

The United States and India: A Call to Confront the Shared China Threat

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KEY TAKEAWAYS

The U.S. should help India to build a strategy of denial in the Indian Ocean that deters China from engaging in coercion or being tempted to use military force.

One critical component is to work with India to ensure that it has the ISR and strike assets it needs to deter China in the region—primarily drones.

The ability to partner with nations that oppose Chinese influence is self-evidently in the U.S. interest.

The United States and India have some diverging security concerns—but those that they share are of critical importance. This was made abundantly clear in Prime Minister Narendra Modi’s trip to the White House in February 2025, where he and President Donald Trump issued a joint statement that includes the announcement of a 10-year “Framework for the U.S.–India Major Defense Partnership in the 21st Century.”¹ The framework is an important step toward both militaries and nations further integrating their defense industrial bases and other areas for joint exercises, given the common threat they face.

In that vein, the threat that China poses to both nations—and how both nations could work together to counter those threats—is the focus of this *Backgrounder*. It examines how both nations can (1) meet the China challenge in multiple domains, (2) develop areas for foreign military sales to benefit both nations’

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militaries and defense industrial bases, and (3) develop a road map for long-term cooperation between the two nations that will enable Delhi and Washington to counter the threats posed by Beijing.

1. Meeting the China Challenge in India, at Sea, and in India's Near Abroad

The United States and India both have an interest in preventing Chinese hegemony in the Indian Ocean and countering the encirclement of India by Chinese bases and states friendly to China. India has every incentive to increase its naval capacity in the Indian Ocean, and the United States can greatly assist India through the sale of weapons systems, co-development of critical military technologies, and joint diplomatic initiatives in the region.

The Challenge at Sea. Nearly half the world's commercial ships and two-thirds of global oil trade travel through the sea lanes of the Indian Ocean, making it a key region for maritime security.² China is dependent on the trade passing through the Indian Ocean and the Strait of Malacca on its way to Chinese ports and is seeking to establish a foothold in the region both to protect its access to energy and other resources and to constrain India.

One aspect of the AUKUS agreement among Australia, the United Kingdom, and the United States will have a positive effect on Indian Ocean security for all parties involved. By 2027, U.S. Navy *Virginia*-class nuclear submarines will have the ability to conduct maintenance in Australia, enabling the United States to keep nuclear submarines in the Indian Ocean and South Pacific at more regular intervals and in larger numbers. Starting in the 2030s, the United States will begin selling *Virginia*-class submarines to Australia, and eventually Canberra will be able to construct its own nuclear submarine, currently dubbed the SSN *AUKUS*. China's angry response to AUKUS is evidence of the deterrent effect that the trilateral partnership is likely to have on Chinese behavior in the region.³

The United States will have to shift far more resources to the Indo-Pacific if it is to successfully deter China from using military force to solve regional disputes, however. There is now a broad consensus in the American conservative movement that a meaningful shift in resources and assets from other theaters to the Indo-Pacific is a strategic necessity, and the only logical result of a U.S. national security strategy that has identified China as America's "pacing threat." The Heritage Foundation's *Special Report* "Fiscal Year 2025 Conservative Defense Budget" endorses precisely this move, calling for a shift of resources to the procurement of warships and precision-guided munitions relevant to the Indo-Pacific, and a shift in existing assets into

the region as well. The *Special Report* states that if “Beijing believes that it will be permitted to use military force to subdue its neighbors, then that is what it will do. The DOD’s [Department of Defense’s] task is to make it clear that it cannot—thereby deterring Chinese aggression and rallying the nations of the Indo–Pacific to resist China’s imperial advances.”⁴

The U.S. should help India to build a strategy of denial in the Indian Ocean, similar to what Australia has announced in its National Defence Strategy. A strategy of denial consists of smart, strategic military investments that deter the Chinese from engaging in coercion or being tempted to use military force. India should enhance its sea denial capabilities, especially in anti-submarine warfare and long-range precision missiles—both of which can be acquired at much cheaper rates than purchasing large capital ships like aircraft carriers, although the latter have a role to play as well. Concurrently, India is expanding and enhancing maritime domain awareness and space-based surveillance data with neighbors and regional partners.⁵ The United States should likewise increase its sharing of naval intelligence with India in the Indian Ocean.

The Challenge on the Subcontinent. India has a strong tradition of national pride and self-reliance, and currently has one of the most formidable militaries on Earth.⁶ India and China have a series of territorial disputes along their long border, and the Chinese have been encroaching into Indian territory in the disputed regions with greater frequency in recent years, enhancing border infrastructure and forward deployments in an effort to make their claims a *fait accompli*.

