



PRESIDENT BIDEN AND SOUTH ASIA

Editors

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South Asia Discussion Papers

President Biden and South Asia

January 2021

Edited by C Raja Mohan and John Vater

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Printed in Singapore by Khalsa Printers Pte Ltd

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Biden and South Asia

C Raja Mohan and John Vater

Summary

That Biden chose Senator Kamala Harris, whose mother hailed from Tamil Nadu in India, added a special dimension to the regional interest in the US elections.

The election of Joe Biden as the president of the United States (US) in November 2020 has generated much interest in the Indian subcontinent about the future of Washington's engagement with the region after the tumultuous tenure of Donald Trump at the White House. That Biden chose Senator Kamala Harris, whose mother hailed from Tamil Nadu in India, added a special dimension to the regional interest in the US elections. Harris' swearing in as the first American woman Vice President and chances of succeeding Biden has also thrown unexpected light on the rising political profile of the South Asian diaspora in America. Far more consequential, however, is the prospect for a dynamic interaction between a changing US and the transformed internal and regional strategic environment of the subcontinent. This volume brings together South Asian perspectives on the likely evolution of US relations with South Asia under the Biden administration.

In this introductory essay, we highlight the rise in South Asia's strategic salience to Washington in the 21st century, examine the disruptions under the Trump administration and the potential for a recalibration of US policy towards the region.

The Rise of South Asia

The subcontinent had become steadily marginal to the US and the West during the Cold War. Although undivided India made significant contributions to the Allied victory in the First and Second World Wars, a series of developments in the middle of the century saw the relegation of South Asia to the strategic backwaters of the world. To be sure, India carried a strong global voice in the Cold War's early decades. And Pakistan was an important ally of the West in the alliances built to contain the Soviet Union. But structural factors seemed to

diminish the strategic salience of the region. One was the Partition of the subcontinent that set up the basis for prolonged and intractable contestation between India and Pakistan. If the subcontinent was the centre of economic globalisation in the 19th and early 20th centuries, the region turned inward after independence. Deglobalisation of the region, which followed decolonisation, increasingly reduced South Asia's economic weight. The adoption of non-alignment and military isolation as deliberate policies by India reduced its strategic salience to the great powers. Also the impact of Cold War balance of power politics on the region saw India drift towards a strong strategic relationship with the Soviet Union, which in turn widened the political distance between India and the US.

The adoption of non-alignment and military isolation as deliberate policies by India reduced its strategic salience to the great powers.

The end of the Cold War saw the beginning of major changes in the US' approach to the region. At the operational level, the decision to carve out a new South Asia Bureau from the bureau dealing with the Near East saw the crystallisation of the subcontinent as a distinct region in the US federal bureaucracy. Delhi's efforts to recalibrate its foreign policy after the collapse of the Soviet Union created greater room for political engagement with Washington. This new phase also saw intense US focus on the nuclear programmes of India and Pakistan and the objective of rolling them back. In the 1990s, the US was also eager to persuade India to resolve the dispute with Pakistan over Kashmir. The administration of George W Bush (2001-09) broke from this paradigm by de-hyphenating its relations with India and Pakistan. It also ended the prolonged non-proliferation dispute with India and consciously eschewed activism on the Kashmir question. In declaring that Kashmir was a bilateral dispute, Washington formally set aside persistent Pakistani demands for US mediation. This generated mutual trust in Delhi about US intentions and created space for a productive engagement. At the same time, as part of the de-hyphenation, it declared Pakistan a "major non-NATO ally" as it stepped up its war on terror in general and sought to stabilise Afghanistan after it ousted the Taliban from Kabul and occupied the nation.

Bush managed what none of his predecessors could do – develop good relations simultaneously with both India and Pakistan, pursue each on its own merit and avoid being drawn into the Indo-Pak disputes. If the engagement with Pakistan was driven by US commitment to Afghanistan, the new partnership with India was animated by a perceived need to ensure a stable balance of power in Asia. As China's rapid rise sharpened US concerns about Asian balance, India's strategic weight steadily began to go up. This broad orientation, which continued under President Barack Obama (2009-17), saw some significant shifts under President Trump (2017-21). Two other factors contributed to the growing importance of the region in Washington.

Until the slowdown of the late 2010s, the subcontinent was one of the fastest growing regions of the world, just after China.

One was India's faster economic growth in the new millennium and the impressive performance of Bangladesh, which produced a new commercial significance for the region. Until the slowdown of the late 2010s, the subcontinent was one of the fastest growing regions of the world, just after China. India's two-way trade in goods and services with the US more than doubled from US\$60 billion (S\$79.7 billion) in 2009 to US\$146 billion (S\$193.9 billion) in 2019. India was the 12th largest destination for US goods exports and 10th largest supplier of goods in 2019. The goods trade is complemented by a healthy two-way trade in services amounting to US\$55 billion (S\$73 billion). The expansion of commercial engagement gave greater breadth and depth to Washington's interest in India. Unsurprisingly, it also drew political attention to trade-related contentions on deficit, market access and currency manipulation, among others.

The second factor was the significant expansion of the Indian diaspora in the US. The Indian diaspora alone is now estimated at around four million, of which nearly two million are said to be registered voters. Their concentration in some of the deeply contested battle ground states has seen both the Democratic and Republican parties vying for influence amongst the Indian community. Meanwhile, the population with origins in the rest of the subcontinent too is growing. The academic and professional success of the South Asian diaspora has seen them occupy important positions in US business as well as in

the executive and legislatures of the government at the federal, state and local levels. The expansion of the diaspora has also transposed political contestations within and among the South Asian nations into the public and political square in the US. Competitive mobilisation of the diaspora by India and Pakistan as well as protests by multiple dissident South Asian groups appear to have become part of the region's deepening ties with the US.

The Trump Disruption

South Asia was one of the few regions that drew early policy attention from Trump in the summer of 2017. Although branded as a South Asia policy, it was essentially about Afghanistan and Pakistan. Trump, who was eager to end America's endless wars in Afghanistan and Iraq, announced a renewed effort to stabilise Afghanistan. He threatened negative consequences for Islamabad if it did not help in arriving at a peace settlement with the Taliban, which had gained ground in Afghanistan, thanks to its sanctuaries in Pakistan. As Washington reached out to the Taliban during 2019, Trump also softened his attitude towards Pakistan by hosting Prime Minister Imran Khan at the White House. The Trump administration signed a broad bilateral agreement with the Taliban in February 2020 after nearly 18 months of negotiations. It codified the US' commitment to withdraw its troops from Afghanistan, the Taliban's promise not to attack the US and its allied troops, and intra-Afghan talks for a ceasefire and a new political compact for governing the nation. However, this agreement has been criticised as a withdrawal pact rather than a peace settlement. The Taliban too has proved the skeptics right by continuing to attack government troops and civilians while delaying talks with the government. Yet, Trump may have made the decisive shift towards ending US occupation and state-building in Afghanistan.

Trump, who was eager to end America's endless wars in Afghanistan and Iraq, announced a renewed effort to stabilise Afghanistan.

Pakistan, which claimed credit for facilitating talks between the US and the Taliban, has reasons to be disappointed with its inability to leverage its role in Afghanistan to persuade the Trump administration to take a more favourable approach on the issues between Islamabad

and Delhi. If Trump's response to the Pulwama crisis in February 2019 saw greater empathy towards India's right to defend itself against terror attacks, his reluctance to question India's decision in late 2019 to change the constitutional status of Jammu and Kashmir has confirmed a distinct departure from the past and an unambiguous political tilt towards India. That tilt could be attributed to the growing convergence of the US and Indian perceptions of the Chinese challenge and the recognition of the need for strengthening their bilateral partnership. The US defined the China challenge by articulating a new strategy of the Indo-Pacific. Indian Prime Minister Narendra Modi ended the ambivalence on the Indo-Pacific that he inherited from his predecessor Manmohan Singh.

As the US strategic focus shifted from the Af-Pak region to the Indo-Pacific, the Trump administration not only sought a stronger security partnership with India but also with other South Asian littorals like Bangladesh, Sri Lanka and the Maldives.

As the pressure from China mounted on a range of issues, including on its Himalayan and maritime frontiers, Modi not only embraced the concept of the Indo-Pacific but also took the lead in reviving the Quadrilateral Security Framework (Quad) – which brings together Canberra, Delhi, Tokyo and Washington – that went into hibernation soon after its unveiling in 2007. Meanwhile, the 'Two Plus Two' Dialogue between the defence and foreign ministers in Modi's second term helped intensify the bilateral security cooperation between Delhi and Washington. India's strong critique of China's Belt and Road Initiative (BRI) found endorsement from the Trump administration, and the two sides began discussions on how to coordinate their efforts in the Quad to offer credible alternatives to infrastructure development in the Indo-Pacific. The spread of the COVID-19 pandemic from China in early 2020, its disastrous effects on the US and the world followed by Chinese aggression in the Ladakh sector accelerated the convergence of the threat perceptions in Delhi and Washington. As the US strategic focus shifted from the Af-Pak region to the Indo-Pacific, the Trump administration not only sought a stronger security partnership with India but also with other South Asian littorals like Bangladesh, Sri Lanka and the Maldives. The defence pact signed in late 2020 by the Maldives and the US pointed to the return of South Asian waters to renewed prominence. With China's projection of naval power into the Indian Ocean, Washington began to adjust the lens from which it viewed the subcontinent and its maritime domain.

However, the Trump disruption was broader than the construction of a new strategic geography called the Indo-Pacific. Trump challenged many of the main post-War assumptions of the US on the benefits of military alliances, the virtues of free trade and the merits of open borders for immigration. While the doubts about alliances did not come in the way of building a stronger partnership with India, trade and immigration became contentious issues between Washington and Delhi. Although the trade deficit with India was not among the largest facing the US, Trump never forgot to refer to India as the 'Tariff King' and demand greater market access for US products. Attempts to negotiate a mini trade deal did not succeed. On the immigration front, Trump's effort to limit the H-1B visas was seen as a huge long-term challenge to the Indian information technology sector that depends on these visas to a considerable extent.

The Biden Prospect

The Trump disruption was in the end about the fundamental questions relating to the future of US engagement with the world. Trump's policies produced a strong backlash from the foreign policy establishment as well as the business elite. But they also generated some resonance among the working people, and Biden has sought to present himself as a traditionalist as well as a reformer who will recalibrate the US engagement with the world to suit the interests of the American middle class. How these arguments play out in the Biden years will have considerable influence on how Washington might deal with the subcontinent. The following set of papers offers valuable country perspectives as well as the discussion of important issues like immigration and trade.

Trump's policies produced a strong backlash from the foreign policy establishment as well as the business elite.

The essay after the introduction by Monish Tourangbam examines the Biden administration's big picture adjustments towards foreign policy and Washington's regional approach to South Asia. He anticipates that although Biden's foreign policy is likely to become more traditional, he will uphold aspects of the 'America First' agenda, which may involve greater dependence on diplomacy and reduced military adventurism

While managing the Afghan-Pak relationship will be one challenge, competing with China in the Indo-Pacific is likely to be Washington's long-term priority, which could deepen military partnerships with India and the Quad countries.

through smaller-scale missions abroad. Afghanistan, Pakistan and India remain the pivots of Washington's South Asia strategy, which could witness more continuity than rupture. He notes that US efforts to promote burden sharing are not likely to change under Biden, and suggests that the president-elect could make the endgame in Afghanistan a lasting foreign policy legacy. In this regard, Pakistan's role as an interlocutor with the Taliban will continue to be vital. While managing the Afghan-Pak relationship will be one challenge, competing with China in the Indo-Pacific is likely to be Washington's long-term priority, which could deepen military partnerships with India and the Quad countries.

As Washington's two-decades war in Afghanistan comes to a close, Aasim Sajjad Akhtar assesses the prospects for peace and prosperity in Afghanistan and Pakistan's Pashtun border areas as well as political developments within Pakistan. He notes that the US, by acknowledging the Taliban as a principal stakeholder, has increased Pakistan's leverage in Afghanistan. He also flags the potential import of the Pakistan Democratic Movement on Pakistan's polity and military establishment, which, through its ideology of 'national security', has orchestrated the country's foreign policy agenda through the patronage of organisations like the Taliban. In evaluating the scourge of religious extremism on the region's long-suffering people, Akhtar states that the far right is likely to maintain its influence with mainstream Pakistani parties, and also that opportunities for relief will recede as geopolitical wrangling in Afghanistan intensifies. He argues that though a joint-power sharing arrangement between the Taliban and Afghan government is imaginable, he does not see room for Biden to affect major change.

The South Asian countries beyond Washington's three strategic 'pivots', which have held less prominence in US foreign policy, are becoming more significant due to their location at the front-lines of the Indo-Pacific and BRI strategies. From the vantage point of Nepal, Nishchal N Pandey questions the efficacy of the US using 'elections' as a soft power tool when the foundations of the US' own institutions at

home have been undermined. Pandey references rising development indicators and the region's track record of holding credible elections amidst the pandemic to underscore how the context in which the US relates with developing countries in South Asia has changed. This is especially the case with China's economic rise, which has brought many new development opportunities. He questions whether the Biden administration will apply human rights pressures to resolve conflict-era cases in Sri-Lanka and Nepal, and touches on the fate of the Millennium Challenge Corporation Compact, a US grant programme which has stirred considerable controversy amongst sections of the Nepali leadership for its association with America's Indo-Pacific strategy.

Bangladesh's recent robust economic performance and advancements in civil society have attracted Washington's attention towards the country's potential to be a valuable regional partner. Farooq Sobhan contextualises the surge in high-level visits by the US to Bangladesh in 2020 as perhaps part of a feeling by Washington to "ensure that Bangladesh [does] not grow too close to China in the way that Nepal [has] done." In reviewing the movement of US-Bangladesh bilateral ties over the last five decades, Sobhan lists central factors such as Dhaka's apparel exports to the US, Washington's support on the Rohingya issue and counter-terror cooperation. While the US pushes for deeper security ties, Bangladesh is wary of upsetting its close partner China through the signing of defence agreements. Sobhan states Bangladesh would hope to elevate the engagement between Dhaka and Washington to the summit level.

While the US pushes for deeper security ties, Bangladesh is wary of upsetting its close partner China through the signing of defence agreements.

In the maritime sphere, Asanga Abeyagoonasekera considers how Sri Lanka's 'equidistant' foreign policy might benefit from a realist shift. He notes that the strategic imperative of the Indo-Pacific strategy will only grow as India-US security cooperation deepens. Although Sri Lanka's rhetoric claims a carefully constructed balance, the author suggests Colombo has in reality tilted towards Beijing. This could in turn undermine Sri Lanka's credibility in Washington. He recommends that Sri Lanka reinforce its commitment to a rules-based order in

the Indian Ocean and engage with its minorities and the diaspora, especially in light of Vice President Harris's possible support for Tamilian grievances.

Amit Ranjan, from a similar geopolitical angle, assesses the deepening strategic maritime ties between the US and the Maldives amidst Washington's effort to counter Beijing's forays into the Indian Ocean. He tracks milestones like the establishment of a new US embassy and conclusion of a framework agreement for defence and security cooperation.

Much of the bonhomie between India and the US in the recent years has been put down to the personal chemistry of Trump and Modi.

Much of the bonhomie between India and the US in the recent years has been put down to the personal chemistry of Trump and Modi. S D Muni, therefore, addresses whether strategic convergences will sustain in the post-Trump era. He argues that more important than the personality of the occupier of the White House and his relationship with India's leaders will be the geostrategic and economic forces shaping Washington's engagement with the rest of the world and India, such as the US' rivalry with China; the status of China's relationship with India and its Asian neighbours; and India's own capabilities and decision to maintain a close strategic partnership. He forecasts that a more rational and institutional approach by the Biden administration, rather than the ad hoc transactionalism of Trump, might be of broader benefit of India and the region.

Two areas of disruption under Trump in India-US relations were immigration and trade. In the final two papers, Seema Sirohi and Amitendu Palit gauge a potential softening on these fronts under Biden. Sirohi analyses Biden's scope for dismantling the Trump-era superstructure of immigration restraints, particularly with regard to H-1B visas. She cautiously expects "a reversal of the most egregious measures", though notes that America may not return to the liberal immigration atmosphere of pre-2016. Palit wraps up by examining prospective improvements in the bilateral trade relationship. He cites India's reforms during the COVID-19 pandemic as well as engagement and transparency with the Resilient Supply Chain Initiative as factors

that could boost Indian exports to the US market. Furthermore, he predicts that Biden may seek to re-enter the Comprehensive and Progressive Trans Pacific Partnership as a means of countering China's economic weight with the Regional Comprehensive Economic Partnership by capitalising on emerging supply chains.

The Biden Restoration: The Shape of Things to Come

Monish Tourangbam

Summary

Speculations abound on what a Biden presidency will mean for the broader contours of US foreign policy, certain geopolitical regions and more specific bilateral ties.

With Americans electing former Congressman and Vice President Joe Biden as the 46th President of the United States (US), political leaders and policymaking elites across the world will focus on how best to deal with the new team in Washington. Speculations abound on what a Biden presidency will mean for the broader contours of US foreign policy, certain geopolitical regions and more specific bilateral ties. Owing to Donald Trump's disruptive presidency in the domestic and foreign policy milieu, a general view seems to pervade that US foreign policy will take a more traditional turn with the onset of the Biden era. However, several questions remain pertaining to how the Biden era of US foreign policy will pan out, and what its implications will be for South Asia.

This paper attempts to undertake an assessment of what the change of guard in Washington means for South Asia, particularly how the Biden administration will approach the three most important nodes of US strategy in South Asia – India, Pakistan and Afghanistan.

Introduction

The US is at an inflection point, in both its domestic milieu and its foreign policy dimensions. While it remains the preeminent power in the world, the direction of its domestic politics and its foreign policy has been a matter of public and policy discourse in the country and beyond. The four years of Trump have been disruptive, to say the least, and clearly the 2020 presidential election was, more than anything else, a referendum on his tenure in the White House. Biden, the Democratic nominee, has eventually come out victorious to become the 46th President of the US following a race that kept observers on the edge of their seats and saw a highly polarised electoral environment.

Compared to any US election in recent times, the American electorate this time around expressed intense feelings about the direction in which the country was heading. As President-elect Biden would be busy building his ‘A team’ and projecting the kind of domestic and foreign policy changes that he plans to bring to the table, foes and friends of the US will be recalibrating and reorienting their approaches to the new administration taking the reins to Washington’s engagement with the outside world. As the dust of the presidential race settles, and the Biden administration engages in separating the rhetoric of the campaign from the reality of policymaking, the political leadership and bureaucracies in capitals around the world will be thinking through the changes and continuities of their terms of engagement with Washington.

In this context, this paper attempts to analyse the shape of things to come for US policy priorities in South Asia as well as changes and continuities as the new Biden presidency sets out to reorient the contours of US foreign policy.

South Asia in Biden’s Worldview

The Trump campaign ran on a promise to ‘Make America Great Again’, while the Biden presidential run believed that ‘Redeeming the Soul of America’ was a more eminent call. The American electorate voted the Biden-Kamala Harris team into the White House, seeking a redirection of the American government’s relationship with the American people and the rest of the world. While a more complete picture will evolve over the next four years of the Biden administration, some studied analyses and assessments could be made regarding what his presidency would mean for America’s foreign policy in general and its engagement with South Asia in particular. While the loud rhetoric of Trump’s ‘America First’ may fade into oblivion, the essence of keeping “America First” in US foreign policy calculations and practice will be a quintessential component of Biden’s foreign policy. How it pans out and what it means for South Asia will warrant acute assessments in the times to come.

The American electorate voted the Biden-Kamala Harris team into the White House, seeking a redirection of the American government’s relationship with the American people and the rest of the world.

Like any other geopolitical region in the world, the 2020 US presidential election and the new administration in Washington will have a profound impact on South Asia, specifically on India, Pakistan and Afghanistan, which are the pivots around which the US is navigating its regional strategy. Will the Biden administration substantially alter its foreign policy and approach to the region? Does it mean an end of transactional policies, and an onset of a more altruistic foreign policy? Upon sober assessment, any country's foreign policy is as transactional or altruistic as that of any other. While the rhetoric of Trump's 'America First' had all eyebrows raised, any US presidency will always put America first in reality, and others will have to adapt their terms of engagement with Washington. New Delhi, Islamabad and Kabul will have to do the same.

Compared to the Trump administration, a Biden presidency is expected to bring a more traditional approach to US diplomacy, particularly in regional bureaus of the State Department to carry out business.

With four years of the Trump presidency having left an indelible mark on the broader contours of US foreign policy, it remains to be seen how a Biden era will steer the nature and character of America's foreign affairs. As compared to the political naivety that was associated with Trump when he occupied the Oval Office as the 45th president, Biden has had many years in public office in the US Congress and a stint as the Vice President in the Barack Obama administration for eight years. As such, his worldview will be better known among the political leadership and policymaking elites around the world. His foreign policy and national security advisers will comprise people who have worked in the American interagency policymaking process for long and will be better acquainted with it as well as their counterparts and peers across the world, including in the South Asian countries. Compared to the Trump administration, a Biden presidency is expected to bring a more traditional approach to US diplomacy, particularly in regional bureaus of the State Department to carry out business. This aspect will be important to watch, in how America transacts regional affairs in South Asia. Writing for *Foreign Affairs*, Biden contended, "As president, I will elevate diplomacy as the US' principal tool of foreign policy. I will reinvest in the diplomatic corps, which this administration has hollowed out, and put US diplomacy back in the hands of genuine professionals."¹

¹ Joseph R Biden, Jr, "Why America Must Lead Again: Rescuing U.S. Foreign Policy After Trump", *Foreign Affairs*, March/April 2020. <https://www.foreignaffairs.com/articles/united-states/2020-01-23/why-america-must-lead-again>.

Getting out of the Afghan Quagmire

In Afghanistan, the Taliban has been engaged in the complex intra-Afghan talks with the Afghan government, after striking a peace agreement with the US in Qatar. Washington seems intent on exiting Afghanistan, and all efforts of the US administration have been directed towards the path to this eventuality and the nature of American presence in Afghanistan, post-withdrawal. A Biden presidency will not substantially change this trend, even though some cosmetic touch-ups might be witnessed in how his administration handles diplomacy with stakeholders in the endgame. Scepticism towards engulfing America in the vortex of regional problems and prodding countries to take larger responsibilities toward solving problems in their neighbourhood has been a developing trend carried over from the Obama to the Trump presidency.² To end foreign wars and bring American troops back home has been an enduring campaign promise for any US presidential candidate in recent times. Biden will perhaps direct his energies on the ways and means to end the two decades-old military campaign in Afghanistan, as something to show for his legacy.

Biden will perhaps direct his energies on the ways and means to end the two decades-old military campaign in Afghanistan, as something to show for his legacy.

