

India: Between China, the West, and the Global South

by Leslie Vinjamuri



U.S. President Joe Biden and First Lady Jill Biden greet Narendra Modi, India's prime minister, as he arrives at the White House ahead of a state dinner in Washington, DC, on June 22, 2023. Biden and Modi had previously announced a series of defense and commercial deals designed to improve military and economic ties between their nations. SARAH SILBIGER/BLOOMBERG VIA GETTY IMAGES

As the Republic of India marks its 75th anniversary in January 2025, the world's most populous nation and largest democracy continues to defy simple categorization. Born into the Cold War geopolitics of the 20th century and grounded in histories and traditions, both ancient and modern, India today is an emerging major power occupying a pivotal position between China, the U.S., and the Global South.

Driven by an enduring interest in maintaining its independence and autonomy from great powers in a complex region, India is forging a unique path to greater prosperity and influence, both regionally and globally. Its approach reflects India's particular history, including a national and pre-national experience shaped by great powers and their rivalries. Its colonial past left an indelible mark on India's elites, whose foreign policy is shaped by an acute understanding of the challenges

that come with being reliant on decisions made in faraway capitals. Following independence from Great Britain in 1947, inaugural Prime Minister Jawaharlal Nehru sought to upend this dynamic, adopting in nonalignment a foreign policy that aimed to chart a national course true to India's postcolonial values. This also was a policy well suited to balancing ties

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A woman uses a sieve to separate rice grains from husk at a wholesale grain market in Amritsar, India, on October 7, 2024. NARINDER NANU/AFP/GETTY IMAGES

with the U.S., China, and the Soviet Union to advance India's self-interest in a bipolar age.

India's outlook continues to reflect this history, but today India is an emerging power, with economic and geographic advantages that ensure its increasing importance and confidence in debates over a new global order. A nuclear power with a capable and well-equipped military, the world's second-largest active-duty force, India has built capacity to project power in its region. Its position in the Indo-Pacific—in particular, India's proximity to China and favorable trade and strategic position straddling the Arabian Sea and Bay of Bengal—makes it a pivotal nation in the region, especially through the lens of U.S.-China competition.

The world's fifth-largest economy, having recently surpassed the United Kingdom in gross domestic product (GDP), which will soon reach \$4 trillion, India faces structural obstacles to its growth—both absolute and relative to other leading economies. Along with

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other secular economic trends and exogenous shocks, some of the greatest impediments to India's economic growth stem from policy action and inaction that have created an unequal economy. An uneven recovery from Covid-19—in which the wealthy have bounced back while the poor have struggled—drives home the deep inequality endemic to the Indian economy. The same fact is likewise apparent in the gap between its GDP (again, fifth in the world) and GDP per capita (around 170th in the world), the latter of which is a fraction of even India's peers in BRICS (Brazil, Russia, India, China, and South Africa), let alone other G20 nations. India faces other challenges as well, from low female labor participation and stagnant real wages to its paucity of large industry, which leaves some half the population reliant on agriculture to live. Particularly glaring is India's failure to establish a robust manufacturing sector, a shortcoming exacerbated by India's inefficient bureaucracy, drive for domestic self-sufficiency, and ambivalent disposition to international trade. As American and other Western businesses seek to mitigate supply chain risk and reduce reliance on China, a generational opportunity has arisen for India to rectify this shortcoming, an opportunity that offers

a crucial test for current Prime Minister Narendra Modi's economic leadership.

Even India's greatest asset, its demographics, brings with it thorny challenges, as the world's most populous nation grapples with rising expectations for economic opportunities, but also unemployment and dissatisfaction among its sizable youth cohort that threatens to shortchange its demographic dividend. For instance, the proportion of educated youths among India's unemployed population grew from 54.2% in 2000 to 65.7% in 2022. More recently, increasing automation in the information technology (IT) sector is putting white collar jobs out of reach for many young university graduates, contributing to an unemployment rate for 20-to-24-year-olds that approached 45% in the final quarter of 2023. Harnessing the potential of India's youth, as well as mitigating their discontent, will continue to be an essential issue for Modi. His successfully doing so, together with India's robust science and technology foundation, favorable positioning to benefit from the green transition (especially given potential for ample solar power generation), and strength in digital payments, could help position the country for growth in years to come—and perhaps provide the boost needed for India to grow rich before it grows old.

In economics and geopolitics alike, India and its leaders have great ambitions, and have adopted a highly pragmatic and strategic approach to external relations. The nation's immense potential and growing confidence set ever-higher expectations for what it can achieve. External Affairs Minister Subrahmanyam Jaishankar has asserted that India will become the world's third-largest economy by the end of the decade—and perhaps sooner (some analysts are projecting as early as 2027, and Goldman Sachs, the investment bank, forecasts that India will become the world's second-largest economy by 2075).

India's ambitions are also to have global influence through multilateral and regional institutions. It used its leadership of the G20 in 2022–2023, to press an ambitious agenda that empha-

sized economic connectivity, including the creation of the India Middle East Economic Corridor, designed to draw India, the EU, and the U.S. closer and counter China's influence. It also sought to deepen investment in digital public infrastructure, climate change mitigation measures, and gender equality. At the heart of its agenda was reformed multilateralism aiming to rectify biases against the Global South in international institution decision-making, including pressure for greater infusion of capital into the World Bank and International Monetary Fund (IMF). But India's drive to secure four additional permanent seats on the United Nations Security Council (UNSC), one each for Brazil, Germany, Japan, and India, has anchored its ongoing drive for reformed multilateralism. It's clear that India not only has the determination but also the economic and military—conventional and nuclear—capabilities to assert a plausible claim to a permanent seat. Still, the timeline for this addition is murky in the deadlocked UNSC, as China remains determined to block India's proposal. Absent India's addition to the nations with permanent Security Council seats, what remains is the friction between the arrival of India as a new global power and its inability to fully express its role in global affairs, along with the trap of managing expectations between the two.

