India-Japan Strategic Cooperation and Implications for U.S. Strategy in the Indo-Asia-Pacific Region

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Institute for National Strategic Studies
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Cover: Prime Minister Shri Narendra Modi with Prime Minister Shinzo Abe during Joint Press Interaction in Tokyo, September 1, 2014
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Executive Summary

The emerging strategic relationship between India and Japan is significant for the future security and stability of the Indo-Asia-Pacific region. It is also a critical emergent relationship for U.S. security objectives across the Asia-Pacific. India possesses the most latent economic and military potential of any state in the wider Asia-Pacific region. Therefore, India is the state with the greatest potential outside of the United States itself to contribute to the objectives of the “Rebalance to the Pacific” announced by Washington in 2011. This “rebalance” was aimed at fostering a stable, prosperous, and rules-based region where peace, prosperity, and wide respect for human rights are observed and extended. Implicit in the rebalance was a hedge against a China acting to challenge the existing post–World War II rules-based international and regional order.

India and Japan share complementary, but not identical, strategic visions. Both seek to manage—and minimize—the potential negative impacts from the rise of China in accord with their own strategic perspectives. As of early 2017, Japan perceives China’s growing assertive actions to be a great and rising strategic threat. India is concerned about China’s increasingly worrisome behavior but finds itself relatively more dependent upon China for economic growth and less worried about its immediate physical threat than Japan. As a result, India has been, and will continue to be, less vocal in complaints about Chinese behavior, preferring to warn Beijing with subtle signaling and actions.

There is broad bipartisan domestic support in Japan and India for enhancing bilateral strategic cooperation now and moving forward. Prime Minister Shinzo Abe’s role has been a critical factor in the rapid growth of the strategic relationship, and the partnership is unlikely to have moved as far or as fast without his leadership. However, Japan’s important relationship with India has been institutionalized in special ways over the past decade that will make it durable—if not as dynamic—when Abe leaves the political stage in Japan. The same is largely true in India. Since mid-2014, Prime Minister Narendra Modi’s personal approach and his special relationship with Abe have been a significant accelerant to the India-Japan strategic relationship. Indian strategic thinking is broadly supportive of continuing to grow strategic bilateral relations with Tokyo. Thus, Indian public support for the growth of Indo-Japanese partnership is reasonably well-assured. There is a depth of support in both countries that will foster a robust strategic relationship well into the future.

Japan provides India with economic, political, and diplomatic interactions that it cannot replicate elsewhere. Japanese economic assistance is special in that it can undertake projects of enormous scope and scale in the Indian economy—offering a competitive and often preferred
alternative to Chinese bids on critical Indian infrastructure projects. As a technologically advanced industrial nation with an established defense industry, and one now enabled to export weapons platforms and technologies abroad due to a historic political evolution, Japan can help India advance its national military and defense capabilities.

India provides Japan with a security partner of enormous latent potential and three main short-term advantages. India’s border dispute with China causes Beijing to spend more on defense along the Indian border, limiting its attention and defense spending against contested island claims astride Japan. Growing Indian maritime capability will enable New Delhi to assume greater responsibility for Indian Ocean security, allowing Japan and the United States to allocate a greater proportion of their own resources to counter Chinese adventurism in the South and East China Seas. Finally, India has the potential to assist Vietnam to develop as a Japanese security partner in Southeast Asia, as both India and Vietnam currently have many of the same Russian military platforms.

The United States has played an important role in signaling Tokyo and New Delhi that accelerated growth in their strategic relationship is desirable. The George W. Bush and Barack Obama administrations each played a key role. Both deemed it important to overarching American security interests across the Asia-Pacific region that the largest democracy in the world, India, and the richest democracy in the region, Japan, combine energies and efforts to strengthen bilateral ties and mutual efforts toward safeguarding democratic values, freedom of trade and transit, and human rights across the greater Asia-Pacific region. The Obama administration framed this as a part of its “Rebalance to the Pacific” effort, but the Bush team had taken a similar approach.

Washington must continue this signaling into the future to see the India-Japan strategic partnership reach its full potential. The way Washington deals with the disappointments and challenges in its own relations with New Delhi can encourage Japanese forbearance in its inevitable disappointments with India and set a model for Japan’s engagement toward a long-term strategic partnership.

The United States also must move beyond signaling to actively encouraging key activities to enable the relationship to take off. Washington should work with Tokyo and New Delhi to encourage an expanding web of trilateral strategic engagements and activities: economic, diplomatic, and defense. Perhaps most importantly, the United States should be proactive in finding ways to expand military interoperability between India and Japan—and by extension with itself. A critical component of such an aim will be for Washington to develop the broadest and most generous possible list of military technologies that Japan can be encouraged to transfer to India, including those originally developed or primarily researched in the United States. This list—and
the processes necessary to see that items on it are expeditiously approved for transfer—should first focus on the areas of most pressing strategic relevance to the India-Japan bilateral relationship: maritime surveillance and intercept, naval aviation, and anti-submarine technologies.
Introduction

The Japan-India relationship dates back centuries, involving both cultural and commercial interaction. Buddhism came to Japan from India in the 6th and 7th centuries. The Asuka Temple in Nara was constructed in 588 and the Great Buddha of Nara was added in 609. Travel of Buddhist scholars from India to Japan and of Japanese students to India can be traced back to the 8th century. The shared Buddhist tradition spiritually and culturally links the Japanese and Indian people and differentiates Japan from Confucian Asia. The Dutch East India Company established trade routes between Japan and the subcontinent that remained active even during Japan’s seclusion period (1638–1858). The first direct economic contact can be traced to the beginning of Japan’s Meiji period (1868), when Japan used raw materials from India to enable its early industrialization.

The focus of this monograph is the 21st-century evolution of the Indo-Japanese strategic relationship. Modern forces are driving this relationship forward—in particular, the rise of China, the promise of India, and the re-emergence of Japan as an active contributor to international peace and stability. The Indo-Japanese strategic relationship shares a clear symmetry, in language and processes, with the historic U.S.-Japan alliance and with the emerging U.S.-India strategic partnership. In this context, the United States has a conspicuous stake in the success of the relationship and seeing that it reaches its full strategic potential.

This monograph will feature analysis on three major areas. First, it will chart the critical 21st-century dynamics of the India-Japan relationship, establishing three major phases of that recent history and focusing on the national policies, major declarations, and sustained activities that have brought the bilateral partnership forward. Next, the monograph will assess the most critical contemporary elements of the bilateral partnership along three discrete dimensions: economic engagement, diplomatic and bureaucratic processes, and defense and security activities. Finally, it will assess the importance of the India-Japan strategic relationship to security and stability across the Indo-Asia-Pacific region and analyze its importance to U.S. strategy in the region today and into the future.

The monograph was researched over the course of a year from late 2015 to late 2016. It is based upon extensive research into primary Japanese and Indian sources and references. It is leavened by author interviews with key political and security officials in New Delhi and in Tokyo during visits to those locations in December 2015 and May 2016, respectively.
Japan and India Relations in the 21st Century: Strategic Context and Chronology

Japan-India strategic relations can be conceptualized as having evolved through three major phases since the end of World War II: 1945–1999, 2000–2005, and 2006 through today. In the first phase, Japan and India maintained a harmonious relationship but remained at a political distance due to the geopolitical divide between India’s leadership of the nonaligned movement and Tokyo’s close alignment with the U.S.-led anti-communist, anti–Soviet Union block. U.S.-India antipathy—and the distance between Tokyo and New Delhi—grew greater after India’s treaty of “friendship and cooperation” with Moscow, which was signed in 1971 and was operative through 1990. At the same time, the harmony beneath the distance was demonstrated in several warm episodes during the last 45 years of the 20th century. In the immediate post–World War II era, India provided urgent supplies of food and other equipment to Japan. Indo-Japanese warmth was also evident between India’s first prime minister, Jawaharlal Nehru, and Japanese Prime Minister Nobusuke Kishi, who was the first postwar Japanese prime minister to visit India in 1957. This first phase came to a rather frosty end after India’s nuclear tests of 1998 and the Japanese decision to join Washington and impose economic sanctions against New Delhi.

The second phase of the relationship began in 2000 and continued through the end of 2005. It followed the historic visit of President Bill Clinton to India in March 2000, the first by a U.S. President in more than 20 years. Taking a cue from the Clinton visit, Japanese Prime Minister Yoshiro Mori traveled to New Delhi later in August 2000. Japan’s most pressing aim with India was economic. A growing India, divested from the Soviet bloc since 1991 and committed to creating a more capitalist, world-oriented economy, was becoming increasingly attractive as a trade and investment partner in Tokyo, as it also was in Washington. Mori established the Japan-India Global Partnership during his August 2000 visit. In 2001, Indian Prime Minister Atal Bihari Vajpayee visited Japan. The bilateral relationship has broadened and deepened ever since, enjoying bipartisan support in both countries. Since August 2000, prime ministers of both the Liberal Democratic Party and the Democratic Party of Japan have visited India. Beginning with the visit of Prime Minister Junichiro Koizumi to India in 2005, Japanese and Indian prime ministers have held annual summits alternating between New Delhi and Tokyo for more than a decade. On the security front, the Indian and Japanese coast guards began annual joint exercises and leadership exchange visits in 2000.

By late 2006, a third and much broader phase of strategic engagement began between India and Japan. The phase evolved in parallel with greater engagement with India by the
administration of President George W. Bush. In 2005, the Bush administration expanded contacts with India under the aegis of its “dehypenation policy,” which had generated the framework for a U.S.-India civil nuclear power agreement with broad-ranging global strategic implications.7 Likewise, Japan-India relations became increasingly geostrategic in nature beginning in mid-decade. From 2006, broad bilateral strategic interactions were launched during the governments of Japanese Prime Minister Shinzo Abe from September 2006 to September 2007 and of Prime Minister Taro Aso from September 2008 to September 2009.