Biden, in arguing to end America's foreign wars, wrote, "There is a big difference between large-scale, open-ended deployments of tens of thousands of American combat troops, which must end, and using a few hundred Special Forces soldiers and intelligence assets to support local partners against a common enemy. Those smaller-scale missions are sustainable militarily, economically and politically, and they advance the national interest."³ Even in his capacity as Vice President in the Obama administration, Biden seemed to view Afghanistan through the counter-terrorism lens and favoured a conditional reconciliation approach involving the Taliban. Speaking to *Newsweek* in 2011, Biden commented that "the Taliban per se" was not America's enemy, and emphasised the salience of reconciliation efforts wherein the Taliban "commit not to be engaged with al Qaeda

² Jeffrey Goldberg, "The Obama Doctrine", *The Atlantic*, April 2016. <https://www.theatlantic.com/magazine/archive/2016/04/the-obama-doctrine/471525/>.

³ Joseph R Biden, Jr, op. cit.

or any other organization that they would harbor to do damage to us and our allies.”⁴

Playing Ball with Pakistan

While Pakistan has remained a prominent ally in America’s war on terrorism, both sides have perceived the outcomes as less than satisfactory.

Washington’s approach to Pakistan in current times is linked to the endgame in Afghanistan more than anything else. Despite its many fault lines, the US-Pakistan relationship will remain vital to the US’ strategy in South Asia. While Pakistan has remained a prominent ally in America’s war on terrorism, both sides have perceived the outcomes as less than satisfactory. While the US expected Pakistan to do more to fight terrorism, Islamabad complained that its sacrifices and efforts in the global war on terror were not being well appreciated in Washington. Trump and his national security team commenced their engagement with Pakistan by promising to restrict its access to US aid and push it to act harder on terrorism. However, towards the end of his tenure, as the question of US withdrawal from Afghanistan acquired urgency and Pakistan leveraged the US-Taliban peace talks, Trump extended a friendlier attitude towards Prime Minister Imran Khan, even offering to mediate in India-Pakistan issues.

The leverage of America’s power in dealing with Pakistan will be as ambiguous in the Biden administration as it has been with earlier presidents. Having served as Obama’s Vice President, and being in the thick of things when it comes to the complexities of extracting concessions from Pakistan, Biden will be mindful of the lure and pitfalls of expectations from this relationship.⁵ While speaking to *Newsweek*, Munir Akram, Pakistan’s Permanent Representative to the United Nations, expressed an expectation that the Biden presidency “would adopt a balanced approach towards both India and Pakistan, an approach that is equitable, that takes into account the national interests of not only India, but also Pakistan.”⁶ Commenting on the

4 Leslie H Gelb, “Joe Biden On Iraq, Iran, China and the Taliban”, *Newsweek*, 19 December 2011. <https://www.newsweek.com/joe-biden-iraq-iran-china-and-taliban-65953>.

5 Umair Jamal, “From Trump to Biden: Will Anything Change for Pakistan in Washington?”, *The Diplomat*, 9 November 2020. <https://thediplomat.com/2020/11/from-trump-to-biden-will-anything-change-for-pakistan-in-washington/>.

6 Tom O’ Connor, “Pakistan Sees Opportunity in Biden to Balance US Role in Asia, Shift on India and China”, *Newsweek*, 13 November 2020. <https://www.newsweek.com/pakistan-opportunity-biden-balance-us-asia-shift-india-china-1547403>.

burgeoning India-US defence cooperation, he said, “We would like to be obviously reassured that such capabilities which are being shared with India, are not going to be used against Pakistan.”⁷

The China Challenge and New Heights in India-US Partnership

Despite some commentaries forewarning of a not-so-rosy picture in India-US relations with the advent of the Biden era, a more pragmatic assessment views the relationship as being on a strong plank, irrespective of who comes to power in America.⁸ The third India-US ‘Two Plus Two’ Dialogue between the foreign and defence ministries of the two countries and the signing of the last foundational agreement, the Basic Exchange and Cooperation Agreement, signalled a stronger intent on the part of both countries to deal more congruently with the China challenge. In the US, countering what it calls a ‘near peer’⁹ competitor in the form of China clearly occupies policy bandwidth, and remains the primary foreign policy challenge. It has become apparent that the US-China relationship is taking on a more confrontational approach, irrespective of the change in political leadership. Moreover, New Delhi has been experiencing a new low in its relationship with Beijing amid China’s military challenge along the India-China Line of Actual Control. The emerging geopolitical circumstances have been pushing policymakers in New Delhi and Washington to chart new dimensions of military-to-military partnership. This is being done in concert with other like-minded countries like Japan and Australia, which are members of the Quadrilateral Security Initiative, also called the Quad.¹⁰ The challenge of managing the strategic repercussions of

It has become apparent that the US-China relationship is taking on a more confrontational approach, irrespective of the change in political leadership.

7 Ibid.

8 Salvatore Babones, “Biden and Harris Could Be Bad News for India’s Modi”, *Foreign Policy*, 6 November 2020. <https://foreignpolicy.com/2020/11/06/biden-harris-india-modi-election/>; and C Raja Mohan, “Incentives to Advance India-US Partnership Are Stronger Than Ever Before”, *The Indian Express*, 27 October 2020. <https://indianexpress.com/article/opinion/columns/india-united-states-22-dialogue-jaishankar-mike-pompeo-china-6887200/>.

9 David Vergun, “Great Power Competition Can Involve Conflict Below Threshold of War”, United States Department of Defense, 2 October 2020. <https://www.defense.gov/Explore/News/Article/Article/2364137/great-power-competition-can-involve-conflict-below-threshold-of-war/>.

10 “Joint Statement on the third India-U.S. 2+2 Ministerial Dialogue”, Ministry of External Affairs India, 27 October 2020. <https://mea.gov.in/bilateral-documents.htm?dtl/33145/Joint+Statement+on+the+third+IndiaUS+2432+Ministerial+Dialogue>; Monish Tourangbam, “The ‘2+2’ and New Heights in Indo-US Partnership”, Kalinga Institute of Indo-Pacific Studies, 1 November 2020. <http://www.kiips.in/research/the-22-and-new-heights-in-indo-us-partnership/>.

China's Belt and Road Initiative will also remain a prominent feature of the India-US partnership.

The economic aspect of the US-India relationship has been a sore thumb, with Trump unable to see the wood for the trees by focusing more on tariff reciprocity and trade balance.

The central pivot of the discourse on India-US relations in the last two decades has been the enviable bipartisan support that the relationship has managed to gain in Washington. From the tri-service military exercises to counter-terrorism cooperation, from building convergence at multilateral settings to deeper and expansive non-governmental entrepreneurial ties, the relationship stands at a juncture never seen before. The economic aspect of the US-India relationship has been a sore thumb, with Trump unable to see the wood for the trees by focusing more on tariff reciprocity and trade balance. Given the dire economic impact of the pandemic, what kind of changes the new administration will bring to the new image of a protectionist America remains to be seen. Whether a Biden administration will move the economic ties with India to a more strategic direction will be an important development to watch.¹¹ Another area of significant shift might be seen in how the Biden team is promising to turn the US' attention towards a greener economy, as opposed to Trump's notoriety for pulling out of the Paris Agreement on climate change. Will the Biden presidency oversee a focus on the Obama-era initiatives on clean energy research and collaboration with India? Moreover, how the Biden presidency will move on the immigration issue, and more particularly on the visa regime, will be something that will be keenly watched not only in Delhi's policymaking circles but also among the Indian public.

Conclusion

For all regions and countries across the world, the coming of a new president in the White House is a time to debate and discuss the ways in which Washington reshapes and recalibrates its strategies and foreign policy approaches. South Asia will continue to feature prominently in how the new administration deals with the endgame in Afghanistan and how it deals with its China challenge in the broader Indo-Pacific.

¹¹ Ashley J Tellis and C Raja Mohan, *The Strategic Rationale for Deeper US-Indian Economic Ties: American and Indian Perspectives* (Washington DC: Carnegie Endowment for International Peace, 2015).

In addition, how the next administration deals with Russia and Iran, which have been at the receiving end of American sanctions, will have at the least a tangential impact on how India, Pakistan and Afghanistan deal with these countries in the near future.

The work of restoring and revamping will largely be seen in how a Biden presidency deals with its traditional allies and partners – countries that have been more significantly affected by Trump’s peculiar presidential style and diplomacy. In comparison, the US’ strategy in South Asia under Trump’s presidency saw more continuity than change, and this trend will most probably continue with the onset of the Biden administration as well.¹² In South Asia, the Biden presidency will be focused on the Afghan endgame and in extracting more out of Pakistan for favourable outcomes in Afghanistan without substantially disturbing the broader contours of US-Pakistan ties. With India, it will be more of the same, in terms of building a stronger strategic convergence in the Indo-Pacific.

With India, it will be more of the same, in terms of building a stronger strategic convergence in the Indo-Pacific.

12 Alyssa Ayres, “Continuity and Change: The Trump Administration’s South Asia Policies”, Council on Foreign Relations, 4 April 2019. <https://www.cfr.org/blog/continuity-and-change-trump-administrations-southasia-policies>.

The Taliban Test: What's in it for Pakistan?

Aasim Sajjad Akhtar

Summary

The US, in fact, is unlikely to change tack in Afghanistan in the post-Donald Trump period, and the prospects of a lasting peace being established in the region are, therefore, nominal.

Victory for the Joe Biden administration in the November 2020 American presidential election has generated a plethora of debate about impending changes in the domestic and foreign policies of the United States (US). The war in Afghanistan and the related matter of Washington's relations with Pakistan are immediate challenges for the Biden administration. The US, in fact, is unlikely to change tack in Afghanistan in the post-Donald Trump period, and the prospects of a lasting peace being established in the region are, therefore, nominal.

Almost two decades since invading and occupying Afghanistan with the stated aim of eliminating the Taliban, the US has, for all intents and purposes, acknowledged it as a major stakeholder in Afghanistan, and thereby reinforced the Pakistani security establishment's room for manoeuvre as the Taliban's most important patron. Even if the ongoing drawdown of US troops in Afghanistan coincides with the establishment of a relatively stable power-sharing arrangement, the long-term polarisations associated with war and the social embeddedness of the religious right will not result in peace and prosperity across Afghanistan or indeed the Pashtun majority tribal districts of Pakistan on the Afghan border.

At a broader level, the region at large continues to be in the throes of considerable geopolitical wrangling, featuring not only the US, Afghanistan and Pakistan but also China, India, Iran and Russia. This complex mosaic undergirds the Pakistani military's historic dominance within its own country, based on the state ideology of 'national security', through which patronage of militant formations like the Taliban is propagated as necessary for state survival. It is only when wider commitments are made by all regional actors to undo the infrastructures and ideologies of militancy which have ravaged Afghanistan and parts of Pakistan for the better part of five decades

that long-suffering people will gain respite from the cynical politics of hate championed by strategic planners in Pakistan and indeed all implicated states.

Introduction

Pakistan's tryst with the Taliban precedes the latter's takeover of Kabul in 1996. The opaque global, regional and national geo-strategic logics that eventually culminated in the launch of the 'war on terror' by American invasion of Afghanistan in October 2001 can be traced back at least as far as 1973 when Sardar Daud staged a coup to overthrow his cousin King Zahir Shah and installed himself as the ruler of Afghanistan. Daud was a self-styled nationalist in the Nasserist mould, well versed in the modern classics and inspired by the challenges posed by Soviet modernisation to the historic dominance of the capitalist West. Immediately after coming to power, Daud indicated his seriousness by abolishing the 226-year-old monarchy and pronouncing Afghanistan a modern republic.

Pakistani military strategists, faithfully committed to the pro-American camp in the Cold War, responded in kind. The paramilitary Frontier Corps, headed by Major General Naseerullah Babar, the man who later helped install the Taliban government in Kabul in 1996, was tasked with providing support to and organising anti-Daud elements within Afghanistan. Foremost amongst them were conservative Islamists inspired by the ideologies of Syed Qutub and Maulana Maudoodi.¹ It was from this point onwards that the Pakistani security apparatus effectively started providing state-of-the-art insurgency training to the guerillas that would eventually become the *mujahideen*.

The popular narrative that the Afghan war began in 1979 when Soviet tanks rolled into Kabul, therefore, demands reconsideration. The Soviet influx into Afghanistan was the culmination of a series of events that began with Daud's coup against Zahir Shah, followed by

It was from this point onwards that the Pakistani security apparatus effectively started providing state-of-the-art insurgency training to the guerillas that would eventually become the mujahideen.

¹ Both are widely regarded as being the ideological vanguards of 20th century Islamist movements. Qutub led the Muslim Brotherhood in Egypt and Maudoodi, the Jamaa't-e-Islami in Pakistan. See S Akbarzadeh, "The paradox of political Islam", in *Routledge Handbook of Political Islam* (Routledge, 2012), pp. 17-24.

the overthrow of Daud's government by the Babrak Kamal-led faction (Parcham) of the People's Democratic Party of Afghanistan (PDPA) and finally the latter's ouster by the PDPA's Hafizullah Amin-led faction (Khalq). Rendered virtually powerless by incessant in-fighting, Amin then pleaded for Moscow's help in quelling the increasingly serious challenge posed to it by the insurgent *mujahideen*.

In a 1989 interview with *The New York Times*, Babar made no bones of the fact that Pakistan took in the Afghan Islamist exiles because "we wanted to build up a leadership to influence events" and furthermore that the US had been "financing potential [Afghan] leaders since 1973".²

The end of the Cold War signalled a shift in Washington's engagement with Afghanistan, Pakistan and the region at large.

The end of the Cold War signalled a shift in Washington's engagement with Afghanistan, Pakistan and the region at large. It was against this backdrop that it turned a blind eye to the motley crew of ex-*mujahideen*, freshly christened 'the Taliban' that installed in Kabul the Islamic Emirate of Afghanistan regime in 1996. In fact, the Bill Clinton administration actively cultivated contacts between the Taliban regime and the central Asian governments to facilitate the Union Oil Company of California's construction of oil and gas pipelines from the Caspian Sea through Afghanistan.³ Pakistan and Saudi Arabia continued to patronise the Taliban through the end of the 1990s but the events of 9/11 changed everything.

Almost two decades since the onset of the 'war on terror', with Biden entering the White House amidst a steady drawdown of American troops in the country, the Taliban are again kingmakers in Afghanistan. The US occupation of Afghanistan has largely failed to restore peace to the country, with more than 10,000 civilians killed yearly since 2017.⁴

² Henry Kamm, "Pakistan officials tell of ordering Afghan rebel push", *The New York Times*, 23 April 1989. <https://www.nytimes.com/1989/04/23/world/pakistan-officials-tell-of-ordering-afghan-rebel-push.html>.

³ See E Ahmad and D Barsamian, *Eqbal Ahmad, Confronting Empire: Interviews with David Barsamian; Foreword by Edward W Said* (South End Press, 2000), pp. 48-9.

⁴ "Why Afghanistan is more dangerous than ever", *BBC*, 13 September 2018. <https://www.bbc.com/news/world-asia-45507560>.

In short, history appears to have come a full circle. Cynical geo-strategic interests continue to rule the roost while the people of Afghanistan and the immediate border regions with Pakistan inhabited by ethnic Pashtuns continue to be brutalised.⁵ What awaits these war-ravaged people under the Biden presidency remains to be seen but it can be asserted with relative certainty that peace, stability and prosperity remain a distant horizon.

Pakistan, the US, India and the CPEC

It is not without reason that the Pakistani state, its seemingly omnipotent military establishment, most of all, garners significant criticism for both the persistent influence of the Taliban as well as regional violence. For most of its existence, Pakistani state ideologues have cultivated a fear of neighbouring states, and patronage of the Taliban as well as militants in Indian-held Kashmir, is a direct result of this siege mentality.

To hold Pakistan's military strategists and ideologues solely responsible for millenarian violence in the region however is, pure folly. If the Pakistani state has patronised forces like the Taliban, it in turn has enjoyed the patronage, even if erratically, of big powers, not least of all the US.⁶ It is certainly true that the latter punished Pakistan for its support for religious militants, including but not limited to the Taliban, by halting flows of military aid, particularly in the immediate period preceding and after the clandestine capture of Osama bin Laden in 2011. However, the high-profile summit between US President Donald Trump and Pakistani Prime Minister Imran Khan in July 2019 confirmed that Washington ultimately acceded to Islamabad playing the role of the Taliban's principal facilitators in the subsequent political settlement in Afghanistan.⁷

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⁵ The brutalising effects of the 'war on terror' on the Pakistani side of the border led to the spectacular emergence of the anti-war Pashtun Tahaffuz Movement in early 2018. See A S Akhtar, "The War of Terror in Praetorian Pakistan: The Emergence and Struggle of the Pashtun Tahaffuz Movement", *Journal of Contemporary Asia*, 2020, pp. 1-14.

⁶ It is thus that scholars have described Pakistan as a garrison state which perpetually leverages its geo-strategic location to generate rents. See I Ahmed, *Pakistan the Garrison State: Origins, Evolution, Consequences, 1947-2011* (Oxford University Press, 2013).

⁷ S Lalwani, "Pakistan in 2019: Navigating Major Power Relations amid Economic Crisis", *Asian Survey*, 60 (1), 2020, pp.177-188.

Pakistan's relations with the Taliban and charting regional policy at large will depend heavily on how its strategists navigate both historical and contemporary patterns of engagement with the great powers.

Whether or not the Biden administration undertakes significant shifts in its position vis-à-vis Afghanistan and, in turn, Pakistan is directly connected to another major foreign policy question – China. Trump's polemics against Beijing were of course one of the major planks of his persistent nationalist rhetoric. While Biden can be expected to back down from an outrightly confrontational posture towards China, there is little doubt that the American foreign policy establishment sees Beijing as its primary competitor for global supremacy in the years and decades to come. Indeed, since the turn of the century, China has emerged to arguably compete with the US as Pakistan's biggest benefactor, most notably in the shape of the US\$62 billion (\$83 billion) China-Pakistan Economic Corridor (CPEC). Pakistan's relations with the Taliban and charting regional policy at large will depend heavily on how its strategists navigate both historical and contemporary patterns of engagement with the great powers.

The CPEC is envisioned as a series of connecting roads as well as other physical infrastructural and information and communications technology investments to provide a fillip to trade between the two countries. It also aims to facilitate China's access to warm waters on Pakistan's southern coastline. The crown jewel in the CPEC project is the Gwadar Port in the restive Balochistan province, replete with grandiose claims that it will compete with Dubai and other major centres in the wider region.

Chinese installations, engineers and the like have come under sporadic attack from Baloch militants, and Beijing has thus made the imperative of security clear enough for the Pakistani state to set up a special army-run CPEC security force.⁸ Could China's long-term interests in Pakistan also translate into pressure on the latter to give up its support to the Taliban? Recent high-profile encounters on the international stage in which China has clearly sided with Pakistan in protecting known religious militant leaders from sanctions suggest not.⁹

8 A S Akhtar, "The China-Pakistan Economic Corridor Beyond the Rule of Capital?", *Monthly Review*, 70 (2), 2018, pp. 34-48.

9 Sarah Zheng, "Why China dropped its opposition to UN blacklisting of Pakistan-based terror chief Masood Azhar", *South China Morning Post*, 2 May 2019. <https://www.scmp.com/news/china/diplomacy/article/3008614/why-china-dropped-its-opposition-un-blacklisting-pakistan>.

Given that a significant amount of pressure to censure Pakistan on the international stage is exerted by India, Beijing's hesitation to be party to Islamabad's ostensible isolation speaks to its own long-standing rivalry with New Delhi. India has been noticeably critical of the CPEC, and the Modi regime appeared to be amongst Trump's few admirers. Having said this, the American foreign policy establishment was courting close ties with India well before 2016. It is also worth bearing in mind that India has, since the US occupation of Afghanistan, projected itself as a major well-wisher of Afghanistan, making concrete commitments towards reconstruction and development.¹⁰ In short, Islamabad's conduct in Afghanistan in the post-Trump period, and the extent to which it continues to be the Taliban's primary interlocutor on the regional stage, will play out in the context of a complex yet intimate matrix involving Pakistan, China, the US and India.¹¹

It is also worth bearing in mind that India has, since the US occupation of Afghanistan, projected itself as a major well-wisher of Afghanistan, making concrete commitments towards reconstruction and development.

When Push comes to Shove

What should be the most important determinant of how Pakistan acquits itself in the upcoming 'Taliban test' is the fate of its own 220 million people. Afghanistan has certainly borne the brunt of religious militancy in the almost 50 years since the Pakistani regime nominally headed by Zulfikar Ali Bhutto created its 'Afghan cell' within its intelligence apparatus. However, it is important to bear in mind that Pakistani society has also been severely affected by both millenarian violence and changed cultural mores more generally. Women and minoritarian confessional groups have been treated particularly cruelly. In recent years, new sects have been militarised above and beyond the Wahabbi and Deobandi denominations that were at the forefront of state-sponsored militancy between the 1970s and 2000s.¹²

Indeed, if the military establishment's historic dominance of the polity and instrumentalisation of religion are to be curtailed, the mainstream

10 H V Pant, "India in Afghanistan: A test case for a rising power", *Contemporary South Asia*, 18 (2), 2010, pp. 133-153.

11 The roles of Iran, Saudi Arabia and even Russia are not to be understated either. The paper is constrained by the lack of space, however, to delve into these in greater detail.

12 A Basit, "Barelvi Political Activism and Religious Mobilization in Pakistan: The Case of Tehreek-e-Labaik Pakistan (TLP)", *Politics, Religion & Ideology*, 21 (3), 2020, pp. 374-389.

political parties will have to demonstrate a clear commitment. The future of the recent opposition alliance the Pakistan Democratic Movement (PDM), in which three-time Prime Minister Nawaz Sharif is the central character, will be telling in this regard. Sharif was one of the key allies of General Zia ul Haq (1977-88) who prosecuted the original Afghan 'jihad' and presided over the institutionalisation of the religious right in Pakistani society more generally. Importantly, Sharif's party, the Pakistan Muslim League (Nawaz) [PML-N] enjoys significant support in the dominant Punjab province which has also historically been the most robust support base of the militarised state apparatus.

Since he has reasserted himself as a major player in Pakistani politics at the forefront of the PDM from September 2020, Sharif has stopped short of acknowledging the role he and his party have previously played in propping up the ideology of 'national security'. He has nevertheless actively called for the military to retreat from its overbearing role as arbiter of the polity. This call ostensibly extends to the military's overreach in charting foreign policy vis-à-vis Afghanistan, India and big powers like China and the US.

The religious right is far from an extremist fringe phenomenon and more than one religio-political organisation maintaining an established parliamentary presence.

Yet, it remains to be seen whether Sharif's PML-N and, for that matter, other mainstream parties that have controlled the reins of governmental power at various points over the past few decades (such as the Pakistan Peoples Party) continue to court the religious right in some way, shape or form. On the one hand, these parties, alongside the corporate media and intelligentsia, denounce religious militancy. On the other, idioms of intolerance and practices of exclusion – and outright violence – have become increasingly commonplace in Pakistani society. The religious right is far from an extremist fringe phenomenon and more than one religio-political organisation maintaining an established parliamentary presence. Put differently, there is no clear distinction between right-wing elements that have been mainstreamed and those that explicitly espouse hateful and violent ideologies. Indeed, the PDM's frontline leadership includes Maulana Fazlur Rahman, head of the Jamia't-e-Ulema-e-

Islam, Pakistan's single biggest clerical organisation, and a party long reputed to be amongst the primary ideological brethren of the Afghan Taliban.¹³

Conclusion

In the final analysis, it can be expected that the Taliban – and the religious right more generally – will continue to feature significantly both in Pakistan's engagements with its neighbours as well as within the domestic polity. While the military establishment is the primary protagonist of Pakistan's Taliban policy, regional geopolitics, featuring both Pakistan's immediate neighbours as well as big powers like the US, reinforces cynical decades-old logics that make peace and mutual cooperation a distant horizon. Meanwhile, right-wing social and political forces within Pakistan remain considerably more organised than progressive contenders.