At the same time, India's arrival as a major emerging power does not erase the path it has taken there. India sees itself as a leader in the Global South, but in cooperation with other states, especially Indonesia, Brazil, and South Africa. India continues to style itself as a leader of developing countries, including foregrounding this perspective during its G20 presidency in 2023 and gifting domestically produced vaccines to dozens of nations during the Covid-19 pandemic. It is a member of BRICS, together with China and Russia, although their motivations for membership diverge significantly. Unlike these two powerful states, India today sees itself as non-Western, but not anti-Western. And many suspect that India participates in BRICS as a check on the bloc's anti-

Western ambitions, and, importantly, on China's leadership.

In its pursuit of Global South leadership, however, India's failure to deliver foreign assistance at scale undermines this aspiration. Reduction of the Ministry of External Affairs' foreign aid allocation from Indian Rupee (INR) 5,408.58 crore (one crore represents the number 10 million) in 2023 to INR 4,883.56 crore (a reduction from roughly \$640 million to \$580 million) in 2024, will only deepen the problem. With a significant share of these funds going to Bhutan, and much of the remainder focused on India's immediate vicinity—a reflection of its "Neighborhood First" policy—very little is left for the broader Global South, including only INR 200 crore (roughly \$24 million) spread among African countries.

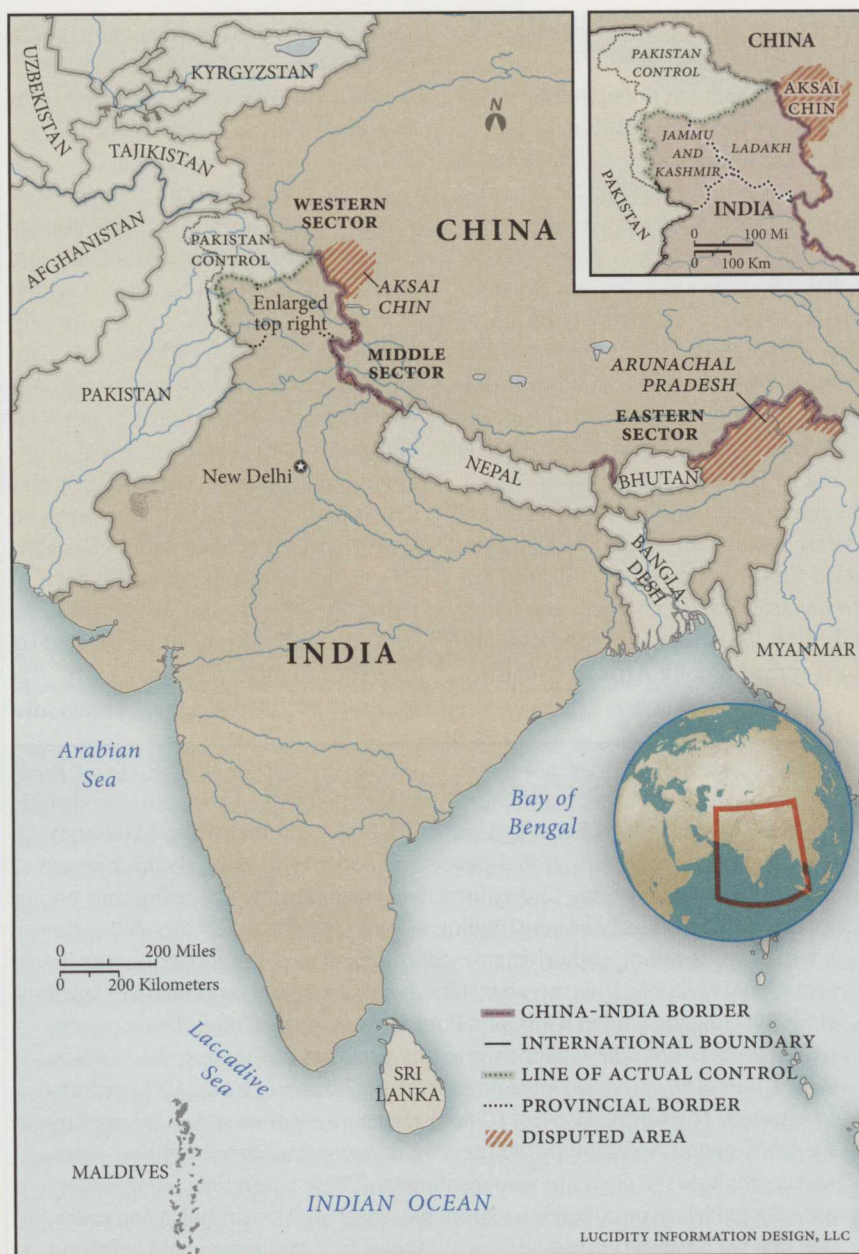
Though India does augment its aid with technical assistance and lines of credit, the amount of funding on offer pales in comparison to many donor nations with considerably smaller economies, let alone China or the U.S. Whether India will close the gap between its underwhelming provision of aid and public goods and the status to which it aspires is a question that will help shape and define its global rise. Regardless, India's fidelity to the language and priorities of the Global South—including fostering sustainable and inclusive growth, accelerating progress toward the Sustainable Development Goals, and addressing debt vulnerability—serves as a reminder of its foreign policy aspirations and its refusal to be easily categorized, or to be defined by reference to other powers.

UN Security Council Reform

The United Nations Security Council (UNSC) is a multilateral UN body tasked with maintaining global peace and security. It does so through an assortment of monitoring and enforcement mechanisms, including but not limited to unanimously issuing binding resolutions, which UN member states are required to adopt, authorizing peacekeeping operations and mediating international conflicts. Five member states have permanent seats on the council (P5): the U.S., the United Kingdom, France, Russia, and China. These permanent members hold the power to veto any proposal concerning the UNSC's duties, thus every proposal must be adopted unanimously by the P5 in order to be enacted. The UNSC also has 10 nonpermanent member states, selected by the UN General Assembly, which serve a nonconsecutive term of two years, and do not hold the power to veto resolutions. These nonpermanent members are selected based on sovereign region: five seats for African and Asian states, one seat for Eastern European states, two seats for Latin American/Caribbean states, and two seats for Western-European/other states.

