Monthly Brief #76, July 2024

Garcetti's Call for Trust: A Cornerstone for India-U.S. Relationship

Trust is a critical element in international relations, either in the African Union (AU) into G20 or particularly in the nuanced bilateral relationship between India and the United States. During the Defense News Conclave, organised by CUTS International in partnership with United Service Institution of India (USI) and the U.S.-India Strategic Partnership Forum (USISPF) on July 11-12 in New Delhi, U.S. envoy Eric Garcetti highlighted the depth of trust required between the two nations, noting that strategic autonomy often yields to cooperative necessity in times of conflict. His comments drew attention amid India's recent visit to Russia, a balancing act to maintain relations with both the West and its long-standing ally, Russia.

India's Ministry of External Affairs reaffirmed its commitment to strategic autonomy, emphasising the importance of maintaining independent foreign policy choices. Former Indian diplomat Kanwal Sibal echoed this, stating, "India's strong relations with the U.S. should not limit its other alliances, particularly with Russia, which supports India without undermining its U.S. ties".

The conclave also emphasised the role of media in shaping public perception and countering misinformation. Garcetti's remarks reminded attendees of the delicate balance in India-U.S. relations, where both countries must navigate sensitive issues, including India's concerns over Khalistani activism.

While the U.S. seeks to engage India in an anti-China alliance, technology transfer hesitations remain a sticking point. Patience is essential for the progress of initiatives like the Initiative on Critical and Emerging Technologies (iCET), ensuring they avoid setbacks like the Defense Trade and Technology Initiative (DTTI).

Historical examples, such as the extensive dialogues between Jaswant Singh and Strobe Talbott, and Prime Minister Narendra Modi's 2023 official state visit to the U.S. underscore the importance of trust and political will in advancing bilateral relations. Recent agreements to resolve trade disputes demonstrate a mutual willingness to address issues cooperatively.

A future built on mutual respect, trust, and strategic autonomy is essential for India-U.S. relations. This partnership, strengthened by shared democratic values and collaborative efforts, promises significant contributions to global stability and prosperity. At CUTS, we envision a bright future benefiting both nations, driven by thoughtful and careful diplomacy.

Pradeep S. Mehta Editor

P.S.: The U.S. Congress has introduced a significant bill favouring India, proposed by U.S. Congressman Marco Rubio, the 'U.S.-India Defence Cooperation Act'. It seeks to elevate India's status to that of America's close allies, including Japan, Israel, South Korea, and NATO members. Additionally, it also proposes flexibility from CAATSA to exempt India from sanctions for buying arms from Russia

Message for our Readers

This is the seventy-sixth edition of the Monthly Brief from the Centre, which carries select published news or comments on a relevant issue. There are equally important issues which may have been missed out to keep the Monthly Brief short and swiftly readable.

This newsletter contains copyrighted material whose use has not been specifically authorised by the copyright owners. Consumer Unity & Trust Society (CUTS) is making these articles available in our efforts to advance understanding of bilateral trade and economic issues. We believe that this constitutes a 'fair use' of the copyrighted material as provided for in Article 10 of the Berne Convention for the Protection of Literary and Artistic Works (Paris Text 1971) and Section 107 of the U.S. Copyright Law. If anybody wishes to use materials from this publication for purposes that go beyond 'fair use', s/he must obtain permission from the copyright owner. CUTS will not draw any profit from this publication, since it is solely for informative and educational purposes.

Readers are encouraged to send their own views and suggestions at: cutsqlobal@cuts.org



India and Russia set US\$100 billion trade goal by 2030, cooperation in energy, agriculture

India and Russia aim to boost their bilateral trade to over US\$ 100 billion by 2030. The focus is on using national currencies, expanding trade routes, and increasing cooperation in sectors like energy, agriculture, infrastructure, and the digital economy.