It is not unimaginable that a relatively stable power-sharing arrangement can be forged in Afghanistan in which the Taliban are major stakeholders. Insofar as this translates into a somewhat functional governmental apparatus in Kabul, many parts of Afghanistan can be expected to remain restive, with patchy and uneven investment in infrastructure and other amenities. Indeed, Pakistan's Pashtun populations on the Afghan border – not to mention other ethnic peripheries – will also continue to lag behind developed metropolitan regions, even as they continue to bear the brunt of low-intensity political violence perpetrated by the formal state, the Taliban and any number of other militant entities.

It is not unimaginable that a relatively stable power-sharing arrangement can be forged in Afghanistan in which the Taliban are major stakeholders.

The Biden presidency is ultimately unlikely to engender substantive change for long-suffering people in war-ravaged Afghanistan, Pakistan and the region at large. Indeed, for all of the relief that has been expressed in the liberal mainstream at Trump's demise, it is important to not lose sight of the fact that multiple American administrations have presided over the imbroglio in Afghanistan, and that the successors of the *mujahideen* once romanticised in both the West and

¹³ For a historical genealogy of the JUI, see S Pirzada, *The Politics of the Jamiat Ulema-i-Islam Pakistan* (Oxford: Oxford University Press, 2000).

the so-called 'free world' at large, are now arguably as entrenched in the form of the Taliban as they were when the 'war on terror' was initiated almost two decades ago. Democratic and progressive forces within Pakistan have a long battle ahead of them as they cope with the militarisation of their own state and society, but they will need the support of similar elements across the entire region.

America and South Asia: A Nepalese Perspective

Nishchal N Pandey

Summary

If there is anything that the recently concluded United States (US) Presidential election has shown, it is that American institutions, especially its electoral system, are in dire need of reform. President Donald Trump's 'America First' policy did not win any friends for the US. Rather, it left the US' international image in a state of disarray. Joe Biden's administration has a lot to do in foreign affairs, from rebuilding alliances to re-entry into multilateral institutions that the US has ignored or even left in the last four years. Before re-claiming its leadership role globally, the US has to introspect within. For South Asia, Biden's approach towards the concept of the Indo-Pacific, how he deals with China and engages with India and the policy he pursues on crucial human rights questions of conflict-era cases in Sri Lanka and Nepal will be keenly watched.

Joe Biden's administration has a lot to do in foreign affairs, from rebuilding alliances to re-entry into multilateral institutions that the US has ignored or even left in the last four years.

Introduction

If there is anything that the recent American presidential election has exposed, it is that the international beacon of freedom and democracy is itself in a deep state of internal crisis. This includes not only societal inequality, economic recession and the sloppy handling of the COVID-19 pandemic, which has now made the US the country with the largest number of deaths in the world but also, and more so, that the institutions that it had created over centuries need thorough restructuring and overhaul. Despite Biden of the Democratic Party clearly winning the polls, incumbent president Trump not only refused to concede defeat as has been customary but he and his legal team also attempted to stop the vote counting process. Trump claimed that the streets in Democratic Party-controlled US cities are

occupied by “rioters, looters, arsonists, gun-grabbers, flag-burners, Marxists”.¹

This spectacle was being relayed live by television channels all around the world as millions watched how the second largest democracy on Earth had not been able to make electoral reform a priority, similar to how gun control remains in limbo despite several horrific incidents each year. The 2020 US presidential election, therefore, can be termed as a landmark event wherein the fissures of American polity and society were clearly visible from outside. This election was held around the same time as the Bihar Assembly polls – a backward North Indian state infamous for its poverty, lawlessness, poll violence and massive rigging. Not only were the Bihar elections held peacefully but the losers also readily accepted the poll verdict.

With the increase in Internet connectivity, social media outreach, civil society activism and a vibrant media as watchdog, South Asian societies are coming up in many development indicators, which include holding credible and violence-free elections.

These are important parallels. Firstly, gone are the days when third-world countries would spread their arms for financial help from the US Agency for International Development for democracy building, electoral reforms, police reforms and strengthening democratic institutions. With the increase in Internet connectivity, social media outreach, civil society activism and a vibrant media as watchdog, South Asian societies are coming up in many development indicators, which include holding credible and violence-free elections. Impartial and well-funded election commissions, most of which are autonomous constitutional bodies at the centre in each of the eight countries of South Asia, have played major roles in making elections free and fair. Nowadays, results are also very quickly announced, thanks to electronic voting machines. As the South Asian diaspora has increased manifold in the US, political developments, the pandemic situation and economic downturn in the US also are of much interest back home, as they directly involve the family members of South Asians. America’s demographic mix is also rapidly changing. The white voting population has dropped by six per cent from 71 to 65 per cent since 2016.² It is imperative, therefore, that the US realises that its elections

1 Andrew Clark, “Post-election, America is a dangerous mess”, *Financial Review*, 4 November 2020. <https://www.afr.com/policy/foreign-affairs/post-election-america-is-a-dangerous-mess-20201104-p56bjv>.

2 Scott Keeter and Ruth Igielnik, “Democrats Made Gains From Multiple Sources in 2018 Midterm”, Pew Research Center, 8 September 2020. <https://www.pewresearch.org/methods/2020/09/08/democrats-made-gains-from-multiple-sources-in-2018-midterm-victories/>.

have now become a travesty of sorts; instead of soft power leverage, they are turning into an international embarrassment.

Secondly, the presidential elections hold substantial implications for the US, both domestically and in terms of how it interacts with the world. The South Asian region is not an exception. The Trump administration, particularly with the 'America First' and 'Make America Great Again' slogans, the withdrawal from the Paris Agreement, the trade war with China, emphasis on the Indo-Pacific and the withdrawal from United Nations (UN) Human Rights Council (UNHCR), has changed US foreign policy in a number of areas, and impacted international affairs and the country's overall relationship with the rest of the world.

Former Vice President Biden's victory is likely to see the US pursue a moderate policy, with greater emphasis on diplomacy, and a reliance on partners and multilateral forums in pursuing American interests. Biden has promised to return to the Paris Climate Accord. In fact, the US' re-entry into multilateral institutions that it chose to offend throughout the Trump presidency will bring relief to South Asia.

Focus on Climate Change and Human Rights Violations

All eight South Asian nations are vulnerable to climate change, environmental degradation and frequent natural disasters, all of which require adequate and coordinated responses, ample resources pooled from within and outside, and strategies that catalyse low carbon and create resilient development. The South Asian countries have to bear a disproportionate responsibility despite having contributed least to the problem. The South Asian Association for Regional Cooperation Summit in Thimphu, Bhutan, in April 2010 had already emphasised that global negotiations on climate change should be guided by the principles of equity and common interests but differentiated by responsibilities and respective capabilities, as enshrined in the UN Framework Convention on Climate Change. This should be conducted in an open, transparent and inclusive manner. As the world's second

The South Asian countries have to bear a disproportionate responsibility despite having contributed least to the problem.

largest emitter of greenhouse gases, the US needs to be a part of the Paris Agreement that was ratified by 189 countries and it should lead global discussions on this subject.

Therefore, the foremost question for the smaller South Asian countries like Nepal and Sri Lanka will be how far the new administration will be inclined to use human rights issues as pressure points to facilitate a final resolution of the conflict-era cases.

However, not everything that the Trump administration put forth or casually ignored was being detested in every country of the world. Trump has “poked his finger in the eye of all our friends and allies, and he’s embraced every autocrat in the world ... we have lost all our friends”,³ Biden told *Cable News Network’s* Jake Tapper in September 2020. The long history of violence and human rights abuses in Sri Lanka, particularly during its decades-long civil war, has been a cause of concern for successive US governments. The Trump administration largely ignored these problems and, in June 2018, even pulled the US out of the UNHRC. With the 12-year-old Maoist insurgency in Nepal, initially termed “terrorism” by the US, ending with the Comprehensive Peace Agreement, there has still been no tangible progress with truth and reconciliation and bringing the perpetrators of heinous crimes to justice. It will be keenly watched how the US under Biden deals with this issue in its overall engagement with Nepal. Therefore, the foremost question for the smaller South Asian countries like Nepal and Sri Lanka will be how far the new administration will be inclined to use human rights issues as pressure points to facilitate a final resolution of the conflict-era cases. Vice President Kamala Harris’s South Asian roots, her background as an attorney, impressive energy and passion for upholding human rights are also another facet of the new administration that will have a bearing on South Asia.

The US election was held against the background of a crisis with China and the strong emphasis on the Indo-Pacific, a concept that is only beginning to gain traction around the world. Every new American administration comes up with its own jargon in diplomacy to set a legacy. The Richard Nixon administration talked about “Ping Pong diplomacy”; Ronald Reagan spoke about “The Evil Empire” and “Star Wars”; President George W Bush highlighted the dangers of the “Axis of Evil”; and throughout the Barack Obama years, there was

³ Kylie Atwood and Nicole Gaouette, “How Biden plans to undo Trump’s ‘America First’ foreign policy and return US to world stage”, *CNN*, 31 October 2020. <https://edition.cnn.com/2020/10/31/politics/biden-foreign-policy-plans/index.html>.

the “Pivot to Asia”. All these jargons are used to suit the prevailing situation and context. One should not get too carried away with this nomenclature.⁴ It is not certain whether Biden will continue with the term ‘Indo-Pacific’, even if, in essence, his Asia policy may remain the same. As stated by Aparupa Bhattacharjee,

“Similar to the [old] concept of the Asia-Pacific, the major push for the Indo-Pacific came from the US. The reason for the shift is twofold. The first reason is Chinese expansion from the western Pacific to the Indian Ocean for political and economic activities. Secondly, the US realised India’s role as the ‘net security provider’. Thus, it was imperative to incorporate New Delhi into this larger region-wide security architecture encompassing the two major oceans.”⁵

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Navigating India and China

This had a direct impact on the foreign policy approaches of the South Asian countries, in particular Nepal, which is part of the Belt and Road Initiative (BRI), the founder of the Asian Infrastructure Investment Bank and whose ruling communist party has party-to-party ties with the Communist Party of China. Chinese railways, already operational from Golmud to Lhasa and Shigatse, are being extended to the Nepal border at Syafrubesi. “India has paid the price in allowing China to step in the vacuum created in the turf left by India.”⁶ Whereas the other South Asian countries are enthusiastic about their involvement in the BRI, “India has clearly interpreted the BRI as unacceptable Chinese expansionism.”⁷

Potential major power rivalry between the US and China in South Asia will not only put Beijing and Washington on a collision course

4 Pranaya SJB Rana, “Nishchal Nath Pandey: We agree in private but we disagree in public”, *The Kathmandu Post*, 4 January 2020. <https://kathmandupost.com/brunch-with-the-post/2020/01/04/nishchal-nath-pandey-we-agree-in-private-but-we-disagree-in-public>.

5 Aparupa Bhattacharjee, “Indo-Pacific: The Shifting Rhetoric: An Indian Perspective”, *Security and Economic Challenges in the Indo-Pacific* (COSATT and KAS, 2020), p. 169.

6 Alok Kumar Gupta and Vandana Mishra, “Changing Political Matrix in Nepal: India’s Search for Continuity amidst Change”, in Sudhir Singh (edited), *India’s Foreign Policy Modi 2.0* (Pentagon Press New Delhi, 2020), p. 25.

7 Ashok Malik, “India, China and the BRI”, in Harsh V Pant (edited), *China Ascendant: Its Rise and Implications* (New Delhi: Observer Researcher Foundation, 2019), p. 65.

While there is no doubt that China will be the biggest foreign policy challenge for Biden, it will be interesting to see what policy the new democratic leadership will pursue to balance China in the region.

but will also force India to assert its traditional sphere of influence in its backyard, impacting Nepal, Bhutan, Bangladesh, Sri Lanka and the Maldives. It has been seen that although American diplomats deny seeing the region from India's perspective, they closely coordinate and collaborate in their respective policies towards the smaller South Asian countries. While there is no doubt that China will be the biggest foreign policy challenge for Biden, it will be interesting to see what policy the new democratic leadership will pursue to balance China in the region. The Biden administration may try to engage with China through competition or cooperation or both, but how it goes about balancing China with India as both countries become aggressive in dominating South Asia remains a particular concern.

It needs to be underscored that there is no greater challenge to Nepal's foreign policy as when India and China, its two neighbours, are embroiled in a border conflict. Since May 2020, Chinese and Indian troops have been engaged in aggressive outrage, face-offs and skirmishes at locations along the Sino-Indian border, including near the disputed Pangong Lake in Ladakh and near the border between Sikkim and the Tibet Autonomous Region. According to Indian sources, on 15 June 2020, the skirmish resulted in the deaths of 20 Indian soldiers. Nepal has recently changed its official map to include Kalapani, Lipulekh and Limpiyadhura as parts of its territory, a move that India calls "untenable".⁸ This official map is inside the national coat of arms and is part of the Constitution of Nepal, which will make it difficult for officials of the two countries to find a settlement through bilateral negotiations. Tri-junction areas are always ultra-sensitive in strategic terms, and the Indian Chief of Army, General M M Naravane, even called Nepal's move an "act at the behest of someone else".⁹

The emergence of the Indo-Pacific in the list of US strategic priorities has not only compelled South Asia to take such cartographic changes more seriously but also made South Asians anxious of having to

⁸ Rezaul H Laskar, "Nepal okays map tweak, India calls it 'untenable'", *Hindustan Times*, 14 June 2020. <https://www.hindustantimes.com/india-news/nepal-okays-map-tweak-india-calls-it-untenable/story-VnVPb8CSvGpJHyTo0ykrK.html>.

⁹ "Nepal protesting India's roadwork at someone else's behest: Army chief", *Mint*, 15 May 2020. <https://www.livemint.com/news/india/nepal-protesting-india-s-roadwork-at-someone-else-s-behest-army-chief-1158955442143.html>.

choose sides between India and the US on the one hand, and China on the other. As America's Indo-Pacific policy unfolds, countries in the region such as India, Sri Lanka, the Maldives and Nepal are viewed as crucial partners in fulfilling its ambitions. Obviously, Beijing will assert its economic and political muscle and exploit anti-Indian feelings, which are prevalent in a region that has a history of Indian diplomatic missteps, although China cannot match the religious, cultural, linguistic and matrimonial ties that these countries share with India.

Fostering US-Nepal Ties

Military to military ties between the US and Nepal go back several decades, and senior officers of the Nepal Army have benefitted from exercises, joint trainings, orientations and education in staff colleges and the National Defense University in the US. The annual civil-military disaster preparedness and response initiative is co-hosted by the Nepali Army, Ministry of Home Affairs and the US Indo-Pacific Command (USINDOPACOM), which is a multinational, multilateral joint-exercise consisting of subject matter expert exchanges, table top evaluations, functional exercises and an after-action overview. As Nepal is in an earthquake zone, similar jolts like the deadly earthquake that struck the country in 2015 cannot be ruled out in the future. Preventative measures, with emphasis on preparedness, rescue, relief, effective management and collaboration, can minimise the damage, and this is where assistance from the US military has been forthcoming, not only to the Nepal Army but also to other security organs such as the Armed Police Force and the Nepal Police.

Military to military ties between the US and Nepal go back several decades, and senior officers of the Nepal Army have benefitted from exercises, joint trainings, orientations and education in staff colleges and the National Defense University in the US.

In January 2019, Admiral Philip S Davidson, USINDOPACOM's Commander, arrived in Kathmandu on a special plane in a rare visit to meet the senior political leadership and top army generals. A year earlier, in December 2018, US Secretary of State Michael R Pompeo met with Foreign Minister Pradeep Gyawali and highlighted the enduring strength of the US-Nepal partnership and the close people-to-people ties that form the foundation of the relationship. The two

discussed Nepal's central role in a free, open and prosperous Indo-Pacific; and global issues, including North Korea.¹⁰

However, the ruling Nepal Communist Party has been at loggerheads on whether or not to accept this grant with even its senior leaders divided on the pros and cons of this assistance.

One of the critical issues encasing US-Nepal relations in the last two years has been the fate of the US\$500 million (S\$669 million) Millennium Challenge Corporation Compact (MCC) grant that the US has earmarked for Nepal, wherein the Nepalese side would also chip in US\$130 million (S\$174 million). It is the biggest grant programme approved by the US for Nepal. In fact, Nepal was the first country in South Asia to qualify for the compact after it met 16 out of the 20 policy indicators. As per the deal, the funds will be spent on setting up a 400-kilovolt transmission line running 400 kilometres on the Lapsiphedhi-Galchhi-Damauli-Sunawal power corridor. The funds will also be used to set up three substations en route to infrastructure that will connect to the cross-border transmission line with India in Rupandehi district. Some US\$130 million (S\$174 million) under the MCC will go towards the maintenance of around 300 kilometres of roads on the East-West Highway. However, the ruling Nepal Communist Party has been at loggerheads on whether or not to accept this grant with even its senior leaders divided on the pros and cons of this assistance. Critics of the MCC inside the party, who include former Defence Minister Bhim Rawal and Chief Whip of the Party in parliament Dev Gurung, opine that it is part of the Indo-Pacific strategy (read anti-China conspiracy) and hence must not be ratified by the Nepalese parliament.¹¹ The repeated failure to ratify the agreement has put the entire MCC in limbo by generating controversy at the level of the common man and affecting US-Nepal relations.

Conclusion

Due to the COVID-19 pandemic, the Nepalese economy has been hit hard – tourism is almost zero, surface transportation and flights have been disrupted, sports events are not taking place, people are stuck

10 "Secretary Pompeo's Meeting with Foreign Minister Pradeep Gyawali of Nepal", US Department of State, 18 December 2020. <https://www.state.gov/secretary-pompeos-meeting-with-foreign-minister-pradeep-gyawali-of-nepal/>.

11 Prithvi Man Shrestha, "Despite controversy, projects under MCC included in annual list of programmes", *The Kathmandu Post*, 17 May 2020. <https://kathmandupost.com/national/2020/05/17/despite-controversy-projects-under-mcc-included-in-annual-list-of-programmes>.

at home and businesses are closed. Slowly, there could be a mental health crisis too. There is excess liquidity in the Nepalese banks, which has already brought down their annual profits. However, these are not cases unique to Nepal. The most direct impact has been on the employment scenario, as Nepalese labour destinations of the Gulf, Malaysia and South Korea are also in an economic slump and may not be hiring new workers. This could induce a fall in remittances, which contribute about 26 per cent of the country's gross domestic product. It is in this context that domestic political wrangling inside the country and the pulls and pressures emanating from the two powerful neighbours need to be gauged and analysed. The visits of Naravane and Chinese Defense Minister General Wei Fenghe, who is also a State Councilor, in November 2020 are aimed at ensuring that Nepal does not alter its neutral policy in a possible conflict situation across the Himalayas. How soon Sino-Indian ties, currently under a quagmire of mistrust, get mended has a bearing on the overall geo-strategic environment of the region. "Coming days could worsen the contemporary global paradigm flux, turning our discussion on South Asia in the new world order into a disorder."¹²

Hans Morgenthau, one of the leading 20th century figures in the study of international relations, said, "The minimum requirement of nation states is to protect their physical, political and cultural identity against encroachments by other nation states."¹³ This is probably the reason Nepal established diplomatic relations with the US before it did with India and China. However, a deft balancing act and constant nurturing are necessary to make this partnership work to suit the challenges of the present time.

How soon Sino-Indian ties, currently under a quagmire of mistrust, get mended has a bearing on the overall geo-strategic environment of the region.

12 Shambhu Ram Simkhada, "South Asia in the New World Order", in *South Asia Amidst a New World Order* (COSATT and KAS, 2018), p. 26.

13 "National interests and democracy", *Dawn*, 25 January 2010, <https://www.dawn.com/news/846325/national-interests-and-diplomacy>.

US-Bangladesh Relations: Past, Present and Future

Farooq Sobhan

Summary

Bangladesh's diplomacy could determine whether the focus of relations in the future will be on areas of convergence or divergence.

In the past five decades, four issues have featured prominently in the relations between the United States (US) and Bangladesh. On the US side, the focus has been on security cooperation and, more recently, enlisting Bangladesh's support for the Indo-Pacific strategy and weaning it away from China's orbit of influence. On the Bangladesh side, the focus has been on gaining duty free access to the US market for its apparel exports, and now on securing American support on the Rohingya issue. These four issues are likely to dominate bilateral relations during the Joe Biden administration. Bangladesh is keen to attract more foreign direct investment (FDI) from the US and strengthen its bilateral cooperation but would also like to maintain its existing close relations with China. It would welcome working closely with the US in multilateral fora, in particular on environmental issues. In the past, issues relating to free and fair elections, human rights, freedom of the press and rule of law have been areas of disagreement between the two countries. Bangladesh's diplomacy could determine whether the focus of relations in the future will be on areas of convergence or divergence.

Introduction

Relations between the US and Bangladesh in the past five decades have experienced many ups and downs. In the early years, the support from the Richard Nixon administration to Pakistan during Bangladesh's Liberation War in 1971 had cast a shadow over the relationship. The feeling of animosity towards the US was further accentuated by Henry Kissinger's oft quoted reference to Bangladesh as a "basket case".¹ The meeting between Bangabandhu Sheikh Mujibur Rahman

¹ Saleemul Huq and James Totton, "Basket Case No More? Bangladesh's Successes Portend Resilience in Face of Change", *New Security Beat*, 17 February 2014. www.newsecuritybeat.org/2014/02/basket-case-more-bangladeshs-development-successes-portend-resilience-face-change.

and President Gerald Ford in Washington in 1974 opened the way to a more cordial relationship.² The period from the assassination of Sheikh Mujibur in August 1975³ until the visit of President Bill Clinton to Dhaka in March 2000⁴ was a time when Bangladesh, for the most part, was not on the US' radar screen. Perhaps the most noteworthy event during this phase was the Microcredit Summit held in Washington in February 1997,⁵ which was co-chaired by Prime Minister Sheikh Hasina and First Lady Hillary Clinton. During the visit, Hasina met the Clintons at the White House, and the meeting paved the way for the US president's visit to Dhaka in March 2000.

The US: The Single Biggest Apparel Market for Bangladesh

On 18 May 2000, the Trade and Development Act⁶ was signed into law by Clinton. This trade act provided duty-free and quota-free access to a select group of countries from Africa for their apparel exports to the US. By then, the US had become the single biggest market for Bangladesh's apparel exports which accounted for over 75 per cent of Bangladesh's exports worldwide and 95 per cent of Bangladesh's exports to the US.

