



India and the World

Perspectives from Northern Europe on India in world affairs. Issued on a regular basis by the Project for Nordic-India Relations at the Swedish Institute of International Affairs (UI).



India-US strategic relations

Discussions emerged during late spring among India observers in the US, whether the US's steadily increasing strategic engagement with India amounts to a ["bad bet"](#). It was a very American debate, premised on the history and current state of the US's alliance system in Asia, and filtered through a Washington lens of today's geopolitical rivalry with China.

Given India's current material capabilities and history of non-alignment, it was argued, New Delhi could and would not openly side with Washington in a potential armed conflict involving the US and China. Trying to nudge India into becoming a US ally in a more traditional sense, would simply not work. However, others pointed out, increasing cooperation with India is not about betting with a singular objective (e.g. material support in an armed conflict), rather it is about a multifaceted and [longer-term strategic investment](#) in India.

And would a conflict erupt, a more capable India would still be helpful to the US, despite not being a treaty ally. As a committed partner with growing capabilities across sectors, India would still be able to offer various kinds of non-combat support. But also, importantly, given the adverse relationship between India and China, China could not free up resources and manpower currently tied up on its Western flank. And so, India would contribute in an indirect way to a possible US war effort.

However, from Washington's perspective, the strategic competition with Beijing also involves, for example, reducing possibilities for China to leap ahead in emerging technology sectors, to concentrate or dominate supply chains, or monopolise critical materials or resources. India is emerging as a central partner for the US, in Washington's quest to keep the fence high around the small yard, to use the parlance of the US NSA, Jake Sullivan. With India's emerging economy, talent pool, and substantial market, there is also a plausible chance of mutually beneficial cooperation for economic growth, modernisation of industrial bases and advancement of domestic industry ecosystems, and the expansion of market presence in India for US firms.

Indeed, many of the rapidly deepening areas of cooperation between the US and India concern areas critical to the geopolitical and geoeconomic situation impacted by China's rise, Russia's aggression in Ukraine, and the Covid-19 pandemic. There are several tracks for coordinated high-level Indo-US cooperation in the areas of supply chain resilience and emerging tech. Among the more prominent are the Quad and the Initiative for Critical and Emerging Technology (ICET). Both are structured around the dual purpose of active US corporate involvement in building Indian capabilities and greater market presence for US firms, and balancing China's advance in emerging tech-domains. India's view on, for example, ICET is shaped by its continuing desire to indigenise and localise vital supply chains.

Traditional defence industry cooperation also figures partly in new ways in India-US strategic relations. During PM Modi's state visit to Washington in June it was announced that cooperation between GE and Hindustan Aeronautics will accelerate, leading up to license production in India of GE414-jet engines for light fighter jets. A significant move, which partly involves a rethink from Washington about previous limits to knowledge transfer, and about exporting vital components for integration into India's fighter jet programme, rather than pushing for wholesale of US's made jets.

During PM Modi's state visit in Washington, and similarly later during his visit to Paris, a roadmap for defence industry cooperation was announced, signalling intent and commitment to further advance India's strategic capabilities and further diversify away from dependency on Russia.



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