India is unique among America’s partners and allies in the Indo–Pacific in having its own nuclear arsenal, one that would likely be able to survive an attempted first strike. India will likely have to invest in the modernization of its strategic arsenal to keep up with increased nuclear spending by both Pakistan and China.⁷ China is the fastest growing nuclear power on the planet and builds 100 new nuclear warheads each year.⁸

One critical way the United States can aid India in defending its territory on the subcontinent is to supply India with the intelligence, surveillance, and reconnaissance (ISR) and strike assets it needs to deter China in the region—primarily drones. Any careful observer of the current Russo–Ukrainian war is left with the impression that drones are absolutely critical to modern combat operations and deserve significant investment. The innovative use of drones by Ukrainian forces has helped to enable a smaller, less-equipped force to hold off a much larger conventional force over the past two and a half years. A proliferation of small, cheap drones has leveled the playing field between Ukrainian and Russian forces and given the former better battlespace awareness and more capability to strike targets at distance.⁹

Indian defense officials have taken note, and the United States should do what it can to help India to build a domestic drone industry. Most American drones are very capable, but expensive. India could build cheaper drones at scale and deploy them to the country's north in an effort to level the playing field with the Chinese and deter further aggression.

The Challenge in India's Near Abroad. China's Belt and Road Initiative (BRI) includes infrastructure investments in Nepal and the Maldives, the construction of ports in Sri Lanka, Bangladesh, and Myanmar, and the China–Pakistan Economic Corridor.¹⁰ From the Indian perspective, it is hard to escape the suspicion that China is attempting to encircle India and influence the behavior of governments that were previously friendly to India.

The U.S. is at least thinking of ways to help to counter the inroads that China is making in the region, although many of the policies are not yet fully mature. In 2023, the Biden Administration announced the formation of the India–Middle East–Europe Economic Corridor (IMEC) initiative, seeking to counter some of the progress that China has already made through the BRI. IMEC seeks to link India with the Persian Gulf and Europe via railways and shipping lines and would doubtless have a positive effect on the economies of other Indian Ocean states as well. In 2021, India, Israel, the United Arab Emirates, and the U.S. formed the I2U2 partnership. U.S.–Indian cooperation in these sorts of initiatives has the potential to act as a major counterbalance to China's BRI.

India can leverage its existing relationships with countries with which the United States has less of a developed relationship. In 2022, India and Vietnam signed a vision document intended to broaden the “scope and scale” of defense ties by 2030. This document included a logistics support pact that allows the Indian and Vietnamese militaries to use each other's facilities for maintenance and supply.¹¹ The United States should applaud such efforts. Vietnam, like India and the United States, has a clear interest in resisting Chinese hegemony in the region. A Vietnam that is more capable of defending itself and its interests is in the interest of both the United States and India.

2. U.S.–Indian Foreign Military Sales: A Mutually Beneficial Prospect

The United States and India can benefit significantly from increased military sales, not only from the United States to India, but also from India to the United States.

A Slow-but-Steady Improvement of Relations Through Military Cooperation. Over the past 15 years, the United States and India have become significant partners in military trade. Indeed, in 2016, the U.S. Congress designated India as a “Major Defense Partner,” thereby giving India preferential defense trade and security cooperation privileges.¹² Such privileges include establishing a Defense Technology and Trade Initiative designed to enable co-design and co-production of key capabilities.¹³

This relationship has been significant. Currently, the United States has sold more than \$20 billion worth of defense items to India over the past two decades and seeks to increase the partnership, particularly as India slowly decreases its purchases from Russia, which for decades has been India’s largest supplier of military hardware.¹⁴

These purchases include maritime, land, and air capabilities.¹⁵ Air assets include a number of Apache attack helicopters, Stinger surface-to-air missiles, Hellfire anti-tank missiles, Chinook transport helicopters, C-130 and C-17 transport aircraft, and unmanned aerial vehicles. Maritime capabilities include Seahawk helicopters, Poseidon anti-submarine warfare aircraft, amphibious docking ships, and Harpoon anti-ship missiles. Land capabilities include a number of counterbattery radars, 155-millimeter howitzers, artillery shells, and tens of thousands of assault rifles.