The Act set in motion a major effort on the part of Bangladesh to secure quota-free and duty-free access for its apparel exports to the US. Although the lobbying efforts for duty-free and quota-free access to the US market during the two terms of George W Bush were unsuccessful, there was nonetheless a significant increase in apparel exports. By the end of 2008, apparel exports had reached

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2 Foreign Relations of the United States, 1969–1976, Volume E–8, Documents on South Asia, 1973–1976, US Department of State. <https://history.state.gov/historicaldocuments/frus1969-76ve08/d37>.

3 Lawrence Lifschultz, "August 15, 1975: A long road in search of the truth", *Dhaka Tribune*, 15 August 2020. <https://www.dhakatribune.com/bangladesh/2020/08/15/a-long-road-in-search-of-the-truth-august-15-1975-2-2>.

4 "President Clinton arrives in Bangladesh for historic visit", *CNN*, 20 March 2000. <https://edition.cnn.com/2000/ASIANOW/south/03/20/clinton.bangladesh/index.html>.

5 "Remarks by the First Lady at the Microcredit Summit", The White House, 19 September 1997. https://clintonwhitehouse4.archives.gov/textonly/WH/EOP/First_Lady/html/generalspeeches/1997/19970919-16145.html.

6 The Trade And Development Act Of 2000, The White House, 18 May 2000. https://clintonwhitehouse4.archives.gov/textonly/WH/New/html/20000531_10.html.

US\$3.6 billion (S\$4.8 billion).⁷ In the meantime, Bangladesh had begun to attract attention in the US due to a spate of terror attacks between 2003 and 2006.⁸ This resulted in counter-terrorism and the tackling of extremist groups being placed at the top of the US agenda in Bangladesh.

Security Cooperation

These dialogues have added a new dimension to the bilateral relations and created a better understanding on a wide range of issues.

During the Barack Obama years, counter-terrorism and preventing and countering violent extremism remained at the top of the US agenda in its relations with Bangladesh. When Secretary of State Hillary Clinton visited Bangladesh on 5 May 2012, an agreement was signed by senior officials of the two countries to hold periodic dialogues on diverse subjects, ranging from defence and security cooperation to economic and trade cooperation. During the past eight years, as many as 24 such dialogues or meetings have taken place. These dialogues have added a new dimension to the bilateral relations and created a better understanding on a wide range of issues.

Three Key Events

During the period 2013-16, three events had a major impact on US-Bangladesh relations.

The first event was the Rana Plaza tragedy on 24 April 2013 which resulted in the death of over 1,100 persons, mainly garment workers.⁹ The tragedy led to extensive adverse publicity for Bangladesh in American media. The issues of labour rights and safety in factories were highlighted. The Rana Plaza tragedy eventually led to the cancellation of trade concessions extended to select export products from Bangladesh under the Generalized System of Preferences (GSP), whereby a few export items received duty-free access to the US

7 Bangladesh Trade Summary 2008, World Integrated Trade Solutions. <https://wits.worldbank.org/CountryProfile/en/Country/BGD/Year/2008/Summarytext#:~:text=TRADE%20SUMMARY%20FOR%20BANGLADESH%202008&text=The%20total%20value%20of%20exports,were%20imported%20from%20196%20countries>.

8 Hiranmay Karlekar, "The Terrorism that Stalks Bangladesh, Global Asia", *Global Asia*, Vol. 3, No. 1, March 2008. www.globalasia.org/v3no1/cover/the-terrorism-that-stalks-bangladesh_hiranmay-karlekar.

9 "The Rana Plaza Accident and its aftermath", International Labour Organization. www.ilo.org/global/topics/geip/WCMS_614394/lang--en/index.htm.

market. It also resulted in the establishment in December 2013 of the Alliance for Bangladesh Worker Safety, a grouping of 29 major companies in the US, for the main part buyers or importers of apparel and 714 apparel manufacturing companies in Bangladesh. The Alliance undertook a programme to improve safety and working conditions in the factories. The five-year programme ended on 31 December 2018 and resulted in significant improvements in the 714 factories.¹⁰

The second major event was the terror attack on the Holey Artisan Bakery restaurant in Gulshan, Dhaka, on 1 July 2016. The terror attack was staged by a group of Bangladeshi extremists which claimed affiliation with the Islamic State of Iraq and Syria (ISIS). The Bangladesh government rejected the claim that the group was linked to ISIS. According to the government, the attack was carried out by a local terrorist group, Neo-Jamaatul Mujahideen Bangladesh. The attack resulted in the deaths of 22 civilians, two policemen and five terrorists.¹¹ In the aftermath of the terror attack, the existing security cooperation between the US and Bangladesh was further strengthened, and this remains an area of high priority for both countries in their bilateral relations.

The third event was the military crackdown by the Myanmar army during the last week of August 2017, which resulted in the massacre of thousands of Rohingyas in the Rakhine province, while some 800,000 were forced to seek refuge in Bangladesh. In addition to the Rohingyas who had earlier fled Myanmar, the total number of displaced Rohingyas in Bangladesh today is approximately 1.2 million. The Rohingyas have been living for the past three years in makeshift camps in the border district of Cox's Bazar. The Rohingya issue has been given the highest priority by the Bangladesh government. Mobilising international support for the safe repatriation of the Rohingyas, holding Myanmar accountable for committing genocide, mobilising humanitarian assistance amounting to one billion dollars a year for the Rohingyas and dealing with a host of security related

In the aftermath of the terror attack, the existing security cooperation between the US and Bangladesh was further strengthened, and this remains an area of high priority for both countries in their bilateral relations.

10 Hasnat M Alamgir, "Empowering the garment workers: Impact of Alliance in Bangladesh", *The Financial Express*, 27 August 2020. <https://www.thefinancialexpress.com.bd/views/empowering-the-garment-workers-impact-of-alliance-in-bangladesh-1598543359>.

11 "Holey Artisan cafe: Bangladesh Islamists sentenced to death for 2016 attack", *BBC News*, 27 November 2019. www.bbc.com/news/world-asia-50570243.

problems in the camps are just some of the problems that currently preoccupy the Bangladesh government.

The US has been at the forefront in extending support to Bangladesh on the Rohingya issue. It has provided US\$1.2 billion (S\$1.6 billion) in assistance for the Rohingyas during the past three years. This includes a commitment of US\$200 million (S\$268.4 million)¹² at the conference on the Rohingyas held at the United Nations (UN) in New York on 22 October 2020.

Recent US Engagement with Bangladesh

As these visits by senior American officials were underway, the US' priority around the Indo-Pacific strategy had already begun to evolve.

Following the assumption of office by President Donald Trump in January 2017, the US has continued to view Bangladesh as an increasingly important partner in the South Asian region. In 2017, two US acting assistant secretaries of state visited Dhaka while Bangladesh's foreign secretary also visited Washington DC in 2017 for meetings with US State Department officials.¹³ In March 2018, Lisa Curtis, Trump's Deputy National Secretary Advisor for South Asia, visited Bangladesh and held meetings with both the foreign minister and foreign secretary. She also visited the Rohingya camps in Cox's Bazar and reiterated the US' commitment to continue to support Bangladesh in resolving the Rohingya crisis.¹⁴ Curtis' visit was followed by that of the US Agency for International Development Chief, Mark Green, to Bangladesh where he announced US\$44 million (S\$59.06 million) aid for the Rohingyas in these camps.¹⁵ As these visits by senior American officials were underway, the US' priority around the Indo-Pacific strategy had already begun to evolve.

12 "U.S. Announces Humanitarian Assistance at the International Conference on Sustaining Support for the Rohingya Refugee Response", US Department of State, 22 October 2020. <https://www.state.gov/u-s-announces-humanitarian-assistance-at-the-international-conference-on-sustaining-support-for-the-rohingya-refugee-response/#:~:text=The%20United%20States%20announced%20nearly,including%20those%20who%20fled%20ethnic>.

13 "Bangladesh and Bangladesh-US Relations", Congressional Research Service, 17 October 2017. <https://crsreports.congress.gov/product/pdf/R/R44094/6>.

14 Abdul Aziz, "Lisa Curtis: US will work towards the safe return of Rohingya", *Dhaka Tribune*, 3 March 2018. <https://www.dhakatribune.com/bangladesh/2018/03/03/us-will-work-towards-safe-return-rohingya>.

15 "Other countries need to step up for Rohingyas: Mark Green", *The Independent*, 16 May 2018. <http://m.theindependentbd.com/printversion/details/150135>.

In July 2018, Bangladesh's Foreign Minister, Mahmood Ali, visited Washington DC to attend a conference on Advancing Religious Freedom, and held meetings with Sam Brownback, Ambassador for Religious Freedom, and US Deputy Secretary of State John Sullivan. Both officials expressed their appreciation to Ali for Bangladesh's humanitarian role in providing refuge to the displaced Rohingyas.¹⁶

The issue of the repatriation of the Rohingyas in Bangladesh to Myanmar featured prominently in the meeting between Foreign Minister A K Abdul Momen and US Secretary of State Mike Pompeo on 8 April 2019 at the State Department. Pompeo assured Momen that the US would stand beside Bangladesh both politically and financially in finding a permanent solution to the Rohingya problem.¹⁷

Former US Defense Secretary Mark Esper's phone call to Hasina on 11 September 2020,¹⁸ the briefing of the Bangladesh media on the Indo-Pacific strategy by Deputy Assistant Secretary Laura Stone on 15 September 2020,¹⁹ the Partnership Dialogue between the Advisor for Private Industry and Investment to the Bangladeshi Prime Minister, Salman Rahman, and US Under Secretary of State for Economic Growth, Energy and the Environment, Keith Krach, on 30 September 2020,²⁰ and finally, Deputy Secretary of State Stephen Biegun's visit to Dhaka on 14 and 15 October 2020²¹ can collectively be described as a five-week period of unprecedented engagement between the US and Bangladesh. What was the common thread linking these four initiatives on the US side? The answer can be summed up in one

Pompeo assured Momen that the US would stand beside Bangladesh both politically and financially in finding a permanent solution to the Rohingya problem.

16 "Govt committed to promoting religious freedom: Mahmood Ali", *The Daily Star*, 26 July 2018. <https://www.thedailystar.net/world/south-asia/bangladesh/bangladesh-committed-promoting-religious-freedom-fm-mahmood-ali-1611376>.

17 "Pompeo meets Foreign Minister Momen, discusses Rohingya issue", *Dhaka Tribune*, 9 April 2019. <https://www.dhakatribune.com/bangladesh/foreign-affairs/2019/04/09/pompeo-meets-foreign-minister-abdul-momen-in-washington>.

18 Humayun Kabir Bhuiyan, "US defence secretary calls PM, discusses military cooperation", *Dhaka Tribune*, 11 September 2020. <https://www.dhakatribune.com/bangladesh/foreign-affairs/2020/09/11/us-defence-secretary-calls-pm-discusses-military-cooperation>.

19 "Online Press Briefing with Deputy Assistant Secretary of State Laura Stone, SCA, and JoAnne Wagner, Deputy Chief of Mission", US Embassy in Bangladesh, 15 September 2020. <https://bd.usembassy.gov/online-press-briefing-with-deputy-assistant-secretary-of-state-laura-stone-sca-and-joanne-wagner-deputy-chief-of-mission-u-s-embassy-dhaka>.

20 "Outcome Document of the High Level Economic Partnership Consultation between Bangladesh and the United States", Ministry of Foreign Affairs Bangladesh, 5 October 2020. https://mofa.gov.bd/site/press_release/82da139c-ddb9-4634-a05f-7bb66c037b0c.

21 "Deputy Secretary of State Biegun's Visit to Bangladesh", US Embassy in Bangladesh, 16 October 2020. <https://bd.usembassy.gov/deputy-secretary-bieguns-visit-to-bangladesh>.

word: China. At one level, the US' initiatives can be viewed as a part of the sharp deterioration in Sino-US relations and the decision on the part of the US to mobilise support for the Indo-Pacific strategy to counter China. More specifically, the US, perhaps at the request of India, felt that a special effort was required to enlist the support and active involvement of Bangladesh in the Indo-Pacific strategy and, at the same time, persuade the Bangladesh government not to get too close to China.

*Bangladesh's
geo-strategic
importance made
it a key player in
the evolving Cold
War in South Asia.*

The sharp deterioration in Sino-Indian relations in May and June 2020,²² following the border clashes, perhaps prompted the US to view Bangladesh, and in particular its relations with China, with a certain degree of concern. It was felt that there was a need to ensure that Bangladesh did not grow too close to China in the way that Nepal had done. Bangladesh's geo-strategic importance made it a key player in the evolving Cold War in South Asia. One obvious way of wooing Bangladesh was to intensify high-level interaction between the US and Bangladesh. The second was to try and get Bangladesh to become an active participant in the Indo-Pacific strategy. The third approach was to widen and deepen economic, trade and investment cooperation. The fourth was to try and expand the defence cooperation between the two countries. The fifth possible objective was to bolster support in the region for India against China. In addition to Biegun's visit to Bangladesh later in October 2020, Pompeo, following his visit to India, visited Sri Lanka and the Maldives in the same month. In previous years, such hyper-activity in the region on the part of the US may have been viewed with a certain degree of concern, but the sequence of the visits suggested that the US and India were working in close coordination, unlike, for example, in the case of the election in Bangladesh in January 2014.

Following the meeting with Biegun, Momen said, "[T]he good news is that Bangladesh is getting more attention due to [our] economic growth, stability and geo-political location. We'll have more solid

22 Ankit Panda, "The Origins of Today's Sino-India Tensions", *The Diplomat*, 24 June 2020. www.thediplomat.com/2020/06/the-origins-of-todays-sino-india-tensions/.

relations achieving more goals.”²³ Biegun, on the other hand, said, “[W]e’re committed to growing our partnership in this regard to advance a free and open Indo-Pacific. Bangladesh will be a centerpiece of our work in the region.”²⁴ In September 2020, when Momen was asked to comment on the Indo-Pacific strategy, he said, “[W]e’re sure we’ll be effectively engaged in any future Indo-Pacific alliance if it’s found to be purely economic in nature.”²⁵ The essence of the message conveyed to the US by the Bangladesh side was that the latter wanted good relations with both the US and India but, at the same time, wanted to maintain its ongoing cooperation in diverse fields with China. Bangladesh did not want to get involved in the growing confrontation between the US and China and would support the economic and business aspects of the Indo-Pacific strategy, as distinct from the defence-related aspects of the Indo-Pacific strategy. In fact, in a speech at a conference in Dalian in 2019, Hasina elucidated her thoughts through a five-point proposal where she stated, “[A]ny initiative in the Indo-Pacific should include creation of an environment of peace-harmony-stability of all countries; focusing on entire aspects of sustainable development; engaging countries based on mutual trust and mutual respect for mutual benefit; focusing on wealth creation for all, development must be inclusive; and creating fair competition not rivalries.”²⁶

The essence of the message conveyed to the US by the Bangladesh side was that the latter wanted good relations with both the US and India but, at the same time, wanted to maintain its ongoing cooperation in diverse fields with China.

Relations between the US and Bangladesh during the four years of the Trump administration can best be described as friendly and cordial. The focus on the Bangladesh side was to seek American support for the Rohingya issue as well as on trade and investment issues. The focus on the US side was on the Indo-Pacific strategy, security and defence cooperation, and at the tail end of the administration, it zeroed in on US’ efforts to wean Bangladesh away from China. For

23 “FM: Bangladesh’s growth, geopolitical position drawing global attention”, *Dhaka Tribune*, 15 October 2020. <https://www.dhakatribune.com/bangladesh/foreign-affairs/2020/10/15/fm-bangladesh-s-growth-geopolitical-position-drawing-global-attention>.

24 “Biegun: Bangladesh will be centrepiece of US work in the region”, *Dhaka Tribune*, 16 October 2020. <https://www.dhakatribune.com/bangladesh/2020/10/16/biegun-bangladesh-will-be-a-centrepiece-of-us-work-in-the-region>.

25 “US ‘excited to work’ with Bangladesh under IPS”, *Prothom Alo*, 15 September 2020. <https://en.prothomalo.com/bangladesh/us-excited-to-work-with-bangladesh-under-ips>.

26 “PM places 5-point proposal to make Indo-Pacific initiative successful”, *Prothom Alo*, 2 July 2019. <https://en.prothomalo.com/bangladesh/news/198314/PM-places-5-point-proposal-to-make-Indo-Pacific>.

instance, in early November 2020, the US and Bangladesh navies undertook a joint naval exercise in the Bay of Bengal. The US navy stated that such an exercise was a “continuing commitment to work with the Bangladesh military to address shared maritime security concerns in the region and strengthen partnerships to ensure a free and open Indo-Pacific region.”²⁷ While such exercises may bear more significance now due to the US placing a high priority on the Indo-Pacific strategy, the fact remains that such exercises have been a regular part of US-Bangladesh military cooperation for many years.

During the Obama years, the issue of free and fair elections, human rights, freedom of the press, labour rights and various other governance-related issues could be described as irritants in the bilateral relationship.

For the most part, this was a relationship of low priority for the US and was conducted at the level of senior officials. During the Obama years, the issue of free and fair elections, human rights, freedom of the press, labour rights and various other governance-related issues could be described as irritants in the bilateral relationship. These issues, although not entirely forgotten during the four years of the Trump administration, did not receive the degree of attention that they had received during the eight years of the Obama administration. It was only in October 2020 that the issue of violation of human rights by the Rapid Action Battalion (RAB) surfaced in the shape of a draft bipartisan resolution in the US Senate.²⁸

US-Bangladesh Relations: Opportunities and Challenges

There has been a great deal of speculation in the Bangladesh media as well as talk shows on television and in Zoom meetings about US-Bangladesh relations in the wake of the recent presidential election and Joe Biden as the 46th US president.

What are Bangladesh’s expectations during the next four years? First and foremost, Bangladesh would like to further strengthen and widen its cooperation with the US and continue the high-level interaction of the past two months. It would like to see the Biden

27 “Bangladesh and US navies conduct a naval exercise in the Bay of Bengal”, *Naval Recognition*, 9 November 2020. www.navyrecognition.com/index.php/news/defence-news/2020/november/9249-bangladesh-and-us-navies-conduct-a-naval-exercise-in-the-bay-of-bengal.html.

28 “Extrajudicial Killings: 10 US senators for sanctions on Rab high-ups”, *The Daily Star*, 29 October 2020. <https://www.thedailystar.net/frontpage/news/extrajudicial-killings-10-us-senators-sanctions-rab-high-ups-1985817>.

administration continue the strong support extended by the current administration on the Rohingya issue. It would like to continue the ongoing strategic dialogues as well as the training programmes for the armed forces. However, for the present, it appears unlikely that the Bangladesh government will sign any defence-related agreements such as the General Security of Military Information Agreement and the Acquisition Cross-Servicing Agreement,²⁹ which the US would like to conclude with it.

On the geopolitical front, Bangladesh will seek to continue its present policy of “Friendship with all, malice to none”.³⁰ In other words, it will seek to maintain close relations with India, Japan and the US on the one hand and with China on the other. It will support the Belt and Road Initiative as well as the Indo-Pacific strategy. Much, of course, will depend on the shape and direction of Sino-US relations, Indo-US relations and also Sino-Indian relations once Biden is sworn in. In the event that both relations between China and India and between the US and China remain strained, there is every likelihood that the pressure on Bangladesh to side with the US and India, as well as their partners in the Quad – Japan and Australia – will increase.

Much, of course, will depend on the shape and direction of Sino-US relations, Indo-US relations and also Sino-Indian relations once Biden is sworn in.

For Bangladesh, a big challenge will be the growth and expansion of its exports to the US. Apparel exports to the US in 2019 were US\$5.93 billion (S\$7.96 billion).³¹ This constituted a growth of 9.83 per cent compared to 2018 when apparel exports to the US were US\$5.40 billion (S\$7.25 billion).³² The exports in the first 10 months of 2020 were US\$4.14 billion (S\$5.56 billion). In 2019, the exports in the first 10 months were US\$4.96 billion (S\$6.66 billion). This constituted a decline of 16.54 per cent.³³ Given the economic recession in the US, the prospects for 2021 are not very encouraging. Bangladesh will have to become much more competitive in the US market. It will have to intensify its lobbying efforts to get the GSP restored and, at

29 “US, Bangladesh in talks on twin deals”, *New Age Bangladesh*, 18 October 2019. <https://www.newagebd.net/article/88006/us-bangladesh-in-talks-on-twin-deals>.

30 Harun Ur Rashid, “Bangabandhu’s foreign policy still relevant to resolve crises”, *The Independent*, 19 March 2020. <http://m.theindependentbd.com/printversion/details/241498>.

31 “Apparel export to US jumps 10%”, *The Business Standard*, 19 February 2020. <https://tbsnews.net/economy/apparel-export-us-jumps-10-46033>.

32 Ibid.

33 Bangladesh RMG Exports to US 2019-2020, Export Promotion Bureau, Bangladesh, October 2020.

the same time, continue its efforts to get zero tariff access to the US market or, at the very least, some reduction in the present tariff rates. Bangladesh will also have to give special attention to diversifying its exports to the US. There are strong indications that over the next four years, the US can become an important market for Bangladesh's pharmaceutical products. Some experts in Bangladesh believe that negotiating a free trade agreement with the US should be given the highest priority and this is the only way that Bangladesh can expand its exports to the US.

The US has been a major investor in Bangladesh, particularly in the oil, gas and energy sector. Bangladesh can be expected to make every effort to attract FDI from the US in the next few years. It is keen to attract some of the US companies that are either planning to or are in the process of relocating out of China. In the discussions between Rahman and Krach, the subject of US investment in Bangladesh was discussed in detail.³⁴ Attracting FDI from the US will be given very high priority by Bangladesh.

Bangladesh would both welcome and encourage Biden and his administration to restore confidence in the global multilateral system which had been systematically undermined by the Trump administration.

Bangladesh would both welcome and encourage Biden and his administration to restore confidence in the global multilateral system which had been systematically undermined by the Trump administration. It would like the US to extend its support to the UN and UN peacekeeping operations. It would like the US to take the lead on climate change and in protecting the environment, as well as on promoting food, water and health security, all of which were priority issues under Obama's two terms in office. Bangladesh would welcome the US assuming a leadership role in a multilateral initiative to make the COVID-19 vaccine available free of cost or at a highly subsidised rate to all developing countries.

Some of the potential areas of tension between the Biden administration and the Hasina government could be on issues such as human rights, freedom of the press, free and fair elections, human trafficking, treatment of minorities, labour rights and some of the

³⁴ "Outcome Document of the High Level Economic Partnership Consultation between Bangladesh and the United States", Ministry of Foreign Affairs Bangladesh. 5 October 2020. https://mofa.gov.bd/site/press_release/82da139c-ddb9-4634-a05f-7bb66c037b0c.

actions of the police and RAB. It is too early to say the degree of importance these issues will be given by the Biden administration and whether it would prefer to focus on areas of convergence or on areas of divergence.