Since its inception in 1945, the UNSC has undergone reforms to its structure that have shaped its capacity as a multilateral body. The last substantial reforms took effect in 1965, expanding the number of nonpermanent seats from six to 10 seats. Since then, there have often been calls to expand the number of permanent and nonpermanent member seats, but these reforms have often been stymied by the efforts of the permanent members of the council. To expand the UNSC, two-thirds of the UN General Assembly must approve, including the P5, which can veto any expansion of the council.

While many nations, including most of the P5, support the expansion of both permanent and nonpermanent states, two members of the P5, Russia and China, have expressed deep concern over the expansion of permanent seats, citing the possible resulting deterioration of their influence on the council. India's ascension to the UNSC is opposed particularly by P5 member and regional neighbor, China, which considers it potentially threatening to China's international and local influence in the South China Sea and Indian Ocean.



What does India's growing power and confidence portend for its role in the world as a nonaligned power (now practicing multialignment), a bulwark against China, a leader of the Global South, and a contributor to international order? Cognizant of India's rise, capacity, and ambitions, the Trump administration is bound to follow the path of its post-Cold War predecessor administrations and further deepen this relationship.

History: the Cold War

Between transitioning to independence, building a modern state, engag-

ing in repeated regional conflicts, and pioneering nonalignment during the Cold War, India's postcolonial experience shaped its strategic perspective and continues to inform its objectives, ambitions, and constraints.

Following the Axis defeat in World War II, the U.S. emerged as a dominant economic and geopolitical power engaged in an arms race and an ideological battle with the Soviet Union, an epochal struggle that would define the decades to come. It was against this backdrop that India sought and obtained independence in 1947 from colonial rule under the closest U.S. ally, Great Britain. This

alliance helped to engender a wariness of America's dominant status.

Nonalignment—abstention from alliances with major powers in favor of independence—was part of Nehru's conception of Indian statecraft even before the Indian nation came into being. He long recognized a need to remain “aloof from the big blocs” and avoid “becoming entangled in any alliances,” as he told India's Constituent Assembly in 1949, while maintaining closeness and friendship with an array of countries. Shortly after India's independence, the outbreak of the Korean War and the bipolar allegiances it highlighted helped to crystalize and strengthen the principles of nonalignment.

Nehru, along with other generational leaders like Yugoslav President Tito, Egyptian President Nasser, Indonesian President Sukarno, and Ghanaian President Nkrumah, was a leading proponent of the nonaligned approach as its eponymous movement emerged and coalesced. India remained in the vanguard as the Non-Aligned Movement's (NAM) foundations were laid at the Bandung (Indonesia) Conference of 1955, and Nehru attended NAM's first summit in Belgrade (Yugoslavia) in 1961.

During this time, security—domestic and regional—loomed large for India. It is, after all, in a challenging neighborhood—with China to the north and east and the newly independent Pakistan to the west. Following a first war with Pakistan shortly after independence and partition [of the territory into the two nations], India's first quarter-century as a nation was filled with conflict: wars with Pakistan in 1965 and 1971, the latter stemming from the Bangladesh Liberation War, which precipitated that nation's creation, as well as a disastrous conflict with China in 1962 that continues to haunt Indian leaders and strategists. Indeed, the 1962 Sino-Indian conflict is particularly salient today as India and China—the world's largest active-duty military forces—each maintain a significant presence along the Line of Actual Control in the Himalayas, along which conflict has occurred in recent years.

These military engagements demonstrated the limitations of nonalign-

ment, as India recognized the value of having powerful friends and backers. So too, the lack of support among non-aligned nations for India during the 1962 conflict provided an early signal that, despite its NAM credentials, India might benefit from developing closer ties with one of the great powers. Suspicious of the U.S. in a post-colonial moment, and wary of its close ties with Pakistan, India grew closer to the Soviet Union—culminating in a 1971 Treaty of Peace, Friendship, and Cooperation—which in turn weakened its nonaligned credentials further.

Early in the Cold War, as Sino-Soviet relations cooled, Indo-Soviet ties grew warmer. Signs of mutual comity emerged, from Soviet support for India over Kashmir to Nehru and Krushchev's reciprocal 1955 visits. Though marked at different points by disappointment, friction, or suspicion, there is no question that this cooperation yielded significant economic and security benefits for India at a pivotal time for the young nation.

During his tenure from 1947 to 1964, Prime Minister Nehru was intensely focused on modernizing and industrializing the Indian economy, a drive toward development that remains integral to India's foreign policy. (Despite progress in reducing the most severe poverty, India still has a challenge to improve living standards and raising incomes for well over a billion people.) The Soviet Union offered abundant support for India's development ambitions. Key technology transfer, aid, and cooperation bolstered core Indian sectors like the steel industry, for which Soviet capital equipment, technology, and expertise were invaluable, including assisting in the construction of the massive Bokaro Steel Plant.

Moreover, in security and military affairs, the Soviet Union provided robust support, helping Nehru progress toward the national self-sufficiency he saw as necessary, especially in the wake of India's 1962 defeat by China. In addition to selling India an expansive array of weapons systems and defense articles, Moscow offered deeper partnership—for instance providing In-

dia full technology transfer and rights for local assembly with purchase of the supersonic MiG-21 fighter aircraft, which was for decades a mainstay of the Indian Air Force. Moreover, when conflict erupted, the Soviets mobilized to support India's objectives.

