

Dialogue of the Giant Democracies:  
India and the United States in the 21<sup>st</sup> Century

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I graduated from Bryn Mawr just 41 years ago. It was a deeply troubled time in our country's history, with the United States mired in a war that was unpopular, ineffective, and many believed immoral, and that was destined to continue for nearly another decade. I went from college to the U.S. Foreign Service, the career that was to anchor my professional life for the next thirty years. In some respects, the anguish we face in Iraq has echoes of the Vietnam era, in that the Iraq war too is unpopular, ineffective, and many believe immoral.

But in a more fundamental sense, the role of the United States in the world has changed more since 2000 than in the preceding half-century. I would like to share some thoughts with you on how it has changed, and how the practical business of trying to shape world affairs intersects with the values we treasure as a society. To illustrate these thoughts, I will reflect on the transformation that is taking place in our relations with India, the world's largest democracy and the country that has been a focus of my professional life for over thirty years. My basic contention is that the United States is most comfortable working with countries with which it shares deeply-held values, but that more concrete interests, such as regional security and commercial benefits, often speak louder than values in the day-to-day world of foreign policy. Without material interests in common, shared values by themselves do not ensure that countries can work

together. The “sweet spot” in American foreign policy comes when values and interests pull together. The tough choices come when different values, different interests, or some combination of the two pull in different directions. For a country as large and diverse as the United States, this is the normal condition. Perhaps this is why foreign policy is often a philosophically and emotionally unsatisfying subject.

But let us take a giant step back. I would like to look first at how the world has changed, from the perspective of both Washington and New Delhi, and how the United States and India define their international priorities these days. Then I will examine the astonishing transformation in U.S.-India relations. Finally, I will reflect with you on how values and interests have affected this change, and how they will affect the way the two giant democracies work together in the future.

If George Washington came back today, he would be astonished to find the United States a major power, deeply engaged not only in the New World but in both Europe and Asia, with an economy intimately intertwined with the rest of the world. Even Harry Truman, in whose administration the foundations were laid for the way we organize the world today, would be gratified by the development of Europe, puzzled by the rise of Asia in comparison with Europe, and alarmed at U.S. disregard for the institutions he and his successors did so much to develop.

The United States lives in a world shaped first by the end of the Cold War, and then by September 11. World War II and the Cold War effectively ended U.S. isolationism. Surveys taken at regular intervals since then suggest that about two-thirds of

the American people continue to favor an active role in the world. The main alliances in which the United States participates today, NATO and the alliance with Japan, were crafted to wind up World War II and service the Cold War. But three major differences have come in gradually over the past half-century. First came the independence, and eventually the growing importance, of the countries of Asia and Africa. Then came a steady shift in the center of gravity of U.S. foreign policy from Europe toward Asia. Finally, our threat perceptions have changed. During the Cold War years, the major foreign threat to U.S. security was from the Soviet Union and China, and the primary problem we responded to was these countries' actual or potential military strength. Now, while the danger from strong opponents is not gone (and China is certainly still on the worry list), the U.S. faces an even more difficult international challenge from the weakness of key countries – think about Russia and some of the “failing states”- and from non-state actors with no stake in the international system.

U.S. foreign policy today reflects this changed international context, but also the particular style of the George W. Bush administration. In the wake of September 11, President Bush sought to organize U.S. foreign and security policy around one predominant threat, terrorism, and one principal response to it, the war on terrorism. In this respect, he carried the American people with him: in a survey carried out by the Chicago Council on Global Affairs last summer, and similar work by the same group at two- to four-year intervals, American respondents place terrorism at the top of the list of threats to the United States, and preventing terrorism comes in a close third on their list of U.S. foreign policy goals.

The focus on terrorism was spelled out especially clearly in the Administration's National Security Strategy, issued in 2002 and again in 2006. The 2006 version presented strengthening alliances, defusing regional conflicts, and the expansion of international prosperity as means to the larger end of defeating terrorism. As one would expect, Afghanistan and Iraq were presented as the key military campaigns in the war on terrorism. The strategy spoke passionately about building up democracy and open societies around the world, and gave a stirring argument for effective economic assistance, but the most important context for this was again the defeat of terrorism. Terrorism also figured prominently in the discussion on cooperation with the major powers.<sup>1</sup>

The role the United States saw itself playing in the world was that of the sole remaining superpower. The Bush Administration embraced a hegemonic role, and was eager to use the full panoply of U.S. power to benefit the United States, without necessarily working within a broader multilateral structure. Consistent with this approach, the Bush administration is deeply skeptical of treaties and international institutions. Its institutional initiatives, such as the Proliferation Security Initiative, produced looser "non-institutions," without rules that could be constraining for American power. The United States has spoken warmly of allies and alliances, but has made few policy accommodations to those allies.

