



## U.S.-India Relations: The Making of a Comprehensive Relationship

**Robert O. Blake, Jr., Chargé d'Affaires**  
Army War College  
Indore, India  
August 23, 2004

*Released by the U.S. Embassy India*

**As prepared for delivery**

### Introduction

I want to start by thanking you for inviting me to speak at the Army War College. I am honored to be here, at one of India's most prestigious military training institutions. I had heard that the War College was located in one of the most beautiful areas of India. I am glad to have the chance to see it in person.

I appreciate the opportunity to address many of the current and future leaders of India's military. As you know, the military to military relationship between our two countries is more robust than ever. Without any doubt, our military ties have played a crucial role in the ongoing transformation of the U.S.-India relationship. My visit to Indore and to the Army War College gives me the chance to talk about the deepening relationship between our two countries. My plan is to speak broadly about our bilateral relations, touch on some key themes that your director Lieutenant General RB Singh shared with me before my coming, and then leave plenty of time to take your questions - on any subject you may wish to discuss.

### The Transforming Relationship

During the past few years, we have seen a fundamental transformation in relations between the United States and India. Observers from both countries have said that relations between our two countries have never been better. I agree. People ask me when this transformation began. Although there have been many key points, I don't think there is a single event that marked the turning point, as much as a realization by our leaders and countrymen that ties between our two countries should not be burdened by the decisions and actions of the past. This transformation, an ongoing one, has its roots in our common values and interests as democratic societies committed to political freedom, tolerance, representative government and the fight against terrorism and other transnational threats such as the spread of weapons of mass destruction, the drug trade, HIV/AIDS and trafficking of women and children.

There has been some speculation and even some reporting that as the United States prepares for its Presidential elections in November, our bilateral relationship may lose some of its momentum - or get sidelined by domestic concerns. Let there be no doubt - the U.S. commitment to this bilateral relationship is bipartisan, deep and growing - and this is true no matter what the outcome of the Presidential elections this fall. Whether our country's elected leader is a Republican or a Democrat, the U.S. commitment to our bilateral relationship will remain strong. The relationship between our two countries transcends domestic politics, just as it did during the Clinton-Bush transition in 2001 and the BJP-Congress transition earlier this year. In both instances, the incoming governments reiterated what had been committed to in the previous government, that bilateral relations must continue to grow and expand. In their first conversations with Prime Minister Manmohan Singh and Foreign Minister Natwar Singh, President Bush and Secretary of State Powell found a shared desire to build on the solid foundation developed in recent years. The reasons for this foundation are numerous, and let me take a few minutes to mention some of the highlights.

### US-India Bilateral Ties

First, let me set the stage by saying that the United States recognizes the vitality and importance of India to American long-term interests. India's emergence as a rising world power and a mature market economy are significant to the region and the world. We have jointly taken important steps to bridge previous mistrust and to lay the basis for a solid partnership for the 21st century.

Our common interests are growing. We are committed to defeating terrorism. Both of our nations have suffered at the hands of terrorists and recognize the necessity of eliminating this inhuman threat to our people. We are committed to preventing the proliferation of weapons of mass destruction and increasingly we are cooperating to stop their further spread.

We both seek a freer and more equitable international trading system. The cooperation between India and the United States was a key factor in the recent agreement on a framework at the World Trade Organization meeting in Geneva. While we may sometimes differ in our understanding of the pace and sequencing of such liberalization, we recognize that more trade and freer trade are essential for strong economic growth, rising prosperity, regional stability, and the reduction of poverty.

To help promote regional stability in South Asia, the U.S. and India meet regularly discuss mutual concerns in Afghanistan, Nepal, Bangladesh, Sri Lanka, and Bhutan. The U.S. also supports continued efforts by India and Pakistan to better their relations.

India and the U.S. seek a permanent and equitable peace in the Middle East. The U.S. continues to consult with India on the evolving political, economic and military situation in Iraq. We both believe that representative government that protects human rights and accommodates diversity is the best hope for progress and stability in Iraq. India and the U.S. share a strong interest in assuring the stabilization and reconstruction of Iraq so that Iraq does not become a platform for the export of terrorism and a source of instability in this vital part of the world.

As our ties mature into a comprehensive relationship, our two nations will benefit from an increasing range of scientific and commercial opportunities that use cutting edge technologies for both civilian and military uses - for education, economic development, and space exploration, to take a few examples. Add to this the already rich tapestry of cooperative bilateral programs in health care, fighting dread diseases such as HIV/AIDS polio and tuberculosis, educational exchanges, agricultural programs, and military training, and it is clear that the opportunities for Indo-US cooperation are endless.

### The Beginning of a Comprehensive Relationship

I have no doubt that close and collaborative relations between America and India will flourish in the next few years. But let me be equally clear that the full potential of our relationship has still to be achieved. This will not happen on its own. The responsibility, and the vehicle to make it all happen, lie

chiefly in the creative dynamism of our people and private societies. It is the duty of our governments to make sure we can engage in many fields, look for opportunities to catalyze people-to-people contacts and public-private partnerships, do business together, and trade and invest in each other's futures. You have my personal commitment, as well as that of everyone in the U.S. Mission to India, to work tirelessly to make this happen.