Even before tensions came to a head during the 1971 Indo-Pakistani War, for instance, the Soviet Union was helping India to prepare for conflict. Months before the shooting started, the Soviets had agreed to a Treaty of Peace, Friendship, and Cooperation, and worked to stock Indian arsenals. Likewise, Moscow promised to veto Security Council resolutions unfavorable to Indian war or political objectives. When the war began, the Soviet Union moved military assets to project support, deploying nuclear-capable vessels to balance a U.S.-U.K.-Australian task force sent to the Bay of Bengal in a show of support for Pakistan. Beyond material support, Soviet propaganda supported India and cautioned others, namely China, to stay out of the fight.

As the Cold War continued throughout the 1980s, so too did Soviet economic and military support, with the Union of Soviet Socialist Republics (USSR) serving as India's largest trading partner and primary supplier of weapons systems and defense platforms. Even following the Soviet

Union's collapse, India leaned heavily on its successor state Russia for arms, sourcing 65% of its over \$60 billion in weapons purchases there over the past two decades.

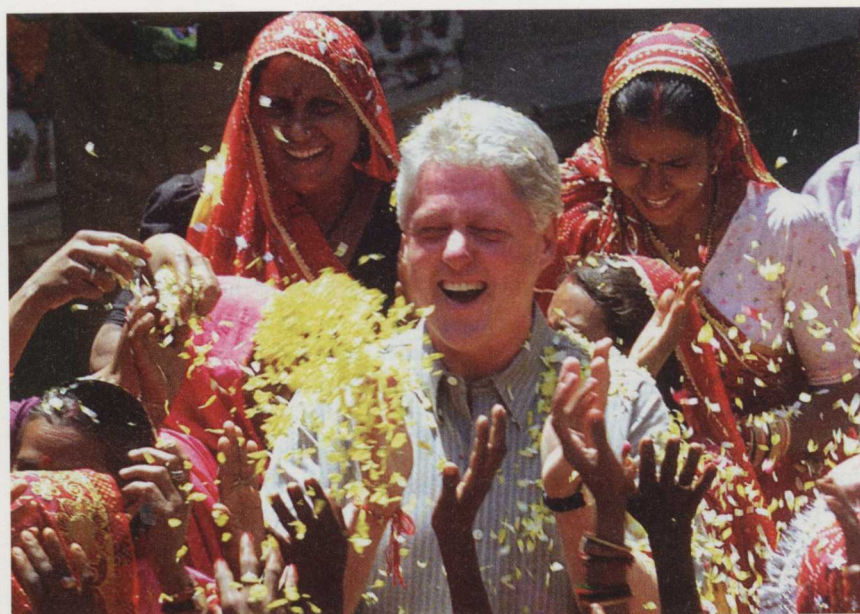
This Indian-Soviet partnership only added tension to already strained ties between India and the U.S., with Pakistan being the inescapable issue. Early in the Cold War, U.S. hopes that India might be a democratic ally in Asia quickly evaporated in the face of its nonaligned posture and criticism of Western colonialism. The relationship stayed frosty given long-standing U.S. military and economic support for Pakistan, bolstered by a U.S.-Pakistan Mutual Defense Assistance Agreement signed in 1954.

To U.S. policymakers, Pakistan was a crucial asset in pursuing Soviet containment—even more so following the Soviet invasion of Afghanistan in 1979. Likewise, Pakistan played a key role in the normalization of relations between the U.S. and China, including through facilitating the Nixon administration's first contacts with China and Henry Kissinger's clandestine 1971 visit to China, which further heightened barriers to friendly ties between Delhi and Washington.

In addition to suspicions derived from U.S.-Pakistani and Soviet-Indian ties, India's nuclear policy remained a



The Camel Corps of the Rajasthan Armed Constabulary patrol border areas of the Rajasthan sector in 1965 during the India-Pakistan conflict. KEYSTONE/GETTY IMAGES



U.S. President Bill Clinton is showered with flower petals as he dances to folk music with local villagers after touring the village of Nayla, India, on March 23, 2000. Clinton met with the local governing council in the village on his six-day trip to South Asia. STEPHEN JAFFE/AFP VIA GETTY IMAGES

perennial issue. In 1974, India first undertook a nuclear explosive test, demonstrating its weapons capability and introducing an issue that would hobble the U.S.-India relationship for years. Following this first test, several Indian governments maintained ambiguity regarding its nuclear status and capabilities until May 1998, when India and, soon after, Pakistan conducted publicized nuclear tests (triggering sanctions, waived by President George W. Bush in 2001, his first year in office), joining the ranks of acknowledged nuclear weapon states. Even still, India has never signed the 1968 Treaty on the Non-Proliferation of Nuclear Weapons (NPT), signed by major nuclear and non-nuclear powers, which long ruffled American policymakers.

Beyond the nuclear issue, however, as the end of the Cold War approached, relations between India and the U.S. slowly, tentatively improved—as Prime Minister Rajiv Gandhi’s visit to the White House in 1985 demonstrated. One significant driver was a changing economic landscape.

The end of the Cold War in 1991 coincided with a period of economic difficulty and resulting reform in India. A confluence of factors combined to challenge the Indian economy. For

one, the implosion of the USSR, India’s largest trading partner, soured economic prospects. At the same time, a Gulf War–driven spike in oil prices and decline in remittances amplified underlying balance of payments issues and precipitated a crisis. As a result, India undertook a series of economic liberalization policies that helped pique Western economic interest. The deregulation of industry and reform of tariffs followed by liberalization of trade in services, removal of licensing restrictions, termination of public sector monopolies, and provision of incentives for foreign investment helped to reshape the Indian economy.

At the same time, the end of the Cold War and redrawing of the geopolitical maps demanded that India similarly reappraise its strategic position, starting with its relationship to the U.S.

U.S.-India relations since the Cold War

With the end of the Cold War emerged new opportunities to strengthen U.S.-India ties. After a latency period during which other issues took precedence for each nation, the George W. Bush administration inaugurated during its second term a strategic partnership that would transform the relationship and

lay the groundwork for two decades of progressively closer relations. In the ensuing U.S. administrations, a strong bipartisan consensus has taken root, bolstered by India’s growing economic and strategic heft and a sizable and engaged diaspora, and, especially, the promise of India as a close partner in a region that included an ever more assertive and powerful China.

