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Issue Brief

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Growing Indo-US Defence Cooperation: Implications for Regional Stability

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Since the events of 9/11, the US has started to reorient its relationship with India by characterising it as “world's, largest democracy with shared security interest,” “natural partner,” “nascent great power,” and “indispensable partner”. The US started to support India as one of its strategic partner to pursue US’ foreign policy objectives in the South Asian and the greater Indo-Asia-Pacific region. The growing Indo-US nexus, particularly in the defence cooperation domain, coincided with India’s aspiration to become a major power through military dominance. According to a July 2017 joint report to US Congress by the US Department of State and Department of Defence, “the US and India have concluded more than \$15 billion in defence trade, including the transfer from the US to India of C-130J and C-17 transport aircraft, P-8I maritime patrol aircraft, Harpoon missiles, Apache and Chinook helicopters, and M777 light-weight Howitzers. With the support of the US government, the US defence industry has also provided India with proposals for F-16 Block 70 and F/A-18 Super Hornet fighter aircraft.”¹ However, this growing Indo-US defence cooperation trend is increasing arms competition within the regions and threatening regional peace and stability. It is gradually making India an arrogant power, which would reduce the chances of cooperation with its nuclear neighbour, Pakistan and other smaller countries of the region.

Recently, the US Deputy Assistant Secretary of State, Joseph Felter, visited New Delhi to strengthen the Indo-US defence ties by expanding Defence Technology Trade Initiative (DTTI), on September 11, 2017.² Felter’s visit was followed by the visit of the Indian Secretary of Defence, Ashok Gupta, to the US on September 13, and Indian Foreign Minister, Sushma Swaraj’s on-going visit to the US from September 17 onwards. One of the main purposes of these official exchanges is to prepare both sides, India and the US, to enhance the prospects of defence cooperation between India and the US during the scheduled visit of the US Defence Secretary, James Mattis’s to India from September 25-26. Earlier, on September 7, 2017, the US Acting Assistant Secretary of State for the South and Central Asia Affairs, Alice Wells, told a Congressional Subcommittee in a written submission that defence cooperation with India would be an important pillar in their bilateral relationship. The Trump administration has also informed the US Congress that it “strongly supports” the sale of F-18 and F-16 fighter proposals put “forward by Boeing

¹ “Enhancing Defence and Security Cooperation with India: Fiscal Year July 2017,” a Joint Report to Congress in accordance with section 1292 of the National Defence Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Pub. L. 114-328) submitted jointly by the Department of Defence and Department of State on enhancing defence and security cooperation with India.

² “India Readies for James Mattis Visit, Looks to Boost Defence Cooperation with US,” *Hindustan Times*, September 11, 2017, <http://www.hindustantimes.com/india-news/india-readies-for-mattis-visit-looks-to-boost-defence-cooperation-with-us/story-o4K3IWMLwqXHslkU5e1AAK.html>.

and Lockheed Martin respectively.”³ The US administration believes that such proposals have the potential to take India-US defence relationship to the next level, as Mattis is expected to push India to purchase the American combat aircrafts during his planned visit to India.

The Indo-US defence cooperation had accelerated, especially after the visit of the Indian Prime Minister, Narendra Modi in June 2017. In their joint statement, President Trump and Modi clearly stated that growing defence ties are extremely important and agreed to strengthen bilateral defence technology trade and manufacturing partnership.⁴ As an immediate result of this meeting, to cement its defence ties with India, the US announced the sale of 22 Sea Guardian drones, with an estimated cost of around US\$2 billion, to India.⁵ The US State Department immediately cleared the sale by issuing export license, which marks India as the first country to receive these drones. In July 2017, after the submission of a Joint report by the US Department of State and Department of Defence - in accordance with section 1292 of the National Defence Authorisation Act (NDAA) - the US House of Representatives has passed a \$621.5 billion defence expenditure bill which proposes to advance defence cooperation with India.⁶ According to this proposal, to advance defence cooperation with India, the US Secretary of Defence and Secretary of State were tasked to develop a strategy based on following agenda items:⁷

- Recognize India’s status as a Major Defence Partner of the US;
- Designate an individual within the executive branch for the success of the Framework for the US-India Defence Relationship;
- Approve and facilitate the transfer of advanced technology, consistent with the US conventional arms transfer policy.