Abe brought a personal commitment and dynamic to the relationship with India. His appreciation for India dated back to his relationship with his grandfather, former Prime Minister Nobusuke Kishi. Abe recalled that his grandfather had been the first Japanese prime minister to visit India and that India's Prime Minister, Jawaharlal Nehru, had introduced him at a great outdoor rally there in 1957 as “the Prime Minister of Japan, a country I hold in the great esteem.”8 Abe remembered hearing this story “as a little boy,” adding that “as the leader of a defeated nation in war, he must have been very much delighted.”9

In a speech before the Indian parliament in August 2007, Abe laid out a construct called “Confluence of the Two Seas.” In it, he provided his vision of a future where a “broader Asia” would bring together the Pacific and Indian Oceans in a dynamic interaction featuring freedom and prosperity. Abe asserted that India and Japan had a unique and special role, and responsibility, to see this vision attained.10 During this period of Abe's first government, he and Indian Prime Minister Manmohan Singh signed bilateral agreements that moved the Abe vision toward reality. In mid-2006, India and Japan signed their first-ever bilateral defense cooperation agreement.11 Later that year, they signed a document formalizing their relationship as one of “Strategic and Global Partnership.”12

Abe’s resignation for health reasons in September 2007 did not scupper the positive trajectory of bilateral relations. In the 5 years between Abe’s 2007 resignation and his return as prime minister in December 2012, Indo-Japanese relations continued to expand steadily, if not as vigorously as under Abe.13 Strong cultural, economic, and political forces drove forward the relationship in both countries.

In addition, the looming specter of China’s ongoing military modernization posed a security challenge for Japan and India that underwrote growing strategic collaboration. Tokyo and New Delhi agreed that China's rise required that the two nations collaborate on managing the potential challenge. Both states have difficult and unresolved territorial issues with China. At the same time, the rise of China called into question Japanese assumptions of regional lead-
ership and international status based on its long-held standing as the world’s second largest economy, a position eclipsed by China in 2010.14

Abe’s return as prime minister in December 2012 set the stage for even greater acceleration in the third phase of the Indo-Japanese bilateral relationship.15 Despite the cautious and even sclerotic nature of foreign policy engagements during the final 2 years of Prime Minister Manmohan Singh’s tenure, India signaled its deep commitment to Japan as a strategic partner by making Abe the first ever Japanese dignitary to be the Chief Guest at India’s Republic Day in January 2014—India’s highest diplomatic honor.16 That spring, Indian elections brought Narendra Modi of the Bharatiya Janata Party (BJP – Indian nationalist) to power, and the bilateral relationship took a dramatic step forward.

Modi visited Japan in September 2014, his first bilateral visit outside of South Asia. On this trip, India and Japan officially updated the description of their relationship to one of a “special strategic and global partnership.”17 Japan and India moved forward on greater cooperation in long-sensitive space and defense matters. India also joined Japan in expressing concern about developments in the South China Sea.18

High-level diplomacy and strategic interactions accelerated in 2015 and 2016. Japanese investment in major Indian economic projects took off. Special arrangements and protocols were established for Japan to assure its priority investments in India were not derailed by India’s notorious bureaucracy. Abe undertook what some described as a “spectacular” and “historic” visit to India in December 2015 during which he inked Japan’s commitment to funding and building India’s first-ever high-speed railway and protocols to enable the future transfer of defense equipment and technology. India and Japan also agreed on joint measures to protect classified military information, a commitment essential to future technology transfers. India agreed to Japan’s permanent inclusion in the bilateral U.S.-Indian Malabar annual naval exercises. Bilateral interactions in 2016 included a long-worked and highly significant bilateral civil nuclear deal, signed in early November by Modi on a visit to Japan. This deal opened the way for Tokyo to supply New Delhi with fuel, equipment, and technology for nuclear power for peaceful purposes. The agreement enables Japan’s highly capable nuclear reactor businesses, such as Toshiba, to build nuclear power plants across India and sell nuclear reactor parts and equipment to other contractors across India, a vital element in India’s highly ambitious plans to expand nuclear power production by more than tenfold in the next 15 years.
India: From “Look East” to “Act East”

India’s metamorphosis as an Asian-engaged nation began in the early 1990s. In 1991, India confronted simultaneous related crises that demanded a rethink of its decades-old “nonalignment” strategy. The first problem was economic: a severe balance of payments crisis. The second was geostrategic: India’s principal security and economic partner from 1971 to 1990, the Soviet Union, collapsed. India lost Soviet subsidies, customers, and suppliers in Russia and across the fragmenting Cold War bloc, and it also lost its ability to stay distant from the global “first-world” economy led by the United States and Western powers. India’s dual crises led the leadership in New Delhi to seek an alternative model of economic development and global interaction.19

Prime Minister P. V. Narasimha Rao announced an alternative model in 1992, the “Look East” policy, which launched India’s efforts to cultivate extensive economic, and later strategic, relations across first Southeast Asia and then the wider Asia-Pacific region. It led India to pursue economic modernization and integration into the capitalist trade and finance framework. It also led India to expanded strategic interactions designed to establish its status as a regional and international power. The Look East policy was enacted during three successive Indian governments, those of Rao (1991–1996), Atal Bihari Vajpayee (1998–2004), and Manmohan Singh (2005–2014).20

Japan was a natural partner for India’s Look East policy, although relations between the two expanded only slowly at first during the 1990s as Japan took its cues from a cautious United States and India focused most intensely on relationships with Southeast Asian states. During the 1990s, India first focused on the build-out of strong commercial, cultural, and military ties with Singapore, Vietnam, the Philippines, and Thailand. New Delhi signed free trade agreements with a range of East Asian countries, including South Korea and Japan. India also pursued membership in multiple Asia-Pacific economic and security forums. It became a sectoral dialogue partner with the Association of Southeast Asian Nations (ASEAN) in 1992. In 1995 it attained advisory status in ASEAN and became a member of the Council for Security Cooperation in the Asia-Pacific. It became a member of the ASEAN Regional Forum in 1996 and a summit-level partner in ASEAN (on par with China, Japan, and Korea) in 2002.21

During the 1990s, India increased economic ties with Japan.22 But significant political and strategic potential went uncultivated throughout the decade, particularly as a result of India’s 1998 nuclear weapons test and the negative aftermath.

The cordial but somewhat tepid relations between India and Japan during the 1990s took on new context and deeper meaning as the Look East policy entered the next decade. In 2000,
then-Indian Prime Minister Vajpayee expanded economic and cultural relations with Japan into dialogue and exchange about geostrategic matters of mutual interest. In 2000, Prime Minister Mori visited India, and the geostrategic dynamics of their bilateral relationship extended further.

Contemporary Indian officials are quick to say that the post-2000 Indo-Japanese strategic relationship remains based upon a positive framework in which India is pursuing a strategic vision of engagement and interaction from the west coast of the United States to the east coast of Africa; and Japan is now viewing its interests in the Indian Ocean region to be as important as those in the Asia-Pacific.23 Reflecting this Indian perspective, in 2003, a former external affairs minister described the evolution of India’s Asia-Pacific relations during the Look East policy:

In the past, India’s engagement with much of Asia, including Southeast and East Asia, was built on an idealistic conception of Asian brotherhood, based on shared experiences of colonialism and of cultural ties. The rhythm of the region today is determined, however, as much by trade, investment, and production as by history and culture. That is what motivates our decade-old Look East policy. Already, this region accounts for 45 percent of our external trade.24

Indian thought leaders today believe that the Japan relationship is built on a number of complementary dynamics that matter to the Look East policy. Japan is an aging society, while India is a young one. Japan needs to invest its capital offshore successfully to gain and grow, and India offers an attractive, relatively untapped infrastructure and manufacturing base upon which to grow value. Japan needs access to educated workers for offshore ventures, and India has such a demographic. Japan and India share political values anchored in democracy and diversity of opinion and expression. Japan and India share a common history of religious ideals, namely Buddhism. Indeed, unlike many of Japan’s relations across Asia, Tokyo’s engagements with India feature tremendous goodwill and “few discordant notes.”25 By the mid-2000s, Indian policymakers positioned the Japan-India relationship at the top of a growing array of strategically important bilateral relationships evolving across the Indo-Asia-Pacific region.26

In November 2014, some 6 months after becoming prime minister, Narendra Modi announced that India would pursue an “Act East” policy, extending beyond India’s two-decade-old Look East policy.27 This announcement—which utilized a phrase first uttered in a policy speech by U.S. Secretary of State Hillary Clinton on her 2011 visit to India—aimed to further invigorate Look East with a set of engagements across the Asia-Pacific region. The Modi government launched several new economic initiatives aimed to encourage greater external investment in
India to build state infrastructure, smart cities, and economic competitiveness, especially in manufacturing.

At the same time, India’s Act East policy aims to create greater partnerships and activities to contend with what many in India’s elite perceive as the increasingly assertive and unilateralist approach of China in the Indo-Asia-Pacific region. Although India’s leaders have remained steadfast in not publicly chastising China, the thrust of the Act East policy has been to rapidly accelerate economic, diplomatic, and strategic interactions with partners in East Asia who share India’s worries about Chinese unilateralism and present India with options for external investment as well as strategic interaction in a manner that signals displeasure with China.