Following the dissolution of the Soviet Union, India and the U.S. each began to reassess their relationship and explore breaking free of the constraints and caution of the preceding decades. An early sign of modest change in the relationship came during the 1999 Kargil War, when the U.S. took a more neutral stance than it had in past conflicts between India and Pakistan. President Bill Clinton then moved beyond this incremental step in 2000, at the end of his presidency, when he became the first U.S. president to visit India since President Jimmy Carter’s brief stay in 1978 during a multination swing. While the deliverables Clinton’s visit spurred, such as establishing an Indo-U.S. Science and Technology Forum, were modest by today’s standards, his arrival served as a harbinger of an intensifying relationship for the new millennium.

Back in the U.S., that perspective resonated with then candidate George W. Bush’s foreign policy team. As the campaign for the White House heated up in 2000, they began to plot out a new realist agenda—one more focused on China and circumspect about the use of U.S. power. Through this lens, embracing India as a partner made sense. After all, China was rising in the region, and the Cold War rationale for embracing Pakistan had grown stale.

While the attacks of September 11, 2001, threw this agenda into disarray, some of its underlying instincts helped to animate the changing approach to India that belatedly took shape in Bush’s second term. Even as the U.S. was preoccupied by homeland security and twin wars in Afghanistan and Iraq during the early Bush administration, the U.S. and India began exploring new defense, intelligence, and security cooperation.

These efforts came to fruition in 2005, when President Bush and Prime Minister Manmohan Singh issued a Joint Statement marking a “global partnership” between their nations grounded in cooperation on economic, security, and global issues. The nations signed several foundational bilateral agreements inaugurating a new era of cooperation, including the first U.S.-India defense framework agreement. The key breakthrough enabling this new chapter was a path forward on nuclear issues through the U.S.-India Civil Nuclear Agreement—under which India acquiesced to splitting civil and military facilities and abiding by International Atomic Energy Agency (IAEA) safeguards in exchange for civil cooperation with the U.S.—which the parties concluded despite India’s not being a signatory to the NPT. This was not without controversy either by those within India who resisted closer alignment with the U.S., or from the international nonproliferation community, who saw this as setting a dangerous precedent giving legitimacy to India’s nuclear status and allowing it to benefit from nuclear cooperation while remaining outside the NPT.

While the Bush team downplayed China as a motivation for stronger cooperation with India, proponents of closer security ties pointed to the need to hedge against China’s rise as a key factor. As interest in and support for the relationship grew on both sides of the aisle, this understanding became more and more explicit. Over the two decades that followed, the independent rationale for an expansive U.S.-India partnership grew.

As U.S.-India relations warmed, a strong bipartisan consensus emerged in favor of deepening ties based on shared democratic values and embrace of a rules-based order; balancing China’s rise and expanding India’s Indo-Pacific role; defense cooperation, including sales and joint exercises; expanded economic, investment, and technology relationships; and cooperation on global, regional, and transnational challenges. While perceptions and actual differences may exist between the

two U.S. parties’ views toward India on the margins, the trajectory of the relationship remained resilient in the face of U.S. domestic partisan politics.

This new consensus was also underpinned by the growth in size and influence of the Indian diaspora in the U.S. The Indian diaspora is the United States’ largest Asian American group, with some 4.4 million Americans identifying as Asian Indian in the 2020 census, compared to fewer than 1 million in 1990. So too, Indian Americans are the highest-earning ethnic group in the US, and the visibility and importance of Indian Americans has risen, as high-profile figures reach new heights in business, technology, culture, and politics, among other fields.

Driven by this energy, the new bipartisan consensus has achieved results. From 2000 to 2024, bilateral trade between the U.S. and India has grown from \$20 billion to over \$200 billion. Climate, economic, and technology partnerships have taken root. And even though India remains reluctant to make the relationship explicitly about security, cooperation between the two sides has continued to deepen. Paving the path to closer cooperation is an uptick in arms purchases, as India, the world’s largest importer of weapons by value, has spent \$20 billion to purchase U.S.-origin de-

fense articles since 2008 across air, land, and sea platforms.

Pain points certainly remain in the relationship. The world’s largest democracy, India has endured a series of challenges to this system—from the 1975 Indian Emergency, an authoritarian period that saw mass imprisonment and the suspension of fundamental rights, to current human rights criticisms at home and abroad. Trade, too, continues to be an area of some friction in which the relationship underperforms its potential, in part a victim of the U.S. domestic political environment. And India’s refusal to condemn Russia’s invasion of Ukraine or to support sanctions has served as a reminder of India’s unique balancing of interests and power. This is underpinned by its history of nonalignment, but also the geopolitical reality of Russia and China’s ever closer partnership, and the need to minimize discord in its broader neighborhood. Despite these challenges, however, the relationship is closer than it has ever been, characterized by an increased willingness to work through differences in reference to a broader strategic context.

Regardless of party, each president in the 21st century has taken the U.S.-India relationship further. Following President Bush’s 2006 breakthrough and visit to India, President Barack



U.S. Secretary of Defense James N. Mattis and Indian Defense Minister Nirmala Sitharaman sign the Communications, Compatibility and Security Agreement between the U.S. and India, at the Ministry of Foreign Affairs in New Delhi on September 6, 2018. HUM IMAGES/UNIVERSAL IMAGES GROUP VIA GETTY IMAGES

Obama embraced and elevated the strategic partnership with India and sought to further enhance cooperation across security, economic, climate, and other areas. This includes twice visiting India during his presidency.