The post-September 11 American approach continued the determination, earlier expressed by President George H.W. Bush, that the United States would not countenance the emergence of a serious rival to U.S. power. The new feature after September 11 was

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<sup>1</sup> National Security Strategy of the United States of America, The White House, Washington, D.C., March 2006, <http://www.whitehouse.gov/nsc/nss.pdf> (accessed July 28, 2006)

the doctrine of preemption, under which the administration pledged to act against an imminent or gathering threat rather than relying on deterrence as in the past. U.S. governments had long allowed for the possibility of preemption in exceptional cases. However, elevating it to a principle shifted U.S. policy sharply in the direction of unilateral action, specifically including military action. In this respect, the Administration was out of step with the American public: fully 75 percent of respondents to the Chicago Council survey preferred to have the United States act multilaterally or in harmony with other countries rather than unilaterally.

Strengthening the administration's disposition to act alone was a conviction going back to the early days of the Republic: the belief in the inherent goodness of the American idea, and the related belief that this goodness is recognized by others as well. To this, the Bush Administration added a corollary: its belief that when America was willing to lead, including through unilateral military action, others would follow.

In practice, despite the experience of September 11 that was supposed to change everything, traditional geopolitics are still very much alive. Russia's revival, its retreat from democracy, and its willingness to use its energy resources to cow its neighbors have aroused concerns and suspicions in Washington. China is the principal international strategic rival of the United States, although there is broad acceptance that U.S. policy should be based on engagement rather than confrontation. The Middle East remains an important priority, although this administration has given priority to Iraq over the traditional primacy of the Arab-Israeli conflict. The deeply troubled aftermath of the Iraq invasion will leave its mark on U.S. foreign policy after the Bush administration has left office; it also has intensified doubts about the side effects of the more assertive U.S.

policy that the administration has embraced, and skepticism, indeed cynicism, about the administration's "freedom agenda."

Traditional relationships in Europe remain important, despite the strains caused by disagreements over the Iraq war. NATO, its primary mission fulfilled with the end of the Soviet Union, has become a central instrument for making Afghanistan secure and thus prosecuting one of the key campaigns in the war on terrorism.

Since the early 1990s, the center of gravity in U.S. foreign and security policy has been shifting away from Europe to an increased focus on Asia. The economic and security relationship with Japan remains a cornerstone of the U.S. approach to the Pacific. But the major development in Asia is the rise of Chinese power, and its significance is amplified by the uncertainty that reigns in other important parts of East Asia, including the economic slump from which Japan is just emerging, a dangerous and volatile situation on the Korean peninsula, and both political and economic uncertainty in Indonesia.

This is the backdrop for the remarkable transformation in the U.S.-India relationship that began to take shape in the last years of the Clinton administration and has intensified since George W. Bush took office. As the U.S. government has articulated it, this is a values-based partnership between the world's oldest and largest democracies. But I would argue that it also derives from the increasing importance of Asia, and from a convergence of interests that in turn stems from the changes in Indian foreign policy that took shape in the ten years after the collapse of the Soviet Union.

Let us now consider how the world looks from Delhi. India's world-view for the first half-century after it became independent in 1947 was shaped by its anti-colonial history, nonalignment between the world's two major blocs, the related moral voice India wanted to inject into world affairs, its determination to remain preeminent in its immediate neighborhood, and its poverty, which in practice limited India's international impact. To this one must add a steady and reliable relationship with the Soviet Union and a relatively thin and non-substantive relationship with the United States, despite both countries' repeated assertion of the importance of their common allegiance to democracy.