Prime Minister Modi has accentuated and accelerated relations with Japan. He has focused on welcoming Japanese infrastructure into India, notably choosing Japanese investment over Chinese offers in critical programs such as the Mumbai Industrial Corridor bullet train between Mumbai and Ahmedabad and in critical “smart cities” initiatives on the east coast of India.

Throughout this period, growing U.S.-India partnership interactions have served as a consistently positive factor in the expansion of the India-Japan relationship. This is true despite the fact that while there is a bipartisan consensus in India to improve relations in all areas with Japan, this consensus is not present to a similar degree across all dimensions of the U.S.-India relationship.

Japan: Looking Outward

Japan’s policy response to the strategic challenges posed by China can be traced to a speech entitled “Arc of Freedom and Prosperity: Japan’s Expanding Diplomatic Horizons” that Foreign Minister Taro Aso delivered in November 2006 during the first Abe government. Aso drew an arc extending from Northeast Asia through Central Asia to the Middle East, Eastern Europe, and the Baltic States, in which Japan’s policies would be marked by “value oriented diplomacy, which involves placing emphasis on ‘universal values’ such as democracy, freedom, human rights, the rule of law and the market economy.” Aso’s remarks were widely interpreted as setting the framework for broad international community standards that would stand in stark contrast to policies evident in China.

Within this context, Prime Minister Abe addressed the Indian parliament on August 22, 2007, shortly before resigning from office for health reasons. In his remarks, “Confluence of Two Seas,” Abe defined the Japan-India Strategic Global Partnership as “an association in which we share fundamental values, such as freedom, democracy, and the respect for basic human rights as well as strategic interests.” He went on to note that Japanese diplomacy is being ordered toward
the evolution of “the Arc of Freedom and Prosperity . . . along the outer rim of the Eurasian continent and that the Strategic Global Partnership of Japan and India is pivotal for such pursuits to be successful.” Japanese-Indian partnership would allow for the evolution of this broader Asia “into an immense network spanning the entirety of the Pacific Ocean, incorporating the United States of America and Australia. Open and transparent, this network will allow people, goods, capital, and knowledge to flow freely.” Abe observed that “as maritime states, both India and Japan have vital interests in the security of the sea lanes.” As for future security cooperation, he suggested that this would fall to diplomats and defense officials jointly to define.

Shortly before returning as prime minister in December 2012, Abe authored an article, “Asia’s Democratic Security Diamond,” in which he revisited the theme that “peace, stability, and freedom of navigation in the Pacific Ocean are inseparable from peace, stability, and freedom of navigation in the Indian Ocean. Developments affecting each are more closely connected than ever.” Abe’s article reflected growing concerns with Chinese activities in the maritime domain, with the South China Sea becoming “Lake Beijing” and with China’s “daily exercises in coercion around the Senkaku islands in the East China Sea.” Referring to his earlier call for Japan and India “to shoulder more responsibility as guardians of navigational freedom across the Pacific and Indian Oceans,” Abe admitted that he “failed to anticipate that China’s naval and territorial expansion would advance at the pace that it has since 2007.”

Abe argued that, in light of the “ongoing disputes in the East China Sea and the South China Sea, Japan’s top foreign policy priority must be to expand the country’s strategic horizons” and that “Japan is a mature maritime democracy and its choice of close partners should reflect that fact.” He envisaged “a strategy whereby Australia, India, Japan, and the U.S. state of Hawaii form a diamond to safeguard the maritime commons, stretching from the Indian Ocean to the western Pacific.” Should he again become prime minister, Abe was “prepared to invest, to the greatest possible extent, Japan’s capabilities in this security diamond.” Noting the work that governments under the Democratic Party of Japan had worked to strengthen relations with Australia and India, Abe wrote “of the two countries, India . . . deserves greater emphasis.”

During Abe’s visit to India in December 2015, he and Modi launched the “Japan and India Vision 2025, a Special Strategic and Global Partnership. Based on the shared cultural traditions of Buddhism and the shared values of democracy, tolerance, pluralism, and open society,” the two countries viewed each other “as partners that are responsible for and are capable of responding to global and regional challenges.” The two countries committed to “realize a peaceful, open, equitable, stable, and rules-based order in the Indo-Pacific and beyond” and to “uphold the principles of sovereignty and territorial integrity, peaceful settlement of disputes, democracy, human
rights and the rule of law, open global trade regime, and freedom of navigation and overflight.” In
the South China Sea, the document “called upon all States to avoid unilateral actions that could
lead to tensions in the region.” The 44-chapter document set out a game plan for achieving the
2025 Special Strategic and Global Partnership.32

The India-Japan strategic relationship features an exceptional number of critical interac-
tions, in particular bilateral economics, diplomacy, and security and defense. Each of these
interactions is increasingly calibrated to advance bilateral strategic goals. The purpose of the
next three sections of this monograph is to detail the main bilateral strategic dynamics in each
of these categories.

Economic Interactions

India has made Japan an increasingly preferred economic partner over the past several
decades. Yet Japanese overall investment and private economic interaction in India has not
eclipsed that with China—Beijing remains India’s number-one economic partner when sum-
mimg investments and trade activities.33 Japan has consistently been one of the top ten states
investing in India since 2010, while China has not been.34 But China is by far India’s largest
import-export partner and has held that position for more than a decade, while Japan is not yet
in the top ten.35 New Delhi has been working to extend and expand overall Japanese economic
activity across India. Japanese private sector presence and direct government development as-
sistance programs have been the most significant to date, with considerable positive impact on
India’s Look East–Act East domestic growth economic agenda. Japan also contributes increas-
ingly to other Indian investment activities with strategic implications, especially those involving
the Andaman and Nicobar Islands, Burma, and Iran. This section will first address the domestic
strategic implications from Japanese public and private investment with India. It will then high-
light several overseas investment initiatives with strategic significance.

Japan has a lengthy and unique record of private sector economic investment in India.
Japan’s economic presence in India dates back decades, and, while reflecting only a small por-
tion of Japan’s total overseas investment, private sector investment in India has experienced a
dramatic rise. Japan has averaged about US$5 billion of investment a year in India for the past
half-decade. This is about 6 percent of Japan’s overall annual overseas investment during those
years and about half of Japan’s direct investment in China. But this sustained level has been a
noteworthy increase over the less than US$2 billion per year of annual Japanese investment in
India in the decade before 2009, and, more importantly, an increase approximately double that
of Japan’s investment increase into China since 2009.36 Announcements by India in 2014 and
2015 of additional investment tranches through 2020 remain relatively consistent with this level of annual Japanese investment, adding a bit more in the area of specific projects.37

The dynamic growth of Japanese private sector investment since the turn of the century is documented in the reports the Japan Chamber of Commerce and Industry in India (JCCII), which was established in July 2006. As of April 2010, membership of JCCII stood at 253 companies. In its annual report, the chamber wrote that “Japan and India can offer [a] perfect combination and solution with each other in dealing with such issues as sustainable growth, demographic challenges, infrastructure development, technology transfer and job creation, green economy, and so on.” By February 2011, JCCII membership had grown to 272 companies. The 2012 report found 800 Japanese companies operating in India, with JCCII membership at 315. By October 2012, the number of Japanese companies in India had grown to 926. By comparison, in 2016 the American Chamber of Commerce in India reported only 500 corporate members, 450 of which were American-owned.38

In its 2016 report, the JCCII noted that Japanese companies had responded “favorably” to Prime Minister Modi’s “Make in India” program and that the JCCII “has taken this up as a challenge to facilitate and educate investors from Japan to the fast unfolding reform landscape in India.” As of October 2015, the JCCII reported that the number of Japanese companies in India had increased to 1,229 with corporate offices totaling 4,417, an increase of 536 over the previous year.39 The JCCII has served to highlight roadblocks to greater Japanese private sector participation, such as administrative inefficiency and lack of transparency. It has also helped support reforms in India’s tax system, banking sector, logistics and distribution system, intellectual property rights, infrastructure, and land acquisition.

In 2015, bilateral trade totaled ¥1,570 billion with Japanese investment standing at ¥289 billion, an increase of just under 10 times over the ¥29.8 billion in 2005, and about 6 percent of Japan’s overall foreign direct investment for the year.40 Japanese officials are hopeful that, over time, Japanese official development assistance (ODA) and private sector investment in India can serve to offset India’s economic need for China.

Japan’s ODA is a critical component of its overall economic support for India. In 1958, Japan initiated an ODA program for India, a loan of ¥18 billion, making India the first recipient of Japanese ODA. In 2003–2004, India became the largest single recipient of Japanese ODA. Japan has focused its program in India on the “development of industry-related infrastructure which reduces the trade and transaction costs and attracts investment from both foreign and domestic investors.”41 From 2002 to 2011, India’s transportation sector received 25 percent of the Japan International Cooperation Agency’s ODA outlays for India. Of that amount, metros received 77
percent; railways, 12 percent; roads, 10 percent; and ports, 1 percent. Notable projects include the Delhi and Bangalore metro, the freight corridor between New Delhi and Mumbai, rapid transport between Chennai and Bangalore, and road and water supply construction in India’s northeast. Between fiscal years 2004–2005 and 2015–2016, Japan’s ODA commitments totaled ¥2,125 billion, with 54 percent going to transportation, 21 percent to water and sanitation, 14 percent to energy, 8 percent to forestry and agriculture, and 3 percent to other sectors.

Japan’s ODA is also supporting the development of India’s energy infrastructure (increasing renewable energy capacity and rural electrification) by introducing more efficient technologies, transmission systems, and power distribution networks, in particular in the states of Andhra Pradesh, Madhya Pradesh, Maharashtra, and West Bengal. In a 2015 ex post facto evaluation of Japan’s ODA Rural Electrification Project, project evaluator Keishi Miyazaki found that the electrification rate in both urban and rural areas in the three target states had increased: 92 percent in Andhra Pradesh, 67 percent in Madhya Pradesh, and 74 percent in Maharashtra. Other projects include water supply, programs to increase agriculture and sericulture productivity, sanitation, environment, health, education, and human resource development. These multifaceted investments and programs continued apace during 2016 (see Appendix A).