³ “Trump Administration to Congress: Defence Cooperation with India Important for Indo-US Ties,” *Times of India*, September 7, 2017, <http://timesofindia.indiatimes.com/india/trump-administration-to-congress-defence-cooperation-with-india-important-for-indo-us-ties/articleshow/60403494.cms>.

⁴ “Full Text of the Joint Statement between PM Narendra Modi and US President Donald Trump at the White House,” *Hindu*, June 27, 2017, <http://www.thehindu.com/news/national/full-text-of-the-joint-statement-between-pm-narendra-modi-and-us-president-donald-trump-at-the-white-house/article19153693.ece>.

⁵ “Sale of Drones Worth \$2 Billion to “Cement” India-US Bilateral Ties,” *NDTV*, August 19, 2017, <http://www.ndtv.com/india-news/sale-of-drones-worth-2-billion-to-cement-india-us-bilateral-ties-1739394>.

⁶ “To Boost Defence Ties with India, US House Clears over \$600 billion Bill,” *Economic Times*, July 15, 2017, <http://economictimes.indiatimes.com/news/defence/us-house-passes-bill-on-defence-co-operation-with-india/articleshow/59605440.cms>

⁷ “Enhancing Defence and Security Cooperation with India: Fiscal Year July 2017.”

- Strengthen the effectiveness of the US-India DTTI and the durability of the Department of Defence's India Rapid Reaction Cell (IRRC);
- To develop mutually agreeable mechanisms to verify the security of defence articles, defence services, and related technology;
- To promote the efficient review and authorisation of defence sales and exports to India;
- To encourage greater government-to-government and commercial military transactions between the US and India;
- To support India's export control and procurement regimes with those of the US and multilateral control regimes; and
- To continue to enhance defence and security cooperation with India in order to advance the US interests in South Asia and the greater Indo-Asia-Pacific region.

When one looks back at the overall Indo-US defence cooperation, the post 9/11 era clearly shows that the US has made every effort to accelerate its cooperation with India in the following ways:

- On June 28, 2005, the US and India signed the New Framework for the US-India Defence Relationship for the next ten years.⁸
- In January 2007, the US sold its USS Trenton, a decommissioned American amphibious transport for \$44 millions to India and it became the second largest ship in the Indian navy.⁹
- In 2012, the US launched DTTI to focus on bilateral defence trade.¹⁰ The DTTI allowed Indo-US defence acquisition system, co-development and co-production of military weapons system.¹¹

⁸ "New Framework for the US-India Defence Relationship," 28 June 2005, <http://library.rumsfeld.com/doclib/sp/3211/2005-06-28%20New%20Framework%20for%20the%20US-India%20Defense%20Relationship.pdf>.

⁹ K Alan Kronstadt, "India: Chronology of Recent Events," Congressional Research Service (The Library of Congress, 13 February 2007), <https://www.fas.org/sgp/crs/row/RS21589.pdf>.

¹⁰ "US-India Defence Technology and Trade Initiative," accessed 6 April 2016, <http://www.acq.osd.mil/ic/DTTI.html>; 'Fact Sheet: US-India Defence Relationship' (Us Department of Defence), accessed 6 April 2016, <http://archive.defense.gov/pubs/US-IND-Fact-Sheet.pdf>.

¹¹ K Alan Kronstadt and Sonia Pinto, "India-US Security Relations: Current Engagement," Congressional Research Service (The Library of Congress, 13 November 2012), <https://www.fas.org/sgp/crs/row/R42823.pdf>.

- In 2013, the US and India signed Joint Principles for Defence Corporation.¹²
- In January 2015, in order to speed up Indo-US defence ties, the US Defence Department established its first ever country cell the IRRC.¹³
- In 2015, the two countries concluded the Joint Strategic Vision (JSV) for the Asia Pacific and Indian Ocean Region.¹⁴
- On June 3, 2015, the US and India revised their New Framework for the US-India Defence Relationship for the next ten years.¹⁵
- On March 22, 2016, to institutionalise DTTI and IRRC and to enhance defence and security cooperation with India, the US introduced the US-India Defence Technology and Partnership Act to the US Congress.¹⁶ The Act amends the US Arms Export Control Action in order to accommodate India's status as an equal partner like the other US' treaty allies and closest partners.¹⁷
- In 2016, the US and India established a Maritime Security Dialogue to coordinate maritime-related security and defence cooperation.¹⁸
- In 2016, the US Department of Defence (DoD) and the Indian Ministry of Defence (MOD) concluded the Logistics Exchange Memorandum of Agreement (LEMOA), to simplify logistics exchanges between two militaries.¹⁹
- In June 2016, the US designated India a Major Defence Partner.

