

## TESTIMONY OF TARUN CHHABRA

Distinguished Visiting Fellow, Hoover Institution, Stanford University

before the

### U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Hearing on

*"India, China, and the Balance of Power in the Indo-Pacific"*

Panel II: Economic and Technology Stakes in China-India Relations

February 17, 2026

\* \* \*

### Introduction

Chair Schriver, Vice Chair Kuiken, and distinguished Commissioners, thank you for the invitation to testify on the economic and technology dimensions of China-India relations and their implications for the United States. This is one of the most consequential strategic matters facing U.S. policymakers today, and I appreciate the Commission's focus on it.

I come to this topic from the vantage of having worked to strengthen the U.S.-India technology and security relationship inside the U.S. government. While serving on the National Security Council staff, I worked to conceive and launch the Initiative on Critical and Emerging Technologies (iCET) in 2022–2023, which established a new framework for U.S.-India cooperation across semiconductors, artificial intelligence, civil nuclear energy, advanced telecommunications, space, biotechnology, and defense innovation.<sup>1</sup>

We embarked on this course for one overriding reason: **India represents the single most important swing state in the global technology competition with the Chinese Communist Party (CCP).** The choices India makes over the next decade—on its supply chain dependencies, its technology standards, its export control architecture, its defense acquisitions, and its digital infrastructure—will materially shape whether the broader Indo-Pacific operates within a democratic technology ecosystem or a Chinese one. I believe that the United States has strong strategic and economic interests in ensuring those choices break in favor of openness, interoperability, and security.

My testimony covers six areas: (1) China's coercion against India; (2) India as a scale market for U.S. companies; (3) the sectoral opportunities in nuclear energy, defense, biotech, AI and

---

<sup>1</sup> "India-USA Joint Statement during the Official State visit of Prime Minister, Shri Narendra Modi to USA," Ministry of External Affairs Government of India, June 22, 2023, <https://www.mea.gov.in/outgoing-visit-detail.htm?36711/IndiaUSA+Joint+Statement+during+the+Official+State+visit+of+Prime+Minister+Shri+Narendra+>.

semiconductors; (4) the importance of aligning trusted technology standards between the two countries; and (5) a framework for addressing U.S. concerns regarding India’s relations with Russia versus China.

## **I. China’s Coercion against India**

Beijing has already demonstrated its willingness to weaponize supply chain leverage against the United States, Japan, Australia, Canada, South Korea, the Philippines, Europe, and India as well.

Since the Galwan crisis of 2020, Beijing has deployed a range of economic pressure tools against India. China delayed customs clearance for German tunnel boring machines transiting through Chinese ports *en route* to Indian infrastructure projects.<sup>2</sup> Beginning in 2023, China imposed export controls on gallium and germanium—minerals critical to India’s solar, semiconductor, and defense industries.<sup>3</sup> In January 2025, China restricted the movement of specialized expertise and equipment to impede the manufacture of the newest iPhone models in India, and by July 2025, hundreds of Chinese engineers had departed Foxconn’s Indian iPhone factories as part of a broader strategy to limit technology transfer to emerging competitors.<sup>4</sup> Beijing’s April 2025 export controls on rare earth permanent magnets—requiring licenses and imposing delays of 45 days or more—have already threatened production lines in India, and globally of course.<sup>5</sup>

In other words, China’s coercive playbook against the United States and our security allies has been thrown at India as well, particularly as India seeks to build alternative technology and raw material supply chains outside Beijing’s orbit and control. We have a shared interest with India in de-coupling from Chinese supply chain dependencies both to demonstrate to countries around the world that it can be done, including outside advanced, industrialized economies, and to help build a scaled market for U.S. and allied companies to offer enduring alternatives to CCP-controlled supply chains and CCP-controlled information and communications technologies and services.

---

<sup>2</sup> "India's Bullet Train Plan Hits Chinese Wall as German Tunnel Boring Machines Remain Stuck at Port," Economic Times, June 26, 2025, <https://economictimes.indiatimes.com/industry/transportation/railways/indias-bullet-train-plan-hits-chinese-wall-as-german-tunnel-boring-machines-remain-stuck-at-port/articleshow/122043772.cms>.

