

# GIVE AND TAKE

The CAATSA exemption, signing of COMCASA, indicate that a shadow over India-US ties is being dispelled

QUESTIONS HAVE BEEN raised about the health of India-US relations, particularly after the inaugural “2+2” meeting between the Indian foreign and defence ministers with their American counterparts was postponed for the second time in July. This closely followed the Donald Trump administration’s insistence on a new law, Countering America’s Adversaries Through Sanctions Act (CAATSA), which would impose sanctions on India if New Delhi went ahead with its decision to buy the S-400 missile system from Russia. As a major oil-importing nation, India had also suffered when the US reimposed stringent sanctions on Iran, while the two countries fought bitterly over trade issues. This gave further credence to the belief in some quarters that bilateral relations between New Delhi and Washington were under strain, despite the personal bonhomie between President Trump and Prime Minister Narendra Modi.

But those clouds casting a shadow of doubt over bilateral ties seem to be moving away now, as the US Congress has passed a law which grants exception to India when it procures the S-400 missile system from Moscow. Washington seems to have realised that threats of sanctions under CAATSA dent the image of the US as a reliable partner at a time when it is projecting India as a key player in its Indo-Pacific strategy. This was underlined by the letter Secretary of Defence, James Mattis, wrote to members of a Senate Committee, seeking “some relief from CAATSA” for countries like India. Other US officials have also stressed upon the “strategic opportunity” that India presents, and the possibility “to trade in arms with India”. For the global defence industry, including the US defence manufacturers, India remains a major market. With the US, deals with India have grown to \$15 billion in the past decade.

India has also followed it up by asking the Americans to expedite the signing of COMCASA, the second of the three “foundational” agreements the US has wanted India to sign for the last decade and a half. New Delhi has finally made up its mind — as it did in the case of the military logistics sharing agreement two years ago — that it should go ahead with an India-specific agreement despite the objections of the defence services and political opponents. It now aims to sign the pact during the “2+2” meeting in Delhi in September. The CAATSA exemption and COMCASA signing underline that while the US has accepted the principle that as a sovereign country, India cannot be dictated on its strategic interests by a third country, New Delhi has also indicated its willingness to give a stronger foundation to the bilateral relationship.