In the aftermath of the COVID-19 pandemic and the four years of the Trump administration, it can be expected that most countries in the world, big and small, developed and developing, will try and reach out to the new administration in Washington. Biden and his team will perforce have to invest a large amount of their time and energy in dealing with domestic issues, in particular, the pandemic, the economy and trying to heal the wounds of a divided nation. As such, much will depend on Bangladesh's ability to establish a good working relationship with Biden and the new administration, as well as with the US Congress. It will soon be 21 years since a US president visited Bangladesh and 24 years since Hasina met with the Clintons in the White House. There can perhaps be no better way for the bilateral relationship to be elevated to a higher level than through a summit-level meeting in either Washington or Dhaka. However, for a summit meeting to take place, Bangladesh will have to press many buttons, leverage its growing diaspora, enlist the support of the private sector and civil society at home and do its best to enhance the image of the country abroad. Bangladesh has earned a lot of kudos for its economic performance and its social indicators. It needs to leverage these through a highly proactive diplomacy, both at home and abroad, based on a demonstrable commitment to the rule of law and good governance.

Biden and his team will perforce have to invest a large amount of their time and energy in dealing with domestic issues, in particular, the pandemic, the economy and trying to heal the wounds of a divided nation.

America and China Dock in Sri Lanka

Asanga Abeyagoonasekera

Summary

A week before the United States (US) presidential election, US Secretary of State Mike Pompeo arrived in Sri Lanka to meet with President Gotabaya Rajapaksa. Pompeo then told Gotabaya that “[t]he United States wishes to see the Indian Ocean remain a zone of peace.”¹ Sri Lanka’s role as an “Indian Ocean Zone for Peace” commenced during Prime Minister Sirimavo Bandaranaike’s non-aligned foreign policy vision in the 1970s. One of the significant areas where the littoral nation left a long-lasting imprint in international law was in its work on the United Nations Convention on the Law of the Sea (UNCLOS). Sri Lanka’s Foreign Minister Dinesh Gunawardena highlighted this singular achievement and Sri Lanka’s continuous commitment towards the norms and principles of the UNCLOS in his joint statement with Pompeo.

The island nation is sandwiched between China’s BRI and the US’ Indo-Pacific strategy.

Sri Lanka has been a strong strategic partner of China’s Belt and Road Initiative (BRI) since its inception. The sizeable volume of loans for infrastructure development projects has elevated and strengthened the Sino-Lanka relationship, especially with the Rajapaksas (Gotabaya and Mahinda) in power. The island nation is sandwiched between China’s BRI and the US’ Indo-Pacific strategy. Colombo has preferred to continuously hedge its position to satisfy both while rhetorically amplifying a “neutral” and “non-aligned” policy.

This paper discusses the security aspirations of the US and China in Sri Lanka and examines some pivotal security and foreign policy challenges for Gotabaya’s regime.

1 “No compromise on independence and sovereignty, President tells Pompeo”, *Daily FT*, 29 October 2020. <http://www.ft.lk/front-page/No-compromise-on-independence-and-sovereignty-President-tells-Pompeo/44-708220>.

Introduction: Security Aspirations of US and China in the Region

Before the contemporary revival of the term ‘Indo-Pacific’, which gained prevalence in geopolitical discourse after Japanese Prime Minister Shinzo Abe’s speech to the Indian Parliament in August 2007, German geopolitical thinker Karl Haushofer first defined the confluence of the two marine bodies in 1920 with the academic reference *Indopazifischer Raum* (Indo-Pacific Space).² With a rising China, American strategic planners over the next several years will not ignore the significance of the Indian Ocean and its littorals – Sri Lanka being a key geostrategic location in this equation.

The security aspirations of the US and China have grown in the Indian Ocean region. The US, with its Indo-Pacific, and China, with its BRI, are two strategies accepted by Sri Lanka. Recently, a heightened Cold War was visible between the US and Chinese diplomats in Colombo. The US warned of a binary choice³ in opting for a more democratic path over autocracy. The Chinese embassy swiftly responded, stating it was “...busy promoting China-Sri Lanka friendship and cooperation” and that it was “...not interested in [the US’] alien versus predator game invitation.” It added that the US “...can play two roles at the same time as always.”⁴ This Cold War will continue as the US-China tension in the global arena persists into the next US administration.

This Cold War will continue as the US-China tension in the global arena persists into the next US administration

Pompeo’s visit to Sri Lanka, the Maldives and India in late October 2020 could be understood in geopolitical terms, taking into consideration the priorities of the superpower. The consistent US strategic directive towards the Indo-Pacific and the regional power, India, will remain when the leadership changes from Donald Trump to Joe Biden. India is departing from its old ‘Indira Doctrine’, whose principles were not

² K E Haushofer, L A Tambs and E J Brehm, *An English translation and analysis of Major General Karl Ernst Haushofer’s Geopolitics of the Pacific Ocean: Studies on the relationship between Geography and History* (Lewiston, New York: Edwin Mellen Press, 2002).

³ Amanda Hodge, “Mike Pompeo tells Sri Lanka to spurn ‘predator’ China”, *The Australian*, 28 October 2020. <https://www.theaustralian.com.au/world/mike-pompeo-tells-sri-lanka-to-spurn-predator-china/news-story/22085a62c825f9aae8342577206c19ca>.

⁴ Rose Stephanie Justin, “US Offers Sri Lanka a Different Vision, Accuses China of Being a Predator”, *Zenger*, 30 October 2020. <https://www.zenger.news/2020/10/30/us-offers-sri-lanka-a-different-vision-accuses-china-of-being-a-predator/>.

to allow foreign powers within its vicinity, akin to the US' 'Monroe Doctrine'. Strong US-India bilateral collaborations from military to economic diplomacy will have a ripple effect on the foreign policy posture in the region. India's power vortex will further increase with the Quadrilateral partnership (Quad) and continuous US support, ending a relationship based on quid pro quo to one based on strategic partnership.

While the US focuses on strategic-level security collaboration with India and the Maldives, Beijing has identified a containment strategy to keep its footprint out of the region, including in Sri Lanka.

Indo-US strategic security ties have been strengthened with multiple military agreements such as the Basic Exchange of Communication Agreement (BECA), an important defence pact signed recently. This is in addition to two other previously signed security agreements: the Communications Compatibility and Security Agreement and Logistics Exchange Memorandum of Agreement. The BECA, a much-discussed agreement for several years due to India's sensitivity to geographical information, has also received impetus, perhaps being seen as a priority after the recent Indo-China face-off in the western Himalayas. The US also recently strengthened its defence ties with the Maldives by signing the Status of Forces Agreement (SOFA),⁵ which was concluded with the support of India. India, with its multiple defence agreements, has a strong strategic relationship with the US, unlike Sri Lanka, which has frozen several US agreements, including the SOFA. While the US focuses on strategic-level security collaboration with India and the Maldives, Beijing has identified a containment strategy to keep its footprint out of the region, including in Sri Lanka.

Bilateral Military Relations: The US and China in Sri Lanka

To complement the security aspirations of the US and China in Sri Lanka's waters, both nations have donated two patrol vessels. The US Navy donated former US Coast Guard high endurance cutters through the Excess Defense Articles Program⁶ while China gifted a 'P625' frigate, which is used for offshore patrol and anti-piracy combat operations in the Sri Lankan waters. Sri Lanka has benefitted

5 Devirupa Mitra, "Seven years On, India Now Backs a Defence Pact Between the US and Maldives", *The Wire*, 13 September 2020. <https://thewire.in/south-asia/seven-years-on-india-now-backs-a-defence-pact-between-the-us-and-maldives>.

6 "U.S Relations with Sri Lanka", United States Department of State, 27 July 2020. <https://www.state.gov/u-s-relations-with-sri-lanka/>.

from both the US and China to strengthen its navy. The burgeoning relations focus primarily on maritime cooperation to upkeep the larger strategies of the Indo-Pacific and the BRI. The strategic littoral has received many US Navy and People's Liberation Army Navy (PLA Navy) port calls and partnership assistance. The PLA Navy submarine visits to Colombo, however, became a security concern for New Delhi during the last stage of the Mahinda presidency in 2014. According to Brahma Chellaney, "Rajapaksa could have made serious miscalculations in challenging India's interests" by inviting Chinese submarines, threatening Indo-Lanka security relations despite India's National Security Adviser (NSA) Ajit Doval's warning to then-Sri Lankan Defence Secretary Gotabaya that any presence of a Chinese submarine in Sri Lanka would be unacceptable to India.⁷ Due to the strong Sino-Lanka strategic ties during the Rajapaksa regime, the warning from New Delhi was ignored. Another policy decision by President Maithripala Sirisena's regime – the handing over of the Hambantota port to China on a 99-year lease – became a security concern to India and the West, and their allies due to China's militarisation ambitions in the Indian Ocean.

Sri Lanka's Neutral Foreign Policy

Gotabaya has articulated a "neutral" and "non-aligned" foreign policy.⁸ Stemming from Jawaharlal Nehru and Bandaranaike's commitment to a policy of non-alignment during the Cold War, both India and Sri Lanka used this policy to stress the moral high ground of non-interference in their foreign policy imperatives.

Gotabaya has articulated a "neutral" and "non-aligned" foreign policy.

In recent foreign policy history, India and Sri Lanka, in their rhetorical acceptance and belief in non-alignment, have used the principles of Chanakya (King Ashoka's prime minister and strategist) to maximise their gains through cooperation with extra-regional powers. India's security relationship with the US and Sri Lanka's strategic partnership with China during Mahinda's presidency from 2005-15 (which is

7 Sachin Parashar, "Chinese submarine docking in Lanka 'inimical' to India's interests: Govt", *The Times of India*, 4 November 2014. <https://timesofindia.indiatimes.com/india/Chinese-submarine-docking-in-Lanka-inimical-to-Indias-interests-Govt/articleshow/45025487.cms>.

8 "Vistas of Prosperity and Splendour", <https://gota.lk/sri-lanka-podujana-peramuna-manifesto-english.pdf>.

continued by his brother, Gotabaya) are clear examples of a realist foreign policy at play, as opposed to a non-aligned or neutral policy. The Rajapaksa administrations have shown clear indications of a tilt towards China rather than the US. This is due to two factors: China's steady and large financial assistance and its assurance to support Sri Lanka at the United Nations Human Rights Council (UNHRC).

The new regime will be obliged to defend its neutral foreign policy and refrain from taking actions which will question or compromise its neutrality.

Three days before Pompeo's visit, Sri Lanka's Foreign Secretary, Admiral Jayanath Colombage, altered his foreign policy position from 'India first'⁹ to 'Sri Lanka first',¹⁰ while Gotabaya tweeted from his official Twitter account of his "neutral foreign policy"¹¹ position amidst the great power rivalry. Further, the foreign secretary reiterated that Sri Lanka was a "neutral" and "nonaligned" country. He said, "...we don't want to be caught up in this power game",¹² during the visit of a Chinese high-level delegation headed by Yang Jiechi weeks before Pompeo's visit. The statements revealed Sri Lanka's hedging strategy despite the rhetoric of neutrality and a non-aligned foreign policy. Hedging has worked well for Sri Lanka as a secondary strategy but it weakens the country's credibility by failing to articulate a clear foreign policy position or in gaining the trust for strong partnerships with the global powers. The new regime will be obliged to defend its neutral foreign policy and refrain from taking actions which will question or compromise its neutrality. Sri Lanka's commitment to its UNCLOS position on China in the South China Sea; the UNHRC co-sponsored resolution and the reconciliation process; the rule of law and democracy; its relationship with the state, minorities and the diaspora community; as well as its contribution to a rules-based order in the India Ocean are some pertinent commitments that it should engage in and voice in its foreign policy.

The Sri Lankan foreign policy establishment refers to the outdated non-aligned policy due to its success in steering the country away

9 Ada Derana, 20 August 2020. <https://www.youtube.com/watch?v=Solkn3D47co&t=1461s>.

10 Ada Derana, 25 October 2020. <https://www.youtube.com/watch?v=apUiG0mqr5M&t=494s>.

11 Gotabaya Rajapaksa, @GotabayaR, 28 October 2020. <https://twitter.com/gotabayar/status/1321367382376419328>.

12 Devirupa Mitra, "Sri Lanka Worried About Indian Ocean's Securitisation, Impact of Quad Military Alliance", *The Wire*, 30 October 2020. <https://thewire.in/diplomacy/sri-lanka-worried-about-indian-oceans-securitisation-impact-of-quad-military-alliance>.

from big power rivalry during the Cold War. This is expressed even by the present regime, although it has no clear point of trajectory for its foreign policy due to the actual practice of non-neutrality. Sri Lanka's neighbour, India, successfully managed to transition from the past non-aligned to a broad power realist¹³ vision to establish strong partnerships with external powers and accrue benefits for its economy. In the same manner, Sri Lanka needs to set its strategic outlook by maximising its options in the longer run by picking strong strategic relationships in the short term and expressing a clear realist foreign policy.

Sri Lanka's Commitment to a Rules-Based Order

A triangular power projection by China, the US and India is taking place in Sri Lanka's maritime domain. Sri Lanka should anchor itself to its past commitments of establishing a rules-based order in the Indian Ocean and beyond. Its earlier contribution at the UNCLOS and commitment to preserving the Law of the Sea is a strong step in the right direction to navigate its foreign policy. The *status quo ante* of a nation's foreign policy achievements cannot be easily discarded. Sri Lanka, which single-handedly formulated a piece of legislation advocating for the importance of a rules-based maritime order, cannot but support the existing norms of the UNCLOS.¹⁴ Engagement with the regional security architecture and voicing concerns along with the 21 members of the Indian Ocean Rim Association should be the highest priority. Sri Lankan policymakers often quote Singapore as a shining example of a country which keeps its commitments to the UNCLOS and its position on the South China Sea. Sri Lanka could take a page from that book. As explained by Singapore's former Foreign Minister George Yeo, "As a small country, Singapore is very reliant on multilateral institutions for its political and economic well-being."¹⁵ Singapore has adhered to the values of the UNCLOS by not taking

Sri Lanka should anchor itself to its past commitments of establishing a rules-based order in the Indian Ocean and beyond.

13 T C Schaffer and H B Schaffer, "India at the Global High Table: The Quest for Regional Primacy and Strategic Autonomy", Brookings Institution Press, 2016, p. 69.

14 Ambassador Shirley Amarasinghe took leadership of the 3rd UNCLOS, which gave birth to the present international codified law as the 'umbrella convention' in the world order of activities relating to the sea and maritime affairs in 1982, signed in Montego Bay.

15 "George Yeo: S'pore's 'Chinese-ness' promotes strong ties with China, but must set itself apart politically", *Mothership*, 30 October 2020. <https://mothership.sg/2020/10/george-yeo-singapore-china-30-years/>.

China's side while still managing its bilateral trade relationship with Beijing. It has further assisted China to transition and embrace an open economic policy. Singapore even managed to train its armed forces in Taiwan and sign trade agreements with the latter without upsetting its relations with China. Sri Lanka should emulate this role and proceed to work with both sides of the binary divide, but strongly articulate and protect its democratic liberal values and its contributions rather than passively freeze one agreement after another. The Sri Lanka-Singapore free trade agreement (FTA) was one such opportunity, which is now inactive, after having been unfortunately politicised by alt-right ultra-nationalists.¹⁶

Chinese Loans, Security Concerns and China Tilt

An economic crisis, years in the making due to Sri Lanka's high debt obligations, has crippled the country's economy. China has been at the nation's rescue with multiple loans, which are questioned due to their opaqueness. With a downgraded 2020 credit rating and reduction of tourist arrivals after the Easter Sunday bombing in 2019, followed by the COVID-19 pandemic, the island nation will be strained in fiscal debt management in the coming years. A further loan of US\$500 million (S\$670.8 million) was pledged and accepted after Yang visited Sri Lanka. There is a trend of departure from more structural loans, such as those from the International Monetary Fund, towards China, which narrows Sri Lanka's dealings with the West.

New Delhi's strategic autonomy and China's encroachment on its regional primacy are concerns for India.

Sri Lanka's limitation to practice a neutral foreign policy is due to its weak domestic economic position and its heavy dependence on China, which has raised concerns of "predatory loans" or a "debt trap". This further threatens the security of the regional power, India. New Delhi's strategic autonomy and China's encroachment on its regional primacy are concerns for India. The US sees India as a strong strategic and security partner in the Indo-Pacific. Further, as stated by Anja Manuel, "Only a strong confident India can take a more prominent diplomatic and, if necessary, military role in the world. A strong India can help moderate China's more extreme international behaviour, for

¹⁶ "COE unimpressed by Singapore FTA", *Daily FT*, 31 December 2018. <http://www.ft.lk/top-story/CoE-unimpressed-by-Singapore-FTA/26-669850>.

example, by pushing back on China's encroachment into the Indian Ocean."¹⁷

Indian scholar Srikanth Kondapalli describes this encroachment as "a large-scale encirclement design by Beijing, which is actively roping in Nepal and Sri Lanka, besides provoking Pakistan to open a second front against India."¹⁸ The failure of the Sri Lankan foreign policy apparatus to assess this external factor of China in South Asia will become a heightened security issue in Indo-Lanka relations. Accurately projected by India's former National Security Advisor, Shivshankar Menon, the Chinese willingness to be involved directly or indirectly in the internal politics of the South Asian countries is reflected in its clear expression of preference for one candidate in the Sri Lankan elections.¹⁹ By rhetorically being neutral in its foreign policy posture and allowing China to make inroads, Sri Lanka's relationship with India and the western countries will deteriorate. Already, the present government's tilt towards China, witnessed in political discussions between Sri Lanka's ruling party, Sri Lanka Podujana Peramuna, and the Communist Party of China;²⁰ a review of the India, Japan and Sri Lanka tri-party East Container Terminal; suspension of Japan's Light Rail project; and freezing of US Millennium Challenge Compact grant and the SOFA have raised serious concerns in western quarters.

By rhetorically being neutral in its foreign policy posture and allowing China to make inroads, Sri Lanka's relationship with India and the western countries will deteriorate.

The New US Regime – Sri Lanka's UNHRC Resolution

There are hopes that Biden will end tribalism and the US' isolationist position followed at multilateral forums and restore the US' liberal footprint around the world. There are discussions in political circles in Colombo of a possible revival of Sri Lanka's UNHRC pressure with the US co-sponsored resolution. Sri Lanka's withdrawal from the resolution by the Gotabaya regime will take a difficult turn under

17 Anja Manuel, *This Brave New World: India, China, and the United States* (New York: Simon and Schuster Publisher, 2016), p. 106.

18 Asanga Abeyagoonasekera, "Sri Lanka and the return of geopolitics in the Indo-Pacific", Observer Research Foundation, 17 October 2020. <https://www.orfonline.org/expert-speak/srilanka-return-geopolitics-indo-pacific/>.

19 "Changing Geopolitics of South Asia", Institute of South Asian Studies-NUS, 13 October 2020. <https://www.youtube.com/watch?v=I78RqPGz4w8>.

20 "Communist Party of China and SLPP hold virtual advanced seminar on governance", *Daily FT*, 6 November 2020. <http://www.ft.lk/news/Communist-Party-of-China-and-SLPP-hold-virtual-advanced-seminar-on-governance/56-708551>.

Biden's leadership. There could be a possible rise of the Tamilian diaspora grievances, especially with the election of Vice President Kamala Harris who is of Tamil descent. Harris has even stressed placing human rights at the centre of her approach to India on Kashmir.²¹ She is more likely to revisit and support the long-ignored cause of Tamilian grievances at the UNHRC. The continuous failure of the government in Colombo to devise a genuine reconciliation process and a political solution with devolution of power could transform and brew into another security issue domestically in Sri Lankan society. This itself is a priority and concern for New Delhi, which has already raised concerns regarding the Rajapaksas' silence on the devolution of power agenda. Sri Lanka's minister in charge of provincial councils has opposed the devolution of power, thereby giving it little hope of success.²² While China would back Sri Lanka at the UNHRC, the US, along with India, could put pressure on Sri Lanka.

Conclusion

Sri Lanka's departure from the secular space will shrink many opportunities with the new US administration.

The security aspirations of the US and China in Sri Lanka are heightened by the larger geopolitical strategies at play, such as the Indo-Pacific and BRI. Sri Lanka's neutral foreign policy under Gotabaya is key to balancing pressures from the US and China, but it prefers to hedge and seems to limit its neutrality to rhetoric. Sri Lanka requires a more realist approach like its neighbour, India. The alt-right ultra-nationalist political element has a tight grip on government policy, which would shift the nation towards semi-autocratic and malign mercantilist economic policies. Some of these policies have a correspondingly strong tendency to pull Colombo towards China. This could, however, reduce Sri Lanka's democratic footprint and ability to practise a 'neutral' foreign policy. Sri Lanka's departure from the secular space will shrink many opportunities with the new US administration. The nation should gather its principle values from its past and move towards a realist foreign policy posture, addressing its challenges and securing its democratic values.

21 Salvatore Babones, "Election 2020: Biden and Harris Could Be Bad News for India's Modi", *Foreign Policy*, 6 November 2020. <https://foreignpolicy.com/2020/11/06/biden-harris-india-modi-election/>.

22 "No 13th Amendment or Provincial Councils; Rear Admiral Sarath Weerasekera", *Newsfirst*, 30 September 2020. <https://www.newsfirst.lk/2020/09/30/no-13th-amendment-or-provincial-councils-rear-admiral-sarath-weerasekera/>.

Washington's New Interest in the Maldives

Amit Ranjan

Summary

The relationship between the United States (US) and the Maldives will depend overwhelmingly on the Joe Biden administration's approach towards China, where tensions are likely to persist. The recently concluded US-Maldives defence pact and the Donald Trump administration's decision to open a resident embassy in Malé will bring the two countries closer together.

This paper looks at the growing strategic significance of the Maldives and the US' approach towards it under the Biden administration.

Introduction

The ambitions of the US to check Chinese assertion in the Indian Ocean and Indo-Pacific Ocean regions have increased the strategic significance of the Maldives. In recent years, the US has provided more economic assistance to the Maldives, and the two countries also concluded a defence and security pact in September 2020.

In 2009, the Maldives and the US signed a Trade and Investment Framework Agreement under which the US-Maldives Council on Trade and Investment was established, whose most recent meeting was held in June 2019.¹ During that meeting, the trade representatives discussed positive trends in US-Maldives bilateral trade, noting a nearly 30 per cent increase to US\$63 million (S\$86 million) in the 2013 to 2018 time period.² Through the Development Objective Grant Assistance agreement signed between the two countries on 12 March 2019, the US has agreed to provide the Maldives with development funds of up to US\$35 million (S\$40 million).³

The ambitions of the US to check Chinese assertion in the Indian Ocean and Indo-Pacific Ocean regions have increased the strategic significance of the Maldives.

1 "Secretary Pompeo Travels to Maldives to Announce New U.S. Presence in key Indo-Pacific Nation", United States Department of State, 28 October 2020. <https://www.state.gov/secretary-pompeo-travels-to-maldives-to-announce-new-u-s-presence-in-key-indo-pacific-nation/>.

2 Ibid.

3 "US Secretary of State pays a courtesy call on the President", The President's Office, Republic of the Maldives, 28 October 2020. <https://presidency.gov.mv/Press/Article/23862>.