¹² "Framework for the US-India Defence Relationship.

¹³ "Pentagon Cell to Push India Trade Ties," *Hindu*, 15 September 2015, <http://www.thehindu.com/news/pentagon-creates-india-rapid-reaction-cell/article7655766.ece>.

¹⁴ "Enhancing Defence and Security Cooperation with India: Fiscal Year July 2017."

¹⁵ "US, India Sign 10-Year Defence Framework Agreement," *US Department of Defence*, accessed 4 April 2016, <http://www.defense.gov/News-Article-View/Article/604775/us-india-sign-10-year-defense-framework-agreement>.

¹⁶ George Holding, *Text - H.R.4825 - 114th Congress (2015-2016): US-India Defence Technology and Partnership Act, 2016*, <https://www.congress.gov/bill/114th-congress/house-bill/4825/text>.

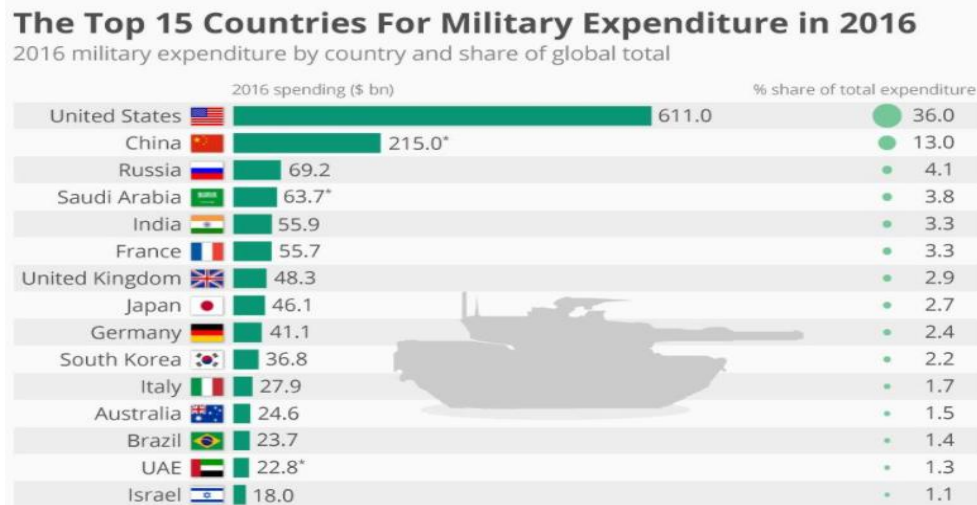
¹⁷ "US Amending Law to Grant India Status of Closest Partner: Pentagon Official," *Express Tribune*, 5 April 2016, <http://tribune.com.pk/story/1078995/us-amending-law-to-grant-india-status-of-closest-partner-pentagon-official/>.

¹⁸ "Enhancing Defence and Security Cooperation with India: Fiscal Year July 2017."

¹⁹ *Ibid.*

- In 2016, the US and India released the Framework for the US-India Cyber Relationship.
- For Fiscal Year (FY) 2017, the Department of State allocated \$1.3 million in International Military Education and Training funds for India.²⁰

The Indo-US defence cooperation spurred unchecked growth of the Indian military strength. As far as India's overall global ranking of military spending is concerned, in 2013, India was ranked at number 9;²¹ in 2014, it was moved up to number 7;²² in 2015, it jumped to number 6²³ and in 2016, as India's military expenditure grew by 8.5 per cent to \$55.9 billion,²⁴ it made India the 5th largest defence spender in the world (for global ranking of top 15 countries, in terms of military expenditures, see graph below).



Source: Niall McCarthy, "The Top 15 Countries For Military Expenditure In 2016 [Infographic]," *Forbes*, April 24, 2017, <https://www.forbes.com/sites/niallmccarthy/2017/04/24/the-top-15-countries-for-military-expenditure-in-2016-infographic/#386aa4d743f3>.