<sup>3</sup> "Ministry of Commerce Notice 2024 No. 46: Notice Concerning Strengthening Controls on Exports of Relevant Dual-Use Items to the United States," December 3, 2025, <https://cset.georgetown.edu/publication/china-rare-earth-export-ban/>.

<sup>4</sup> "Foxconn Pulls Chinese Staff From India in Hurdle for Apple," Bloomberg, July 22, 2025, <https://www.bloomberg.com/news/articles/2025-07-02/foxconn-pulls-chinese-staff-from-india-in-hurdle-for-apple-aapl?embeddable-checkout=true>.

<sup>5</sup> "China's New Rare Earth and Magnet Restrictions Threaten U.S. Defense Supply Chains," Center for Strategic and International Studies, October 9, 2025, <https://www.csis.org/analysis/chinas-new-rare-earth-and-magnet-restrictions-threaten-us-defense-supply-chains>.

## II. India as a Scale Market for U.S. Companies

The strategic partnership with India is about both “allied scale” to compete with China, as well as our commercial competitiveness in what will be the world’s most consequential growth market in the next two decades.

The Trump administration’s interim trade framework announced on February 6, 2026, represents a significant step forward—particularly India’s commitment to eliminating or reducing tariffs on all U.S. industrial products and addressing long-standing non-tariff barriers in information and communications technology goods.<sup>6</sup> Both countries have committed to substantially increasing trade in technology products, including AI chips for data centers, and expanding joint technology cooperation.

The logic is powerful. India is the only market on earth that combines more than 1.4 billion consumers, a rapidly expanding digital economy, and broad strategic alignment with the United States on the China challenge.

This economic dimension is simply the flipside of the security dimension; both are integral to a long-term strategic partnership. U.S. companies operating at scale in India embed trusted American technology standards in Indian infrastructure; they scale the revenue needed to compete with China’s technology companies globally; and they expand markets globally with trusted supply chains.

## III. Sectoral Opportunities: Nuclear Energy, Defense, Biotech, and AI

### A. Civilian Nuclear Cooperation

Civilian nuclear cooperation has been, at once, one of the most celebrated and underrealized opportunities in the U.S.-India relationship—and one where China competition is directly relevant. The foundation for this opportunity was laid two decades ago, when Prime Minister Manmohan Singh and President George W. Bush negotiated the landmark U.S.-India Civil Nuclear Agreement—the “123 Agreement”—signed in 2008.<sup>7</sup> That deal was a strategic bet of the first order: the United States effectively ended India’s nuclear isolation, securing an India-specific exemption from the Nuclear Suppliers Group in exchange for India placing its civilian reactors under IAEA safeguards. It was meant to unlock billions of dollars in U.S. nuclear exports and cement a generational strategic partnership. It unfortunately has yet to do either. Not a single U.S. reactor has been built in India under the 123 Agreement. The promise of

---

<sup>6</sup> The White House, "Fact Sheet: The United States and India Announce Historic Trade Deal," February 9, 2026; <https://www.whitehouse.gov/fact-sheets/2026/02/fact-sheet-the-united-states-and-india-announce-historic-trade-deal/>.

<sup>7</sup> “U.S.-India Civil Nuclear Cooperation Initiative,” U.S. Department of State Archive, March 9, 2006, <https://2001-2009.state.gov/r/pa/scp/2006/62904.htm#:~:text=On%20March%20%2C%202006%2C%20President,agreement%20on%20civil%20nuclear%20cooperation.>

the Bush-Singh deal remained almost entirely unrealized until the recent convergence of small modular reactor (SMR) technology, Indian legislative reform, and renewed strategic urgency.