The Maldives has been designated as a beneficiary country under the Generalized System of Preferences programme, under which a range of products from the country enters duty free to the US.⁴ To address debt issues, the US has expressed its support for the Paris Club/G20 Debt Service Suspension Initiative whose extension, subject to certain conditions, allows the Maldives to defer its debt payments to the US and other creditors through June 2021.⁵ To counter the effect of COVID-19, the US has also provided nearly US\$3 million (S\$4 million) to the Maldives besides technical expertise and training, which are crucial to responding to the pandemic. In addition, in September 2020, the US Agency for International Development donated 60 new ventilators to the Maldives.⁶

The former has extended support to the Maldives in combating terrorism and terrorist financing.

Since 2012, the US and the Maldives have conducted 40 bilateral military exercises.⁷ The former has extended support to the Maldives in combating terrorism and terrorist financing. In July 2019, Maldivian President Ibrahim Mohamed Solih announced plans to repatriate Maldivian foreign terrorist fighters, and a few months later, in October 2019, the country strengthened existing anti-terrorism legislation with an amendment that required the establishment of rehabilitation and reintegration centres for foreign fighter returnees.⁸ On 10 September 2020, both sides signed the framework for a defence and security relationship.

There have also been some high profile visits between the countries in recent times. In February 2019, the Maldives' Foreign Minister Abdulla Shahid paid an official visit to the US, and, in September 2020, the country's Defence Minister Mariya Didi also visited the US. From the American side, five days before the US presidential polls, on 28 October 2020, Secretary of State Michael Pompeo made the trip to Malé.

4 US Department of State, op. cit.

5 Ibid.

6 Ibid.

7 Ibid.

8 Ibid.

The US-Maldives Defence Pact of 2020

In 2013, the US and the Maldives agreed on a draft Status of Forces Agreement (SOFA) which was not concluded for domestic reasons and opposition from India. At that point in time, many in the Maldives saw the SOFA as an attempt by the Mohamed Waheed Hassan government (2012-13) to allow the US to set up a military base in the country. This sentiment, however, was refuted by the Maldives' Defence Minister Colonel (Retd) Mohamed Nazim, who also maintained his contrary position in the next government under President Abdulla Yameen (2013-18). In an interview with *Sun Online* in April 2013, Nazim said that the SOFA "does not involve establishing a base".⁹ As opposition mounted against the SOFA, the then newly-elected government under Yameen did not pursue it further.¹⁰

At that point in time, many in the Maldives saw the SOFA as an attempt by the Mohamed Waheed Hassan government (2012-13) to allow the US to set up a military base in the country.

On external opposition to the SOFA, the Minister in the President's Office of the Maldives, Mohamed Shareef, said, "We have told them [the US] that we can't do it because both India and Sri Lanka are also not happy with it."¹¹ On condition of anonymity, an Indian official, privy to the developments on the SOFA, told the Indian media portal, *The Wire*, in 2020, "Yes, we [India] did discourage a SOFA in 2013 as it would have justified a similar agreement with China and an offer to us [India] as well, leaving an outcome that was less desirable than the existing state. And in 2013 both [the US and Maldives] listened to us."¹²

Seven years later, in 2020, the Maldives and the US signed the framework for defence and security relationship. "The framework sets forth both countries' intent to deepen engagement and cooperation

9 "Maldives will not pursue defence agreement with US: President Yameen", *Sun Online*, 23 January 2014. <https://en.sun.mv/19484>.

10 Ibid.

11 Ibid.

12 Devirupa Mitra, "Seven Years On, India Now Backs a Defence Pact Between US and Maldives", *The Wire*, 13 September 2020. <https://thewire.in/south-asia/seven-years-on-india-now-backs-a-defence-pact-between-the-us-and-maldives>.

in support of maintaining peace and security in the Indian Ocean”.¹³ Didi called the agreement “an important milestone.”¹⁴

Unlike in 2013, India has extended its support to the new US-Maldives defence agreement.

In the past, India had tried to check Chinese advancement but presumably, in recent years, Indian policymakers have understood that they cannot do it alone and need the help of a powerful and friendly country.

One of the main reasons for the agreement is the growing military challenge from China in the Indian Ocean, Indo-Pacific Ocean regions and near its border in South Asia. In the past, India had tried to check Chinese advancement but presumably, in recent years, Indian policymakers have understood that they cannot do it alone and need the help of a powerful and friendly country. Such strategic thinking must have arisen due to the Chinese People Liberation Army’s increasing transgressions into Indian territory and the India-controlled Line of Actual Control (LAC) over the last few years. According to the Indian government data, between 2016 and 2018 there were 1,025 Chinese transgressions into Indian territory.¹⁵ Again, in May and June 2020, a “sizeable number” of Chinese troops entered into India controlled LAC in Eastern Ladakh.¹⁶ The military stand-off continues at the time of writing this paper.

Secondly, the plummeting India-China relations has simultaneously witnessed increasing bonhomie between India and the US, largely due to common economic and security concerns emanating from a ‘new’ China under President Xi Jinping. Recently, on 8 October 2020, India and the US, joined by Japan and Australia, concluded the second meeting of foreign ministers from the Quadrilateral Security Dialogue (Quad) countries in Tokyo. A few days after that meeting, in November 2020, the navies from the Quad countries participated in the Malabar exercise in the Indian Ocean. Notwithstanding political differences on

13 “The Maldives and US Sign Defense Agreement”, United States Department of Defense, 11 September 2020. https://www.defense.gov/Newsroom/Releases/Release/Article/2344512/the-maldives-and-us-sign-defense-agreement/utm_campaign=digest/utm_medium=email/utm_source=nuzzel/.

14 Mariya Didi on Twitter. https://twitter.com/MariyaDidi/status/1304554230020288512?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Etweet.

15 “1025 Chinese transgressions reported from 2016 to 2018: Government data”, *The Economic Times*, 28 November 2019. <https://economictimes.indiatimes.com/news/defence/1025-chinese-transgressions-reported-from-2016-to-2018-government-data/articleshow/72262114.cms?from=mdr>.

16 “Chinese Troops Have Come Into Eastern Ladakh in Sizeable Numbers, Says Rajnath Singh”, *The Wire*, 3 June 2020. <https://thewire.in/external-affairs/china-india-border-ladakh-rajnath-singh>.

certain issues, there is a possibility that the new Biden administration will further strengthen its strategic relations with India.

Thirdly, there is an India-friendly government in Malé. Regarding the US-Maldives defence pact of September 2020, an Indian official told *The Hindu*, “[The] Indian Embassy in Malé had been kept briefed about the negotiations, and had been shown a copy of the two-page document signed ... Neither of those objectives [which had reached a consensus in the agreement] in any way impinge on India’s role as a ‘net security provider’ in the Indian Ocean, and are actually ‘complementary’ to India’s plans for the Indo-Pacific.”¹⁷

More than a month after the US-Maldives defence pact was signed and amid the India-China military stand-off, Pompeo embarked on a five-day journey to the Indo-Pacific countries: India, Sri Lanka, the Maldives and Indonesia.

Pompeo’s Visit to Malé

Pompeo was the first US Secretary of State to visit the Maldives in the last 16 years. In 2004, Secretary of State Colin Powell visited the Maldives. James Addison Baker was the first US Secretary of State to visit the Maldives in 1992.¹⁸ Before Pompeo’s visit to Sri Lanka, China accused the US of bullying smaller nations¹⁹ after Washington, pointing to Colombo’s ties with Beijing, expressed that the Indian Ocean countries must make “difficult but necessary choices.”²⁰

Pompeo was the first US Secretary of State to visit the Maldives in the last 16 years.

Coinciding with the visit of Pompeo, the US decided to open a resident embassy in the Maldives. This is being largely looked upon as the

17 Suhasini Haidar, “India welcomes US-Maldives defence agreement”, *The Hindu*, 14 September 2020. <https://www.thehindu.com/news/national/india-welcomes-us-maldives-defence-agreement/article32601889.ece>.

18 “Presidential and Secretaries Travels Abroad”, Maldives, Office of the Historian, United States Department of State. <https://history.state.gov/departmenthistory/travels/secretary/maldives>; “Mike Pompeo to visit Maldives, set to become first US Secretary of State in 16 years to tour island nation amid China’s growing clout”, *Firstpost*, 23 October 2020. <https://www.firstpost.com/world/mike-pompeo-to-visit-maldives-set-to-become-first-us-secretary-of-state-in-16-years-to-tour-island-nation-amid-chinas-growing-clout-8944521.html>.

19 “Pompeo brings anti-China roadshow to Indian Ocean islands”, *Sun Online*, 28 October 2020. <https://en.sun.mv/63684>.

20 “China tells US not to ‘bully’ Sri Lanka ahead of Pompeo’s visit”, *Aljazeera*, 27 October 2020. <https://www.aljazeera.com/news/2020/10/27/china-tells-us-not-to-bully-sri-lanka-ahead-of-pompeos-visit>.

US' attempt to counterbalance China's presence in the country and region. The US administration's press statement said, "[T]he United States intends to open an Embassy in the Maldives with a resident US Ambassador, reflecting the continued growth of the US-Maldives relationship and underscoring the United States' unshakeable commitment to the Maldives and the Indo-Pacific region."²¹ In its message, the President's Office of the Maldives described the decision to open a residential US embassy in the country as a reflection of "the growing importance that the US vests on its bilateral relations with the Maldives."²² Further, Pompeo told a news conference in Malé, "Getting this facility open won't happen overnight but ... [i]t's the right thing to do. Your role here in the Indo-Pacific and in the international community is increasingly important."²³

Pompeo was very critical of China's "lawless and threatening" behaviour in the region, and also said in a press conference at a resort near Malé that Beijing was illegally occupying territory and damaging the environment.

Currently, the Maldives hosts resident diplomatic missions from the United Kingdom, India, Sri Lanka, Bangladesh, Pakistan, Saudi Arabia, Japan and China.²⁴ Pompeo was very critical of China's "lawless and threatening" behaviour in the region, and also said in a press conference at a resort near Malé that Beijing was illegally occupying territory and damaging the environment.²⁵

During his meeting with Solih, the two leaders discussed strengthening bilateral relations and multilateral cooperation; trade and investment facilitation; environmental conservation; cybersecurity; combating terrorism; and upholding the principle of a stable, open and peaceful Indian Ocean region.²⁶

In a scathing attack on a number of statements made by Pompeo during his visit to India, Sri Lanka and the Maldives, the Chinese embassy in the Maldives issued a strongly worded statement that

21 "On U.S. Intent to Open an Embassy in Maldives", United States Department of State, 28 October 2020. <https://www.state.gov/on-u-s-intent-to-open-an-embassy-in-maldives/>.

22 "US to open a resident embassy in Maldives", *Sun Online*, 28 October 2020. <https://en.sun.mv/63698>.

23 "Pompeo says U.S. will open embassy in Maldives for first time", *Reuters*, 28 October 2020. <https://in.reuters.com/article/usa-asia-maldives/pompeo-says-us-will-open-embassy-in-maldives-for-first-time-idINL8N2HJ3LI>.

24 "US to open a resident embassy in Maldives", *Sun Online*, 28 October 2020. <https://en.sun.mv/63698>.

25 Alasdiar Pal and Mohamed Junayd, "China Brought Lawlessness to Sri Lanka, Maldives: Mike Pompeo", *The Wire*, 28 October 2020. <https://thewire.in/world/china-brought-lawlessness-to-sri-lanka-maldives-mike-pompeo>.

26 The President's Office, Republic of the Maldives, op. cit.

said, "...The 'Quad' or the so-called Indo-Pacific strategy aims at stirring up confrontation among different groups and blocs and to stoke geopolitical competition, which violates the spirit of mutual benefits featuring win-win outcomes and undermines the prospect of regional peace and development."²⁷ On Pompeo's statement on China-Maldives relations, the Chinese embassy's statement added, "China's development is an opportunity, not a threat. Mutually-beneficial cooperation between China and [the] Maldives is in line with the common interests of the two countries and will bring more benefits to both people."²⁸

The US-Maldives Relations under the Biden Administration

After days of counting, it eventually became clear to an anxious world that Biden would be the next US president. Under Biden's leadership, there is a strong possibility that the US will re-join the Paris climate talks and reverse Trump's withdrawal order from the World Health Organization.²⁹ However, it is less likely that his policies will differ from the previous administration.

In over 45 years of public life as a senator and vice president, Biden has broadly supported integration of the US and China. In 2013, Xi even called him "my old friend".³⁰ Yet, it seems that Biden's China policy will not be very different from the earlier administration under Trump.³¹ This was apparent in Biden's statements during the presidential debates. In one such debate, Biden referred to Xi as one

Under Biden's leadership, there is a strong possibility that the US will re-join the Paris climate talks and reverse Trump's withdrawal order from the World Health Organization.

27 "Statement of the Chinese Embassy in Maldives Refuting China-related Negative Comments of US Secretary of State Michael Pompeo during His Visit to Maldives", Embassy of the People's Republic of China in the Republic of Maldives, 29 October 2020. <http://mv.chineseembassy.org/eng/sgsd/t1827539.htm>.

28 Ibid.

29 Matt Viser, Seung Min Kim and Annie Linskey, "Biden plans immediate flurry of executive orders to reverse Trump policies", *The Washington Post*, 7 November 2020. https://www.washingtonpost.com/politics/biden-first-executive-orders-measures/2020/11/07/9fb9c1d0-210b-11eb-b532-05c751cd5dc2_story.html.

30 Marlon Smith, "Donald Trump or Joe Biden, whoever wins the election, China loses", *USA Today*, 2 November 2020. <https://www.usatoday.com/story/opinion/2020/11/02/biden-trump-china-loses-no-matter-who-wins-election-column/6058275002/>.

31 Ibid.

of several “thugs” Trump has cosied up to and promised to take a strong stance against China.³²

Unlike Trump, however, Biden has pledged to work closely with allies to pressurise China through the multilateral organisations which Trump “eschewed”.³³ “We need to be having the rest of our friends with us, saying to China: ‘We play by the rules. You play by them or you are going to pay the price for not playing by them, economically’”, Biden said in one of the debates with Trump.³⁴

Persisting tensions with China and Washington’s attempts to counterbalance it in the Indian Ocean and Indo-Pacific will enhance the strategic significance of the Maldives in the US’ policymaking. As the previous administration has already signed the defence cooperation with the Maldives, Biden’s dispensation would be to use it to serve his country’s interests in the region.

Conclusion

Hence, the Indian Ocean and Indo-Pacific could witness intense rivalries in time to come.

The US policy towards China is likely to continue, though Biden’s presidential debates suggest there may be a change in approach. Hence, the Indian Ocean and Indo-Pacific could witness intense rivalries in time to come. In such a situation, the Maldives will be much sought after as a strategic partner by the US and China.

The US-Maldives defence pact and the opening of the resident embassy by the US in Malé were essentially policy measures decided by the previous US administration to counterbalance China. Both decisions will affect India, as an increase in American and Chinese naval ships may contract India’s presence in its sphere of influence.

³² Lily Kuo, “Whether Trump or Biden wins, US-China relations look set to worsen”, *The Guardian*, 25 October 2020. <https://www.theguardian.com/us-news/2020/oct/25/us-china-relations-trump-or-biden-election>.

³³ Ibid.

³⁴ Ibid.

'Namaste-Howdy' – The Future of India-US Relations

S D Muni

Summary

Initial anxieties regarding a post-Donald Trump administration on India-United States (US) relations have faded out. Indian policymakers have come to realise that the relationship is governed by sound geo-strategic and economic fundamentals, and is beyond the role of personal chemistry at the highest political level. The strategic hiatus between the US and China, and the former's deep urge to extricate itself from the Afghan conflict, will sustain, despite the nature of political rhetoric. As such, India's need for the US' role in the Indo-Pacific region will also remain strong and dynamic, sustaining security and technological cooperation between the two democracies. In fact, a more rational and structural US approach towards China will be in the larger economic and security interests of the region.

The strategic hiatus between the US and China, and the former's deep urge to extricate itself from the Afghan conflict, will sustain, despite the nature of political rhetoric.

The possibility exists of the Joe Biden-Kamala Harris administration not fully endorsing the Narendra Modi regime's handling of Kashmir, human right violations, religious and minority as well as democracy issues as was done under the Trump administration. However, the US' reservations in these ideological areas will not be at the cost of strategic and economic cooperation and will be in the long-term interests of Indian institutions and practices. Thus, the future of Indo-US relations seems to be secure and promising.

Introduction

'Namaste-Howdy Modi' emerged in 2019 to symbolise a strong message of close personal chemistry between President Trump and Indian Prime Minister Modi. This highly politicised personal relationship is credited to have brought a phenomenal change in

The big question before the Indian government and the strategic community is whether this momentum in bilateral relations will be sustained during and after the new US government led by Biden and Harris takes over.

Indo-US relations, especially in the areas of security and strategic cooperation. The strategic partnership between the two countries has been enhanced and consolidated to the extent of the US publicly supporting India's domestic political moves in Kashmir and its military face-off in the Himalayas with an assertive and aggressive China. The big question before the Indian government and the strategic community is whether this momentum in bilateral relations will be sustained during and after the new US government led by Biden and Harris takes over. Before we address this question, it may be useful to look at the context in which the US approach to India has evolved over the years.

The Context

The US presidency is an institution. The personality of the president shapes it by playing a critical role. However, the role of personality is always tempered by institutional constraints – the Pentagon, the State Department, business and economic lobbies and Congressional constituencies. This has been evident in the past. Previous US presidents such as Dwight D Eisenhower, John F Kennedy and Ronald Reagan were personally well disposed towards India, but the institutional constraints did not let them deliver as expected. Eisenhower wanted to endorse India's unexpressed willingness to accept a Kashmir solution along the ceasefire line between India and Pakistan, but the Pentagon would not let him do so. Kennedy was keen to help India militarily against China and otherwise, but was constrained. Presidents Bill Clinton and Barack Obama started their terms with reservations towards India but both of them turned sympathetic and supportive towards India subsequently. Clinton, in his first term, encouraged Kashmir's separatist movement in collaboration with Pakistan, but in the second term, opposed Pakistan's aggression in Kargil in 1999 and forced it to withdraw. He visited India in 2000 and described the country as a "natural ally". Obama called upon China to play a greater part in ensuring stability and security in South Asia, ignoring India's sensitivities during his first visit to China in 2009. Subsequently, however, he paid two visits

to India. Welcoming Indian Prime Minister Dr Manmohan Singh in Washington in November 2009, he said, “The relationship between our two countries has never been stronger ... a reminder that it will be one of the defining partnerships of the 21st century.”¹ His Secretary of Defense, Leon E Panetta, described India as the “linchpin” of the US strategic rebalance in the Indo-Pacific region.²

The Indo-US relationship has evolved in accordance with the changing nature of the US’ global engagements and India’s emerging power profile. For the 1950s, 1960s, 1970s and 1980s, the US’ involvement in the Cold War and India’s projected foreign policy of ‘non-alignment’ made the relationship uncomfortable for both. With the end of the Cold War, India’s declared a nuclear weapon state and the Indian economy gathering momentum, the relationship started changing for the better during the 1990s. The past two decades have witnessed a great spurt in strategic proximity and expanding economic and political engagement between the world’s largest and strongest democracies. With the signing of three basic security related agreements between the two countries, namely, the Logistic Exchange Memorandum of Agreement (LEMOA) in August 2016, the Communications, Capabilities and Security Agreement (COMCASA) in September 2018 and the Basic Exchange and Cooperation Agreement (BECA) in November 2020, there is a virtual defence alliance between the two strategic partners. They have also institutionalised their strategic and economic partnership in the ‘Two Plus Two’ ministerial (defence and foreign affairs) meetings and various Indo-US dialogues forums covering commerce, economic and financial, technology, trade policy, strategic energy and homeland security sectors. There is close cooperation between them on counter-terrorism and cyber security. Trade between the two countries has been growing at the rate of 10 per cent annually, reaching US\$142 billion (\$\$190.02 billion) in 2018.

The past two decades have witnessed a great spurt in strategic proximity and expanding economic and political engagement between the world’s largest and strongest democracies.

1 Andrew Tully, “Obama says U.S. – India Ties A ‘Defining Partnership’ of 21st Century”, *Radio Free Europe/Radio Liberty*, 24 November 2009. https://www.rferl.org/a/Obama_Says_USIndian_Ties_Defining_Partnership/1886937.html. This was repeated in 2017 even after retiring as president. See “Indo-US ties can be defining partnership of 21st century: Obama”, *The Economic Times*, 1 December 2017. <https://economictimes.indiatimes.com/news/politics-and-nation/indo-us-ties-can-be-defining-partnership-of-21st-century-obama/articleshow/61882179.cms?from=mdr>.

2 See the text of Panetta’s address at the Institute for Defence Studies and Analyses, New Delhi, on 6 June 2012. <https://idsa.in/keyspeeches/LeonEPanettaonPartnersinthe21stcentury>.

The size of the Indian diaspora in the US has grown to an impressive four million.³

China has itself greatly contributed to the growing strategic proximity between the US and India that it resents.

Besides the end of the Cold War and India's steadily improving power profile, two factors that have defined Indo-US relations over the past two decades are the rise of an assertive and expansionist China and changes in the South Asian Afghanistan-Pakistan (Af-Pak) region. While China's economic growth has been a welcome development in Asia, its territorial expansions in the South China Sea and growing military capabilities to deter US stakes in Asia-Pacific waters have been a major concern. The downing of a US spy plane in Hainan province of China in April 2001 proved to be the first warning to the US that China was gearing up to challenge its regional and global hegemony. This, along with other developments, eventually led to the US' strategy of rebalancing Asia. The Asia-Pacific was redefined as the Indo-Pacific region. India emerged as a significant player in the changing regional situation to advance US interests. India too found it prudent to get strategically closer to the US in view of the emerging Chinese challenge in Asia, the search for technological upgradation, economic growth and strategic recognition. The signing of an Indo-US Defence Relations Agreement for 10 years in June 2005, the US-India Civil Nuclear Agreement of 2008 and the conclusion of the foundational defence agreements of LEMOA, COMCASA and BECA between 2016 and 2020 may all be seen in the changing Asian strategic perspective. India initially hesitated to move too close to the US in defence and security areas to preserve its traditional strategic autonomy, but the repeated Chinese territorial encroachments in the Himalayas and expanding Chinese influence through its Belt and Road Initiative in India's periphery set these hesitations aside. China has itself greatly contributed to the growing strategic proximity between the US and India that it resents.

Unexpected developments in the Af-Pak region also created the necessary ambiance for the coming together of India and the US strategically. Terrorist attacks on the US in September 2001 (9/11) rung alarm bells for the US in the Af-Pak region. The US, in responding to

3 MEA Brief on India-US Bilateral Relations, February 2020. https://mea.gov.in/Portal/ForeignRelation/India_U_S_Bilateral.pdf.

this crisis, started realising that Pakistan has been a hub of terrorism in South Asia and the world. The US raids in May 2011 on Osama bin-Laden, the mastermind of the 9/11 attacks and leader of Al-Qaida (then residing in Pakistan under state patronage and protection), may be recalled here. Pakistan was not only a patron of Al-Qaida, but was also promoting and protecting the Taliban, which has made the US (and its allies') war on terror in Afghanistan a frustrating exercise. The US' alienation with one of its most trusted allies, Pakistan, began to set in, notwithstanding the need for Pakistan's help and cooperation for extricating itself from Afghanistan. This realisation made the US more sympathetic and supportive of India's complaints of cross-border terrorism against Pakistan, allowing a greater role for India in Afghanistan's stability and democracy.