Over the recent decade, a major part of India's defence spending is being utilised for the procurement of latest weapons system and related technology. The Indian arms acquisitions are aimed at modernising Indian armed forces and to emerge as a dominant military power in the South Asian region.

²⁰ Ibid.

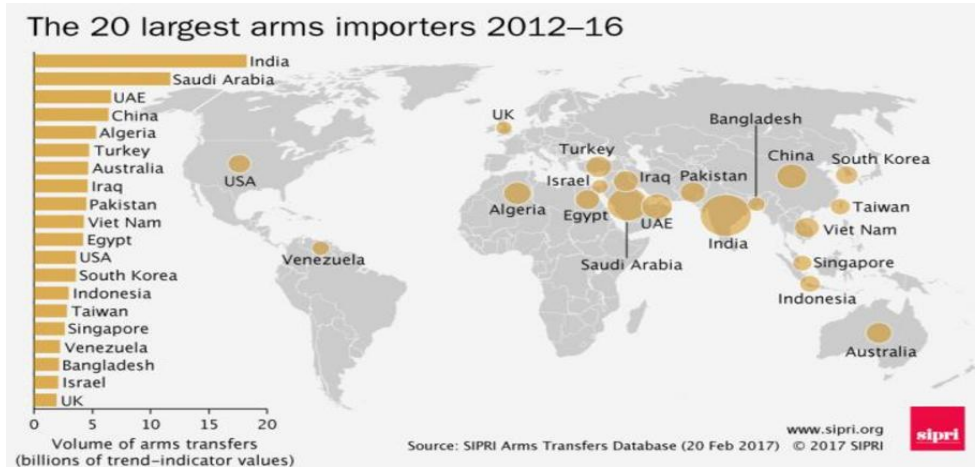
²¹ "The 15 Countries with the Highest Military Expenditure in 2013," *Stockholm International Peace Research Institute (SIPRI)*, 2013, http://www.sipri.org/googlemaps/milex_top_15_2013_exp_map.html.

²² Sam Perlo Freeman et al., "Trends in World Military Expenditure, 2014," SIPRI Fact Sheet (Sweden: Stockholm International Peace Research Institute (SIPRI), April 2015), <http://books.sipri.org/files/FS/SIPRIFS1504.pdf>.

²³ Sam Perlo Freeman et al., "Trends in World Military Expenditure, 2015," SIPRI Fact Sheet (Sweden: Stockholm International Peace Research Institute (SIPRI), April 2016), <http://books.sipri.org/files/FS/SIPRIFS1604.pdf>.

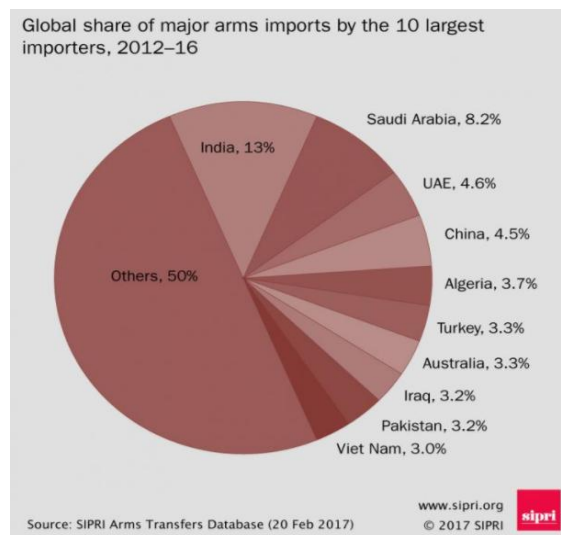
²⁴ "World Military Spending: Increases in the USA and Europe, Decreases in Oil-Exporting Countries," *SIPRI*, 24 April 2017, <https://www.sipri.org/media/press-release/2017/world-military-spending-increases-usa-and-europe>.

According to Stockholm International Peace Research Institute (SIPRI), India ranked No. 1 among top 20 largest arms importers from 2012-2016 (see graph below).