However, the unusual history of U.S.-India relations - marked by years of differences and mistrust - has left us in this early phase with what I would call a new frontier of opportunity. There is an imbalance in our relations in that the government-to-government element currently outweighs that of our respective private sectors. This is about to change, which is the basis for this new frontier of opportunity. We now have a freestanding nation-to-nation relationship that is limited only by what we do and not do together. What has been declared to be a strategic partnership must now become a comprehensive relationship.

### **The Military Relationship**

Although I am speaking to you today, I suspect many of you will recognize another member of the U.S. Embassy team that has come with me today - our defense attaché, Colonel Steven Sboto. What he and his team in the defense attaché and defense cooperation offices have accomplished over the past several years is quite remarkable.

Without doubt, military cooperation remains one of the most vibrant, visible, and proactive legs powering the transformation of US-India relations. This cooperation succeeds because of the Indian and US military establishments' mutual desire to move our relationship forward.

There is a growing and I think mutual desire to expand defense cooperation. This is clear from the increasing frequency of training exercises, seminars, personnel exchanges, senior visits, functional visits, unit/ship visits, and the existing and developing US-India military relationships that have emerged over the past few years.

Much of what has been accomplished from the US side has been a result of the US military's carrying out the spirit of President Bush's desires for creating a fundamental shift in US-India relations articulated shortly after he took office. On the Indian side, there has been a tremendous effort to look to expand areas of mutual benefit, to look for partnerships, not antagonisms, and to look for regional collaboration. India's service chiefs have translated this positive direction into a coordinated program of military engagement priorities with the US. In sum, military cooperation across the board has seen dramatic improvements in the number and quality of training exercises, seminars, personnel exchanges, senior visits, functional visits, unit/ship visits, subject matter expert exchanges, organizational/agency relationships, technology cooperation, and defense sales.

### **Military Exercises**

Let me highlight just a few examples of this growing relationship. During exercises in Agra in 2002, Indian and American Special Forces paratroopers jumped from Indian and U.S. Air Force aircraft to learn about each other's formation flying techniques and to coordinate dropping ground support cargo. While Special Forces operations are often the stuff of classified information, they are important measures of our cooperation because they also showcase the cutting edge of interoperability, especially as both armies gear up to tackle terrorists and guerrilla and clandestine warfare. Over the past few years, joint exercises in this area have included airborne operations, counter-terrorism training, mountain warfare, close-quarter combat and jungle warfare. The new age of combat, many believe, will require greater skills in special operations - an area of increasing ties between our two militaries.

On the Navy side, the Indian Navy ships *Sharda* and *Sukanya* relieved the *USS Cowpens* to escort ships in the Straits of Malacca and to protect them against terrorist attacks and pirates on the high seas during Operation Enduring Freedom in April of 2002.

This was followed by several joint search and rescue exercises as well as the "Malabar" exercises in the Arabian Sea, which involved ships and helicopters of both countries intercepting suspicious vessels, using anti-submarine warfare, and completing complicated flying operations.

To prove the Air Force is not excluded in this dimension, in February of this year, for the first time since 1963, eight F-15C aircraft from the 19th Fighter Squadron, Elmendorf Air Force Base, Alaska flew to Indian Air Force Station, Gwalior, to participate in a dissimilar air combat training (DACT) exercise. The Indian Air Force fielded Jaguars, MiG-21 Bison, Mirage 2000s and SU-30 K aircraft. In another first, India made the largest strategic deployment of its combat aircraft outside its territory this summer when they participated in the multinational Cope Thunder 2004 exercise in Alaska.

### **Military Sales**

Another cornerstone of inter-operability is achieving a level of compatibility of equipment that enables our countries to "talk" to each other. The more the two countries exercise together, the greater the rationale to provide India with compatible equipment, communications and technologies. The Indian military establishment's desire to buy U.S. equipment through the foreign military sales (FMS) route and US willingness to sell state-of-the-art equipment to India are a happy convergence. The new defense relationship also means that the political disconnect that hampered American defense sales to India is a thing of the past. With the lifting of sanctions in 2001, only those major defense items on India's wish list valued over 63 crore rupees (\$14 million) require Congressional notice. To give you a few examples:

In July 2003, two AN-TPQ/37 Firefinder counter battery radars arrived and have been deployed in India. Two more radars, part of a 12 unit 855 crore rupees (\$190 million) sales agreement under FMS, will soon be deployed, having just completed their final quality testing. The second major deal under negotiation is for the P-3 Orion naval reconnaissance plane. U.S. officials describe it as a '3C-plus,' meaning the version that would be sold to India would be equipped with the latest avionics, including sensors and computerized command and control and weapons systems. India also plans to buy into the deep submersible rescue vessel system. Meanwhile, GE-404 engines for the Light Combat Aircraft (LCA) have already made their way here.