In March 2025, the U.S. Department of Energy granted a U.S. company approval to transfer small modular reactor technology to three Indian private entities.<sup>8</sup> This was a significant breakthrough—the first direct U.S. nuclear technology transfer to Indian private firms, operationalizing the 123 Agreement that had stalled for nearly two decades. India’s passage of the SHANTI bill in December 2025, aiming to ease some supplier liability provisions that hindered U.S. and foreign vendors for decades, could finally open India nuclear sector to private participation for the first time, and the Union Budget 2025–26 launched a Nuclear Energy Mission targeting 100 GW of nuclear capacity by 2047 (up from roughly 7 GW today).<sup>9</sup>

The scale of the opportunity is enormous. India’s retirement of coal-fired power plants over the next 30 years presents an estimated \$550 billion opportunity to repurpose sites for SMRs.<sup>10</sup> The demand is being driven not only by India’s decarbonization commitments but by the energy requirements of rapidly expanding data center infrastructure—campuses that require dedicated 300 MW power supplies that SMRs can readily provide.

China and Russia are already competing aggressively in the global SMR market. China has an operational reactor; Russia is marketing its own. SMR companies need scaled purchase commitments to bring prices down and compete globally. Congress should press both governments on a concrete timeline for resolving remaining barriers—including on liability. If we succeed in realizing the potential of the U.S.-India nuclear deal, India could drastically reduce its dependence on Russian hydrocarbons, and demonstrate the value proposition to countries across the world of working with the United States and U.S. companies to achieve energy security that doesn’t compromise their sovereign interests.

## **B. Defense Sales: From Legacy Platforms to Mass and Autonomy**

The defense relationship is evolving in the right direction, but the pace must accelerate to match the urgency of the strategic environment. We should prioritize:

**Co-production of crown jewel technologies.** The HAL-GE Aerospace F414 engine deal, expected to be finalized early this year, represents the deepest technology sharing the United States has ever offered a non-treaty ally. The prospective \$1.5 billion agreement provides for the

---

<sup>8</sup> “U.S. Firm Approved to Build Nuclear Reactors in India,” Arms Control Association, May 2025, <https://www.armscontrol.org/act/2025-05/news-briefs/us-firm-approved-build-nuclear-reactors-india>.

<sup>9</sup> Government of India, Press Information Bureau, “The Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Bill, 2025,” December 19, 2025, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2206598&reg=3&lang=1>; Government of India, Press Information Bureau, “Nuclear Power in Union Budget 2025–26,” February 2025, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2099244&reg=3&lang=2>.

<sup>10</sup> “India Energy Small Modular Reactors,” U.S. International Trade Administration, 2025, <https://www.trade.gov/market-intelligence/india-energy-small-modular-reactors>; “Repurposing Fossil Fuel Power Plant Sites with SMRs to Ease Clean Energy Transition,” International Atomic Energy Agency, 2024, <https://www.iaea.org/newscenter/news/repurposing-fossil-fuel-power-plant-sites-with-smrs-to-ease-clean-energy-transition>.

transfer of technology for the F414-INS6 engine, which will power India’s Tejas Mk2 fighter and the initial prototypes for India’s fifth-generation fighter program.<sup>11</sup> India will become the fifth country in the world to produce advanced jet engines, joining the United States, Russia, France, and the United Kingdom.<sup>12</sup> Building on this, the broader defense framework signed in October 2025 by Defense Minister Singh and Secretary of Defense Hegseth envisions a 10-year partnership horizon covering joint development across air, land, sea, space, and cyberspace.<sup>13</sup>

**Mass and autonomy:** In certain contingencies, mass—cheap, attritable drones, loitering munitions, distributed sensors—could matter as much as exquisite platforms. The Autonomous Systems Industry Alliance (ASIA), launched during Prime Minister Modi’s February 2025 visit to Washington, pairs companies like Anduril Industries with India’s Mahindra Group for co-development and co-production of maritime autonomous systems and AI-enabled counter-drone technology, and L3Harris with Bharat Electronics Limited on advanced sensor systems.<sup>14</sup> The logic is compelling: the United States brings cutting-edge autonomy, edge AI, and software-defined warfare capabilities; India brings manufacturing scale, engineering talent, and complex operational environments for testing and refinement. Congress could push for an execution roadmap with measurable milestones.

### C. Biotech and Pharmaceutical Supply Chains

My co-panelist and former colleague Mr. Harjivan will address health policy dimensions in greater depth, so I will be brief on this point and focus on the national security angle.