Source: SIPRI

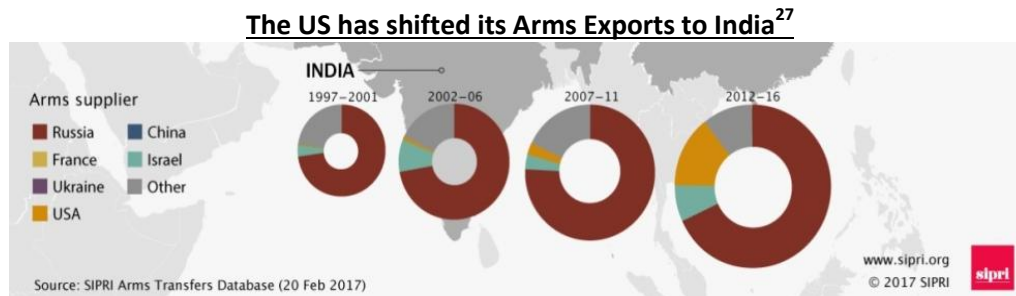
It is important to note that during the past five years, from 2012-16, the Indian share of global arms imports increased to 13 per cent, as compared to 9.7 per cent during the previous five years, 2007-2011 (see graph below).²⁵



Source: SIPRI

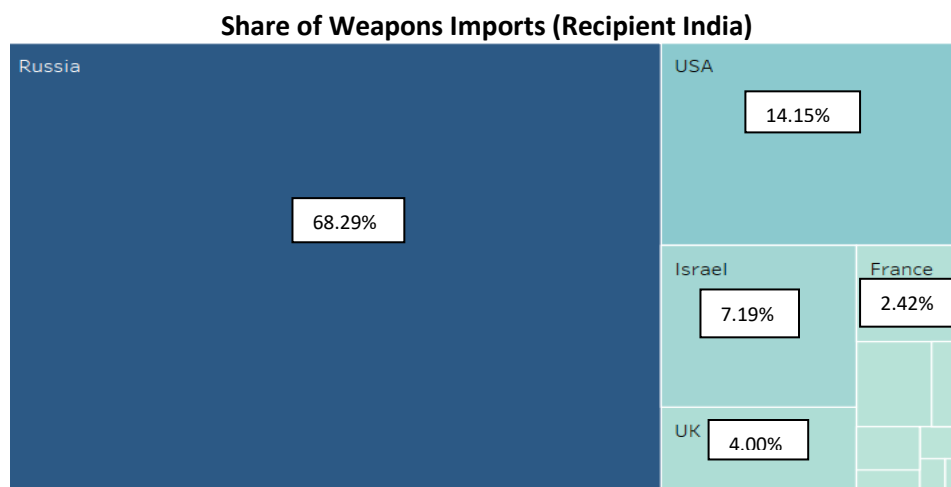
²⁵ "International Arms Exports 2012-16: SIPRI Arms Transfers Database," SIPRI, February 22, 2017, https://public.tableau.com/views/Internationalarmsexports2012-16_0/Dashboard1?:embed=y&:display_count=yes&:showTabs=y&:toolbar=no&:showVizHome=no.

The US views India not only as a major market for its high-tech military equipment, but also as a strategic partner to promote its interest in South Asia. After more than four decades, the US is trying to take a lead after Russia to become a top arms supplier to India.²⁶ The graph below shows how the US' share of arms exports for India has increased from 2012-16 as compared to 2007-11. It clearly reflects that during 1997-2001 to 2017-11, the US arms exports to India were very limited; however, there is a sharp increase in US arms transfer to India in 2012-16.



Source: "International Arms Exports 2012-16: SIPRI Arms Transfers Database", *SIPRI*, February 22, 2017

The graph below shows where the Indian weapons have come from over the last five years (2012-16). It explains that although India has imported a major chunk of its weapons from Russia, which stands at around 68.29 per cent, its arms imports from the US have increased tremendously. From 2012-16, India's share of arms import from the US was 14.15 per cent, from Israel 7.19 per cent and remaining from other countries.²⁸



Source: "International Arms Exports 2012-16: SIPRI Arms Transfers Database," *SIPRI*, February 22, 2017.

²⁶ "US Becomes India's Biggest Arms Supplier," *Business Standards*, 25 February, 2014, http://www.business-standard.com/article/economy-policy/us-becomes-india-s-biggest-arms-supplier-114022500023_1.html

²⁷ "International Arms Export 2012-16: SIPRI Arms Transfers Database", *SIPRI*, February 22, 2017.

²⁸ Ibid.

