



### INDO-US 2 + 2 DIALOGUE AND LARGER INDO-PACIFIC COOPERATION

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*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*



**US and India concluded their high profile 2+2 Ministerial dialogue in New Delhi on September 08, 2018. Both countries also signed the Communications Compatibility and Security Agreement (COMCASA) that will facilitate India to obtain critical defense technologies from the US, and access critical communication network to ensure interoperability among the US and the Indian armed forces.<sup>1</sup>**

Ministers of Defense and Foreign office from both countries attended this dialogue to further their strategic partnership and discuss practical cooperation in resolving difficult bilateral issues. A range of agenda items were on the table including cooperation in the larger Indo-Pacific region. The joint statement after the meeting read:

“...Both sides committed to work together and in concert with other partners toward advancing a free, open, and inclusive Indo-Pacific region, based on recognition of ASEAN centrality and on respect for sovereignty, territorial integrity, rule of law, good governance, free and fair trade, and freedom of navigation and overflight. Noting the importance of infrastructure and connectivity for the Indo-Pacific region, both sides emphasized the need to work collectively with other partner countries to support transparent, responsible, and sustainable debt financing practices in infrastructure development<sup>2</sup>”

<sup>1</sup> “India & US sign COMCASA, Pompeo says no decision on S400”. *The Economic Times*, September 06, 2018. <https://economictimes.indiatimes.com/news/defence/india-and-us-sign-military-communication-pact/articleshow/65700604.cms>

<sup>2</sup> US Department of State, *Joint Statement on the Inaugural US-India 2+2 Ministerial Dialogue* (September 06, 2018), <https://www.state.gov/r/pa/prs/ps/2018/09/285729.htm>

It is clear from the above statement that the entire spectrum of cooperation in the Indo-Pacific was discussed and agreed upon by the two sides ranging from infrastructure development to strategic cooperation over regional hotspots and implicitly to counter Chinese influence.

The Trump administration's Free and Open Indo Pacific strategy is the continuation of Obama administration's "Rebalancing Asia-Pacific" strategy aimed at containing China. Despite some variance in tactical measures, the larger policy blue print of Trump administration's strategy has remained constant like shoring up regional alliances, increasing freedom of navigation operations (FONO) around the disputed South China Sea (SCS) and military and economic assistance to regional allies.

In this context, America has spent significant political and economic capital in India to influence its orientation towards South East Asia as an important extra regional anchor there. To be sure, India due to its geographical proximity and cultural ties has had links with South East Asian region since long. However, after the end of Cold War India increased its openness towards ASEAN. The pace accelerated in the 21<sup>st</sup> century where the global environment is now shaped by US-China strategic competition for influence and power.

The recent record of Indian interactions with important South East nations is illustrative. Military to military ties with Vietnam are increasing as joint Indo-Vietnamese ventures in South China Sea have picked up pace. Moreover, Indian navy has been making regular port calls to Vietnam and have engaged in first ever naval exercise with Vietnam in 2018.<sup>3</sup> High level official visits between India and Vietnam have increased and both sides elevated their partnership from "strategic" to "comprehensive" in 2016<sup>4</sup>.

Similarly, within the larger Indo-Pacific framework, India has been warming up ties with Indonesia as well which is the largest archipelago country in the region with important strategic location. From a strategic point of view, both India and Indonesia have convergence of views regarding perceived threat from China. Indonesian President Widodo made his first visit to India in 2016 where a separate joint statement was issued on maritime cooperation. In a veiled reference towards China, the statement read:

"Both leaders recognized that India and Indonesia share common interests in ensuring maritime security and the safety of sea lines of communication. Both leaders recognized the importance of

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<sup>3</sup> Pandit, Rajat. "With an eye on China, India to hold naval exercise with Vietnam." *Times of India* (TOI) <https://timesofindia.indiatimes.com/india/with-an-eye-on-china-india-to-hold-naval-exercise-with-vietnam/articleshow/64241913.cms> (accessed October 01, 2018)

<sup>4</sup> Ibid.

freedom of navigation and overflight on the high seas, unimpeded lawful commerce, as well as resolving maritime disputes by peaceful means, in accordance with universally recognised principles of international law including the UNCLOS <sup>5</sup>”

The revival of the quadrilateral dialogue (or “Quad”), through informal consultations in November 2017, has also raised expectations in the region of the possibility for a greater strategic alignment between the US, Japan, India and Australia.

The 2 + 2 dialogue joint statement also emphasized on supporting “transparent finance practices “in the regional infrastructure projects. This is also a veiled reference to China’s ambitious Belt and Road Initiative (BRI) project as US has been leading the opposition against it along with its regional allies. Since the prospects of China based debts on regional countries are set to increase as a result of its commercial investments, the fear within the US camp is that China may use it as a ploy to sway its allies away from US.

In response, Japan is also promoting itself as an infrastructure partner across South and South East Asia in partnership with India and Australia. It is yet to be seen whether counter BRI initiatives like for example Asia-Africa growth corridor, the US-Japan-Australia infrastructure agreement, or the recent announcement by US of 113 million dollars for energy, new technology and infrastructure initiatives in emerging Asia<sup>6</sup> will have any strategic effect in cornering China. As they suffer from acute problems and may not be able to match large Chinese financial investments in the long run though there are recent setbacks to BRI in the form of Malaysian opposition as its newly elected Prime Minister Mahathir Muhammad cancelled two projects: the East Coast Rail Link and Natural Gas pipeline in Sabah.

Indo-US relations now seem geared towards containment of China, although it remains to be seen whether India would be willing to play along with the US towards that end. Nevertheless, the broader trend line is likely to remain constant unless US-China relations stabilize which is not likely any time soon. But for all practical purposes, US will continue to support broader Indian connectivity with ASEAN under the free and open Indo-Pacific strategy.

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<sup>5</sup> Indian Ministry of External Affairs, *Statement by India and Indonesia on Maritime Cooperation* (December 12, 2016), <http://mea.gov.in/bilateral-documents.htm?dtl/27806/Statement+by+India+and+Indonesia+on+Maritime+Cooperation>

<sup>6</sup> “Wary of China's rise, Pompeo announces U.S. initiatives in emerging Asia.” *Reuters*, July 30, 2018. <https://www.reuters.com/article/us-usa-trade/wary-of-chinas-rise-pompeo-announces-us-initiatives-in-emerging-asia-idUSKBN1KK0V5>