India will also buy Rs. 202 crore (\$29 million) worth of Special Operating Forces - unique equipment to enhance the counter-terrorism capabilities of its special forces. They may also purchase chemical and biological protection equipment.

### **NSSP**

As these examples illustrate, the relationship between our two militaries is strong and growing. But I don't want to suggest that other areas of our relationship are not. In fact, another area of great promise - and one that is of great strategic and commercial importance, is the Next Steps in Strategic Partnership initiative - or NSSP - that President Bush and former Prime Minister Vajpayee launched in January of this year. This initiative will include expanded engagement on nuclear regulatory and safety issues and missile defense, ways to enhance cooperation in peaceful uses of space technology, and steps to create the appropriate environment for successful high technology commerce. In order to combat the proliferation of weapons of mass destruction, relevant laws, regulations and procedures will be strengthened, and measures to increase bilateral and international cooperation in this area will be employed. These cooperative efforts will be undertaken in accordance with our respective national laws and international obligations. The NSSP initiative marks an important but complex set of issues that we are making progress on.

Over time, as we continue to collaborate and cooperate on a number of strategic issues such as strengthening export controls and preventing the proliferation of weapons of mass destruction, we will witness a growing set of commercial opportunities in these strategic areas. There is much work to be done but the benefits are great, which is why the highest levels of our two governments are deeply committed. So it is with optimism that I view the future of US-India relations as marked by the NSSP.

### **Economic Relationship**

In the midst of this great and growing relationship, there is one area that needs a push. And as I mentioned in the beginning of my remarks, it is the area that is most symbolic of the comprehensive, people-to-people relationship that I believe our two countries must embrace even more. Here, I speak of the economic relationship between our two countries.

With the wave of reforms of the early 1990s, India and the United States began a steady, if at times bumpy, drive towards a closer economic partnership. For example, today, about one thousand American companies are doing business in India, which is 14 times more than in 1991. Bilateral trade has almost doubled over the last decade, to 18 billion dollars, more than 82 crore rupees. There is no doubt anymore in the US that India is a natural trading partner. In the words of Scott Bayman, the CEO of GE India, "there is now a greater recognition of the large intellectual talent pool in India. I no longer have to 'sell' India." So after this good start, how can we get it to the next level?

The United States, with its open markets and fundamental commitment to private sector leadership, is a willing partner. That is the present reality. The good news here is that India has brought economic growth and development to the top of its priorities. The current election may well demonstrate that in this great democracy there is a political consensus that strong growth sustained over a long period will advance the prosperity of India's people, reduce overall levels of poverty, integrate India more fully into the global economy, and transform India's power status in the world. Achieving a consensus of this sort would be a major achievement. Realizing the objective, however, will not happen without new reforms and continuous efforts that restructure and open India's economy to the global economy at large.

Prime Minister Singh and other Indian leaders have clearly projected their intention to undertake a new generation of economic reforms. There are significant efforts underway to revitalize the US-India Economic Dialogue, including the need to set targets and timelines for accomplishing set objectives. The Economic Dialogue consists of five tracks: trade, finance, energy, environment, and commerce. The objectives of the Economic Dialogue include better coordination of discussions and activities between the two governments, soliciting the support of their respective private sectors, and incorporating their views into government decisions and actions. We expect the Economic Dialogue will be a powerful tool to help move our economic relationship forward. We were particularly pleased by the Government of India's recent announcement that Deputy Chairman of the Planning Montek Singh Ahluwalia and Foreign Secretary Shyam Saran will serve as co-chairs of the Economic Dialogue, and we look forward to a productive working relationship with them.

### **Fighting Terrorism**

The last area I will mention is marked by great resolve and commitment; that is the cooperation that has developed between our two countries in the area of fighting terrorism. As all of you know, 9/11 marked a turning point for the United States in its perception and understanding of terrorism. We appreciate the early support India offered to us in the hours after that terrible attack.

Today, we have come a long way in expanding our cooperation and dialogue with India on terrorism. It is our duty to ourselves, to our nations and to our children, to fight this evil so that our peoples can live peaceful and prosperous lives for generations to come. Those who attack our societies, be it in New York, in Washington, in Mumbai, in New Delhi, or in Jammu & Kashmir, must be stopped. We condemn all terrorist violence, and let there be no doubt, we are with you 100 percent on this issue.

History will attest to the fact that great national partnerships and alliances in the modern world thrive when all elements of government, corporate and civil societies are engaged. History is also likely to record that the 21st century will mark the rise of India as a global power. The United States looks forward to working closely with India both to develop our bilateral relations but also to cooperate to enhance the forces of world integration such as trade, communications and transport while combating the pernicious forces of disintegration such as terrorism and weapons of mass destruction. I appreciate your kind attention and look forward to your questions.

Released on August 23, 2004

 [BACK TO TOP](#)

Published by the U.S. Department of State Website at <http://www.state.gov> maintained by the Bureau of Public Affairs.