In line with his administration's attempted "pivot to Asia" announcement in 2011, President Obama and his team built on preexisting defense and security agreements to bring India closer. In 2012, then Deputy Secretary of Defense Ash Carter launched the Defense Technology and Trade Initiative (DTTI) to enhance bilateral defense cooperation and trade, including through exploring co-development and co-production of defense goods and services. While DTTI began with modest investment—it was largely a mechanism to focus leaders and elevate shared commitment—it paved the way for additional progress. In 2015 came the renewal for another decade of the defense framework agreement first signed in 2005. The following year, President Obama and Prime Minister Modi announced recognition of India as a Major Defense Partner, subsequently codified in law. This designation, unique to India, further elevated cooperation and laid the groundwork for additional defense purchases.

Obama and Modi likewise sought to grow the relationship beyond security,

agreeing to elevate the U.S.-India Strategic Dialogue to a Strategic and Commercial Dialogue, which the secretaries of state and commerce co-chaired with their Indian counterparts. Similarly, Modi demonstrated a willingness to cooperate beyond the bilateral relationship, partnering with Obama closely on securing the 2015 Paris Agreement treaty on climate change.

During the subsequent Trump administration, when many U.S. bilateral relationships grew frosty, U.S.-India bonds continued to grow. During his tenure, Trump visited India, and Modi continued to visit the U.S. (including for the memorable 2019 Howdy Modi event in Houston). Further, in 2017, the Trump national security team revived a moribund format—the Quad—to recast the relationship as part of its enhanced focus on the Indo-Pacific. Under this formulation, U.S. and Indian leaders, together with their Australian and Japanese counterparts, held several meetings over the next few years, albeit at ministerial or lower levels. India's interest in the Quad grouping was underpinned by increased tension with China, and so a desire to reduce its dependence on its regional rival. This effort has had limited success. In 2024, China replaced the U.S. as India's largest trade partner, after a gap of two years.

Under Trump, the investments the previous administrations made in the security relationship continued to bear fruit. Following on the 2016 Major Defense Partner designation, India was elevated to Strategic Trade Authorization tier 1 status, allowing it access to license-free military and dual-use technologies. Additional agreements—for instance, the Communications, Compatibility and Security Agreement (COMCASA), the Industrial Security Agreement (ISA), and the Basic Exchange and Cooperation Agreement (BECA), which focused on geospatial intelligence, further bolstered defense cooperation. On the ground, in the air, and at sea, American and Indian military personnel forged new ties, including through Exercise Tiger Triumph, the inaugural tri-service exercise between the two countries, as well as through India's participation in the U.S.-led Rim of the Pacific RIMPAC military exercise and the annual trilateral Malabar exercise with Japan.

Although not unique to India, the issue of trade did blemish the relationship somewhat. Disagreements around tariffs and market access sparked dissatisfaction, and the U.S. removed India's Generalized System of Preferences (GSP) preferential trade status, which eliminates duties on thousands of products, in 2019. While some irritants evaporated under President Biden—including the resolution of World Trade Organization (WTO) disputes and the removal or reduction of tariffs on U.S. agricultural products—trade frictions remained. The Biden administration attempted to refashion its economic strategy for the region after Trump abandoned the Trans-Pacific Partnership (the regional trade framework Obama negotiated, now the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, or CPTPP). It embarked on a new economic initiative for the region—the Indo-Pacific Economic Framework for Prosperity—three of the four pillars of which India signed (Supply Chains, Clean Economy, and Fair Economy), even as it declined to sign the fourth trade pillar.



A supporter cheers as Indian Prime Minister Narendra Modi speaks at NRG Stadium on September 22, 2019, in Houston, Texas. The rally, which U.S. President Donald Trump attended, was just ahead of Modi's trip to New York for the United Nations General Assembly.

SERGIO FLORES/GETTY IMAGES

India and the war in Ukraine

Few issues reveal the careful balancing act of Indian foreign policy better than its stance on Russia's invasion of Ukraine in 2022. Though geographically far from India and its core interests, the issue has elicited careful attention and calibration from Modi's government. Indeed, Modi's desire to extend a long-standing, albeit diminished, relationship with Russia while also inching into closer alignment with the U.S. presents a complex triangulation. It is noteworthy that, shortly after Russia's invasion, India refused to support any of the UN resolutions condemning the invasion, including those issuing sanctions. In fact, not only has India failed to support international sanctions or impose its own, but it has also purchased Russian oil exports. Seizing the opportunity of lower prices following European bans, India imported significantly more oil from Russia than any other nation in 2023—1.66 million barrels per day, up from 652,000 in 2022—some of which it processes and then sells to the West. And while India's purchases may provide Moscow with a vital source of income, some observers note a silver lining for the U.S. and other sanctioning nations—replacement of other Indian oil imports with Russian supply may help to stabilize global oil market prices.

As the Russia-Ukraine conflict continues into its third year, India continues to seek a diplomatic balance. India has resisted calls to condemn Russia or Putin, driven by its need to maintain a viable relationship and prevent further unity between Russian and Chinese interests. The political symbolism of this relationship has yielded heavy-handed optics—including Prime Minister Modi's meeting with Putin at the 75th Anniversary NATO summit in Washington in summer 2024, during which a Russian missile struck a Ukrainian children's hospital. At the same time, however, Modi has ensured that India sends regular humanitarian aid to Ukraine, and his fall 2024 visit to Ukraine was the first visit there by an Indian prime minister since Ukraine's independence. The trip was marked by



Refugees from the Northeast of India arrive in Calcutta after evacuating their homes in 1962. Chinese troops had just attacked India's northeastern border. BETTMANN/GETTY IMAGES

the signing of cooperation agreements around agriculture, medicine, culture, and humanitarian assistance. (Notably, during this same Eastern Europe swing, Modi also met with Polish Prime Minister Donald Tusk, agreeing to elevate their bilateral relationship to a strategic partnership.) Ultimately, the role India prizes most may be that of peacemaker. Positioning itself as a neutral power seeking peace and deescalation, India wants to act as a bridging power and would relish the status and prestige that stem from helping to mediate an end to the war.