As far as transfer of major weapons system by the US to India is concerned, the following table give a complete picture of these transfers. The table covers all major arms deals from 2001-2016.

Transfer of Major Weapons System from the US to India: 2001-2016

No. Ordered	No. Designation	Weapon Designation	Year(s) Weapon of Order	Year Delivery	Of Delivered	Comments
(112)	TPE-331	Turboprop	1983	1986-2011	(112)	For 56 Do-228 MP aircraft from FRG; incl production in India
8	P-8A Poseidon	ASW aircraft	2009	2012-2015	8	\$2 b deal (offsets 30% incl production of components in India); P-8I version
(28)	TPE-331	Turboprop	(2012)	2013-2016	(28)	For 14 Do-228MP MP aircraft from FRG
6	C-130J-30 Hercules	Transport aircraft	2013			Probably \$1.1 b deal (30% offsets including production in India of components for all future C-130J); for special forces; delivery 2017
(68)	TPE-331	Turboprop	(2015)			For 68 HTT-40 trainer aircraft produced in India; incl production in India
4	P-8A Poseidon	ASW aircraft	2016			\$1 b deal; delivery 2019/2020-2020/2021
6	LM-2500	Gas turbine	(1999)	2010-2012	6	For 3 Shivalik (Project-17) frigates produced in India; possibly from Italian production line
8	TPQ-37 Fire finder	Arty locating radar	2002	2006	8	Part of \$142-190 m deal; originally planned for 1998 but embargoed by USA after Indian nuclear tests in 1998; AN/TPQ-37(V)3 version
4	LM-2500	Gas turbine	(2003)			For 1 Vikrant (IAC or Project-71) aircraft carrier produced in India; from Italian production line
4	TPQ-37 Fire finder	Arty locating radar	2003	2006-2007	4	Part of \$142-190 m deal; AN/TPQ-37(V)3 version
(20)	F404	Turbofan	2004	2016	(5)	F404-GE-IN20 version for Tejas Mk-1 (LCA) combat aircraft produced in India; ordered after Indian Kaveri engine delayed
1	Austin	AALS	2006	2007	1	Second-hand; INR2.2 b (\$48 m) deal (incl modernization); Indian designation Jalashwa
6	S-61/H-3A Sea King	Transport helicopter	2006	2007	(6)	Second-hand; \$39 m deal; UH-3H version
(24)	F404	Turbofan	2007			\$100 m deal; F404-GE-f2J3 version for Tejas Mk-1A (LCA) combat aircraft produced in India
6	C-130J-30 Hercules	Transport aircraft	2008	2010-2011	6	\$962 m deal (incl \$596 m for aircraft and rest for special equipment; 30% offsets incl production in India of components for all future C-130J); for special forces

512	CBU-97 SFW	Guided bomb	2010	2013-2016	(512)	\$258-311 m deal; CBU-105 version
(20)	RGM-84L Harpoon-2	Anti-ship MI/SSM	2010	2013	(20)	\$170 m deal; AGM-84L version for Jaguar combat aircraft
10	C-17A Globemaster-3	Heavy transport aircraft	2011	2013-2014	10	\$4.1 b deal (offsets \$1.1 b)
(32)	Mk-54 MAKO	ASW torpedo	(2011)	2013-2015	(32)	\$86 m deal; for P-8I ASW aircraft
99	F414	Turbofan	(2012)			\$800-900 m deal (incl 81 produced in India); for Tejas Mk-2 (LCA) combat aircraft produced and assembled in India; selected but not yet ordered by end-2015
..	Paveway	Guided bomb	(2012)			Paveway-2 version
(21)	RGM-84L Harpoon-2	Anti-ship MI/SSM	2012	2014	21	\$200 m deal; AGM-84L version for P-8I ASW aircraft
(245)	FIM-92 Stinger	Portable SAM	(2013)			FIM-92 Block-1 version for AH-64 combat helicopters
16	S-70/UH-60L	Helicopter	(2014)			\$1 b 'NMRH' programme; S-70B transport version; selected 2014 but not yet ordered by end-2016
(542)	AGM-114K HELLFIRE	Anti-tank missile	2015			AGM-114R-3 version; for AH-64 combat helicopters
(812)	AGM-114L HELLFIRE	Anti-tank missile	2015			AGM-114L-3 version; for AH-64 combat helicopters
22	AH-64D Apache	Combat helicopter	2015			\$1.2-1.4 b deal (part of \$2.4 b deal); AH-64E version
15	CH-47F Chinook	Transport helicopter	2015			\$1 b deal (part of \$2.4 b deal)
(6)	T-700	Turboshaft	(2015)			Spares for AH-64 combat helicopters
12	APG-78 Longbow	Combat heli radar	2016			For AH-64 combat helicopters
1	C-130J-30 Hercules	Transport aircraft	(2016)			
12	RGM-84L Harpoon-2	Anti-ship MI/SSM	2016			Part of £82 m deal; UGM-84L version for Type-209 submarines
(24)	TPE-331	Turboprop	(2016)			For 12 Do-228 MP aircraft from FRG