As of March 2013, the Japan International Cooperation Agency reported a total of 230 loan agreements on the books amounting to ¥3,781 billion. It is of note that Japan exempted India from cuts in its ODA budget in the wake of the tsunami and meltdown of the nuclear reactors in Fukushima in March 2011.

In a 2013 study on Japan’s ODA program in India, Pravakar Sahoo concluded, “Several infrastructure projects . . . operationalized with the help of Japanese ODA have changed the way of living and urban landscape of Indian cities. Infrastructure development has led [not] only to a reduction of trade costs but also to increase employment and, thereby, income and living standards of the people in India.”

Japanese ODA support for road and water supply construction in India’s northeast merits special comment. For years, India found it difficult to secure outside investment partners for many of these projects. The China-India dispute over rightful ownership of the 90,000 square kilometers of land in India named Arunachal Pradesh (called South Tibet by China) consistently inhibited outside investor interest in support for infrastructure projects in these areas (see map 1). Outside agents consistently came under pressure from Beijing to desist from supporting India’s construction desires in its northeast. Japan has proven a unique and invaluable partner for infrastructure development in the area. Tokyo has resisted Chinese pressures and taken India’s side on the long-standing border dispute. Since 1981—and especially since 2006—Japan has
invested in infrastructure projects in northeast India with scant regard for Chinese complaints, becoming India’s lone outside-government investment partner in the region. From late 2014, Japan has placed special emphasis on the development of India’s northeast. Japan has pledged about US$854 million in funding at reduced interest rates for about 1,200 kilometers of roads across India’s northeast and several hundred million more in low-cost funding and aid for water and hydroelectric projects in areas near the Chinese border.47

Japan also has supported India in financial matters of strategic significance. In 2013, the Indian rupee went into free fall, and international worries about India’s ability to finance growth grew significantly. Japan stepped in decisively. Prime Minister Abe, back in office barely a year, ordered his government to extend access to Japan’s foreign exchange reserves to India. He also directed that Japan’s central bank expand an existing currency swap with New Delhi. In September 2013, a US$50 billion swap was signed with a clause allowing the ceiling on the deal to go as high as India wanted. International currency speculators were thrown off the scent, and the Indian rupee stabilized. Japan utilized its unique financial prowess to assure the strategic viability of India despite the weakness of a foundering Congress government.48
In December 2015, Prime Ministers Abe and Modi signed documents in New Delhi marking another expansion in the scope of Japanese investment into India. These included an announcement that Japan would fund a US$15 billion project to build a high-speed bullet train between Mumbai and Ahmedabad in India’s northeast, outbidding a Chinese proposal for this same project. In their joint statement at this annual summit, the partner prime ministers emphasized that they sought “synergy” between India’s Act East policy and Japan’s Partnership for Quality Infrastructure. They agreed to jointly strengthen reliable, sustainable, and resilient infrastructures better connecting India internally and externally to other countries in the region, including Burma and Iran.

The prime ministers also inked an important tentative deal on nuclear energy cooperation at this December 2015 bilateral summit, opening the door to the sale of Japanese nuclear technology to India. Modi met with Abe on the sidelines of the East Asia Summit in Vientiane, Laos, on September 7, 2016, to review progress in the implementation of the nuclear agreement. India’s foreign ministry quoted Modi as saying that his first bilateral at the summit meeting was with “a special friend and a valued partner.”

The two strategic partners formalized the hallmark India-Japan Civil Nuclear Agreement during Modi’s annual summit meeting in Japan in November 2016. Commenting on the strategic significance of the nuclear cooperation agreement and of the importance of regional cooperation to bound Chinese ambitions, Satoru Nagao, research fellow at the Tokyo Foundation and lecturer on national security strategy at Gakushuin University, wrote: “For Japan this means supporting India’s rise as a regional power by cooperating in the development of India’s civil nuclear energy. . . . It is in Japan’s best interests to promote a stable power balance in the broader Indo-Pacific region by supporting India’s emergence as a regional power.”

The November 2016 annual bilateral summit also produced a joint statement that clearly indicated close economic and strategic cooperation between Japan and India in matters of mutual interest across the Indo-Pacific region. The statement focused on four major areas including nuclear cooperation, counterterrorism, coordination on regional issues, and defense industry cooperation. This joint statement, an extension of the India-Japan Vision 2025 document signed in New Delhi during the previous annual summit, confirmed the strategic nature of Japan’s economic assistance to India itself and to mutual interests in the wider region that help counter the potential for undesirable Chinese influence. Three ventures in the Indian Ocean basin stand out as of early 2017.

First, India in 2015 approached Japan with a proposal for economic cooperation on India’s Andaman and Nicobar Islands with a strategic twist (see figure 2). Never before interested
in outside economic assistance for its underdeveloped eastern islands archipelago, New Delhi proposed that Tokyo assist with infrastructure projects on Andaman and Nicobar with initial funding for a 15-megawatt diesel power plant to be built on South Andaman.\textsuperscript{56} The power plant, like other potential future infrastructure projects on these islands, will help improve the lives of the population there. Moreover, reliable, robust power will greatly assist India’s ability to upgrade its evolving maritime and tri-service bases on the islands, expanding its presence in an area where both India and Japan wish to see growing Chinese maritime activities monitored more diligently.\textsuperscript{57}

Second, India and Japan have begun collaborating on the extension of economic ties and infrastructure from India to Burma and into wider Southeast Asia. New Delhi and Tokyo have been keen to capitalize on the cooling relations between Burma and China, expanding and abetting programs to improve Burmese infrastructure and connectivity between India and the wider region. Although China’s influence is pervasive across Burma, Japan’s private sector has long been present. In 2015, 300 Japanese companies were operating there. Since the end of military dictatorship in Burma in 2010, and especially since 2014, Japan has been working assiduously to support Burmese infrastructure projects and special economic zones that can enhance Burmese interaction and engagement with economic partners other than China.\textsuperscript{58} Many of these projects are aimed at improving connectivity between Burma and India as a growing alternative to long-standing Burma-China infrastructure connections.

Japan made Burma its largest recipient of grant aid projects in 2014, including infrastructure projects for a

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure2.png}
\caption{Andaman and Nicobar Islands}
\end{figure}
major bridge, railway improvements, customs modernization, and gas power plant construction. Japan also approved over US$1.5 billion in favorable ODA loans for Burmese infrastructure projects during 2013–2015. In late 2016, Japan pledged an additional US$7.7 billion in public and private support money for Burma’s development over the coming decade, tying this economic support to “shared basic values such as democracy and fundamental human rights.” Not surprisingly, these values are also those highlighted in the India-Japan Strategic Vision 2025 document.

For its part, India views Burma as its gateway to the east. Prime Minister Modi announced the “Act East” policy there on a visit in late 2014. Although India-Burma trade has been paltry, just over US$1 billion in 2015 compared to China-Burma trade of US$11 billion that same year, India has begun more deliberate trade and transit interaction with Burma. New Delhi continues to support Japan’s robust investments in Burma, looking to link those with complementary ones in Northeast India and with other traditional Indian economic partners.

Finally, Japan has joined India in a project to develop the strategically important port of Charbahar in Iran. India launched a collaborative venture, announced in mid-2016, with Iran and Afghanistan to boost economic ties and access to natural resources and trade routes stretching from Charbahar to Central Asia. The Charbahar project includes construction and operation of port facilities there, the creation of special economic zones nearby, and the development of road and rail connections through Iran and Afghanistan and into Central Asia. This infrastructure will become a key part of the long-planned (and often delayed) International North-South Transportation Corridor between the Indian Ocean and the Eurasian steppes. It will also be a parallel route and a potential competitor to the Chinese-sponsored One Belt, One Road Initiative (OBOR) and its key north-south land component through South Asia, the Chinese Pakistan Economic Corridor (CPEC). Japan’s intent to enable financing of this project stands as another strong indicator of its strategic economic collaboration with India in an effort to provide viable alternatives to Chinese activities across the region.

**Diplomatic and Bureaucratic Interactions**

Collaboration in support of trade, investment, and strategic aims has been the hallmark of bilateral relations between India and Japan in the 21st century. Simultaneously, India and Japan have steadily expanded the scope and depth of their diplomatic activities and bureaucratic arrangements. Diplomatic and bureaucratic interactions have emphasized the centuries-old special cultural relationship between India and Japan. They also now feature some unique administrative arrangements and activities aimed at working around the most notorious features
of India’s often sclerotic bureaucracy and in a manner aimed to assure that a robust bilateral relationship will outlast any one Japanese or Indian prime minister.

During the 21st century, and especially during the third phase of their bilateral relationship (since 2006), Indian and Japanese leaders have stressed the unique cultural and religious ties between the two countries that go back centuries. National leaders have accentuated the role of common Buddhist traditions in annual joint statements and emphasized senior-leader visit activities to sites that showcase shared Buddhist culture and traditions.66 Both sides place a high value on enhanced people-to-people linkages as a means to cement the strategic relationship. In July 2014, Japan introduced a program of expedited visas for Indian nationals to make short-stay visits to Japan.67 In March 2016, India reciprocated with its own expedited short-visit visa program for Japanese nationals, allowing Japanese visitors visa-on-arrival for stays of 30 days or less.68 Both governments also emphasize the common nature of liberal democratic values and the importance of human rights as “ties that bind” the two into a durable strategic partnership.69

Recurring visits between Indian and Japanese national leaders became routine between 2000 and 2014. Japanese comfort in growing diplomatic exchanges was enabled early in the century by path-breaking U.S. moves to extend relations with India (see Appendix B). But independent momentum in bilateral diplomacy has been a feature of the Indo-Japanese relationship for all of the third phase of the partnership, now more than a decade old.