India's careful machinations suggest a pragmatism and a form of internationalism that is less about "nonalignment" than about "multi-alignment," which reflects the reality of its geographical position and its status in international affairs. It raises several questions: What are the limits on India's relationship with Russia, especially to the extent it threatens to detract from its relationship with the U.S., which is more robust economically and increasingly important militarily to India? How should the U.S. position itself in response to these dynamics? And to what extent is India's embrace of neutrality in the Russia-Ukraine conflict a reflection of its nonaligned tradition and outlook or an instrumentalist calculation to keep a China-Russia axis from developing to its fullest potential?

On that latter point, it is instructive to review India's recent border tensions with China.

Conflict with China

The resumption of violence along the Sino-Indian border is an urgent reminder of how much weight India must continue to place on countering China, including through balancing ties with Russia and the U.S. After an ebb in tensions in the late 1980s, 1990s, and early 2000s, growing nationalism and assertiveness in both nations has since led to a resumption of friction in the Himalayas, including several lengthy standoffs. More recently, these incidents have turned violent. Nearly half a century after the last fatal clash along the 2,100-mile disputed border, Chinese and Indian troops met in several violent confrontations between 2020 and 2022, as brutal hand-to-hand fighting with rudimentary weapons resulted in dozens of deaths. Although this violence has since abated, the massing of over 100,000 soldiers along the Line of Actual Control, along with a buildup in infrastructure and logistics capacity, underscores continued fragility in this frontier region that has long been a source of dispute between the countries, including in their 1962 war, which continues to echo in the relationship today. Given the state of bilateral relations between China and India, and their intensifying regional



In 2012, India first successfully test-fired its long-range nuclear-capable Agni-5 missile, which has a range of over 5,000 kilometers. India is part of the select club of nations, including the U.S., the UK, Russia, France, and China, that have the capability to operate missiles across continents. The missile can carry a 1,000-kilogram nuclear warhead and has three rocket motors. PALLAVA BAGLA/CORBIS VIA GETTY IMAGES

competition, the border area may prove to be a future flashpoint, whether for minor skirmishes or more significant conflict. In any event, it will continue to inform India's strategic imperatives, namely, maintaining ties with Russia so as to not fall afoul of both it and China or push them together, while also aligning more closely with the U.S.

The Biden administration

Beyond trade and its intractable constraints, the Biden administration continued to champion the U.S.-India relationship, both bilaterally and as part of broader efforts in the region. President Biden called the U.S.-India relationship "the defining partnership of the 21st century." Under his leadership, the United States not only continued to embrace symbolic and ceremonial closeness but also pursued ever closer security and economic cooperation, including on key issues that will shape the next-generation economy. This was the case even as Prime Minister Modi embraced a Hindu nationalist agenda, polarizing observers, and pressuring the U.S. to speak out against human rights abuses in India.

From its earliest days in office, the Biden team seemed driven to continue strengthening the U.S.-India

partnership. As Covid spread, the U.S. provided medical supplies and vaccines to India and participated in the Quad Vaccine Partnership of Australia, India, Japan, and the U.S. In May 2021, President Biden gave his support to a request by South Africa and India that the WTO waive trade-related aspects of intellectual property rights so that global manufacturers could increase vaccine production and distribution to developing countries. More broadly, the Biden administration embraced and elevated the Quad, including driving leaders' summits in 2021 (held virtually) and in 2022. While part of the 2023 summit was scrapped due to U.S. debt limit negotiations, President Biden hosted leaders in Delaware in September 2024 for a farewell summit, where Prime Minister Modi offered to host a 2025 gathering in India.

India was a fitting partner for the Biden administration across several dimensions. Despite human rights tensions, India fit with President Biden's emphasis on shared democratic values. From the start of his administration, embracing India tracked with a desire to forge an affirmative agenda in response to China's rise in the Indo-Pacific, even as India's reluctance to criticize Russia over Ukraine complicated the relationship.

Separate from disagreements over Ukraine, India and the U.S. continued to strengthen defense cooperation. This includes continued bilateral and multilateral military exercises and India's joining the U.S.-commanded Combined Maritime Force (CMF) out of Bahrain in 2022. In 2023, the two countries joined together to launch a bilateral Defense Acceleration Ecosystem (INDUS-X) to bolster technology and defense industrial cooperation.

India has also remained a Major Defense Partner of the U.S. since 2016 and is a significant purchaser of weapons systems, including a recently approved purchase of 31 armed unmanned aerial vehicles (UAVs) worth over \$3 billion. Today, India is the largest operator of C-17 transport and P-8I patrol and anti-submarine warfare aircraft outside of the U.S. And the Biden administration continues to provide the Indian Air Force (IAF) with leading platforms such as the F-15EX Eagle II all-weather multirole strike fighter aircraft, while supporting the F-21 Fighting Falcon project, Lockheed Martin's tender for a domestic produced Indian fighter. A single-engine fighter aircraft derived from the F-16 and designed specially for the IAF, the F-21 would be jointly produced by Lockheed Martin and Tata, India's largest conglomerate, creating opportunities for Indian micro, small, and medium enterprises (MSMEs) under the banner of "Make in India." This is in addition to a GE proposal to sell and jointly produce its F414 turbofan engine in India, an agreement that could entail significant technology transfer. At the same time, despite reported offers of advanced weapons systems from Moscow, India has opted not to sign on to a major new Russian weapons system, another indication of its growing alignment with the U.S. With India expected to spend over \$200 billion to modernize its forces in the next decade, and with its existing Russian-dominated arsenal growing old and obsolete, this remains a significant growth opportunity for the relationship.

Under the Biden administration, despite the trade frustrations, there was a

renewed focus on expanding commercial, technological, and economic engagement, growing not only economic ties and investment but also driving digital and technology partnership—most notably the initiative on Critical and Emerging Technology (iCET), launched in 2022 to grow cooperation in cutting-edge sectors like semiconductors, AI, space, quantum computing, and biotechnology. The U.S.-India Commercial Dialogue also took root at the ministerial level under U.S. Secretary of Commerce Gina Raimondo, who also provided leadership in the Indo-Pacific Economic Framework (IPEF) negotiations on supply chain resilience, technology cooperation, inclusive digital growth, post-pandemic recovery, and standards.

