests are going to be restricted. The strategic alliance is going to lead to pro-American interests further entrenching themselves in the ruling establishment.

This is a situation which needs to be assessed carefully. The CPI(M) and the Left parties have to decide on the course of action which can counter this pro-imperialist path. A political strategy has to be drawn up which can mobilise all the anti-imperialist and patriotic forces to stop the UPA government from proceeding on this harmful course.