

Indo-US relations: Does China hold the key?

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Joe Biden's first telephonic conversation as the President of US, with PM Modi on February 8, allayed some of the concerns and apprehensions about the durability of the bonhomie that marked Indo-US relations.



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US President Joe Biden had his first telephonic conversation as President with Prime Minister Narendra Modi on February 8, 2021. It is reported that they expressed their commitment to a “rules-based international order” and to “consolidating strategic

partnership” between the two countries to further peace and security in the Indo-Pacific region. This has allayed some of the concerns and apprehensions about the durability of the bonhomie that marked Indo-US relations under President Trump. After all, in recent times, the Indo-US bilateral relationship was marked by the euphoria of events like ‘Howdy, Modi’ in Houston in September 2019, slogans like ‘Ab ki baar, Trump sarkar’ and the ‘Namaste Trump’ event in Ahmedabad in February 2020. While all these were seen as laying the foundations for a deeper Indo-US relationship in President Trump’s expected second term, the results of the US election had raised the inevitable question – would bilateral ties continue to flourish as they have in the last four years, or would it be replaced by frostier relations?

It is not just President Trump’s failure to secure re-election that raised questions about the future of the relationship. In October 2019, the current US Vice President, then Senator, Kamala Harris raised concerns about Kashmir and India’s revocation of Article 370. In December 2019, the Indian foreign minister S. Jaishankar’s reported refusal to meet a delegation of US Congressional members, because it included a Democratic Congresswoman who had introduced a resolution in the US Congress asking the Indian government to lift restrictions on Kashmir, also raised concerns. With a Democratic President in the White House and Democratic majorities in both houses of the US Congress, albeit only with the Vice President’s casting vote in the Senate, there had even been speculation about the changed contours of bilateral Indo-US relations. In this context, it is perhaps a third country, viz., China that could play an important role in maintaining the momentum of progress the Indo-US relationship, even under President Biden.

There are possibly three reasons why India is critical for the US at this juncture.

The first is geo-politics. Both Democrats and Republicans agree that China poses a long-term threat to the pre-eminent economic, military and ideological role that the US has taken for granted in the post-Cold War era. During the Cold War, the Soviet Union was primarily a military and ideological threat but not an economic one. China, by contrast, is already the largest economy of the world in terms of purchasing power parity. In terms of GDP at market exchange rate, it is the second-biggest economy in the world and could replace the US as the world’s largest economy over the next 15 years or so. The Chinese government has also been aggressively publicizing the success of its one-party system in combating the Covid-19 epidemic at a time when the virus seems to be spreading out of control in the liberal west. In both the US and in Europe, there is a now realization that countering China would require not just stronger economic growth, technological innovation and increased spending on defence, but also a coalition of democracies around the world, acting in concert to promote democratic values. In such a coalition India would be a critical partner. The recent US State Department’s call to urge China to engage in talks with Taiwan to ease the military and diplomatic pressure is a pointer to the US keenness to work with democratic states worldwide.

The second issue concerns domestic US politics. Though President Trump lost the election, he won more votes than in the 2016 election. Unless the US Senate votes to

impeach him, which seems unlikely, the former President could declare his candidacy for the 2024 Presidential election. President Biden and his Democratic Party also faces mid-term elections to Congress in 2022 where they could lose their narrow majorities in both houses of Congress. President Trump's aggressive actions against China were widely popular among his working-class supporters who blamed imports from China for their low wages and loss of jobs in manufacturing. Just days before President Trump left office, the US Secretary of State Mike Pompeo announced that the US government would impose new sanctions on China for what he called the "ongoing" genocide against Uighur Muslims in its Xinjiang province. This was designed to present the incoming Biden administration with a fait accompli that it would find difficult to revoke. China promptly retaliated by imposing sanctions on 28 Trump administration officials, including Mike Pompeo. The new US Secretary of State, Antony Blinken, has told a Senate confirmation hearing that he agreed with Mr Pompeo's designation of China as a state that commits genocide against the Uighurs. Any move by the Biden administration to improve relations with China could be seized upon by Republican candidates in mid-term elections in 2022. A stronger relationship with India and other democracies around the world would help the Biden administration to affirm its 'strong against China' message and also endear it to many Indian American voters.

The third reason is perhaps economic in nature. Notwithstanding India's appearance in the recent US Treasury's monitoring list of trading partners requiring "intensified evaluation", India appears to have a vibrant economic relationship with the US. In 2019, overall US-India bilateral trade in goods and services reached US\$149 billion. U.S. energy exports are an important area of growth in the trade relationship. The total number of Indian students in the United States has more than doubled over the last decade, from 81,000 in 2008 to a record high of 202,000 in 2019. Indian diaspora in the US at 4.4 million stands close to the Chinese diaspora (at 5 million). Remittances from US to India have also been substantial. Insofar as economic relation with the US is concerned, India, thus, appears to be more symbiotic and less predatory than China.

Recently, the British Prime Minister, Boris Johnson, expressed hopes of converting the G-7 group of leading western economies into the D-10, a group of ten democratic countries that would also include India, South Korea and Australia. The heads of government of the three countries have been invited to the G-7 Summit in Britain in June this year. It is at this meeting that Prime Minister Narendra Modi will probably have his first face-to-face meeting with President Biden after his inauguration. Despite the outcome of the US Elections, it seems likely that relations between the US and India will continue to strengthen. A natural antipathy to a third non-democratic and aggressive economic giant could perhaps be an added factor that would help keep the Indo-US relationship on an even keel.

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