The combined impact of the end of the Cold War, the collapse of the Soviet Union and a sharp and sustained increase in economic growth has transformed India's approach to the world. India today sees itself as a major regional power on its way to becoming a major world power, and sees the United States as the key external friend who can help it realize its global ambitions. This is apparent both from the government's actions and from survey data. In that same Chicago Council survey, Indians rated their country's international influence second only to the United States, and ahead of Japan, Russia, and China. Economics – expanding India's trade and investment and securing its energy supplies – has become a major driver of foreign policy, and one that brings the focus back to the United States. The man who currently serves as the Indian Prime Minister's spokesman, a journalist of many years' standing, has just published a book on the Indian economy as an instrument of national power. Defining power in this way would have been unthinkable twenty years ago for an Indian government– or, indeed, for this same author!

India's policy toward its immediate South Asian neighbors, notably Pakistan, has changed relatively little since the earlier years. India is acutely conscious of living among troubled neighbors and is determined to retain its military and political preeminence. In the Chicago Council survey, Indian views of threats to their country's security and of India's foreign policy goals rank issues connected with terrorism, India-Pakistan relations and Islamic fundamentalism close to the top. India has sustained a three-year ceasefire and fairly resilient dialogue with Pakistan, but is not prepared to make major adjustments in its approach to their "signature dispute" over Kashmir in the interests of reaching a settlement.

However, other issues have increased in relative importance for India, notably its relations with its neighbors to the East – China, Japan and Southeast Asia. Indian strategic thinkers see China as their long-term challenge, but this has not stood in the way of a major expansion of political and especially economic ties between Asia's two giants. India has begun to develop significant military cooperation with Japan and some countries of Southeast Asia, and is exploring ways of becoming more integrated into the regional architecture of East Asia. And the same survey data I've cited before indicate that the Indian public takes a relatively benign view of the prospect of China becoming more economically powerful.

Against the backdrop of these changed world-views in both the United States and India, what has happened to U.S.-Indian relations? In the past decade and a half, the change in both tone and substance has been revolutionary. Let me sketch out how India and the United States now work together on economics, regional relations, and security. I

will then look at how this emerging partnership does – and doesn't – relate to two larger “values” issues: our shared democratic heritage, and our quite different views of how the world should work.

The end of the Cold War removed the main structural impediment to close U.S.-India collaboration. A much weakened Russia was no longer able to serve as India's key diplomatic partner in the way it once had, and the United States no longer looked at the world through the prism of the U.S.-Soviet divide. But the task of creating real cooperation still remained. It took close to a decade for India and the U.S. to internalize the significance of the end of the Cold War. Once this was done, both sides set about building what I would call the bilateral infrastructure for a working partnership in a changed world.

This process started with India's changed economy, and the dramatic growth in U.S.-India trade and investment. India's economy had moved slowly during its first 25 years of independence. Indians and others joked about the “Hindu rate of growth,” about 3.5 percent, most of it eaten up by an expanding population. This changed during the 1980s, when GDP surged ahead and population growth slowed. But the economic change first became a factor in India's international relations in the 1990s, when a looming financial crisis led India to make major domestic economic policy changes and to start opening its economy to the world. India suddenly became one of the world's most rapidly expanding economies. By 2005, trade had reached 30 percent of India's gross domestic product, double the percentage of the 1980s and 1990s. India still maintained significant barriers to trade and investment, but these were falling, to the point where India had become an exciting economic story for American, and more broadly Western, businesses.

India's economic ties with the United States expanded as well. Two-way trade rose from \$11.6 billion in 2001 to \$27 billion in 2005. Foreign direct investment, never very large in relation to the Indian economy, rose from \$1.7 billion in 2000 to \$6.6 billion in 2005. Perhaps most importantly, India and the United States were joined at the hip in an industry which both countries saw as their ticket to a brighter future: information technology and the related internet-dependent businesses. In India, these industries grew from practically nothing to over 5 percent of the economy between 1990 and 2006; they now account for exports that are close to half the value of India's goods exports; they employ at least 2 million Indians; and they continue to grow at rates of over 30 percent. The links between Silicon Valley and its Indian counterparts include not just the 62,000 people who obtain H-1 visas every year to take up technical positions in the U.S., but a dynamic web of business leaders who have studied or worked in both places, as well as complex production arrangements that span the globe.