The pharmaceutical supply chain represents a shared U.S.-India vulnerability with direct implications for U.S. national security. India supplies approximately 40 percent of U.S. generic drugs, but Indian pharmaceutical production depends heavily on China for key starting materials (KSMs) and active pharmaceutical ingredients (APIs).<sup>15</sup> A deliberate move by China to restrict KSM or API exports could severely constrain India’s pharmaceutical industry, forcing it to seek expensive alternatives and disrupting export commitments—including to the United States. This is a two-hop dependency that affects American patients.

---

<sup>11</sup> Aero India 2025: HAL in talks over GE F414 technology transfers,” Janes, February 2025,

<https://www.janes.com/osint-insights/defence-news/defence/aero-india-2025-hal-in-talks-over-ge-f414-technology-transfers>.

<sup>12</sup> “India expects \$7.4 billion spending on fighter jet engines over next decade,” Reuters, October 17, 2025,

<https://www.reuters.com/world/india/india-expects-74-billion-spending-fighter-jet-engines-over-next-decade-2025-10-17/>.

<sup>13</sup> U.S. Department of Defense, “Fact Sheet: Framework for the U.S.-India Major Defense Partnership,” November 13, 2025, <https://media.defense.gov/2025/Nov/13/2003820236/-1/-1/1/FACT-SHEET-FRAMEWORK-FOR-THE-US-INDIA-MAJOR-DEFENSE-PARTNERSHIP.PDF>.

<sup>14</sup> “United States-India Joint Leaders Statement,” The White House, February 13, 2025,

<https://www.whitehouse.gov/briefings-statements/2025/02/united-states-india-joint-leaders-statement/>; “The India-US Defence

Pact: Reassurance Amid Reappraisal?” Observer Research Foundation, November 2025,

<https://www.orfonline.org/research/the-india-us-defence-pact-reassurance-amid-reappraisal/>

<sup>15</sup> “US drug supply chain exposure to China,” Brookings Institution, July 28, 2025,

<https://www.brookings.edu/articles/us-drug-supply-chain-exposure-to-china/>.

The February 2026 trade framework’s commitment to addressing barriers to U.S. medical device trade is welcome. The bigger strategic play is joint investment in diversifying API production away from China. India’s genomics-scale population data, clinical trial capacity, and growing biotech sector also make it a natural partner for U.S. companies if regulatory harmonization advances.

#### **D. Semiconductors and Artificial Intelligence: Expanding the Democratic AI Stack**

Semiconductors and artificial intelligence represent the most consequential arenas of U.S.-China technology competition, and India’s trajectory in both sectors will materially shape the balance of power.

India has committed at least \$18 billion to building domestic semiconductor capacity through the India Semiconductor Mission (ISM), and its 2026 budget launched a second phase of the mission with an expanded scope covering semiconductor equipment manufacturing, materials production, and chip design—moving beyond the first phase’s focus on assembly, testing, and packaging.<sup>16</sup> India’s first commercial fab, a collaboration between Tata Electronics and Taiwan’s PSMC, targets chips in the 28-110nm “legacy node” range and is expected to come online by late 2026.<sup>17</sup> Micron Technologies is set to begin commercial production at its assembly, test, marking and packaging facility in India early this year, with around 70% of the costs being subsidized by Indian government incentives.<sup>18</sup> But India has a long way to go; it imports over 90 percent of essential semiconductor inputs, faces a projected shortfall of hundreds of thousands of skilled semiconductor professionals, and its one fab under construction compares to China’s more than 40.<sup>19</sup>

U.S. policy must be to reshore to the United States far more semiconductor manufacturing than we are currently projected to achieve, but we should look to support allies and strategic partners like India for production that is unlikely to be reshored, especially where the likely alternative is China. We can do this through appropriate equipment access, process technology licensing, and

---

<sup>16</sup> Government of India, Press Information Bureau, “*India Semiconductor Mission 2.0*,” February 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2224839&reg=3&lang=1>.

