

“The Place of India in the Reconfiguring of US Policy in Asia”

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A bit about my background: I was a diplomat for the Government of New Zealand; I was a correspondent at the Far Eastern Economic Review (FEER); I worked at the Carnegie Endowment for International Peace; and now I am teaching at Georgetown University. I also work at Cambridge Energy Research Associates, which is run by Dan Yergin. At Georgetown, I offer courses on South and Southeast Asia.

Today, I would like to talk about this major moment in US foreign policy. We are in a time of transition, but there will be a re-calibration, which means seeing the balance of power context in regards to, for example, China. I will go over policy toward India and Indonesia:

Regarding India, the question is where to take the relationship. The current administrations in the two countries offer the chance to make the US-India relationship a normal one. President Clinton had made the nuclear issue the single focus. Now Bush Administration officials are taking India seriously. Paul Wolfowitz made his first visit to India only very recently.

The US-India relationship is the last unfinished business of the Cold War. It had been a hostage of the Cold War, then the nuclear issue became dominant, and then the Indian elite became an obstacle, as did the Indian foreign ministry. We are now at a time of normal deepening of the relationship, as the US and Japan are doing. What will be the consequences of this deepening?

Well, don't believe the Indian press: they say that the US-Indian relationship will be a "special relationship" like the one between the US and Britain. Rather, the relationship will be carefully calibrated. I hope Mr. Bush will visit India regularly and that it will become part of his regular Asian itinerary. The four most powerful individuals in the Indian government are M.M. Joshi, Prime Minister Vajpayee, L.K. Advani, and Brajesh Mishra.

Mr. Vajpayee is complicated, but Richard Armitage understands the complexities of

India; he doesn't view India simply as a chess piece to be used on the grand strategic chessboard (anyway India would never go for that approach). Now is the time that India can make public gestures; they have already done so on missile defense. Vajpayee said, "yes" to missile defense against the wishes of the foreign ministry. He is personally looking over relations with the US and he will be in office until 2004.

The new relationship with India will have special characteristics. The first is that there are 2 million Indian Americans; many got rich from the Internet revolution. These are people who are eager to translate their wealth into political influence. It won't be as focused as other lobbies, but they are coming up quickly. They are the richest immigration group—30 times wealthier than Pakistani Americans.

In India, the BJP is gaining power and is becoming the majority party. Meanwhile, the Congress Party is declining. China, by the way, is what drives India's foreign policy, not Pakistan.

There are positive elements that increase India's profile, too. India's support of an American missile defense implies that the issue will not drive India and Russia together. Also, US corporations are taking strategic positions in India (GE entered in 1984 and helps with aircraft construction). AIG is taking a lead position. The point is that opportunity drives the relationship too. The energy picture, however, is bleak; the CMS and AES energy concerns are disappointed.

In the National Security Council (NSC), the position of director for Asian affairs (who is now Torkel Patterson) will cover India; the same will happen at the Defense Department.

The problem in the administration is one of best people, worst system. The best people are there: Armitage, Wolfowitz, Zakheim, Patterson. But it is the worst system in that the process is slow and political to get appointees approved and that there are four, strong, rival agencies—State Department, NSC, Defense Department, and the Vice President's office (the last two's girth are recent). So decisions take a long time to make.

Now on Indonesia, the feeling in Washington was that the Clinton Administration mismanaged the relationship. Wolfowitz was personally angry at Clinton's treatment of Indonesia. Conditionality on East Timor was a mistake. Human rights and East Timor will no longer remain the drivers of US policy. The US will strengthen relations with the Indonesian military. President Bush does not like sanctions. Secretary Powell does not have patience for formal meetings that don't produce, so he will ask straightforwardly, "What does ASEAN want?" The thinking is that Indonesia is the

bedrock of Southeast Asian policy.

To summarize, the US will pull in India as a big country in South Asia (avoiding India's foreign ministry); it will back away from sanctions (toward Burma, for example); it will reconstruct relations with the Indonesian military; and it will work with Southeast Asian multilateral institutions.

Question & Answer

Q: How will the US deal with China? Will it be a policy of containment?

Frankly, no one knows. There is no paper that captures US strategy. Bush personally sees China as a "strategic competitor," but not as an enemy. Meanwhile Bush must manage the right wing, which says China is an enemy. Elliot Abrams, an admitted right wing ideologue, has joined the NSC to work on religion and democracy issues. June 1996 was the last time US-China relations were at equilibrium, but it soon got out of whack. Look for temperament toward China.

Q: What does India expect from the US? How will the US use international organizations?

Consistency from the US is impossible. We have legal automatic sanctions (put in place by Senator Glenn) against India, but already exceptions are being made, so Japan has been left on its own. India wants the following with the US (according to Joshi): routine high-level contact, serious scientific and technological cooperation, to join the Security Council, and gradual military linkages. From India, the US wants support in Central Asia, help keeping Russia and China apart, and an open market for US corporations. Expect downgrading of sanctions.

Q: How will the US leverage the India-Russia relationship?

In India, there is now more realism toward Russia. The Indian military wants to procure from the US, but the Indian public sector deficit is unsustainable (11 – 12% of GDP). So they continue to buy from Russia. Rocketry is the only important Russian connection.

Q: Unilateralism can irritate your allies and can be destructive. I am concerned about US unilateralism, especially during this time in history.

I agree. You have identified the biggest weakness. The staff's expertise is a bit dated. The temperament to work on multilateral efforts is not there. The world has changed, so the unilateral approach is a weakness.

Q: Will the US strengthen its bilateral relationship with Japan and why?

The US has serious intent to work with Japan on Asian relationships. This approach comes from the intellectual power of Armitage's report. The US must learn from Japan about Indonesia, Burma, and getting India into the CTBT. China will remain a key and American domestic politics will be the US's main constraint.

Q: Will India become a "strategic competitor"?

India is emerging but it won't be a "strategic" anything yet. Bush's people put it simply: India, opportunities; Pakistan, problems. Can India use its IT prowess to project power? Not much.

Q: Will Indonesia stay in one piece? Can the US use relations with Islamic Indonesia and Pakistan to leverage its position in the Middle East?

Megawati does have better relations with the Indonesian military and her attitude toward unity is strong. But don't count Wahid out because the coalition against him is not in place. Moreover, Wahid's party, the NU, has been known to go to extreme measures to achieve its goals. In any case, whoever rules—Wahid or Mega—Indonesia will stay in one piece. Paul Wolfowitz will want the US to deal better with the Indonesian elite, but the US doesn't yet know the younger generation or those in the provinces very well.

There is not much leverage the US can gain from its relations with Islamic countries in terms of Mideast relations.

-The RIETI editorial department is responsible for this article.