This economic relationship is fundamentally in the private sector, but it has in a very real sense generated changes in the government-to-government relationship as well. The U.S. government has always taken more seriously the countries with which the U.S. has strong business ties, and India is no exception. This is especially important at a time when India's leadership is coming to look on trade and investment as key indices of national power and as an appropriate way to measure India's arrival on the world scene. The economic relationship has become a prominent feature of the government-to-government agenda as well. You will hear, for example, about the two governments' "energy dialogue" and about their sponsorship of a "CEOs' Dialogue." The two governments struggle over bilateral and multilateral problems in trade policy. These are

essential ways of resolving the economic disputes that crop up every day, and indeed as trade and investment grow, so will the day-to-day problems. But private economic dealings, not the government, provide the real drive in U.S.-India economic relationship.

The next building block in U.S.-India has to do with regional relations. At first blush this may seem odd: after all, the long-standing U.S. relationship with Pakistan has always been an irritant for India, and remains so even today, when the United States is relatively close to both countries. Indeed, India had some hope, after September 11, that the United States would see Pakistan, as India does, as a major source of terrorism. Things did not work out that way, of course, but India's offer to let the United States use its facilities after September 11 made an impact in Washington. Moreover the vigorous crisis diplomacy the United States undertook on two occasions when it looked as if India and Pakistan might be getting uncomfortably close to war were a welcome demonstration to India that the U.S. was willing to deal firmly with reckless behavior on Pakistan's part.

But there is another dimension to regional relations, one that has become increasingly important to both India and the United States. Look at the changes that are taking place in Asia, with China's rise, the volatility of Korea, Japan's troubled relations with China, and the uncertain situation in much of Southeast Asia. In these circumstances, the United States has good reasons to develop a stronger network of relationships in Asia, and to focus not just on its traditional areas of strength, the Persian Gulf and the Western Pacific, but also on the emerging giant in between, India. At the same time, India has been strengthening its relationships in Asia, which it sees as important both to its security and to its expanding economic ambitions in the world. For both India and the United States, it is important that Asia develop in peace, and that no

single power dominate the continent. So although this argument is seldom articulated by spokesmen for either government, in fact India and the United States have been quietly discovering an important common interest in integrating Asia politically and economically. Both are obviously thinking of China in this context, but neither is interested in creating an anti-Chinese alliance: for both, the objective is to encourage peaceful relations between China and the rest of the region.

The third aspect of U.S.-India partnership that I want to discuss, the emerging security relationship, is a different story. Historically, the United States and India had radically different perspectives on security. We had serious differences with India's nuclear policy, especially after it tested an explicitly military nuclear device in 1998. India saw the Indian Ocean as its own "security space," and looked with a jaundiced eye on other powers maintaining a regular military presence there – as the United States did. And of course during the Cold War, India's principal ties of military supply were to the Soviet Union.

What changed was not so much these issues as their context. Ironically, it was the nuclear test that provided the occasion for India and the United States to have their first serious discussion about their respective strategic perspectives, and about what would make the world a safer or more dangerous place. This dialogue – and it is worth noting that it took place under the Clinton Administration – did not ultimately change either country's fundamental approach to nuclear proliferation, and it certainly did not change India's determination to retain its nuclear arsenal. But it did lead the United States to accept that it was going to have to deal with India as a nuclear power. It also led both countries to recognize a common interest in preventing the onward spread of nuclear

weapons technology. It set the stage for changes that would take place after the Bush administration took over – first, the simplification of U.S. procedures for exports of non-nuclear high technology that India very much wanted to buy, and ultimately, the agreement making possible India-U.S. civil nuclear cooperation, which had been off limits for nearly thirty years. Legislation authorizing this was passed by the U.S. Congress last December, and the understanding is now making its way through a multi-layered implementation process.

This agreement has caused a good deal of heartburn, both in United States and in India. It represents a wrenching change in forty years of U.S. non-proliferation policy, and if it is finally implemented will lead to major adjustments in the nonproliferation institutions that the United States had painstakingly built up. I have supported it, however, for two reasons. First, I believe that removing India from the list of “nuclear outlaws” is an essential step in security India’s energetic participation in preventing the onward spread of nuclear weapons technology to countries that are much more dangerous to us and to our friends. Second, I have watched two administrations try to develop a real partnership with India, one that could stabilize Asia and strengthen the region’s democratic orientation, and I ultimately concluded that this could not be done without breaking the nuclear taboo. Ultimately, I think that is the reasoning that prevailed in Congress, though obviously the argument was a serious one.