In 2023, the White House suggested that these exchanges be expanded, with increased sales of semiconductors, cyber capabilities, jet engines, and more advanced drones. Indeed, the Defense Department in June of 2023 announced the launch of an India–U.S. Defense Acceleration Ecosystem (INDUS-X) designed to foment increased defense exchanges and technology cooperation.¹⁶

In addition, the United States and India are engaging in a number of bilateral and multilateral military exercises designed to increase cooperation and interoperability, but more importantly, to enhance U.S.–India relations and create a more stable Indo–Pacific through the establishment of a cohesive bloc of democracies working to address similar interests.¹⁷

Benefits of Foreign Military Sales. The benefits for India of military sales are numerous, including access to modern capabilities and munitions and a more diverse set of systems that are combat effective. This diversity of systems is particularly important, given India’s traditional high reliance on Russian-made military equipment and poor performance of said equipment in the Ukraine war.¹⁸

For the United States, there are significant benefits, to include a reduced per unit cost, whereby the increased numbers of systems produced for sale overseas decreases the cost for the same system within the United States.

This is evident in how the price of the F-35 fighter has plummeted due to the popularity of the F-35 as the plane of choice amongst the world's industrialized powers.¹⁹ India is more than aware of this benefit and is currently in the process of building a world-class domestic defense industrial base, especially through the Make in India program, with significant military export goals of its own. The United States should support this effort by India. Exports of military hardware from India to other nations in the Indo-Pacific and to Africa would fill a gap that might otherwise be filled by China and provide necessary capabilities to countries that both India and the U.S. see as partners.

Often, foreign military sales also create closer cooperation amongst nations. Sales of weapons systems are often a package deal that includes joint training and certain long-term maintenance agreements. Further, using common systems and platforms increases interoperability, which can further lead to more military exercises and closer cooperation—thus forming a type of virtuous circle.

Forging closer ties with a rising, large, democratic, capitalist, industrial power, which agrees that China is a regional security challenge, is self-evidently in the United States' interest—which is why it should be expected to see further foreign military sales continue between the two states.

Beyond Existing Foreign Military Sales. Beyond existing foreign military sales, what else could be done? First, it is possible that the United States and India could expand the types of equipment sold to India, to include integrated air and missile defenses, long-range precision fires, fighter aircraft to include F-35s, or other types of ISR capabilities. More important, it is possible that the United States and India could engage in the licensing of technology to India so that Indian firms could co-produce American-designed capabilities. Such capabilities could include various unmanned aerial vehicles, missiles, and ships.

Co-production would enable the further growth of the Indian defense industry, thereby increasing its ability to build and field modern systems for its own use, but also to build the foundation for a potential export market of its own. That is, by having the ability to produce American-used weapons systems and platforms, India could sell the United States drones, missiles, and ships needed for the American military. This could go far to address the capacity shortfalls currently plaguing the U.S. military, as it struggles to acquire the munitions and ships it needs to deter China.

Implicit in U.S. sales to India should be the understanding that the sale is enhancing India's defense technological acumen and will lead to the development of indigenous Indian weapons systems that India will then be able to build at scale cheaply, field, and offer for export.

In order to align foreign military sales with the national security interests of both the United States and India, the emphasis should be on the sale (and sharing) of drone warfare capabilities and anti-submarine warfare capabilities.

Drones will be critical to India's effort to deter Chinese aggression in the Himalayas. Indian defense experts have been studying the Russo-Ukrainian war as closely as the rest of the world has and have come to the conclusion that cheap drones produced at scale and wielded capably, can offset the superior capabilities of a richer, better-armed aggressor. The State Department recently approved the sale of 31 MQ-9B Sky Guardian drones to India, a roughly \$3.9 billion package that will also include 170 AGM-114R Hellfire missiles and other accompanying munitions and systems.²⁰ These drones are a major asset to India's military, and the sale is a success for both sides. For India to truly act as a game-changer in regional security politics, however, it will need to produce its own armed drones at a massive scale (and for far cheaper), so that they can be fielded in the Himalayas in a way that negates China's current military advantages. The U.S. should continue to sell drones and share relevant technology to assist India in this effort.

Anti-submarine warfare capabilities should be the other major focus. India is currently in the process of building a series of Anti-Submarine Warfare Shallow Water Craft (ASW-SWC), ships designed to perform anti-submarine operations in coastal waters, thus making them perfect for India's strategy of denial vis-à-vis Chinese submarines in the Indian Ocean.²¹

The United States is already assisting in this effort through foreign military sales, selling P-8I maritime patrol craft to India, along with a number of subsystems that augment the aircraft critical to anti-submarine warfare operations. The P-8 drops both sonobuoys and torpedoes, and its fielding by the Indian Navy is a major impediment to Chinese submarine operations in the Indian Ocean.²² There is a huge demand for sonobuoys in the U.S., Australia, and India, and the U.S. will need to expand production in order to meet both its own demand and the demand from its partners and allies.