Personal Chemistry, New Administration and Critical Areas of Interest

The role of personal chemistry in diplomacy between top officials and political leaders may be a debatable academic issue but Modi has shown a penchant for establishing a personal touch with world leaders, especially of the major powers.⁴ He used to call Trump's predecessor, Obama, a friend and addressed him by his first name, 'Barack'. Modi's personal charm was also evident during his informal summits with China's President Xi Jinping in Wuhan (April 2018) and Mamallapuram (October 2019). Personal chemistry between Trump and Modi considerably facilitated the convergence of India and the US, propelled primarily by Asia's changing geo-strategic context. The Trump administration endorsed internal moves in India on Kashmir, as they were seen to be linked to the strategic aspects of the evolving geo-strategic situation vis-à-vis China and Pakistan. However, despite personal chemistry at the top level, India has been discomforted by Trump's approach towards trade and immigration. His claims to play a mediating role between India and Pakistan on Kashmir also did not go down well with the Modi regime. It is important to note in this

Personal chemistry between Trump and Modi considerably facilitated the convergence of India and the US, propelled primarily by Asia's changing geo-strategic context.

4 Pre-corona hugging by Modi of the world leaders led to a new term of "hugoplacy" in informal discussions and media commentaries. The media website Getty Images once published 394 pictures of Modi's hugs with various leaders. See, for instance, <https://www.gettyimages.ie/photos/modi-hug?mediatype=photography&phrase=modi%20hug&sort=mostpopular>.

regard that since the turn of this century, every US administration (top level personal chemistry notwithstanding) has brought the Indo-US relations strategically closer. Trump's Deputy Secretary of State, Stephen Biegun, even during the election campaign, said after his visit to India:

"One of the constants in the Indo-US relations has been that every presidential administration here in the United States has left the relationship even better than the one it inherited from its predecessor and that is an amazing legacy ... There are many sinews that tie us together and it leaves me confident that this relationship is much bigger than any one political party."⁵

Echoing similar views, India's Minister of External Affairs, Dr S Jaishankar, commenting on the prospects of Indo-US relations under the Biden presidency, said, "American politics by its nature has very strong elements of bipartisanship ... I am very confident that we will pick up where we left off, we have done that over the last four administrations."⁶

Modi will possibly not miss the chance to establish personal rapport with the President-elect Biden and will surely underline his and Vice President Harris' India links.

Modi will possibly not miss the chance to establish personal rapport with the President-elect Biden and will surely underline his and Vice President Harris' India links. His congratulatory tweets to both clearly indicated this. Modi also had a telephonic talk with Biden on 17 November 2020 to congratulate him personally and discuss "our shared priorities and concerns".⁷ There are mainly three areas of mutual concern between India and the US that will be observed closely during the coming years and decades. They are strategic, economic and ideological (involving issues of human rights, freedoms and democracy).

5 "US presidential election won't affect ties with India: Official", *Business Standard*, 21 October 2020. https://www.business-standard.com/article/us-elections/us-presidential-election-outcome-won-t-affect-ties-with-india-official-120102100130_1.html.

6 "We will pick up where we left off: EAM Jaishankar on Indo-US ties under Joe Biden's administration", *The New Indian Express*, 17 November 2020. <https://www.newindianexpress.com/nation/2020/nov/17/we-will-pick-up-where-we-left-off-eam-jaishankar-on-indo-us-ties-under-joe-bidens-administration-2224633.html>.

7 "Will work closely on shared global challenges, says Biden in phone call with Modi", *Hindustan Times*, 18 November 2020. <https://www.hindustantimes.com/india-news/pm-narendra-modi-dials-joe-biden-discusses-shared-concerns-and-priorities/story-3zj79DwSap19poYJUWSKGM.html>.

Strategically, the Biden presidency is expected to be more institutional than transactional. As such, the structural factors, created by an assertive and expansionist China and the fluid and uncertain security situation persisting in the Af-Pak region, will impinge heavily on Indo-US relations. This may sustain the ongoing momentum of consolidation and expansion in this relationship. Biden has been supportive of India's concerns during negotiations for the civil-nuclear agreement of 2008 in his capacity as Vice-Chairman of the US Senate Foreign Affairs Committee. He was also supportive of India as Vice President during the Obama years. Even during the recent election campaign, the Biden team expected a majority of the Indo-American community to support him, and Biden himself said, "India will be a high priority".⁸ The pace and nature of further Indo-US consolidation under the Biden presidency will of course depend upon how the two critical geopolitical factors of China's assertion and Af-Pak developments unfold. The process of further consolidation will also be shaped by the personalities of the individual officers put in charge of various departments like state, defence, commerce and technology by the new president. However, the possibility of tweaking the sharpening rivalry with China may not be ruled out. Biden would prefer to handle China a bit more softly than Trump, though the basic competition for hegemony in Asia between the two is not expected to decline. Much would depend on how China responds in the areas of strategic engagement and trade towards the US. China is expecting a softening of the US' approach under the Biden presidency, without giving any indication of whether its own stance will change with regard to retreating from assertive positions.⁹

The pace and nature of further Indo-US consolidation under the Biden presidency will of course depend upon how the two critical geopolitical factors of China's assertion and Af-Pak developments unfold.

On trade and economic issues, Biden will have to protect US interests in general, but his approach may not be as aggressive as Trump's 'America First' moves. Biden may prefer an institutional, softer approach, keeping within the prevailing international norms. He may also go slow on economic sanctions and tariff 'militarisation'. This will suit India well. India may also expect smooth pending trade

8 Vivek Mehta, "U.S. Elections 2020: India Prepares for Both Outcomes in November", *South Asian Voices*, 5 October 2020. <https://southasianvoices.org/u-s-elections-2020-india-prepares-for-both-outcomes-in-november/>.

9 Chen Qingping, "Rational voices in China-US ties emerge, paving way for Biden's pragmatic policies", *Global Times*, 15 November 2020. <https://www.globaltimes.cn/content/1206895.shtml>.

If some of the preferences withdrawn by the Trump administration are restored, India should be prepared to accept a new bilateral trade regime.

negotiations where the ‘mini trade deal’ concluded during the Trump administration has to be brought to a final agreement. The US’ position may not be too generous, as it has strong stakes in agriculture, dairy, poultry, pharmaceuticals and intellectual property rights. If some of the preferences withdrawn by the Trump administration are restored, India should be prepared to accept a new bilateral trade regime.¹⁰

The US claims to have a strong ideological commitment to pursue the cause of democracy, human rights and freedom in world affairs. Democrat-led administrations have always been particularly vocal and visible on these values in their global approach and bilateral engagements. Indo-US relations have also been a witness to this preference in recent years. After a warm and effusive welcome as the Chief Guest at India’s Independence Day celebrations in January 2015, Obama, in his parting address to the ‘People of India’ in New Delhi, subtly but sharply raised the question of freedom, democratic rights of minorities and religious freedom. He said:

“The peace we seek in the world begins in human hearts. And it finds its glorious expression when we look beyond any differences in religion or tribe, and rejoice in the beauty of every soul. And nowhere is that more important than India. Nowhere is it going to be more necessary for that foundational value to be upheld. India will succeed so long as it is not splintered along the lines of religious faith...”¹¹

10 “Under Biden, less acrimonious trade ties likely, sticking points may remain”, *The Indian Express*, 18 November 2020. <https://indianexpress.com/article/business/india-us-ties-under-biden-less-acrimonious-trade-ties-likely-sticking-points-may-remain-7055112/>. For details on trade issues in the US perspective, see “U.S. – India Trade Relations”, *Congressional Research Service*, 14 February 2020. <https://crsreports.congress.gov/product/pdf/IF/IF10384>.

11 “Remarks by President Obama in Address to the People of India”, The White House (Office of the Press Secretary), 27 January 2015. <https://obamawhitehouse.archives.gov/the-press-office/2015/01/27/remarks-president-obama-address-people-india>. Obama reiterated this message for India soon after his return to Washington after his India visit. “Michelle and I returned from India – an incredible, beautiful country, full of magnificent diversity”, Obama said, “but a place where, in past years, religious faiths of all types have, on occasion, been targeted by other peoples of faith, simply due to their heritage and their beliefs... The ‘acts of intolerance’ would have shocked Gandhiji, the person who helped to liberate that nation.” Obama employed the honorific *ji* used in India for the revered freedom fighter. “So this is not unique to one group or one religion. There is a tendency in us, a sinful tendency that can pervert and distort our faith”, he added. “In today’s world, when hate groups have their own Twitter accounts and bigotry can fester in hidden places in cyberspace, it can be even harder to counteract such intolerance. But God compels us to try.” As quoted in Annie Gowen, “Obama’s remarks on religious intolerance in India provoke outrage”, *The Washington Post*, 7 February 2015. <https://www.washingtonpost.com/news/worldviews/wp/2015/02/06/obamas-remarks-on-religious-intolerance-in-india-provoke-outrage/>.

Biden will not deviate from this line of values in Indo-US relations. There are already ample indications to that effect. In his telephonic conversation with Modi, he included “strengthening democracy at home and abroad”¹² as one of the values that his administration will work for. Reference to this aspect was avoided in India’s official statement on the subject. Earlier, his campaign document mentioned “disappointment” on the implementation of the National Register for Citizens in Assam and passage of the Citizenship Amendment Act by the Modi government, which were both criticised even in India as being discriminatory to Muslims.¹³ Biden’s Vice President-elect, the Indo-American Harris is known for her strong views on Kashmir. She criticised the revocation of Article 370 and imposition of an Internet ban in Kashmir by the Modi government in her acceptance speech for nomination as vice-presidential candidate in October 2019, saying, “We have to remind the Kashmiris that they are not alone in the world. We are keeping a track on the situation. There is a need to intervene if the situation demands.”¹⁴ It is therefore expected that the US’ views on democracy, freedom and human rights will be articulated to India by the US in bilateral forums and negotiations. More so, because there is a strong bipartisan consensus on these issues in the US Congress, and India also shares them when it comes to emphasising the values of democracy and human rights in its overall global approach, especially in the context of balancing China in the Indo-Pacific region. Ultimately, this will be good for India’s broader interests.

It is therefore expected that the US’ views on democracy, freedom and human rights will be articulated to India by the US in bilateral forums and negotiations.

These views, however, may not get in the way of greater economic and strategic cooperation between the two countries. The US values India’s huge market potential, its resilience to grow economically and its supportive role in sharing the strategic burden of balancing China in the Indo-Pacific region. This has been evident during the past administrations, including those led by Democratic Party presidents. The Biden-Harris team is acutely conscious also of the role played by

12 “Will work closely on shared global challenges, says Biden in phone call with Modi”, op. cit.

13 Shubhajit Roy, “During call with Modi, Biden spoke of ‘strengthening democracy in US, abroad’”, *The Indian Express*, 19 November 2020. <https://indianexpress.com/article/india/during-call-with-pm-modi-biden-spoke-of-strengthening-democracy-in-us-abroad-7056524/>.

14 Nayanima Basu, “Kamala Harris is vocal on Kashmir, ‘Unbreakable bond’ with India and she loves her idli-sambhar”, *The Print*, 12 August 2020. <https://theprint.in/world/kamala-harris-is-vocal-on-kashmir-unbreakable-bond-with-india-loves-her-idli-sambhar/480424/>. Accessed on 7 November 2020.

the Indo-American community in its recent electoral victory. Biden knows that this community had played an active role in pushing for India's interests during the civil nuclear deal. There is also a growing realisation in Washington that India would not easily concede on internal matters.

Beyond the Biden Presidency

It looks almost certain that the trajectory of Indo-US relations that has evolved during the past two decades will be carried forward and consolidated by the Biden-Harris team, hopefully for another two terms. However, will it be sustained further? The political and personal composition of the US presidencies alone will not answer this question. Much would depend upon whether the factors that contributed to this trajectory would be sustained. These factors, as discussed above, are US-China competition and rivalry; China's relations with its Asian neighbours, particularly India; and India's own power profile and willingness to sustain strategic partnership with the US.

There are no indications that China will consider any softening of its assertive stance in Asia under Xi who has proclaimed his term in office for life.

The US-China competition and rivalry are likely to persist. There are no indications that China will consider any softening of its assertive stance in Asia under Xi who has proclaimed his term in office for life. China has succeeded in controlling the COVID-19 pandemic and is showing encouraging signs of economic growth. This will continue to fuel its military modernisation and infrastructural outreach in the Indo-Pacific region and beyond. It may continue to pose challenges to the US' stakes in Taiwan, the South China Sea and the Indian Ocean. It will also retaliate against American trade restrictions in the areas that seek to contain its economic advantages.

The US, in struggling to match Chinese assertion, will have to continue to rely on its Asian allies and partners, India being one of the key ones. It is true that the US has gone into a withdrawal syndrome from Asia, but its stakes in the Indo-Pacific region and Europe are too deep and strong to be vacated any time soon – not for the coming decades, at

least. China does not necessarily share the US' perception that a rising India would rival its strength in Asia.¹⁵ Public perceptions in China see India as a messy democracy and a faltering economy. To thwart the Indian challenge any time in the distant future, China is trying to browbeat India into submission, as is evident in the Himalayas. Its inflated territorial nationalism will also not get India's boundary issue resolved easily. A persisting Chinese challenge will continue to nurse and sustain growing Indian strategic proximity to the US. In this context, India has learnt to live with the US' need to partner with Pakistan to ensure its expeditious withdrawal from Afghanistan.

As far as India's own power profile is concerned, much will depend upon its own efforts and initiatives. It has tremendous potential to grow if it puts its economic house in order and ensures that its politically fuelled internal social and cultural polarisation is moderated and brought to a halt soon.

A persisting Chinese challenge will continue to nurse and sustain growing Indian strategic proximity to the US.

15 In a recent US report, it is said that China sees a rising India as its rival in Asia. "China sees rising India as 'rival', wants to constrain its partnership with the U.S., allies", *The Hindu*, 19 November 2020. <https://www.thehindu.com/news/national/china-perceives-rising-india-as-rival-wants-to-constrain-its-partnership-with-us-allies-report/article33130589.ece>. Accessed on 19 November 2020.

Diaspora Discourse: Can Biden Remove Trump's Immigration Curbs?

Seema Sirohi

Summary

Over the past four years, there has been a stricter enforcement of rules and a general tightening of existing regulations resulting in a greater rejection rate for temporary work visas.

This paper examines the issue of immigration and various policy changes under the Donald Trump administration, especially with regard to the H-1B visa. Over the past four years, there has been a stricter enforcement of rules and a general tightening of existing regulations resulting in a greater rejection rate for temporary work visas. The changes have adversely impacted the Indian information technology (IT) sector because it has been the largest beneficiary of H-1B visas. United States (US) companies have also been affected by these stringent measures and hence lobbied against them.

This paper also looks at how the incoming Joe Biden administration may reverse some of those moves over time. The priority, however, will be to fix the most pressing and emotional immigration problems such as young children who were separated from their parents at the border. In addition, the new administration will be under pressure to grant citizenship to children who have grown up in the US but were brought here by their parents who entered the country illegally.

Introduction

The incoming Biden administration carries the heavy burden of “Great Expectations” from every group of his winning coalition that he will undo the policies of outgoing President Trump.

Nowhere is this hope more pronounced, perhaps, than among potential immigrants, technology workers, asylum seekers, refugees and others who dream of America as the land of opportunity and want to test its veracity for themselves. Thousands of Indian H-1B visa seekers and many others, caught in a limbo between a job and a

visa stamp because American embassies were closed for months due to the pandemic, are waiting to see if Biden will be the 'change' they want him to be.

However, Indians looking for H-1B visas or Indians already in the US waiting for green cards may have to continue to be patient because even if Biden gives priority to their concerns, he focused his campaign on providing jobs for the American working class. The optics of assuaging technology companies and their demand for workers on H-1B visas on an urgent basis may not work.

Besides, Biden's own position on how H-1B visas should be granted is at best ambiguous. His campaign website says he wants to establish "a wage-based allocation process and establish enforcement mechanisms to ensure they are aligned with the labor market and not used to undermine wages."¹ This is another way of saying that too many H-1B holders are working at wages below market rates and hurting the domestic workforce. That is a milder version of Trump's position.

This is another way of saying that too many H-1B holders are working at wages below market rates and hurting the domestic workforce.

Then there is a hierarchy of immigration issues – the more heart-rending the problem, the more the urgency for a fix. The first to get attention would likely be the politically sensitive travel ban against Muslim-majority countries, which Biden has promised to reverse. Next would be reinstating the Barack Obama-era Deferred Action of Childhood Arrivals programme (DACA), which protects those who came as children with illegal immigrants but have grown up thinking and feeling American. There are approximately 650,000 DACA claimants.²

Next is a host of issues related to the 25,000 or so people in make-shift camps along the border with Mexico waiting for their papers to be processed. Will Biden continue Trump's policy of making potential immigrants wait in Mexico and other countries or allow them into

1 "The Biden Plan For Securing Our Values As A Nation Of Immigrants". <https://joebiden.com/immigration/>.

2 Marnette Federishttps, "Deferred Action for Childhood Arrivals: A timeline", *The World*, 28 May 2020. www.pri.org/stories/2020-05-28/deferred-action-childhood-arrivals-timeline.

the US? Similarly, hundreds of children separated from their parents under Trump's short-lived "zero tolerance" policy to deter illegal immigration will demand urgent attention.

Trump has maintained he is against illegal immigration but in favour of "merit-based" immigration. However, his policy architect, Stephen Miller, made both legal and illegal immigration to the US more difficult over the past four years. Miller's policies, often described as cruel and racist, have percolated through the system slowly but surely. If Trump built a physical "wall" – in reality, they are barriers – on the southern border with Mexico, he erected a much longer fence of administrative barriers, making entry enormously difficult. According to a study by the non-partisan National Foundation for American Policy, legal immigration reduced by 49 per cent under Trump.³

Immigration advocates expect a slow dismantling of the Trump era superstructure of more than 400 high-profile and little-known policy directives. Some can be reversed easily, others not as much, while others may prove impossible to tackle because political traffic on Capitol Hill will not bear it. In addition, Biden's campaign promises may fall short of delivery, given the overhang of the pandemic, shortage of personnel, the wrath of Trump voters whose own American dream remains in jeopardy and political gridlock in Washington.

The lesson is clear – millions of Americans do not want overly generous immigration policies.

While the tone and tenor of the immigration debate will definitely change for the better under Biden, it may be premature to predict a return to the atmosphere before Trump launched his 2016 campaign on an explicitly anti-immigrant platform and went on to win the election. In 2020, he came uncomfortably close with 73 million votes to Biden's 79 million, riding on the same agenda of 'America and Americans First'. The lesson is clear – millions of Americans do not want overly generous immigration policies.

The 2020 election was not a repudiation of the Trumpian worldview, especially not on immigration. His defeat was more because of his

³ Stuart Anderson, "Immigrants and America's Comeback from the COVID-19 Crisis", National Foundation for American Policy, July 2020. <https://nfap.com/wp-content/uploads/2020/07/Immigrants-and-Americas-Comeback-From-The-Covid-19-Crisis.NFAP-Policy-Brief-July-2020.pdf>.

terrible handling of the COVID-19 pandemic and a general exhaustion with his constant flame-throwing at friends and foes alike. The Democrats' relatively poor performance down-ballot compared to their predictions of increasing margins in the House of Representatives and taking control of the Senate will further tie Biden's hands in dealing with immigration issues. The fate of the Senate will be decided in Georgia when the state votes again on 5 January 2021 in a run-off for its two senators because no candidate got more than 50 per cent of the vote in November 2020.

A divided government and Republicans emboldened by their better-than-expected performance may insist on maintaining curbs on immigration except on the most draconian measures instituted by the Trump administration. The business lobby will weigh in to protect H-1B visas as the debates begin on Capitol Hill.

Biden has committed to rolling back almost all of the main Trump-era regulations. His campaign website has an exhaustive list of "to do" things interspersed with high rhetoric. "Immigration is essential to who we are as a nation, our core values, and our aspirations for our future ... The United States deserves an immigration policy that reflects our highest values as a nation," it says.⁴

The policy exposition goes on to cite research that "the total annual contribution of foreign-born workers is roughly US\$2 trillion" (\$2.6 trillion). In the first 100 days, Biden promises to reunite children with parents at the border, restore generous asylum policies of the past, streamline the process for green cards and reform the temporary visa system, which includes H-1B visas, among other measures.⁵

Trump's Measures to Tighten H-1B Visas

Before predicting how Biden might fix any part of the immigration puzzle, it is important to note the many changes the Trump administration has made to tighten the rules and close the gates

A divided government and Republicans emboldened by their better-than-expected performance may insist on maintaining curbs on immigration except on the most draconian measures instituted by the Trump administration.

⁴ "The Biden Plan For Securing Our Values As A Nation Of Immigrants", op. cit.

⁵ Joseph R Biden Jr, "The Biden Plan for Securing our Values as a Nation of Immigrants", <https://joebiden.com/immigration/>.

to H-1Bs. The changes hit India, Indians and Indian IT companies the hardest since they are the largest beneficiaries of H-1B visas. At least 72 per cent of the 85,000 H-1B visas issued in 2019 went to Indians, but only six per cent of those went to the top seven Indian IT companies.⁶ The bulk of the visas went to large American technology companies such as Google, Facebook, Apple, Amazon and others.

Companies wanting to get foreign workers on H-1B visas need to get a clearance from the Department of Labor so that such hires will not harm US workers or depress their wages.

The US Citizenship and Immigration Services (USCIS) define H-1B as a temporary, non-immigrant visa for “specialty occupations” that might be suffering a shortage. The applicant must have at least a bachelor’s degree in the field where he wants to work. Originally, it was granted for three years with a possibility of extension for another three. Companies wanting to get foreign workers on H-1B visas need to get a clearance from the Department of Labor so that such hires will not harm US workers or depress their wages. According to USCIS statistics, there were more than 583,000 H-1B visa holders working in the US in 2019.⁷

The first three years of the Trump administration saw a general tightening of rules and stricter implementation by the Department of Homeland Security (DHS) and Department of Labor. Administrative delays, higher denial rates, demand for more evidence and fee hikes became common. These were aimed at preventing visa fraud and abuse, according to DHS officials. US newspapers have documented abuse of the system and many cases have come to light over the years since the H-1B category was created in 1990 to meet the high demand from the US technology sector.

As a result of administrative measures by the Trump administration, denial rates for new H-1B petitions rose to nearly 29 per cent in 2020 from six per cent in 2015. A slew of directives, executive orders and

6 Lauren Frayer, “Trump’s Freeze On H-1B Work Visas Disproportionately Affects Indians”, *WAMU* 88.5, 24 June 2020. <https://wamu.org/story/20/06/24/trumps-freeze-on-h-1b-work-visas-disproportionately-affects-indians/>. During an interview, an Indian industry analyst gave the six per cent figure. It is a well-known fact that the bulk goes to Apple, Google, etc., while the bad press goes to Indian IT companies.