I mentioned that the nuclear agreement has also been controversial in India. The reasons for this tell us about some of the differences we still have with the “new India.” Indian objections to the nuclear agreement stem mainly from three sources. The first two are fairly predictable the political opposition, which is basically acting like an opposition;

and the political “left parties,” allied with the government, but historically very suspicious of the United States and reluctant to see India become too close to Washington. The third may come as a surprise: the nuclear power establishment. Half a dozen former chairs of the Indian Atomic Energy Commission have vociferously complained that the nuclear agreement, as approved by the U.S. congress, will constrain India’s freedom of action on the nuclear front and hence continue the “nuclear apartheid” that has prevailed for four decades. I believe the agreement will ultimately go through, though the nuclear scientists’ objections are embarrassing for the Indian government – but I will return in a few minutes to the theme they have raised, because the question of India’s sovereign freedom of action is one of the lodestones of Indian policy, and one the U.S. has not fully come to terms with.

There is more to security than the nuclear issue, of course. After decades of having little common ground on security issues, and despite the difficult exchanges they have had on nuclear matters, India and the United States have actually begun to develop the kind of military-to-military relations that are routine with other countries. They signed a framework agreement on defense relations in 1995, and a somewhat more expansive one ten years later. They now carry out military exercises of increasing complexity and sophistication several times a year. India’s military supply arrangements have changed. Israel is now its second largest foreign supplier, and U.S. suppliers are serious bidders to supply multi-role combat aircraft and other major military systems.

More importantly, India and the United States have had the opportunity to work together on real military operations, especially on two occasions. The first was in 2002, when India agreed to escort high value U.S. naval cargoes through the Straits of Malacca,

an action that was especially significant because it was a sharp departure from India's previous coolness toward non-Indian naval forces in the Indian Ocean. The second is perhaps more familiar: India and the United States both sent naval forces to provide relief after the Asian Tsunami right after Christmas of 2005. These operations have strengthened the tacit consensus that Indian and U.S. interests converge especially when it comes to questions of Indian Ocean and Asian security. When one considers that India is one of the two fastest-growing energy markets in the world and that some 70 percent of its energy is imported through the Indian Ocean, the converging interests look even stronger.

So far, what I've been talking about is the interests-based aspect of the emerging partnership between India and the United States. We need to look at this partnership's values-based foundation as well. When leaders of either country talk about their partnership – sometimes even using the phrase “natural allies,” which both countries' post-World War II leaders would surely have gagged on – they invariably mention democracy. This turns out to be both a bond and a complication, however.

The bond is obvious. India and the United States both take pride in their democracy, and like to remind each other and the world that this is a value and a credential that they cherish. But this democratic bond has existed for 60 years, and for most of that time, it had little impact on how the two countries dealt with one another. During much of that time, moreover, the United States had much closer relations with a non-democratic Pakistan, and India was far closer to a non-democratic USSR than to the U.S. It is the confluence of shared democracy with other, more concrete common interests that has created the potential we see today.

But the complications are worth thinking about. First, how solid is popular support for a strong U.S.-India partnership? Going back to the survey I have cited several times in this talk, it appears at this point to be largely a top-down phenomenon in the United States. A majority of the U.S. public (61 percent) sees India as a country that is “mostly a partner” of the United States (in contrast to China, viewed by 49-41 percent as “mostly a rival”). Responses to a question about the overall popularity of a number of countries place India about in the middle, ahead of China and roughly even with Mexico and South Korea. Just under half see India as a responsible country (49 percent) and one that will keep its commitments (45 percent). Fewer – about 40 percent of respondents – believe that India would take U.S. interests into account in making foreign policy decisions. India’s economic influence is looked on as a positive development, but growth in its military power is seen as a negative. But within the economic relationship, nearly half (47 percent) consider India an “unfair” trader, and outsourcing is considered “mostly a bad thing” by 76 to 21 percent.

The tone of these views is much cooler than the “natural alliance” the government speaks of. It is also much less enthusiastic than the prevailing Congressional view of the importance of India. Interestingly, the only demographic group whose respondents are consistently more positive than average in their assessments of India are those with college or post-graduate degrees, with differences of 10-18 percentage points. In other words, the strongest backing for the India-U.S. partnership comes from the parts of the U.S. population that are most deeply involved in international affairs.