Annual bilateral summits began in 2005, with the visit of prime ministers to alternating national capitals now a major feature of their diplomacy.70 This is a level of unprecedented diplomatic commitment for New Delhi outside of its immediate neighborhood. In January 2014, India honored Japan in a special way by making Prime Minister Abe the first Japanese premier to be invited (and to attend) as Chief Guest at India’s Republic Day parade in New Delhi.71 Although the close personal relations and obvious affinity between Abe and Modi have driven an especially high level of diplomatic engagement since 2014, it is clear that a wide and deepening diplomatic engagement framework preceded them and seems destined to outlast them.72

To sustain diplomatic and strategic interaction beyond the Abe-Modi era, both sides have taken steps to overcome frictions inherent in their bureaucratic functions. This is particularly the case with the Indian bureaucracy, where unique and unprecedented accommodations have been made to facilitate expedited progress of critical projects through India’s notoriously difficult administrative labyrinth. Of note is the establishment in 2015 of a working-level, high-speed railway joint committee to expedite progress on the Mumbai to Ahmedabad signature project. Japanese security leaders cite this as a model for successful future interaction.73 A number of important adaptations have been institutionalized; many involve defense and security
meetings addressed later in this monograph. At the same time, both prime ministers have taken steps within their bureaucracies to facilitate high-level government-to-government interaction.

Prime Minister Abe has made the bilateral partnership a national security and diplomatic priority. He directly assigned the National Security Secretariat a priority goal of strengthening Japan-India relations. To this effect, since 2014, the Japanese secretariat has met frequently to discuss the relationship, with Japan’s ambassador to India regularly attending when in country. This framework has established a pattern for future bilateral relationship management in Japan. In India, Prime Minister Modi has enabled unprecedented Japanese access within the important Indian Ministry of External Affairs (MEA). As of 2015 the Indian MEA chairs a bilateral standing committee for commerce and economic leadership. In 2015, India also granted Japan a special ombudsman position directly within the MEA. This representative has access to the MEA leadership and, as necessary, directly to Prime Minister Modi in order to assure that Japanese projects and activities get top priority across the Indian bureaucracy. Combined, these top-level special arrangements to galvanize Japanese and Indian bureaucracies and sustain momentum in the bilateral relationship make it possible for the two countries to institutionalize a tier 1 engagement priority before the end of the Abe-Modi tenures, forecast for 2019.

Defense and Security Cooperation

Defense and security interactions between India and Japan have been the “caboose” on the bilateral strategic engagement “train.” This has been true partly because of India’s historic reluctance about military-to-military partnerships due to its traditional non-aligned status. It has also been the case because of Japan’s unique constitutional limitations on military security beyond territorial self-defense. These long-standing limitations are now changing—in Japan and in India. As a result, important defense and security cooperation activities and interactions have been accelerating greatly since at least 2014. These interactions have been advancing in the case of military-to-military exercises, exchanges, and, most recently, military equipment and technology.

For the better part of a decade, Japan-India security cooperation has been focused on the maritime domain. Both countries are dependent on the security of the sea lines of communication running from Northeast Asia through the Strait of Malacca to the Indian Ocean. Japan views India as playing an important security role in the Indian Ocean and in maintaining a rules-based maritime order in the region.

Japanese and Indian coast guards have engaged in joint maritime training exercises. Beginning in 2012, the Japanese Maritime Self Defense Force and the Indian navy have engaged
in the Japan-India Maritime Exercise. In mid-July 2016, Japan's minister of defense met with his counterpart at the Ministry of Defense in New Delhi. Both agreed to create a bilateral framework for the discussion of maritime security issues.

In 2007, India and the United States invited Japan to be a guest participant in their bilateral maritime Malabar exercise. Japan participated in the two Malabar exercises that year, one near Okinawa and the other in the Bay of Bengal. Japan again participated in the annual exercises of 2009, 2011, and 2014. In 2015, India, with U.S. support, expanded the annual bilateral Malabar exercise to include Japan as a permanent participant. Japanese officials and naval officers viewed this invitation to be an “important uptick in exercise partnerships.”

The trilateral 2016 Malabar exercise was held in waters off Okinawa (see figure 3).

India and Japan are also extending and normalizing security and defense relations through expanded military-to-military offices, meetings, and exchanges. During 2015, Japan significantly expanded its representational defense presence in India from one to three officers and also seconded a Japanese coast guard officer in India. This augmented Japanese
defense diplomatic presence paralleled increasing activity in security meetings between the two military establishments. Since 2010, India and Japan have conducted regular staff talks between uniformed naval leadership. They have conducted a defense vice minister policy dialogue since 2009. As noted earlier, defense and foreign ministry personnel conduct a recurring maritime security dialogue. Defense ministers meet annually, and often more than once each year.80

Finally, the sale of defense equipment and technology occupies an important and increasingly active area in the expanding India-Japan defense and security relationship.81 Japan would like to see India better equipped to provide reliable security and assured deterrence against Chinese encroachment in the Indian Ocean (in the near to mid-term) and into the southwestern Pacific (in future years). Indian officials aim to secure Japanese weapons, technologies, and defense know-how in several critical areas related to these mutual security aims. India would like greater Japanese investment and assistance to help grow its anemic indigenous armaments manufacturing capacity. New Delhi also would like to procure key Japanese weapons platforms and advanced technology for maritime surveillance and patrol,
extending these acquisitions that will translate into a robust anti-submarine warfare capability. In conjunction with the United States and other Western partners, India would like Japanese assistance in developing its indigenous shipbuilding capacity. The transfer of Japanese intelligence and cyber know-how in military as well as civilian applications is a long-term aspiration. New Delhi also desires long-term Japanese investment and technology transfer for India’s civilian and military space programs.

Especially concerned with China’s increasing presence in the Indian Ocean, New Delhi is focused on the near-term improvement of maritime surveillance and intercept capabilities. A feature example of bilateral nascent defense weapons and technology cooperation has been the half-decade-long effort by Japan to sell its US-2I amphibious search and rescue airplane to India (see figure 4). Negotiations on the sale of 12 Japanese US-2Is to India began in 2011 before Abe’s return as prime minister in late 2012.82 The negotiations side-stepped Japan’s self-imposed ban on selling arms by focusing upon the sea rescue aspects of the aircraft and its utility for the Indian coast guard. This point of obfuscation ended in 2014 when Chief Cabinet Secretary Yoshihide Suga announced a revision of Japan’s ban on arms exports to allow for them in cases that will contribute international peace and stability and serve Japan’s national interest. The US-2I export would be Japan’s first defense equipment deal in its post–World War II history.83

Nonetheless, India’s purchase of the US-2I remained deadlocked over pricing and technology transfer issues. In September 2016, Japanese sources reported that the defense ministry planned to work with the manufacturer, Shin Meiwa Industries, to reduce the price of the US$1.6 billion package in order to close the deal in advance of the November 2016 Abe-Modi annual summit. Addressing reports of price-related talks, a Japanese defense ministry official was quoted as saying, “We are not doing this for economic gains, but for our friendly relations with India and can look at reducing price to the extent possible.”84 However, the sale did not finalize at the summit. The joint statement merely conveyed India’s appreciation for Japan’s readiness to provide state-of-the-art defense platforms like the US-2I to India and the degree to which Japan and India have advanced in their bilateral defense exchanges.85

Challenges with the US-2I aircraft sales demonstrate the pitfalls accompanying the promise of future bilateral India-Japan weapons sales. India’s hidebound defense bureaucracy is notoriously opaque, inefficient, and resistant to change from a state-run model of weapons procurement that favors national content over weapon effectiveness.86 Even Modi’s dynamic leadership has generated only modest impact upon India’s Defence Research and Development Organization proclivities for prevarication and arms course reversals, as Tokyo has learned. Japanese officials recognize there will be similar frustrations in future military weapons sales and technology trans-
fer ventures. At the same time, Japan is new to military weapons sales, only entering this stage formally in 2014 after ending the self-imposed ban on foreign military sales. Japan lacks, and must develop, the bureaucratic infrastructure to support the sale/transfer of military technology. Its limitations in this area were cited as a major reason for the disappointing failure of the Japanese bid to win Australia’s tender for its next-generation submarine force.87

Bilateral bureaucratic challenges will limit rapid growth in the Japanese sale of military equipment to India, despite the obvious Indian appetite for Japanese expertise in maritime surveillance, search and rescue, anti-submarine capability, and missile defense technologies. Growth will also be constrained by the lack of compatibility in military equipment, the lack of shared doctrine, and limited experience in joint exercises.88 While the potential is great, the processes to realize this potential will take time to emplace.

**Broader Implications**

In September 2011, then out-of-office Shinzo Abe addressed the Indian Council of World Affairs in New Delhi, where he told the audience that “a strong India is in the best interest of Japan and a strong Japan is in the best interest of India.”89
Writing for the Japan Institute of International Affairs in 2015, Takenori Horimoto cited “the China factor” as being behind the rapid evolution of the Japan-India relationship: “Dealing with China with its remarkable economic growth and new status as a major military power has become the top priority for both countries.” While noting that economic ties “were certainly one of the major factors in the Japan-India rapprochement, an even bigger factor was security policy to cope with China as the top priority in common.” The development of the relationship was not the result of “a clear policy direction” but rather “of fortuitous timing in the gradual convergence since 2000 in the two countries’ foreign policy needs on both economic and security fronts. . . . It would be no overstatement to describe hedging policies in relation to China as a major factor in the Japan-India rapprochement.”