The U.S. and India are bound together in a close strategic partnership. Understanding the further potential for this partnership—and its limits—demands better understanding of Prime Minister Modi's conception of India and his relationship with President Trump.

Stumbling blocks

India's increasing confidence and ambition has intersected with the aggression of Prime Minister Modi's domestic agenda in a way that introduces occasional challenges in India's bilateral relationships, including with the U.S. Following the 2023 murder of a Sikh separatist leader outside a temple in the Canadian province of British Columbia, Canada arrested and charged three Indian nationals in a case that Canadian Prime Minister Justin Trudeau claimed was tied by "credible evidence" to the Indian government, which he described as an unacceptable violation of sovereignty. In the wake of the murder, Indian-Canadian relations cooled, including reciprocal diplomatic expulsions. And in a related episode, U.S. prosecutors charged another Indian national in 2023 with the failed murder-for-hire of a Sikh separatist, accusing the indicted man of pursuing the assassination for the Indian government. Indeed, the indictment alleged a broad scheme to murder several targets across the U.S. and Canada.

The Indian government has sought to distance itself from these cases, and the U.S. has sought to manage these incidents very carefully. U.S. intelligence community leaders visited New Delhi—CIA Director William Burns in August, Director of National Intelligence Avril Haines in October, and FBI Director Christopher Wray in December of 2023—to urge investigation and accountability, as well as to preclude future extrajudicial killings.

Toward ever greater pragmatism

The relationship between the U.S. and India will continue to be a top priority for these two leading democracies. On the U.S. side, India is now an essential Indo-Pacific partner, and one that the U.S. sees as sharing its strong values, despite challenges for democracy at home in India and also in the U.S. India will continue to invest in its relationship with the U.S., gradually managing the complexity that its relationship with Russia presents. India may be gradually reducing its connection to Russia, but given the Russia-China relationship, this will be a careful calculation.

There will, though, continue to be challenges. The election of Donald Trump as the 47th U.S. president means that trade will continue to top the agenda for the U.S.-India relation-

ship. The two countries not only lack a bilateral free trade agreement with each other, but also fall short on concerted regional strategies. President Trump will pressure India to lower its tariffs against the U.S. and grant U.S. firms greater market access. This will take place in a context where China is increasingly assertive and has applied to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

In the decade ahead, India's prominence on the global stage, if managed carefully, is likely to increase. Its partnerships with emerging powers in the Global South, and its engagement in multilateral institutions will continue to be an essential part of India's balancing strategy. To sustain and especially to grow its international role, India will need to meet the challenge of providing economic opportunity to its youth population and reducing inequality at home. India's rise will bring challenges for its neighbors and is bound to antagonize China. India's strategy of multi-alignment has so far been well suited to the challenges of its geographical location and the reality of a fractured international order. The ability to sustain this delicate balancing act may depend on the skillful diplomacy of its leading diplomats, and on the future trajectory of the U.S.-China relationship.



On September 17, 2023, Prime Minister Modi's birthday, Indian Youth Congress members observe "National Unemployment Day" by selling snacks from a stall in New Delhi to demonstrate the limited job opportunities available to educated young people. SALMAN ALI/HINDUSTANTIMES VIA GETTY IMAGES

Discussion questions

1. How might India's emerging role as neither a non-Western nor an anti-Western major power influence the dynamics between the U.S. and China?
2. What are some global benefits and drawbacks that may emerge from India acquiring a permanent seat on the UN Security Council?
3. What would be the global impact of India's rise to become a major power?
4. How might India's role in the Quad influence its relations with the BRICS coalition? How might India's role in the BRICS coalition influence its relations with the Quad?
5. How has India's emerging nationalist politics affected India's international prospects for building relations?
6. What are some possible global effects of India's rise in power on the human-to-human level?

Suggested readings

Meenakshi Ahamed, *A Matter Of Trust: India-US Relations from Truman to Trump*. Ahamed looks at the U.S.-India relationship over India's history, from an early period defined by mistrust to the transformation brought by the signing of a historic deal in 2008, between President G. W. Bush and Prime Minister Manmohan Singh.

T S. Jaishankar, *The India Way: Strategies for an Uncertain World*. Jaishankar discusses the transformation of the world order. India is on a path to being a leading power, and the expectations it faces will continue to grow. He argues that India must adopt a bolder approach in its neighborhood.

Ananth Krishnan, *India's China Challenge: A Journey through China's Rise and What It Means for India*. This book looks at India's China challenge, from the economic and cultural dimensions to the divergent forms of government to the border dispute.

Shivshankar Menon, *India and Asian Geopolitics: The Past, Present*. Menon looks at India's global role, from its leadership of the "nonaligned" movement during the Cold War to its current role as a bulwark against China. As India's power continues to grow, Menon argues that India's role as a contributor to international order should also.

C. Raja Mohan, *Modi's World: Expanding India's Sphere of Influence*. Mohan takes a close look at Prime Minister Modi's foreign policy, his focus on economic development, and ties to the Indian diaspora. Modi has attempted to create more a policy of pragmatic internationalism than one of nonalignment.

Aparna Pande, *Making India Great*. Pande examines the tradeoff between India's desire to become a global power and its unwillingness—so far—to adopt the responsibilities and behaviors of a great power.

Shashi Tharoor and Samir Saran, *The New World Disorder and the Indian Imperative*. Tharoor and Saran look at India's role in the international order. The world is in a state of disorder, which the authors believe is caused in part by inequities built into the order. The authors argue that India has a major role to play in the order, especially in multilateral institutions, as a non-hegemonic major power. India, they contend, can help create the foundation for a more equitable international order.

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