Indian public opinion seems to be closer to the government’s policy. The United States scored higher than the 9 other countries mentioned by the survey in the question

about overall popularity, a finding that comports well with the fact that a great number of Indians, especially from the upper part of the income scale, have relatives in the U.S. Indians agree that the United States is important for India. A plurality of 45 percent rates the United States as more important than China. Consistent with these results, a comfortable majority of Indians feel that globalization is good for India and for them personally, and a plurality feel that a decline in American economic power would be a negative development. Indians also accept a large U.S. role in the world; over half said that the United States had a responsibility to act as “world policeman,” though over half also felt it was doing so too much at present. A small plurality said that the United States was playing a positive role in solving problems in Asia. Just under half have confidence that the United States would act responsibly in the world, however, and a similarly mediocre percentage feel that the United States would keep its commitments. In other words: a strong willingness to accept the current large U.S. role in the world, but a degree of skepticism about how this will affect India on specific decisions.

The democratic foundation for U.S.-India relations gets more complicated when one looks at both countries’ representative institutions. In the U.S. Congress, India had been “the country everyone loved to hate” during much of the 1970s-1990s. From the late 1990s onward, however, the increasing prominence and prosperity of the Indian-American community led to the formation of very large and active India caucuses in both the House and Senate. The results have been dramatic, especially in the passage of the nuclear legislation I mentioned a minute ago.

In the Indian parliament, however, relations with the U.S. have had more of a roller-coaster ride. When President Clinton visited Delhi, his legendary political skills

enthralled the parliament. But in the absence of this kind of charm offensive, there is a substantial core of the Indian parliament that is dubious about the U.S., reflecting a traditional view shared by many in India's ruling Congress Party as well as the communist left on whom today's Congress government depends for its majority. And because the U.S. is the major polarizing factor in today's world, relations with the U.S. are brought up whenever a political party needs to beat up on the government, often for unrelated reasons.

To further complicate matters, while India and the United States are both democracies, neither understands the working of the other's institutions particularly well. The U.S. is easily caught off balance by the vehemence of debate in India's parliament, and by the fact that there is always a state election around the corner somewhere in India, which all sides in the national parliament are examining for portents about the future of national politics. The separation of powers under the U.S. constitution, the relationship between the ruling party in the White House and in the Congress, not to speak of the dynamics of divided government, are equally mysterious to Indian politicians. We had ample opportunity to observe this when the nuclear legislation was under consideration in Congress. The Indian government as well as India's op-ed writers had great difficulty coming to terms with the fact that a Republican President could not simply invoke parliamentary discipline and get the Congressional Republicans to pass the legislation as the White House would have liked to write it.

Finally, India and the U.S. have different views about how our common democratic heritage should affect our foreign policy. For Americans, it is natural to want to advance democracy. Even such a consummate realist as Henry Kissinger has

recognized, in his classic book Diplomacy, that to be sustainable, American foreign policy needs a dose of idealism. Promoting democracy is a particularly popular form of idealism. This helps explain why the Bush administration has articulated to its “freedom agenda” with such enthusiasm – regardless of the charges of hypocrisy to which they laid themselves open.

For India, however, democracy is not necessarily a product suitable for export. Democratic government and institutions are a source of great pride, and are deeply ingrained in the way Indian government, politics and society work. But for India, one aspect of its anti-colonial history that is still strong is its passionate commitment to maintaining and respecting national sovereignty. This extends not only to resisting external interference in India: it also makes India reluctant to make a public issue of other countries’ systems of government. This has made India somewhat wary of proposals to promote world-wide democracy. Taken together with more prosaic security concerns, it has also led India to play down its concerns about democracy in neighboring countries like Myanmar, where India has concerns about what China may be up to.

Democracy may be the principal value that Indians and Americans like to invoke, but it is only one of many at work in their relationship, and it is not the only one with contradictory effects. Most of the U.S. experience with close allies and partners is drawn from Europe and Japan, countries that explicitly shared a wide range of core foreign policy goals and that were prepared, to a significant extent, to make common cause with the U.S. in international forums. This solidarity has been damaged by Iraq, and in some respects by the removal of the Soviet threat that so significantly shaped all of our foreign

policy for half a century, but it still affects the way American governments think their relationship with other partners and allies.