7 Nick Miroff, “Trump administration says it will further tighten rules for foreign workers using H-1B visas”, *The Washington Post*, 7 October 2020. https://www.washingtonpost.com/immigration/trump-tightens-h1b-visas/2020/10/06/0035905e-0805-11eb-991c-be6ead8c4018_story.html; and; Doug Rand and Lindsay Milliken, “Temporary Work Visa Holders in the United States, By the numbers”, Federation of American Scientists, 22 June 2020. <https://fas.org/wp-content/uploads/2020/06/Temporary-Work-Visa-Holders-in-the-United-States-Updated-June-22.pdf>.

notices have made entry into the US extremely difficult over the past four years, which was precisely the objective of Trump's immigration adviser Miller. The pandemic gave him extra leverage as he moved on his sternest measures this year.

In April 2020, Trump signed an executive order imposing a 60-day suspension on the issuance of new green cards, albeit with many exemptions. In June 2020, he temporarily suspended new work visas and extended the ban on green cards. The sweeping executive order halted H-1Bs and even prohibited US companies with global operations from transferring foreign executives to the US for short stints. Spouses of H-1B visa holders who were on H-4 visas were part of the freeze, as were H-2Bs for seasonal workers. Technology giants called the move short-sighted and disappointing.

The sweeping executive order halted H-1Bs and even prohibited US companies with global operations from transferring foreign executives to the US for short stints.

The order affected hundreds of thousands, but a month later, a federal judge in California blocked Trump's order, warning that the executive branch must not assume 'monarchical power' in the immigration context, which is the prerogative of the legislative branch.

In October 2020, the DHS published a new rule, narrowing the definition of "specialty occupation" for H-1B visas, which was set to go into effect in December 2020. A bachelor's degree or higher would no longer be sufficient unless it is "directly related to the position" the applicant is seeking. The existing rules give room to employers to recruit across disciplines – companies could hire an electrical engineer for the position of software developer if the applicant's experience was deemed relevant.

Under the new rule, those currently employed but without a degree that directly relates to the job can have their H-1B renewals denied. They risk being uprooted and having their children's education disrupted. Universities engaged in cross-disciplinary and cutting-edge research are particularly worried. They can no longer employ a computer science engineer or someone with a degree in health science for research in bioinformatics, for example. Artificial intelligence (AI)

requires multi-disciplinary teams, and the rule will hit companies in the AI field. Medical research is another area where critics say it would be hard to retain employees. They predict a loss of American competitiveness as research and jobs move to other countries.

Another drastic rule change in October 2020 – effective immediately – dramatically increased the wages at which H-1Bs can be hired, effectively making it impossible for most companies to use foreign workers. The salary for an entry-level job for a software developer rose from an average of US\$75,000 (S\$100,365) per year to US\$208,000 (S\$278,345) in certain locations.⁸ The rule was published without notice or a window for public comment. Officials cited the pandemic and unemployment as two reasons for the emergency regulation. It is another matter that the unemployment rate in the technology sector has remained remarkably low during the pandemic – it was three per cent in January 2020 and 3.5 per cent in September 2020.⁹

Immigration lawyers are calling it an earthquake that will throw companies off the map.

Several universities have filed lawsuits, calling the wage increase untenable and economic consequences staggering. They allege that the wage hike is not to protect workers but to “destroy” the H-1B programme. Immigration lawyers are calling it an earthquake that will throw companies off the map. Industry analysts say it may cost employers US\$198 billion (S\$264.9 billion) over the next 10 years.¹⁰

The truth lies somewhere between the breathless reaction of the technology giants and their ecosystem of analysts, lobbyists and other well-paid lawyers and the Trump administration’s heavy hand and single-minded focus on curbing foreign workers on H-1Bs. The abuse of the visa by the so-called “body shops” – companies that apply for H-1B visas en masse and farm out workers to US industry – has fuelled anti-immigrant feelings.

8 Stuart Anderson, “Flaw In DOL Rule Sets H-1B Visa Salaries At \$208,000 A Year”, *Forbes*, 2 November 2020. <https://www.forbes.com/sites/stuartanderson/2020/11/02/flaw-in-dol-rule-sets-h-1b-visa-salaries-at-208000-a-year/?sh=1b0a373e187c>.

9 Stuart Anderson, “Unemployment Rate For Computer Occupations Fell In May”, *Forbes*, 11 June 2020. <https://www.forbes.com/sites/stuartanderson/2020/06/11/unemployment-rate-for-computer-occupations-fell-in-may/?sh=4c3946a616ad>.

10 Elizabeth Redden, “Colleges Sue Trump Administration Over H-1B Rules”, *Inside Higher ED*, 21 October 2020. <https://www.insidehighered.com/news/2020/10/21/colleges-sue-over-new-rules-eligibility-wages-h-1b-visa-holders>.

The Trump administration says it is trying to take the H-1B visa back to its original intent, which was to bring highly skilled people to the US whose talent was unique. However, over time, it became a source of cheap labour from India for people with basic skills who were exploited by IT companies. The raising of wage levels will certainly make companies think twice before filing an application for an H-1B visa simply for greater profitability, but it may also ultimately hurt the US economy.

The medical profession may see some of the most drastic effects because foreign medical graduates on H-1B visas disproportionately serve rural communities and hospitals. These underserved populations may suffer because rural centres and hospitals will not be able to support such high wages. A medical resident is generally paid one-fourth the high level of US\$208,000 (S\$278,345) per year set by the latest rules. A lawsuit filed by Purdue University in Indiana has called the high wage “absurd” for physicians in training.

Power of the Technology Lobby

Technology companies and the US Chamber of Commerce, along with various universities, are expected to weigh in with Biden and incoming Vice President Kamala Harris to reverse course and return to ‘normal’, which is generally the pre-Trump times in the context of H-1B visas. Whether he would is the big question. Not in question is the fact that he needs support from big technology if he is considering comprehensive immigration reforms, of which H-1B is only a small part. The last major immigration reform law was passed 30 years ago when there was a semblance of bipartisanship in Washington on pressing issues.

Since almost every measure instituted by the Trump administration is in court, it will take time and careful consideration to disentangle various strands. All Biden can do immediately is to order ‘reviews’ as his team chooses which battles to fight. He is also expected to use executive orders to reverse some of Trump’s most controversial moves.

Not in question is the fact that he needs support from big technology if he is considering comprehensive immigration reforms, of which H-1B is only a small part.

Biden has expressed his intention to reform the H-1B visa programme and referred to a “wage-based” allocation process and enforcement mechanisms in his campaign platform. However, the devil will be in the details once his administration takes shape and takes over the reins in earnest. His choice of a labour secretary will also show the direction he wants to take. Bernie Sanders, a leftist and his rival in the primaries, has expressed interest in the job. He is an advocate of substantive reforms of the H-1B process and would be more than happy to take on the technology companies.

The net result might well be a reversal of the most egregious measures, a general softening of the edges but maintaining the direction set by Trump because both Democrats and Republicans agree on the need for reform.

Some Indians are Happy

Many Indian-American IT workers actually voted for Trump, anecdotal evidence suggests.

Trump’s tough tactics have affected Indian IT companies adversely, forcing a rethink of their business models. However, they made many Indians already in the US on H-1B visas happy. As the demand has risen, so has their worth since the supply is limited. Many Indian-American IT workers actually voted for Trump, anecdotal evidence suggests.¹¹ Some have even moved up the line for green cards where the wait can be more than 10 to 15 years because of the backlog.

As an industry insider who came in on an H-1B and was exploited at low wages explained, “US tech companies can afford to pay high salaries – they are immensely cash rich. Indian companies will adjust their business model and move to Canada or Mexico. But at the end of the day, no matter how you slice and dice it, a majority of talent will come from India. And Indians will benefit, if not Indian companies.”¹²

11 The anecdotal information is based on the author and other journalists’ interactions with H-1B visa holders.

12 This is based on the author’s interview with an industry insider in October 2020. He spoke on the condition of anonymity.

The Biden Presidency and India-US Trade Relations

Amitendu Palit

Summary

India would be looking forward to a more cordial and engaging atmosphere to discuss trade, following the entry of Joe Biden into the United States (US) presidential office. With the Biden administration likely to play a more active role in the World Trade Organization (WTO) and regional trade projects with allies, India might find more enabling and inclusive conditions to discuss major trade issues. These conditions, however, might also mean less chances of a bilateral trade deal materialising with the US. The Biden administration could be more sympathetic in considering the restoration of the Generalized System of Preferences (GSP) benefits for Indian exports, given India's recent domestic reforms and the rapidly enlarging presence of US businesses in the country. India must also, however, prepare for the possibility of the Biden administration nudging it to join a wider trade compact of US allies in the Indo-Pacific.

The prospects of a new administration in the Oval office have encouraged reflections on its likely impact on India-US trade relations. The latter were markedly turbulent during the Donald Trump presidency, including major setbacks for India, such as withdrawal of the GSP benefits and freezing of H-1B visas. Notwithstanding both countries working hard on reaching a bilateral trade agreement, trade dialogues and communications, those in security and defence, were characterised by skepticism and inflexibility. While the negativity is unlikely to evaporate with Biden assuming office, a more cordial and enabling atmosphere to discuss trade is expected to emerge.

This paper explores the future possibilities in economic relations by examining the prospects for a bilateral trade agreement, restoration of GSP benefits for India and the possibility of India joining a US-led Indo-Pacific regional trade and economic partnership.

While the negativity is unlikely to evaporate with Biden assuming office, a more cordial and enabling atmosphere to discuss trade is expected to emerge.

A Bilateral Free Trade Agreement

There were expectations of a trade deal being announced during Trump's visit to India in February 2020. While no announcements were made, both Trump and Indian Prime Minister Narendra Modi reiterated their commitment to a trade pact. Indeed, both countries maintained efforts in this regard, notwithstanding the outbreak of COVID-19 and the disruptions caused by the pandemic. Alluding to the progress on the deal, in early September 2020, India's Commerce and Industry Minister Piyush Goyal expressed optimism over the agreement being signed after the US presidential election.¹ A Biden presidency in the US, however, might lead to different outcomes.

Apart from being highly critical of the multilateral rules-based trade framework of the WTO, the Trump administration was unfavourably disposed towards regional trade agreements.

India and the US were negotiating a bilateral trade deal as it was consistent with the perspectives of both countries on trade. The Modi government has been skeptical of broad-based trade engagement. Besides pulling out of the Regional Comprehensive Economic Partnership (RCEP), it is reviewing all existing free trade agreements (FTAs) to assess India's specific benefits. This reflects in large measure the US approach to foreign trade under Trump. Apart from being highly critical of the multilateral rules-based trade framework of the WTO, the Trump administration was unfavourably disposed towards regional trade agreements. One of Trump's first executive decisions was to pull the US out of the Trans-Pacific Partnership (TPP) – a promise he had made during his electoral campaign in 2016.

The US, under Trump, has looked at trade relations with various countries as distinct from one another and has preferred dealing with trade issues bilaterally. This proclivity reflected in the US' tendency to go for country-specific FTAs with a strong emphasis on safeguarding its national interests. As a result, existing US FTAs, such as the North American Free Trade Agreement and the US-Korea FTA,

¹ "India-US trade deal: Have given very good and balanced offer to America, says Piyush Goyal", *The Financial Express*, 10 September 2020. <https://www.financialexpress.com/economy/india-us-trade-deal-have-given-very-good-and-balanced-offer-to-america-says-piyush-goyal/2080287/>.

were renegotiated, and a fresh FTA was signed with Japan.² A Phase 1 trade deal reached with China in January 2020 was also a major accomplishment.

The propensity to work on bilateral trade deals, particularly with countries with which the US runs large trade deficits, made India a priority for it in reaching a FTA. Trump had famously described India as a “Tariff King” and emphasised the need for a trade deal to ensure better access of American products into the Indian market.³ Whether Biden and his team will be driven by similar objectives to prioritise a bilateral FTA with India is unclear.

The Biden presidency is reportedly keen on the US playing a proactive and engaging role in the WTO and working with its allies in pursuing its reforms. This would be in marked contrast to the Trump administration, whose disenchantment with the multilateral trade system was instrumental behind the efforts to negotiate trade issues bilaterally. Rather than a bilateral FTA, a Biden administration might be more inclined to work with India and other US allies through the multilateral system and multi-country trade frameworks to accelerate progress on rules-based trade.

The Generalized System of Preferences

The biggest setback from an Indian perspective in its trade relations with the US during the Trump administration was the latter’s discontinuation of the GSP benefits for Indian exports. Indian exports were significant beneficiaries of the GSP, with around 13 per cent of its exports to the US being eligible for preferential market access.⁴

This would be in marked contrast to the Trump administration, whose disenchantment with the multilateral trade system was instrumental behind the efforts to negotiate trade issues bilaterally.

2 The North American Free Trade Agreement, featuring the US, Canada and Mexico, has been replaced by the US-Canada-Mexico Agreement from 1 July 2020. <https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement>. The revised US-Korea FTA came into force from 1 January 2019. <https://www.cato.org/publications/free-trade-bulletin/trumps-first-trade-deal-slightly-revised-korea-us-free-trade>. The US and Japan signed a trade agreement and a digital trade agreement on 7 October 2019. <https://ustr.gov/countries-regions/japan-korea-apec/japan/us-japan-trade-agreement-negotiations/us-japan-trade-agreement-text>.

3 “Trump Says ‘Tariff King’ India Wants Trade Deal To Keep Him Happy”, *Bloomberg Quint*, 2 October 2018. <https://www.bloombergquint.com/global-economics/trump-says-india-wants-trade-deal-with-america-primarily-to-keep-him-happy>.

4 Amitendu Palit, “Why India Lost US GSP Benefits”, ISAS Brief 624, Institute of South Asian Studies-NUS, 19 March 2019. <https://www.isas.nus.edu.sg/wp-content/uploads/2019/03/ISAS-Briefs-No.-642-Why-India-lost-US-GSP-benefits.pdf>.

One of the major reasons behind India's enthusiasm in pursuing a FTA with the US was the hope of getting back the preferential market access.

One of the major reasons behind India's enthusiasm in pursuing a FTA with the US was the hope of getting back the preferential market access. The FTA might not have resulted in the Trump administration restoring GSP benefits the way they were. However, it could have ensured for India identical preferential access for its exports within the framework of the FTA, possibly even greater access, if the scope of the FTA was large enough to cover more exports from India, compared with those benefitting from the GSP.

Prominent Indian exporting industries to the US, such as gems and jewellery, are hoping Biden will restore the GSP. These hopes are based on his familiarity with and fondness for India, along with expectations of a further economic stimulus in the US raising domestic consumer demand, and concomitantly, demand for Indian jewellery.⁵

The Biden administration's decision to restore the GSP for India will depend on its willingness to revisit the conditions that led to the Trump administration withdrawing the benefits. The latter had initiated a review of GSP beneficiaries to assess whether eligible countries were offering US products and businesses sufficient access in their own domestic markets. India failed to make the cut in this regard.⁶ From the Asia-Pacific region, Thailand was also found ineligible, while Indonesia interestingly has not been taken off the GSP programme.⁷

A recasting of the GSP programme by the Trump administration, targeting it towards more 'deserving' beneficiaries, was part of its broader strategy of denying preferential market access to economies that have grown large and prominent in terms of shares in global trade and national income. The continuation of these economies in the US' GSP programme was contingent upon their providing deep

5 "US President-elect Joe Biden urged to bring jewellery exports from India under GSP", *The Economic Times*, 10 November 2020. <https://economictimes.indiatimes.com/industry/cons-products/fashion/-cosmetics/-jewellery/us-president-elect-joe-biden-urged-to-bring-jewellery-exports-from-india-under-gsp/articleshow/79150638.cms>.

6 "United States will terminate GSP designation of India and Turkey", Office of the United States Trade Representative, 3 March 2019. <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2019/march/united-states-will-terminate-gsp>.

7 "USTR announces GSP Enforcement Action, Country Successes, and new Eligibility Reviews", Office of the United States Trade Representative, 30 October 2020. <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2020/october/ustr-announces-gsp-enforcement-action-country-successes-and-new-eligibility-reviews>.

access to US products, services and investments in their domestic markets. India clearly was not as reciprocating in this regard as the Trump administration expected it to be.

The possibility of a Biden presidency restoring at least some of the GSP benefits would depend on whether it feels, like the Trump administration, that such restoration is possible only if India changes domestic policies to allow US exports and investments deeper access. It is noteworthy that, in recent months, US investments in India have significantly increased. American technology giants – Facebook, Google and Amazon – have made large investments in the country's digital economy, particularly in telecommunication and retail businesses. Apple and its suppliers have also committed significant resources there. Such investments have been facilitated by India's recent tensions with China and the restrictions imposed by India on Chinese investments.

The fact that India has committed to working with the US and other allies in repositioning regional supply chains out of China makes it a further strategic destination for US investments. India's recent far-reaching reforms in agriculture, labour and coal mining, announced over the last few months to revive an economy battered by COVID-19, are signals of it having become less regulated and more business-friendly in key economic sectors. These might positively influence the Biden administration's outlook on India and convince it to extend preferential access to some major Indian exports.

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India in a US-led Indo-Pacific Trade Framework

There are widespread expectations of Biden working on getting the US back in the TPP. Renamed the Comprehensive and Progressive Trans Pacific Partnership (CPTPP) by its other members, the TPP continues to function without the US.

The TPP was a signature initiative of the Barack Obama-Biden administration and was crafted as a comprehensive trade and

With China being the largest economy in the RCEP, and the trading bloc's economic size far exceeding that of the current CPTPP, there are fears – as originally envisioned by Obama – of China writing the rules of trade and economic engagement in the region.

economic partnership designed to counterbalance China's economic and strategic influence in the Asia-Pacific region. The US' withdrawal from the TPP caused considerable anxiety among other members, creating concerns over US disengagement from Asia. These have been somewhat negated through the Trump administration's forceful articulation of the American commitment to the Indo-Pacific region in its Asia Reassurance Initiative Act of 2018. However, the Indo-Pacific is yet to be consolidated through a rules-based economic architecture. In the meantime, the RCEP has been finalised. With China being the largest economy in the RCEP, and the trading bloc's economic size far exceeding that of the current CPTPP, there are fears – as originally envisioned by Obama – of China writing the rules of trade and economic engagement in the region.⁸

The possibility of Biden renegotiating the US' return to the CPTPP is strong given the compact's significance in the Obama-Biden administration's 'Pivot to Asia' strategy. With the Indo-Pacific having picked up greater strategic momentum in recent years, and the US working closely with major regional economies like Japan, India and Australia to craft alliances that would offset China's economic influence, the CPTPP might be a natural choice for Biden to counterbalance China. It would, while continuing to preserve the US' commitment to the 'Pivot to Asia', fulfill the imperative of the Indo-Pacific getting a rules-based template for economic engagement, preserving American interests. Such a possibility might entail the US reaching out to India to join the CPTPP.⁹

India was never a 'natural' candidate for the TPP as it is not a member of the Asia-Pacific Economic Cooperation. However, this might no longer be an issue between India and the CPTPP. Asian regional dynamics have become firmly fashioned on the Indo-Pacific. As a significant US strategic ally and a key variable in the Indo-Pacific, India becomes an obvious part of any economic framework looking to emerge as an Indo-Pacific regional economic framework. Indeed,

8 "Obama: US, Not China, Should Set Pacific Trade Rules", VOA, 3 May 2016. <https://www.voanews.com/usa/obama-us-not-china-should-set-pacific-trade-rules>.

9 "Joe Biden's 'atmanirbhar' USA may stick to old trade tricks", *The Times of India*, 9 November 2020. <https://timesofindia.indiatimes.com/business/india-business/joe-bidens-atmanirbhar-usa-may-stick-to-old-trade-tricks/articleshow/79120711.cms>.

besides India and the US, most other major Indo-Pacific countries are part of the CPTPP.

India's grounds for joining the CPTPP – if it is positioned by the Biden administration as an alternative to the RCEP – are particularly strong, as it quit the RCEP largely on account of reservations of being part of a trade pact with China. India's relations with China have worsened since, particularly with the onset of COVID-19 and the resultant disruptions in the regional order. India is now far more upfront in working with other Indo-Pacific allies in important regional economic efforts like the Resilient Supply Chain Initiative, which is looking to make industrial supply chains less dependent on mainland China as a location for sourcing and assembling. India's exit from the RCEP, an impending Biden presidency in the US and the worsening of relations between India and China might find it more eager to join the CPTPP than it was in the past.

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Stepping Up the Momentum

One of the positives of a Biden presidency for India should be a more liberal attitude towards the movement of Indian professionals to the US.¹⁰ Trump's move to suspend these visas was a major setback for the prospects of Indian information technology (IT) professionals – the largest users of H-1B visas – and US businesses hiring large number of IT experts from India. Biden's long-term plans to reform the temporary employment visa system by scrapping country quotas and allowing H-1B spouses to work in the US would be welcomed by both the Indian IT community as well as big US technology firms. The move could mark the beginning of a long-term constructive dialogue between the US and India on greater and qualitatively better trade engagement.

Regional circumstances in Asia, with regard to tension between China and the other major regional powers, and concerted efforts to reduce economic dependencies on China by the US' allies, create more

10 "Joe Biden is planning to increase H-1B visa limit, remove country quota for green cards", *The Economic Times*, 12 November 2020. <https://economictimes.indiatimes.com/nri/visa-and-immigration/joe-biden-plans-to-increase-h-1b-visa-limit-and-remove-country-quota-for-green-cards/articleshow/79108357.cms>.

Moving away from a transactional, zero-sum focus on trade relations, viewed entirely through a binary lens like the Trump administration did, the Biden presidency is expected to have a world view of global and regional trade that India is more familiar and comfortable with.

enabling conditions for fruitful trade talks between India and the US. Moving away from a transactional, zero-sum focus on trade relations, viewed entirely through a binary lens like the Trump administration did, the Biden presidency is expected to have a world view of global and regional trade that India is more familiar and comfortable with. Indeed, as the US returns to the WTO more purposefully and steps up efforts to contribute to deeper reforms of the multilateral trade system, India might find it easier to work with the US on issues of traditional divergence—intellectual property, investment, ecommerce, data rules – as more conversations on these get organised through the WTO.

In some ways, a bilateral trade deal with the US, as it was being worked out with the Trump administration, might have forced India to reluctantly agree to some market access compromises, purely as a trade-off for closer defence and security ties with the US. A better working relationship with the US on trade, without such ‘unhappiness’, can be achieved if the current geopolitics and the post COVID-19 reality of countries working closely with one another as much as possible on issues of mutual interest like digital services, new technology and vaccine marketing can be achieved within multilateral and regional frameworks.

India should, in this regard, prepare to respond positively to a Biden presidency’s possible overtures on getting American allies to come together in regional compacts like the CPTPP or other potential cross-border multi-regional frameworks based on governance of emerging supply chains.

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