

# Business Standard

## The shape of the future

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India's security concerns require access to high technology, and the US can be a prime partner; the hub of the new bilateral relationship will be technology.

The history of independent India's relations with the US in the first 50 years was one of distance and a deficit of trust. This was an amazing period in the bilateral relationship, symbolised by misunderstandings, misperceptions, misconceptions! One superpower, one slowly developing country, determined to be disconnected!

At the same time, IITians were setting up bases in Silicon Valley, helping build technology companies in the US as the Indian student population shifted focus from UK to the US for undergraduate, graduate, doctoral studies and employment as well as self-employment. Remember the Indian context — a closed economy, micro-managed and controlled. And mistrust of the private sector. All this changed dramatically under the leadership of Manmohan Singh who, first as finance minister and then as prime minister, deregulated the economy to give space to entrepreneurship and build a new economic paradigm.

The last 13 years have been different — the coming of age of India's technology companies, especially information technology, and their role in the Y2K switchover; the Clinton-Bush era of a positive turnaround in the US view of India; the initially hesitant but gradual, step-by-step consolidation and expansion of ties and, now, the unprecedented visit by the President of the US within 20 months of the start of his first term in office. In the same period, plus seven years, the Indian economy moved to a deregulated framework, with a central role for India's private sector.

In all of this, the nuclear agreement was the high mark, bringing India into the nuclear room, reflecting trust in India as a nation of stability and credibility — an amazing act of courage and initiative by the US, putting faith in an emerging, globalising India, seen as a future partner of consequence and substance. India wanted to be in the nuclear room, but by itself, this was unachievable.

It also reflected a new beginning in the area of high technology cooperation. Not in reality, because much of the cobwebs of the past remained to be cleared but, certainly, in concept. A far cry from the days when the US would not supply a screw to India if there was a hint of dual-technology use.

The future partnership is going to cover limitless areas, some defined and known, many yet undiscovered. There is a new momentum driven also by Prime Minister Manmohan Singh's world view that India's time has come, that the world wants India to succeed and that the US, for all the obvious reasons, is a key strategic partner in the making. India's security concerns require access to high technology, including equipment and services, as well as indigenous development

and production to be speeded up. The US can be a prime partner, though India will always maintain its cooperation with other major nations.

The hub of the new bilateral relationship will be technology, especially at the higher end, flowing from the steady alignment of agendas and the balance of values (democracy, pluralism, secularism). Cooperation will cover nuclear, space, defence, energy, IT, cyber security, intelligence vis-à-vis counter-terrorism, life sciences, food, agribusiness, healthcare, education, training, research — the list goes on, because technology changes will touch every aspect of human life, economic activity and security.

History is important to understand evolution and the present. But, the future is not about incremental change, because technology has changed the name of the game. And technology is advancing so rapidly that the future is going to be shaped very differently. It's not standing still at 2010.

The US has been the fountainhead of technology development. Its universities, research institutes and corporate R&D centres are legends for technology development. Despite the financial crisis in the US, this leadership remains, and will remain, because of increasing global funding, multinational research teams and strong infrastructure, all of which continue.

The exciting part is the role of India in technology development. US corporates, dependent on technology to advance their competitiveness, have set up shop in India. Thousands of Indian scientists and engineers are engaged in this work, not to mention the many thousands of Indians working in the US in research. So, India and Indians are already part of this process of discovery, invention, development, research and application.

Governments are still working out ways and means of high-tech cooperation. The US export control regime, which limits technology supply and transfer to India, has been a major inhibiting factor — but, in the near future, the sun will shine on a new technology partnership regime based on trust and mutually agreed safeguards and systems. The Presidential visit will mark a major milestone in this direction, because there is no rationale for the continuation of an outmoded export control regime vis-à-vis India. This is now an accepted fact in the US.

This will lead to an explosion of technology cooperation in all the areas mentioned above — and more. And technology will drive the Indo-US relationship as never before. The interesting fact here is the opening of new horizons for discussion and cooperation, which up to now have been a “no-no”.

At the centre will be the private sectors of the two countries, which represent enterprise and entrepreneurship, and the role of scientists in different sectors, who will lock the two countries in a seamless way to impact economies, costs, lifestyles and competitiveness. Innovation is the hallmark of both countries, both economies, both private sectors. Already, a great many innovation companies have links. This will multiply and the enterprise of the private sector, which thrives on competition, pressure and deadlines, will drive business between the countries and innovation in a big way.

When one looks at the global scenario, there are no two other countries which are so rich in entrepreneurs and managers — in quantity and quality, as well as the depth and range of disciplines which this human resource covers, from science to engineering, from the arts to management.

People — human resources — are the key. Talent is the golden asset. Both India and USA are the wealthiest in the world of talent and people, who drive the technology agenda and connect India and the US to converge, cooperate and contribute to a new era of cooperation and

partnership in this, the technology-driven 21st century of Obama and Manmohan Singh. This is the shape of the future.