For Japan, the strategic relationship with India is manifestly security-related and overwhelmingly about China. In this context, Tokyo views India as the third leg of a three-legged security stool. For the past decade, Japan has believed that for the next two or three decades it will be faced with a rising and angry China, one that is “very anti-Japan” and one that will be represented by an “expansionist and nationalistic” Chinese People’s Liberation Army. As a U.S. ally, Japan remains confident that it does not have to fear China—for now. Australia also is a Japanese security asset, the second leg of its regional security stool. But for Tokyo, its biggest future security asset is India. At present, India is a “baby elephant,” but it is big and growing and occupies an important strategic location.

From a Japanese perspective, India’s geographic location and its large land border with China help to keep Beijing off balance. In this context, India represents Japan’s best long-term hope to balance China on the Asian continent. Tokyo also views India as having a unique ability to interact with Russia and China. Japanese strategic thinkers observe that India’s interactions with China also take place in Central Asia and are likely to do so more in the future. India desires access to the states of Central Asia for energy, natural resources, and markets. After several years of dormancy, India is again investing in Iran and Afghanistan to generate port, road, and rail access into Central Asia for the purpose of commerce and resource access. Japan views Indian engagement in Central Asia, in Iran and Afghanistan, as a strategic parry to Chinese investments and Indian Ocean access via Pakistan. For these reasons, Japan plans to be an investment partner with India in port, road, and rail projects planned for Iran and Afghanistan.

While they know that India is concerned with China, Japanese leaders recognize that New Delhi is presently unable to join them in a full-throated criticism of Beijing. India, which remains far more heavily dependent on the Chinese economy for its vital sustained economic growth than does Tokyo, cannot afford to alienate Beijing. Accepting this asymmetry in declaratory strategic
posture for now, Japanese strategists see three major benefits from its budding relationship with India. First, an enabled and motivated India causes China to spend more on defense along the Indian border. Second, if India assumes greater responsibility for Indian Ocean security, Japan and the United States will have greater resources to counter China in the South and East China Seas. Finally, Japan is keen to see Vietnam develop as an effective counterweight to Chinese dominance in Southeast Asia and Beijing's encroachment into the South China Sea. India has the potential to assist Vietnam develop as a Japanese security partner in Southeast Asia; both India and Vietnam currently have many of the same Russian military platforms.

In accepting the realities of the bilateral relationship, senior Japanese officials emphasize the highly positive direction of Japan-India strategic cooperation as “not against anyone but in support of the international system that has created post-war prosperity. A coalition for something; not against anyone.” At the same time, they take comfort in the symmetry found in the private conversations held between the prime ministers. Speaking about his direct observations of the frequent and detailed conversations between Abe and Modi from 2014 to 2016, one senior Japanese official observed, “They are on the same wave length regarding strategic issues.”

In India there is broad political consensus that strategic relations with Japan are very important. As of early 2017, New Delhi continues to view the top aspect of the bilateral relationship as that of strategic economic engagement. Japan has an exceptionally important role to play in India's pathway to sustained robust economic growth, industrialization, and modernization of its national infrastructure. Japanese ODA can do things that other Indian economic partner programs, like those of the United States and Western Europe, cannot. Japan's strategic use of its ODA makes it a key player in funding multiple economic modernization projects across India and in supporting “soft” security activities to include the funding of sensitive infrastructure projects in Northeast India. These ODA programs advance Japan's strategic aim—keeping at least some of China's People's Liberation Army focused on its land border with India and apportioning defense resources accordingly.

Indians also appreciate Japan's special role in elevating India's global status. Tokyo's intense focus on the bilateral strategic relationship conveys gravitas and importance to Indian economic, diplomatic, and security activities across the Asia-Pacific region and globally.

At the same time, India's political leadership views the bilateral strategic relationship with Japan as a complement to, not a substitute for, India's growing bilateral strategic relationships around the world, especially its relationship with the United States. Japan is clearly now among the top five strategic relationships for India, and many in India's ruling class believe that within
10 years, strategic relations with Japan will be among India’s top three in importance, eclipsed only by the United States and perhaps the European Union.94

**Implications for U.S. Asia-Pacific Strategy and Defense Technology Transfers**

Japan and India share a vision for the future of order in the Indo-Pacific that meshes well with the January 2015 U.S.-India Joint Strategic Vision for the Indo-Pacific Region. Much of this bilateral vision is mirrored in the India-Japan Vision 2025 document of late 2015. In turn, the context of the India-Japan partnership aligns strongly with a chief aim of the U.S. “Rebalance to the Pacific” framework: that of encouraging regional partners to do more for themselves and to work more closely in security relationships with other like-minded partners across the region.

Senior officials in India and in Japan credit the critical role of the United States in signaling and encouraging the two nations to pursue their bilateral strategic relationship to its historic heights as of early 2017. It remains important for the United States to continue signaling—and supporting—Japanese and Indian initiatives to more closely advance their relationship in a strategically significant way. The interest of the Donald Trump administration in seeing U.S. strategic partners and allies do more to assure their own security, including doing more with other regional partners, will benefit greatly from a deeper and stronger India-Japan strategic relationship. Put another way, the United States has a tremendous role to play in further advancing Japan-India ties. The way Washington deals with disappointments and challenges in relations with New Delhi can encourage Japanese forbearance in its disappointments with India and set a model for Japan’s engagement toward a long-term strategic partnership.

In addition to rhetorical support for the partnership, the United States should take sustained and substantive actions that will help India and Japan become increasingly aligned in the diplomatic sphere and more interoperable in the military sphere. U.S. efforts could do well to prioritize support for greater trilateral interactions between Washington, Tokyo, and New Delhi.

The quest for greater trilateralism will not be easy. India remains wedded to its historic preference for bilateral relationships and is wary of multilateralism in almost any security context. At the same time, Japanese officials are right to assess that India remains somewhat reluctant to move with speed toward a full strategic embrace with the United States, but it has been prepared to move much faster in that direction with Japan. Japanese leaders surmise that Tokyo might—if allowed by Washington—play an important role in drawing India into, first, a greater trilateral relationship with the United States and Japan and, later, into greater multilateral security arrangements in the Asia-Pacific region. At the June 2016 Shangri-la Dialogue in Singapore,
Japanese, Indian, and U.S. ministers of defense agreed to strengthen trilateral security cooperation. Japan’s minister of defense proposed regularized high-level meetings to discuss maritime security issues. India’s minister of defense said he would consult with his government. The United States should quietly and flexibly support Japan’s initiative on this front, extending upon the September 2014 State Department statement announcing that “the United States strongly supports India’s collaboration and cooperation with its neighbors in the Asia-Pacific. We actively support such collaboration through our trilateral dialogue and other activities with India and Japan. And [we] look forward to strengthening further our trilateral cooperation.”

Finally, and perhaps most important to maximizing defense value in the Japan-India strategic relationship, the United States has a vital role to play in helping Tokyo and New Delhi share military hardware and defense technologies. India has a great and growing appetite for critical Western technologies necessary to modernize its aged military platforms and systems. This is especially true in the maritime domain, where Japan has an established and cutting-edge set of defense industries that are just beginning to look at the international arms marketplace in general and the Indian military market in particular.

Because of decades of close collaboration with U.S. defense industries and the many shared high-level defense technologies, Japanese defense contractors are subject to many of the constraints found in the U.S. national directives limiting conventional arms sales and technology transfers. On one level, standing U.S. arms and technology transfer policies directly support the kinds of defense and security transfers likely between Japan and India into the future. The most recent 2014 U.S. Presidential Policy Directive on conventional arms transfer policy states:

United States conventional arms transfer policy supports transfers that meet legitimate security requirements of our allies and partners in support of our national security and foreign policy interests. At the same time, the policy promotes restraint, both by the United States and other suppliers, in transfers of weapons systems that may be destabilizing or dangerous to international peace and security.

U.S. policy also emphasizes the kinds of arms transfer goals important to greater Indian and Japanese interoperability in a manner that complicates Chinese security calculations, including:

- Ensuring U.S. military forces, and those of allies and partners, continue to enjoy technological superiority over potential adversaries.
Promoting the acquisition of U.S. systems to increase interoperability with allies and partners, lower the unit costs for all, and strengthen the industrial base.

Enhancing the ability of allies and partners to deter or defend themselves against aggression.

Encouraging the maintenance and expansion of U.S. security partnerships with those who share our interests, and regional access in areas critical to U.S. interests.

But at the same time, U.S. arms transfer limitations include several items that can delay or impede Japanese sales to India. Among these limitations are:

The impact of the proposed transfer on U.S. capabilities and technological advantage, particularly in protecting sensitive software and hardware design, development, manufacturing, and integration knowledge.

The degree of protection afforded by the recipient country to sensitive technology and potential for unauthorized third-party transfer, as well as in-country diversion to unauthorized uses.

The risk of revealing system vulnerabilities and adversely affecting U.S. operational capabilities in the event of compromise.

The risk that significant change in the political or security situation of the recipient country could lead to inappropriate end-use or transfer of defense articles.