Source: SIPRI Arms Transfers Database (generated on September 19, 2017)

India has already embarked upon a 15 years (2012-2027) Long Term Integrated Perspective Plan (LTIPP) of around hundreds of billions of dollars.²⁹ The LTIPP is further divided into three, five year Services

²⁹ "The Indian Armed Forces Long-Term Integrated Perspective Plan (2012-2027)," *VAYU: Aero Space and Defence Review*, access date, March 18, 2014, http://www.vayuaerospace.in/images1/Indian_Armed_Forces_Long-Term_Integrated_Perspective_P.pdf

Capital Acquisition Plan (SCAP) (2012-2017, 2017-2022 and 2022-2027) and SCAP is further subdivided to meet more immediate needs through Annual Acquisition Plans (AAP). In April 2013, to achieve the objectives of 2012-2027 LTIPP, the Indian Headquarters Integrated Defence Staff and Indian Ministry of Defence (MoD) formulated a Technology Perspective and Capability Road Map (TPCR).³⁰ The TPCR aims to achieve self-reliance in technological superiority in all its services. This future capability acquisition ranges from battlefield information dominance to electronic warfare; application of nanotechnology to weapons of mass destruction (WMD) defence; precision guided munitions to Electro-Magnetic Pulse (EMP) weapons; and advanced multi-role jet fighters to Unmanned Combat Ariel Vehicles (UCAV's).³¹ In this regard, the US views the Indian Armed Forces modernisations plan as a big opportunity to boost its defence industry and cement its relations with India.

Above data and graphs clearly highlight that India is ravenous to rise to the status of a dominant military power in the region. The US is actively supporting the Indian ambition by enhancing its defence cooperation with it. India's overarching emphasis on the modernisation of its armed forces and its stated roles as a 'Continental and Maritime' entity with an 'Extended Neighbourhood' national security policy poses a major threat to regional peace and security.³² This accelerated trend is also impacting strategic stability as it is increasing conventional asymmetry vis-à-vis Pakistan. Consequently, this trend will compel other rising power, China, to enhance its own security status. Therefore, pursuit of such an arms race at regional level will hamper the prospects of lasting peace for the entire region.

In order to ensure lasting peace and security in South Asia, the US should play a positive role. Since it can exert a greater degree of influence over the South Asian nuclear powers, therefore, it can help avoid chances of a limited, conventional or a nuclear war between India and Pakistan. By following a balanced and constructive approach it can help Pakistan and India to resolve their deep rooted territorial issues like Kashmir, water issues, non-state actors and issue of terrorism. The US support for conventional force balance, pressure for a meaningful regional arms control mechanism, promotion of strategic restraint regime, and confidence building measures between India-Pakistan would lead towards greater stability in the region. Therefore, the US, especially under the leadership of President Trump, should reconsider its policy towards South Asia which should be aimed at promoting a stable environment in

³⁰ For complete details see, "Technology Perspective and Capability Roadmap (TPCR)," *Headquarters Integrated Defence Staff, Ministry of Defence, Government of India*, access date, March 18, 2014, [//mod.gov.in/writereaddata/TPCR13.pdf](http://mod.gov.in/writereaddata/TPCR13.pdf)

³¹ Ibid.

³² "Annual Report 2001-2012," Ministry of Defence, Government of India.

the region, but not at making countries like India, the only player to decide the fate of South Asia. The US should also consider Pakistan as an equal important player in this region and as an equal responsible nuclear power. Only a stable security environment at conventional and strategic level would ensure lasting peace in the South Asian region.