<sup>17</sup> “The U.S.–India Initiative on Critical and Emerging Technology (iCET) from 2022 to 2025: Assessment, Learnings, and the Way Forward,” Carnegie India, October 23, 2024, <https://carnegieendowment.org/russia-eurasia/research/2024/10/the-us-india-initiative-on-critical-and-emerging-technology-icet-from-2022-to-2025-assessment-learnings-and-the-way-forward>.

<sup>18</sup> Micron’s \$2.75 bn Gujarat chip plant to begin production by February-end,” Business Standard, January 23, 2026, [https://www.business-standard.com/companies/news/micron-gujarat-semiconductor-chip-plant-february-ashwini-vaishnav-wef-davos-126012300195\\_1.html](https://www.business-standard.com/companies/news/micron-gujarat-semiconductor-chip-plant-february-ashwini-vaishnav-wef-davos-126012300195_1.html).

<sup>19</sup> “India’s chip industry to face shortage of 300,000 professionals by 2027,” Business Standard, June 11, 2024, [https://www.business-standard.com/industry/news/india-s-chip-industry-to-face-shortage-of-300-000-professionals-by-2027-124061100186\\_1.html](https://www.business-standard.com/industry/news/india-s-chip-industry-to-face-shortage-of-300-000-professionals-by-2027-124061100186_1.html); “Semiconductor Clusters in the Making: India’s Push for Global Competitiveness,” Center for Strategic and International Studies, September 23, 2025, <https://www.csis.org/analysis/semiconductor-clusters-making-indias-push-global-competitiveness>; “India’s Semiconductor Ambitions and Global Competitiveness: Confronting the China Challenge,” Observer Research Foundation, October 21, 2025, <https://www.orfonline.org/research/india-s-semiconductor-ambitions-and-global-competitiveness-confronting-the-china-challenge>.

integration into trusted supply chains. We also should deploy harmonized barriers to the importation of legacy chips produced in the PRC, to protect our and allies’ semiconductor manufacturing from predatory pricing and practices, and slow the progress of China’s march toward advanced semiconductor manufacturing.

The AI gap between India and China is widening at the frontier. China is both developing and deploying AI at scale, but India is unlikely to compete on development anytime soon. At the same time, India is an AI application layer powerhouse.

India’s combination of 1.4 billion people, rapid digitization, and massive unmet demand in healthcare, agriculture, education, financial services, and government administration makes it the most consequential proving ground for AI deployment at population scale. The country that figures out how to deliver AI-powered diagnostics to 800 million rural Indians, or AI-driven crop advisory to 150 million farmers, could set *de facto* global standards for how AI is deployed across the developing world. The trade framework’s provisions for expanded cooperation on GPUs and data center equipment are a positive step forward; Congress should ensure this translates into deliverables that position American and Indian companies—not Chinese ones—as the default providers of AI services across the Global South. The United States and India could, for example, together develop a framework for trusted AI with objective criteria to gate off untrusted CCP-controlled AI vendors from markets or jurisdictions that adopt such a framework.

India’s Budget 2026 also announced a 20-year tax holiday extending through 2047 for foreign companies providing global cloud services using data centers located in India, alongside a safe harbor provision on costs for related-entity data center operators.<sup>20</sup> This is a direct bid to attract U.S. companies to build onshore infrastructure at scale.

Semiconductor manufacturing, a data center build-out, and AI application-layer investment are being pursued as an integrated stack. For the United States, this represents a significant commercial and strategic opportunity.

#### **IV. Aligning Trusted Technology Standards: ICTS Security and the Common Market Opportunity**

One of the most strategically significant—and least discussed—opportunities in the U.S.-India partnership is the alignment of information and communications technology and services (ICTS) security policies that could create a common market for trusted technology.