The United States has legitimate concerns with India in these four areas of historic arms transfer limitations. Critics rightly note that India has been unwilling or unable to move beyond any but the most basic of bilateral military and sensitive technology safeguard protocols with the United States, but it still wants unquestioning access to top-end military hardware. But an inflexible or dogmatic application of U.S.-India limitations on potential transfers of technology and military equipment between Japan and India could unhelpfully inhibit, or even derail, the growth of defense interoperability vital to Indo-Japanese security interests and to those of the United States. There is a case to be made that to abet the growth of security interoperability between important U.S. security partners, Washington should tolerate more relaxed standards in its direct bilateral military hardware and technology exchanges.
To address this avoidable problem, the United States should develop the broadest and most generous possible list of military technologies that Japan can be encouraged to transfer to India, and especially those originally developed or primarily researched in the United States. Initially, such a list should prioritize the highest level advanced technologies possible in the maritime domain, those involving intelligence collection, cyber-espionage, anti-submarine warfare, and minesweeping. India recognizes that Japan has significant expertise in maritime-relevant technologies: electronics, avionics, and metallurgy. These are critical sectors for beneficial maritime-relevant exchange. Subsequent technology reviews should consider delimitation for transfer of as many sea-based missile defense and space surveillance and monitoring technologies as possible for use in bilateral collaboration between India and Japan.

A supportive U.S. approach will also prioritize the creation of a national-level expeditious process for approval of Japan-to-India military technology transfers requiring a waiver from standing guidelines. There is precedent for U.S. processes approving the transfer of sensitive, jointly developed U.S.-Japan military technologies to a third party. The United States and Japan successfully coordinated the lease of up to five TC-90 trainer aircraft to the Philippines in early 2016. This Japanese trainer aircraft had sensitive U.S.-developed avionics technology aboard, and Tokyo and Washington worked through the sensitivity issues to allow the third party trans-
fer of the aircraft. The process used in this circumstance should be evolved and expanded in anticipation of a large and growing number of technology and hardware transfers forthcoming between India and Japan.

Conclusion

It is likely that the Obama administration’s framework for a “Rebalance to the Pacific” will undergo some form of modification under the Trump administration. Whether the rebalance is renamed or reframed, it is hard to imagine that any U.S. administration can avoid serious and sustained strategic attention on the Indo-Asia-Pacific region. As the Bush and Obama administrations experienced, a Trump administration will be confronted by a region where long-standing U.S. bilateral defense and security arrangements are undergoing unavoidable change.

There is a risk that the new U.S. administration could take election campaign promises of retrenchment and demands for ally financial burdensharing and diplomatic fidelity too far, signaling that it views Indo-Japanese strategic cooperation as a substitute for rather than a complement to sustained U.S. presence and leadership. This could signal badly in Tokyo and New Delhi, chilling the waters of greater defense cooperation and limiting the pace and scope of this important new bilateral strategic interaction for years to come.103

But there is also promise opposed to potential peril. As the new U.S. administration seeks to sustain the post–World War II economic and security order in this critical region of the world, it will look, as the administrations before it have done, for greater engagement and commitment from traditional and emerging security partners. Japan is a traditional security partner and India an emerging one. In their rapidly progressing strategic relationship, both are upping their games with each other and in support of security objectives shared by the United States. Nurtured and enabled, the Indo-Japanese strategic and defense relationship exhibits the most regional potential toward growing enhanced capacity and capability in support of U.S. economic, humanitarian, and security objectives. While the India-Japan strategic partnership will not supplant Washington’s vital regional role for the foreseeable future, it can become a vital complement for Washington’s current regional security commitments. In turn, this bilateral relationship might over the course of the coming decade become the framework around which American military engagements of reduced scope and cost enable an even more capable security footprint constraining other actors in the region who would constrain the economic and political liberties now present. The India-Japan strategic relationship is good for U.S. security interests in the Indo-Asia-Pacific region. The Trump administration should do all it can to abet and support its growth.
Appendix A. Map of Japan International Cooperation Agency Major Projects in India (as of October 2016)

- Uttar Pradesh:
  - (P) Uttar Pradesh Participatory Forest Management and Poverty Alleviation Project/2008.3
  - (L) Ayra Water Supply Project/2007.3
  - (L) Ghagra Action Plan Project (Uttar Pradesh)/2005.3
  - (L) Ayra Water Supply Project/2014.3

- Rajasthan:
  - (L) The Ahmedabad Metro Project (I)/2016.3
  - (P*) Capacity Development Project for Non-Revenue Water Reduction/2016.8
  - (L) Rajasthan Rural Water Supply and Fluorosis Mitigation Project (Phase2)/2015.2
  - (L) Rajasthan Forestry and Biodiversity Project
  - (L) Project for Pollution Abatement of River Mul-Ma/2013.9
  - (L) Mumbai Metro Line 3 Project/2013.9

- Haryana:
  - (L) The Follow-up Study for Mumbai-Delhi Rapid Railway Corridor/2016.3
  - (L) The Ahmedabad Metro Project/2012.11
  - (L) Hogenakkal Water Supply and Fluorosis Mitigation Project (Phase2)/2009.3

- Gujarat:
  - (P*) The Follow-up Study for Gujarat Metro Rail/2015.2
  - (L) Gujarat Forestry Development Project
  - (L) Gujarat Urban Health Care Project/2016.3

- Madhya Pradesh:
  - (P) Project for Maximisation of Soybean Production in Madhya Pradesh/2011.6-2017.2
  - (L) Madhya Pradesh Transmission System Modernisation Project/2014.1

- Himachal Pradesh:
  - (L) Himachal Pradesh Crop Diversification Promotion Project/2011.2
  - (P) The Project for Improvement of the Institute of Child Health and Hospital for Children, Chennai/2014.2

- Bihar:
  - (L) Bihar National Highway Improvement Project/2013.2
  - (L) Bihar National Highway Improvement Project (Phase2)/2014.1

- Uttarakhand:
  - (L) Uttarakhand Forest Resource Management Project/2014.4

- Tamil Nadu:
  - (L) Tamil Nadu Transmission System Improvement Project/2012.9
  - (L) Tamil Nadu Biodiversity Conservation and Greening Project/2011.2

- Andhra Pradesh:
  - (L) Andhra Pradesh Rural High Voltage Distribution System Project/2011.6

- Kerala:
  - (L) Kerala Urban Health Care Project/2014.3

- Orissa:
  - (L) Orissa Integrated Sanitation Improvement Project/2016.3

- Assam:
  - (L) Assam Integrated Sanitation Improvement Project/2015.5

- Assam:
  - (L) Assam Integrated Sanitation Improvement Project/2015.5

- Tripura:
  - (L) Tripura Forest Environmental Alleviation Project/2008.3

- Jharkhand:
  - (L) Jharkhand Horticulture Intensification by Micro-Drip Irrigation Project/2016.3

- Karnataka:
  - (L) Bangalore Water Supply and Sewerage Project (II)/2005.3
  - (L) The Chennai Metro Project (IV)/2016.3

- Manipur:
  - (L) Manipur Forest Resource Management Project/2014.1

- Nagaland:
  - (L) Nagaland Urban Health Care Project/2014.3

- Mizoram:
  - (L) Mizoram Biodiversity Conservation and Forest Management Project/2010.3

- Tripura:
  - (L) Tripura Forest Environmental Alleviation Project/2008.3

- Arunachal Pradesh:
  - (L) Arunachal Pradesh Rural High Voltage Distribution System Project/2016.6

- Sikkim:
  - (L) Sikkim Biodiversity Conservation and Forest Management Project/2010.3
## Appendix B. India-Japan Key Strategic Milestones, 2000–2016

<table>
<thead>
<tr>
<th>Date</th>
<th>India-Japan Strategic Documents and Milestones</th>
<th>Major U.S. Strategic Document/Interaction with India</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2000</td>
<td>President Bill Clinton visits India</td>
<td>First U.S. President to visit in 20 years</td>
<td></td>
</tr>
<tr>
<td>August 2000</td>
<td>India-Japan Strategic Partnership</td>
<td>Agreed to by Prime Ministers Yoshiro Mori and Atal Bihari Vajpayee on occasion of Mori’s visit to India</td>
<td></td>
</tr>
<tr>
<td>January 2004</td>
<td>India-U.S. Strategic Partnership</td>
<td>Announced in joint statement by George W. Bush and Atal Bihari Vajpayee</td>
<td></td>
</tr>
<tr>
<td>July 2005</td>
<td>US-India Civil Nuclear Agreement Next Steps in Strategic Partnership</td>
<td>Agreed to by George W. Bush and Manmohan Singh. Also known as U.S.-India 1-2-3 deal; signed into force in October 2008</td>
<td></td>
</tr>
<tr>
<td>December 2006</td>
<td>India-Japan Strategic and Global Partnership</td>
<td>Shinzo Abe and Manmohan Singh. Included a basic India-Japan Defense Cooperation Agreement first signed in May 2006. Considered the first major bilateral strategic commitment.</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>India-Japan Strategic Declaration</td>
<td>Only other strategic declarations for Japan are with the United States and with Australia</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
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<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2014</td>
<td>India-Japan Special Strategic and Global Partnership</td>
<td>U.S.-India Joint Strategic Vision (JSV) for the Indo-Asia-Pacific Region</td>
<td>Prime Ministers Shinzo Abe and Narendra Modi signed during Abe's landmark visit as first ever Japanese Chief Guest at India's annual Republic Day parade</td>
</tr>
<tr>
<td>January 2015</td>
<td></td>
<td>U.S.-India Joint Strategic Vision (JSV) for the Indo-Asia-Pacific Region</td>
<td>Barack Obama and Narendra Modi signed during Obama’s landmark visit as first ever U.S. Chief Guest at India’s annual Republic Day parade</td>
</tr>
<tr>
<td>December 2015</td>
<td>India-Japan Vision 2025. Japan made permanent participant in annual Malabar exercise.</td>
<td>U.S.-India Enduring Global Partnership</td>
<td>Vision included key human rights and governance themes in U.S.-India JSV; Japan invited to Malabar naval exercise</td>
</tr>
<tr>
<td>June 2016</td>
<td></td>
<td>U.S.-India Enduring Global Partnership</td>
<td>Announced by Barack Obama and Narendra Modi on occasion of Modi’s fourth visit to United States since 2014</td>
</tr>
<tr>
<td>November 2016</td>
<td>India-Japan Civil Nuclear Agreement</td>
<td></td>
<td>Formal document signed after preliminary agreement in December 2015</td>
</tr>
</tbody>
</table>

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Notes


6 Authors’ interviews with former Indian ambassadors to Japan and China.

7 The U.S. policy of “dehyphenation” took root during the first term of the George W. Bush presidency. Dehyphenation moved the U.S. diplomatic and security approach toward India and Pakistan away from one linking U.S. overtures toward one with impact and effect upon the other to a framework in which Washington took distinctive policy approaches toward each based upon their differences and U.S. national interests. For more details, see Ashley J. Tellis, “The Merits of Dehyphenation: Explaining U.S. Success in Engaging India and Pakistan,” The Washington Quarterly 31, no. 4 (Autumn 2008), 21–42.