Aligning with assisting India in the development of highly capable, domestically produced weapons systems, the United States should approve the request by the Indian government for the transfer of technology to India for General Electric's F414 fighter engine. The transfer of technology would enable a qualitative leap for India in the development of its domestically produced fighter aircraft, and as such would be a major boost to the effort to deter China. The Trump Administration should direct the agencies and departments involved in the International Traffic in Arms Regulations process for the F414 technology to expedite their reviews with the goal of approval of the transfer.²³

3. Road Map for India–U.S. Defense and Security Cooperation: 2025 and Beyond

India and the United States have shared interests and goals in the Indo–Pacific that stretch out over the coming years and indeed decades. Both countries prefer a free and open Indo–Pacific free from Chinese hegemony and want to deter the Chinese from using military force to solve any of its many territorial disputes, both in South Asia and in the Western Pacific. Since the beginning of the 21st century, India and the United States have increased their defense cooperation to a significant degree, and each now considers the other to be an especially critical partner in regional security. In the coming decades, the governments of India and the United States must remain focused on the goals and interests that both countries have in common and avoid letting disagreements on issues of secondary concern keep them from cooperation on the primary concern of deterring China and maintaining a free and open Indo–Pacific.

Recommendations for the United States. In order to expand the security partnership with India, the United States should:

- **Focus on shared interests with India**, especially the need for both India and the United States to prevent Chinese hegemony in the Indo–Pacific and **avoid criticizing the Indian government on domestic issues**. India is an extremely critical partner of the United States, and both parties will lose out if the relationship is not maintained.
- **Increase co-production of defense articles with a special emphasis on drones**, selling to India in coordination with the Make in India program to help India to develop a domestic drone industry. A significant increase in Indian drones on the border with China would complicate Chinese military planning, improve Indian intelligence collection capabilities, and potentially enhance deterrence.
- **Approve higher levels of weapons and other defense technology for sale to India**. As co-production agreements and weapons sales continue, the U.S. should increase the level of what it approves for defense technology transfer, including higher levels of drone technology and capabilities relevant to anti-submarine warfare operations in the Indian Ocean. As soon as possible, the U.S. government should approve the transfer of technology related to General Electric’s F414 fighter engine.

Recommendations for the United States and India. In order to strengthen their security partnership, the United States and India should:

- **Expand on the already substantial recent progress** in conducting joint training exercises and deepening military-to-military ties. Military-to-military cooperation and frequent exercises between U.S. and Indian troops will be necessary to increase interoperability between American and Indian troops, to demonstrate U.S. and Indian resolve in the face of Chinese aggression, and to cement the relationship between the two militaries.
- **Sustain initiatives like the India–U.S. Defense Acceleration Ecosystem (INDUS-X)** to help India to reach its defense production and export goals and increase the technological capabilities of its military.

Recommendations for the United States and Australia. In order to support India’s defense, the United States and Australia should:

- **Increase their sharing of maritime domain awareness intelligence with the Indian Navy** in the Indian Ocean, even as India increases sharing of maritime domain awareness with its regional partners as part of its efforts to be the preferred security partner in the region.

Recommendations for India. In order to build a credible deterrence against China, India should:

- **Deepen defense integration with Australia and Japan**, building a common defense infrastructure across the region.
- **Continue to work closely with Vietnam**, collaborating with the Vietnamese on security matters and sharing military know-how.
- **Continue to invest in surface warfare ships and other naval and air capabilities**, especially those capable of conducting anti-submarine warfare.
- **Build an indigenous drone industry capable of building drones cheaply and at scale** for military use to deter aggression in its northern regions. India’s indigenous drone industry should be built

with exports in mind, so that India can compete with China in drone exports to the developing world.

- **Cooperate with the United States on biopharmaceutical supply-chain optimization** in order to strengthen global supply chains and reduce dependencies on single-source supplies—especially China.

If India is to succeed in maintaining a secure Indian Ocean and building a sufficient level of deterrence to prevent military aggression by China (and Pakistan), it will have to focus defense spending and procurements on the growing threat from China. The procurement of military drones, warships, and missile systems will be critical. The United States can assist both in military sales and in critical technology sharing, helping India to build its own domestic defense industrial base.

Conclusion

Despite their differences, the overlap in the interests of the United States and India offers a compelling reason to both deepen and broaden U.S.–Indian defense cooperation. Now is the time for the world’s two great democracies to work together in a way that is mutually beneficial and can mitigate the security threats posed by China. Ideally, in two years, an additional Joint Statement between President Trump and Prime Minister Modi will continue to deepen and broaden the emerging partnership between the United States and India.

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