- RTX's Pratt & Whitney Expands India Operations with Customer Service Centre in Bengaluru |
 RTX
- Indonesia seeks Russian oil for the first time in years, sources say | The Jakarta Post
- <u>European groups urge action to stop the threat of cheap Chinese imports</u> | Financial Times (Paywall)



Bill introduced to strengthen U.S.-India partnership and counter China's influence in Indo-Pacific

U.S. senator Marco Rubio introduced a bill in American Congress that aims to strengthen the U.S.-India partnership and counter the growing influence of China in the Indo-Pacific region. The bill proposes to treat India on par with U.S. allies such as Japan, Israel, South Korea, and NATO allies in terms of technology transfers and support India's response to increasing threats to its territorial integrity.



- <u>U.S.-India Defence Cooperation Act: A Strategic Shift in Bilateral Relations</u> | Financial Express
- What the West Told Moscow About NATO Expansion | Foreign Affairs (Paywall)
- Beijing and Manila hold talks to defuse South China Sea tensions | Financial Times (Paywall)
- NATO's New Mission: Keep America in, Russia Down, and China Out | The Diplomat (Paywall)



Australia Announces New Offshore Gas Exploration Permits to Secure Domestic Gas

Australia has unveiled plans to issue new offshore gas exploration permits for its east and west coast markets, aimed at securing long-term gas supply as the country accelerates its shift away from coal-fired power stations.



- Japan's Inpex picks Australia for US\$1.25 billion renewable energy buildup | Nikkei Asia
- Saudi Arabia, Egypt to boost energy cooperation after high-level meeting | Arab News
- Spain to launch new US\$2.5 billion plan to support green hydrogen, renewable industry |
 Reuters
- Portugal plans to raise the share of renewables in electricity consumption to 93% by 2030 |
 The Economic Times



Stronger ties between our nations will greatly benefit our people: PM Modi in Moscow

In his first trip since the start of Moscow's invasion of Ukraine, Prime Minister Narendra Modi said he is looking forward to deepening bilateral partnership in futuristic areas and that stronger ties between India and Russia will "greatly benefit our people".



- The quessing game about Prabowo's policy agenda | East Asia Forum
- Iran Elects President Who Wants to Revive Nuclear Talks with West | Livemint
- Norway blocks sale of last private property on Arctic Archipelago | Financial Times (Paywall)
- It's China's fault that Tibet is back in global discussion | Livemint (Paywall)



Germany vetoes sale of sensitive turbine unit to Chinese group (Paywall)

Germany has invoked national security concerns to block the sale of a gas turbine business to a Chinese company, in the latest western move to protect sensitive technologies from potential misuse in China. The veto on the sale of MAN Energy Solutions' unit comes as Berlin tries to chart a more security-conscious path in its relations with China, its largest trading partner, despite mounting concerns about the competitiveness of the German economy and its flagging exports.



- <u>The Global Minimum Tax and Special Economic Zones</u> | International Institute for Sustainable Development
- <u>U.S. chip cos slip on fears of tighter curbs on China</u> | The Times of India
- IMF holds global growth forecast steady for 2024 amid lower projections for U.S., Japan | Firstpost



As the Dalai Lama turns 89, exiled Tibetans fear a future without him

Tibetan Buddhists believe that learned monastics are reincarnated after death as newborns. The Dalai Lama, who is currently recuperating in the United States from a medical procedure, has said he will clarify questions about succession - including if and where he will be reincarnated - around his ninetieth birthday.



- UK pledges £84m to Africa, Mideast in bid to stop illegal migration "at source" | Africnews
- Questions French voters asked | Times of India (Paywall)

Events

- Mainstreaming the African Union into the G20 | New Delhi, July 01, 2024
- What would it take India to become a developed country by 2047? | New Delhi, July 05, 2024
- Defence News Conclave | New Delhi,
 July 11-12, 2024
- The Kaleidoscope of Geostrategic
 Powerplay Assessing India's Role in the
 Indian Ocean Region | 24 July 2024

Articles

- Sheikh Hasina's New Delhi visit reshapes regional dynamics – Mihir Shekhar Bhonsale
- Modi 3.0: India's strategic manoeuvring on the world stage – Akshay Sharma
- Navigating trust and strategic autonomy: The evolving dynamics of India-US relations – Pradeep Mehta, Mihir Shekhar Bhonsale, and Purushendra Singh