9 Ibid.; authors’ interview with senior Japanese government foreign policy advisor, Tokyo, Japan, May 24, 2016.


Authors’ interview with former Indian ambassador to Japan.


“Joint Statement on India and Japan Vision 2025.”


Rajiv Sikri, Challenge and Strategy: Rethinking India’s Foreign Policy (New Delhi: Sage Publications, 2009), 112–129.
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23 Authors’ interview with former Indian ambassador to China.


25 Author interview with senior Indian government foreign policy official, New Delhi, India, December 16, 2015.

26 Authors’ interviews with three senior Indian government national security officials, New Delhi, India, December 14–15, 2015. One of these officials mentioned South Korea, Australia, the Philippines, Singapore, Vietnam, and Malaysia as among the Asia-Pacific states with special and growing geopolitical attention from New Delhi.


29 Authors’ interview with former Indian ambassador to Japan.

30 “Confluence of the Two Seas.” Abe later explained that the title of his remarks came from the title of a book written by Dara Shikoh, a Mughal prince, in 1655.


direct-investment->; and author interview with U.S. diplomat at the U.S. Embassy, New Delhi, India, December 15, 2015.

38 American Chamber of Commerce in India, "Vision and Mission," available at <www.amchamindia.com/vision-mission/>

39 Japan Chamber of Commerce and Industry in India, "Reports of the Japan Chamber of Commerce and Industry in India," JCCI.in, available at <www.jcci.in/index_en.php>

40 Ministry of Foreign Affairs of Japan, "Japan-India Relations (Basic Data)," February 3, 2016, available at <www.mofa.go.jp/region/asia-paci/india/data.html>; and OECD, "FDI Flows by Partner Country."


42 Ibid., 11.

43 Japan International Cooperation Agency (JICA), "Operations and Activities in India," 2016, available at <https://www.jica.go.jp/india/english/>. India’s capacity to build functional infrastructure in a timely manner has been notoriously poor. However, the increasing pace of privatization during the two-plus years of Prime Minister Modi’s tenure have made it more likely that JICA investments will generate tangible results. See Malini Goyal, "We Have to Wait for Two Years for Infrastructure Companies to Make Any Investment: Vinayak Chatterjee," Economic Times (India), March 2, 2016, available at <http://economictimes.indiatimes.com/opinion/interviews/we-have-to-wait-for-two-years-for-infrastructure-companies-to-make-any-investment-vinayak-chatterjee/articleshow/51218353.cms>

44 Sahoo.


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50 Japan’s Partnership for Quality Infrastructure is its financial initiative, launched by Prime Minister Abe in May 2015, as a Japanese commitment of US$110 billion of funding in partnership with the Asia Development Bank for infrastructure funding across Southeast and South Asia between 2015 and 2020. It was widely viewed as a counter to the Chinese announced funding commitment to its One Belt, One Road Initiative (OBOR) across South and Southeast Asia. The Chinese OBOR initiative was for up to US$1 trillion in funding for infrastructure projects. See Baruah; also Thomas Zimmerman, The New Silk Roads: China, the U.S., and the Future of Central Asia (New York: Center on International Cooperation, New York University, October 2015), 3–8, available at <http://cic.nyu.edu/sites/default/files/zimmerman_new_silk_road_final_2.pdf>.


57 In January 2016, India deployed two of its maritime patrol/antisubmarine warfare aircraft, the Poseidon 8I, and several of its Israeli-made Searcher-II unmanned aerial vehicles to Andaman and Nicobar to improve its ability to track repeated forays by Chinese conventional and nuclear submarines into the Indian Ocean. See Franz-Stefan Gady, "Indian Ocean: India Deploys New Sub-Killer Planes to Counter Chinese Subs," The Diplomat, January 19, 2016, available at <http://thediplomat.com/2016/01/indian-ocean-india-deploys-new-sub-killer-planes-to-counter-chinese-sub/>. 


69 Authors’ interview with Japanese senior government foreign policy advisor, Tokyo, May 24, 2016, and interview with Indian senior national security official.

70 Ministry of Foreign Affairs of Japan, “Japan-India Relations (Basic Data),” available at <www.mofa.go.jp/region/asia-paci/india/data.html>.

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72 Authors’ interview with Japanese senior foreign policy advisor, May 24, 2016; and interview with Indian senior foreign policy official.

73 Authors’ interview with Japanese senior government national security official, Tokyo, May 25, 2016.

74 Ibid.

75 Authors’ interview with Japanese senior government foreign affairs official.

76 Authors’ interview with Japanese senior government national security official; and interview with U.S. foreign policy officer at U.S. Embassy, New Delhi, India.


78 Ibid.


80 India and Japan do not yet conduct a complete and recurring principals-level set of 2+2 policy and security talks. As of late 2016, the Indian defense minister had not been a participant in these senior bilateral discussions. Japanese officials would like to see New Delhi include the defense minister soon. Author interview with Japanese senior defense official, Tokyo, May 26, 2016; and authors’ interview with Indian senior government foreign policy official.

81 In 2014, Japan revised its self-imposed ban on the sale of military weapons and military equipment. Subsequently, Prime Ministers Abe and Modi signed an agreement to provide for the transfer of defense equipment and technology.


83 If India procures all 12 US-2Is, its ministry of defense plans to send 6 of them to the coast guard and 6 to the navy. Gady, “India-Japan Amphibious Aircraft Deal Moves Forward.”


86 For a review of the scope and scale of idiosyncrasies and deficiencies present in the Indian defense weapons procurement and development programs, see Stephen P. Cohen and Sunil Dasgupta, Arm-ing without Aiming: India’s Military Modernization (Washington, DC: The Brookings Institution, 2010).


88 Authors’ interview with anonymous Japanese military official, Tokyo, May 25, 2016.


91 Authors’ interview with Japanese government senior national security official, Tokyo, May 24, 2016; and authors’ interview with Japanese government senior foreign policy advisor.

92 Some Indian military analysts fret that India’s military is predisposed to overspend on army forces ahead of navy forces, even though the latter have more geostrategic import. India’s defense budget routinely pegs its army budget at 45 percent of the overall defense total, while the Indian air force gets around 22 percent and the navy only 16 percent. Much of this disparity is driven by personnel costs and allowances that are far higher in the massive Indian army than in its air or naval forces. It is also true that planned Indian military hardware procurement has been more generous to the navy and the air force. On balance, India is predisposed toward ground forces spending but is moving forward with greater capital expenditure and attention to air and naval forces. See Laxman K. Behra, “All About Pay and Perks: India’s Defence Budget 2016–17,” Issue Brief, Institute for Defence Studies and Analyses, March 3, 2016, available at <www.idsa.in/issuebrief/pay-and-perks-india-defence-budget-2016-17_lk-behera_030315>.

93 Authors’ interview with Japanese government senior foreign policy advisor.

94 Authors’ interview with Indian government senior foreign policy official.


98 Ibid.

99 Ibid.

100 Ibid.

101 India has a basic general security of military information agreement with the United States but has not yet taken the physical or administrative steps necessary to complete special security and industrial security annexes to the agreement required for bilateral exchange of much in the way of high-end defense technologies. Author interview with U.S. Government defense official involved with the National Disclosure Policy Committee, January 4, 2017.

102 Authors’ interview with former Indian ambassador to Japan.

103 The Times of India saw opportunities and dangers for India in President Trump. Closer U.S.-Russia ties would benefit Indian interests, and a U.S. split with Pakistan could pressure Islamabad on its
support for terror. However, Trump-style protectionism “could unleash trade wars and pile up unsustainable debt,” hurting the U.S. and Indian economies. *Hindustan Times* said Trump’s victory was evidence of an “inward looking America” and one more internally divided over the next several years. *Business Standard* saw Trump’s win as adding greater uncertainty to the global order. Japanese Prime Minister Shinzo Abe underscored that peace and stability in the Asia-Pacific region is “a driving force of the global economy” and security for the United States. Takeshi Yamawaki, U.S. bureau chief of the *Asahi Shimbun*, saw Trump’s victory as an indication the United States “has become disengaged and inward-looking in an unprecedented way.” *The Asahi Shimbun* stated, “Donald Trump’s victory in the U.S. presidential election amounts to a huge political earthquake that will shake the postwar world order to its core.” The paper hoped Trump would learn quickly what role the United States should play and how cooperation with allies serves the interests of the United States and the world as a whole.
About the Authors

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