Both the United States and India have taken steps to restrict insecure ICTS goods and services originating from China. India banned TikTok and dozens of other Chinese apps in 2020. India

---

<sup>20</sup> “India offers zero taxes through 2047 to lure global AI workloads,” TechCrunch, February 1, 2026, <https://techcrunch.com/2026/02/01/india-offers-zero-taxes-through-2047-to-lure-global-ai-workloads/>; “India courts Big Tech with long-term tax breaks as it doubles down on AI ambitions,” CNBC, February 2, 2026, <https://www.cnbc.com/2026/02/02/india-tax-breaks-hyperscalers-ai-bet.html>.

has effectively excluded Huawei and ZTE from its 5G rollout.<sup>21</sup> The United States has pursued parallel restrictions on Chinese-origin ICTS through executive orders, the ICTS supply chain rule, and related action targeting connected vehicles, drones, and communications equipment.

But these efforts remain largely uncoordinated. The strategic opportunity is to align U.S. and Indian ICTS restrictions—on PRC-origin connected vehicles, telecommunications equipment, communications platforms, and other networked goods and services—not only for fully valid security reasons, but also to create the foundation of a common market for trusted technology. ICTS barriers effectively operate as an extremely prohibitive tariff. If the United States and India apply such barriers, implemented through consistent standards for what constitutes a trusted ICTS vendor, they create a combined market of nearly 1.8 billion people operating within a shared technology framework—and that is without bringing along other likeminded democracies like Japan, South Korea, Australia and European allies. This is an enormously powerful commercial incentive for U.S., Indian, and allied technology companies to build products to a common standard—and an equally powerful disincentive for any company to maintain dependencies on insecure Chinese supply chains.

## **V. A Differentiated Framework: What to Demand on Russia vs. China**

An understandable but consequential analytical error in U.S. policy toward India is the tendency to treat Russia and China in a single bucket of demands. They are fundamentally different challenges, requiring different policy instruments and different timelines.

### **A. Russia: A Managed Transition**

The February 2026 trade agreement achieved a major concession: India’s agreement to curtail Russian oil purchases, which accounted for roughly 33–38 percent of India’s total crude imports in 2025.<sup>22</sup> This followed the Trump administration’s imposition of 50 percent tariffs and sanctions on Russian oil companies, which drove major Indian refiners to halt Russian crude purchases. India’s oil imports from the United States increased from approximately 3 percent of the total in 2024 to over 10 percent by October 2025.<sup>23</sup>

However, Russia-India ties remain multidimensional, encompassing defense, energy, space, and labor migration. India’s 2025 military crisis with Pakistan revealed the depth of its operational

---

<sup>21</sup> India Bans Dozens Of Chinese Apps, Including TikTok,” NPR, July 2, 2020, <https://www.npr.org/2020/07/02/886845339/india-bans-dozens-of-chinese-apps-including-tiktok>; “After Pompeo says ‘tide is turning against Huawei,’ India reportedly weighs 5G ban on Chinese firm,” CNBC, June 30, 2020, <https://www.cnbc.com/amp/2020/06/30/india-reportedly-weighs-5g-ban-on-huawei-amid-tensions-with-china.html>.

<sup>22</sup> “The Impact of U.S. Sanctions and Tariffs on India’s Russian Oil Imports,” Carnegie Endowment for International Peace, November 2025, <https://carnegieendowment.org/posts/2025/11/the-impact-of-us-sanctions-and-tariffs-on-indias-russian-oil-imports?lang=en>.

<sup>23</sup> “U.S. imports fuel from India that’s made from Russian oil,” NPR, September 8, 2025, <https://www.npr.org/2025/09/08/nx-s1-5522001/india-tariffs-russia-oil-imports>.

dependence on Russian-origin weapons systems: the Indian Air Force flew Russian fighters, and the S-400 air defense system was defending Indian airspace.<sup>24</sup>

The imperative and realistic ask on Russia is a managed transition: continued reduction in energy purchases, with U.S. and other supply filling the gap; no new major Russian defense platform acquisitions; transparency on maintenance and spares relationships for legacy systems; and a credible timeline for phasing in U.S. and allied replacements.