For India, on the other hand, this kind of visible international solidarity leaves their leaders feeling like junior partners, whose sovereign control over their own policy is less than complete. Elite commentators and the opposition are quick to charge that the government is toadying to powerful foreign governments, especially the United States. This helps explain the nuclear scientists' passionate objections to the U.S.-India civil nuclear agreement, as well as the political fireworks that exploded when India voted with the United States against Iran in the International Atomic Energy Agency. The controversy over Iran was especially intense because India itself faced conflicting interests: on the one hand, India does not want any more nuclear neighbors; on the other, Iran is an important source of badly needed energy imports.

One further values-based issue that will be tricky for India and the United States to manage has to do with how power is distributed in the world. For the United States, the transition from a bipolar to a unipolar world was basically a plus: our major international threat had disappeared; the likelihood of a challenge to U.S. power had gone down; and since we looked on ourselves as a benign power, we assumed, naively, that others would be similarly relaxed about this change.

For India, on the other hand, "unipolarity" is not an attractive concept – even if India has successfully crafted a beneficial relationship with the "pole" country. India is on the move, proud of the thousands of years of great civilization in its past. It sees itself as a great power by right, and a country that, with a few breaks and some decent management, could achieve this status once again. "Multipolarity" is a much more

comfortable idea, and one that has tremendous resonance across the Indian political spectrum. Any time a Russian or Chinese VIP – or even one from France – visits India, you can be confident that gallons of ink will be poured out extolling the virtues and the imminent arrival of multipolarity, and India’s stake in creating it. The country’s leaders know that it is not in fact imminent, and that India’s best shot at great power status will come through working with the United States. But this is another part of India’s “foreign policy DNA” that is not entirely in harmony with that of the United States.

At a time when India’s economic and military power is rising, and when the United States needs to work together with Asia’s second rising giant, the two countries have found a set of common interests, and have found ways to reinforce these with their common devotion to democracy. This is not a simple process; there are competing “realpolitik” interests as well as competing values in play, in addition to the usual misunderstandings that one must expect across distances of history, space and culture. Where are we headed? Will this “dialogue of the giant democracies” wind up helping to shape our world, or will it be yet another missed opportunity?

I am optimistic. This emerging partnership is based both on “hard” interests and on some degree of common values. Both our interests and our values are served by peaceful change in Asia. Both countries will benefit if we can together help create conditions in which China’s and India’s rise take place in the framework of open and reasonably democratic Asia-wide institutions. This is a strong basis for working together over the next few decades.

But let us not think this will be easy. Historically, rising powers have been highly disruptive. At this point, China seems more likely than India to disrupt, but India too is surrounded by worried neighbors. India's concept of "an independent foreign policy" and its continuing yen to help create a counterweight to the most powerful force in international relations will lead to repeated differences with the United States. U.S. expectations that our friends will stand with us on issues that are emotional for us (such as Iran) will periodically bruise our friends in Delhi. And in the end India wants some of the collective international power that the U.S. now considers its birthright; such adjustments are rarely easy.

How will we navigate these difficult waters? I believe we will first need to work on the common interests we have begun cultivating in the past fifteen years. The U.S. and India have plenty of work to do expanding trade, putting in place security cooperation on issues important to both countries, and implementing our agreements on high technology and civil nuclear cooperation. We will need to listen to each other, and to manage each other's sensitivities, as we deal with a rising China, with India's emotion-laden diplomacy with Pakistan, and with the difficult questions posed by Iran. And together, we will need to develop the institutions to integrate Asia and the world, and to deal with some vital challenges we haven't spoken of this evening, such as epidemic disease, especially HIV/AIDS and avian influenza, both of which have made their presence felt in India.

Our concrete cooperation in these areas will provide many opportunities to listen to each other and deal with each other's priorities and sensitivities. This is where both countries' democratic commitment comes into play. This tangible cooperation will have

its impact not just in the diplomatic world but in our political institutions as well.

Meanwhile, our societies are likely to become increasingly interconnected. Consider the growing intensity of our business ties. Consider too that India has more students in the United States than any other country, and it is difficult to walk into an upper-middle-class home in Delhi and find someone who does NOT have a relative in the United States. Many of India's "best and brightest" have worked in the United States; there is movement, albeit much smaller, in the other direction as well. This connectedness and our common commitment to democracy under these circumstances will become a force multiplier. This may not create foreign policy, but it makes the climate in which policy is made.