## **B. On China: Pragmatic, Persistent Confidence-building**

The ask on China is fundamentally different—and should be much more ambitious. India has its own deep-seated reasons to compete with China: an unresolved border dispute, fundamental strategic mistrust, unwanted but deepening technology dependencies, and direct experience with Chinese economic coercion. India’s strategic community takes the China challenge seriously, but often runs into opposing interests, especially those who argue that the United States could opt for a “G2” condominium and leave India in the cold. There is similar apprehension in the United States. The only solution is pragmatic, persistent, step-by-step confidence building. We should pursue, among other initiatives discussed above:

**Export control alignment.** As the United States provides India with increasingly advanced technology—GPUs, SMR technology, jet engine designs, semiconductor manufacturing equipment—it should expect a credible export control and end-use monitoring regime that prevents leakage to the CCP or any other U.S. adversary. This is a prerequisite for deeper technology sharing.

**Digital infrastructure, AI and IOT alignment.** India’s decisions on cloud and AI infrastructure, telecommunications architecture, cloud infrastructure, and internet-of-things (IOT) infrastructure, from connective vehicles to drones to energy generation technology, will shape whether the Indo-Pacific operates within a democratic technology stack or a Chinese one. The United States should reinforce positive steps taken by India to date by pursuing ambitious deals and ambitious regulatory alignment to block untrusted vendors controlled by the CCP, and build a common, trusted market for digital infrastructure, AI and IOT products, which will be deeply enmeshed and embedded in across our economy and security.

**Maritime and intelligence cooperation.** U.S. and Indian strategic interests converge tightly in the Indian Ocean and increasingly around the Indo-Pacific. We should press for deeper intelligence sharing, more frequent joint exercises, and stronger domain awareness infrastructure, and related technology co-production opportunities that serve both countries’ interests.

---

<sup>24</sup> “India’s clash with Pakistan sees use of Chinese missiles, French jets, Israeli drones and more,” The Washington Post, May 9, 2025, <https://www.washingtonpost.com/world/2025/05/09/pakistan-india-weapons-missiles-rafale/>.

**Critical minerals reciprocity.** The United States and India should co-invest in alternative mineral processing capacity through the Minerals Security Partnership and other mechanisms. India must also streamline its own mining regulations and environmental clearances to enable this cooperation..

The bottom line: on Russia, the United States should press India to wind down inherited dependencies, while winding up alternatives. On China, the United States should press India to make a series of strategic plays with us—which India already wants to do, but needs capital, technology, and institutional capacity to execute at scale.

## **VI. The Importance of Head-of-Government Management and Institutional Design**

Before concluding, I would offer one final observation from my experience inside the U.S. government that I believe is critical to the success of everything I have described.

The U.S.-India technology partnership will not succeed if it is left to the normal interagency process, or even to the most senior ranks of paired Indian ministries and U.S. agencies. The bureaucratic default in both Washington and New Delhi is caution, delay, and lowest-common-denominator outcomes. The technology transfer authorities needed for the ambition we want cuts across multiple agencies, each of which has sticky incentives to slow-roll rather than accelerate. On the Indian side, the challenges are at least as formidable.

iCET was designed to cut through this inertia by placing the relationship at the National Security Advisor level in both countries, placing the strategic partnership squarely in the immediate offices of heads-of-government. This is required to generate sustained political pressure to overcome institutional resistance on issues like jet engine technology transfer, nuclear energy, and space launch. I would urge the Commission to recognize in its recommendations that the *institutional architecture* of the relationship matters as much as the substance. Congress should encourage the administration to maintain ownership of the critical and emerging technology track with India at the White House and the Prime Minister’s Office, with regular reporting to Congress on progress.

## **VII. Conclusion**

India is not a treaty ally of the United States. It will not become one. And yet the U.S.-India strategic partnership could still be the most consequential relationship in the world.

The task for U.S. policymakers is to execute a steady rhythm of plays that make the U.S.-India partnership so commercially complementary, technologically indispensable, and strategically aligned that the gravitational pull of the relationship becomes self-sustaining.

The good news is that the structural incentives are overwhelmingly favorable. The task at hand is to convert ambition and frameworks into fielded systems, operating factories, and integrated supply chain—requiring strategic direction from the very top of our political systems. Congress has a critical role to play in building momentum, appropriating the resources, providing ballast when it gets choppy, and holding both governments accountable for results.

Thank you, and I look forward to our discussion.