Non-Alignment is the product of cold war. It represents the hopes, desires and aspirations of the people of Afro, Asian and Latin American countries, who have suffered from colonialism, imperialism, racialism and neo-colonialism. The philosophy of the Non-Alignment is an amalgam of Nehru's Panch Sheela, Tito's peaceful coexistence and Nasser's Arab Nationalism.

Non-Alignment is not neutrality. Neutrality involves abstention from all conflicts, whereas Non-Alignment involves abstention from the cold war. Non-Aligned countries do not represent the third bloc. It is not an isolationist policy but a policy of active participation in all cold war disputes with a view to decide each dispute on its merits. It is an expression of the independent spirit and judgement of a nation.

Non-Aligned countries have been trying to achieve their goals such as disarmament, world peace, the right of self-determination, equality among the people and the elimination of colonialism, imperialism, racialism, apartheid and neo-colonialism and they have succeeded in their attempts to a larger extent.

The Non-Alignment policy became the Non-Aligned Movement in the course of its growth by the time the Georgetown Ministerial conference met in 1972. The Movement has taken up different issues at different times by keeping
its identity as an independent and dynamic policy in the contemporary international relations.

In the beginning of the 1960s its main concern was peace and security, in the middle of the 1960s its emphasis was on anti-colonialism, and in the 1970s it transformed itself into a collective movement of the third world countries and demanded a New International Economic Order based on equality and justice. In the beginning of the 1980s its attention was focussed on disarmament and world peace, restructuring of international economic relations, complete eradication of colonialism and democratization of international relations. In the late 1980s and the beginning of the 1990s the Non-Aligned Movement concentrated on new issues like economic relations, environment, disarmament, eradication of poverty, hunger, mal-nutrition, illiteracy, drug trafficking, global terrorism and neo-colonialism in the context of many major changes in the international relations. Therefore, Non-Aligned Movement has been of great relevance since its inception and it has a greater role to play in the future too.

India and the USA established their first official contacts in 1792, but formal relations did not begin until India achieved its independence on 15, August 1947. The USA showed sympathetic attitude towards Indian freedom movement and demanded India's independence from the
British government. Since India and the USA are the two biggest democratic countries in the world, the USA tried its best to secure India as its friend rather than Pakistan when India became free. But the American plan was foiled because of India’s policy of Non-Alignment, her recognition of Communist China, her attitude towards Korean crisis which did not coincide with the American view, her refusal to subscribe to the Japanese Peace Treaty, her opposition to establish U.S. military bases in its soil to contain communism and Indo-US differences on the issues of colonialism and racialism. Hence the US made friendship with Pakistan.

India’s policy of Non-Alignment has been very much misunderstood by the USA. It created disillusionment in America and so India came to be dubbed an anti-American and Pro-Russian.

Pakistan became a major factor in Indo-US relations. The USA supported Pakistan on Kashmir issue whenever the issue came up for discussion in the UN Security Council. India’s refusal to sign the Japanese Peace Treaty also caused friction in Indo-U.S. relations. India did not sign this treaty because of Communist China, which should take part in any settlement of Far Eastern affairs was not a party to it. The US Military Aid Pact of 1954 with Pakistan caused further deterioration in Indo-US relations.
But the assumption of office by J.F.Kennedy was a happy event in Indo-American relations. During his period Non-Alignment was no longer considered as an obstacle as in the time of Dulles. The US Secretary of State J.F.Dulles severely criticised the India's policy of Non-Alignment as 'immoral' and 'short-sighted' and called the followers of this policy pro-communists. Unfortunately this friendly atmosphere between the two countries was upset when Indian troops liberated Goa from Portuguese rule. However, relations began to improve once again when the US supplied military aid to India during the Chinese aggression in 1962 and remained neutral during Indo-Pak war of 1965.

Mrs. Gandhi became Prime Minister of India in January 1966 and made a 11-day official visit to the USA to improve further India's relations with the USA. On the otherhand, with the assumption of office by the Nixon Administration in 1969 drastic changes took place in the US foreign policy. The most important development change was the Sino-American detente. It was an offshoot of Sino-Soviet border dispute and Soviet threats of nuclear attack.

Pakistan played a key role in bringing China and the USA together. As a result, India felt isolated in South Asia and it thought that the Sino-US detente might affect the balance of power in Asia in general and in South Asia in particular. Under these circumstances India could not
expect assistance from the USA in the event of an attack on her by China. Hence India concluded the Treaty of Peace, Friendship and Cooperation with the Soviet Union on 9th August, 1971 as a counter to Pindi-Peking-Washington Axis. The West in general and the USA in particular criticised this by saying India has deviated from its policy of Non-Alignment. In fact India has never deviated from the policy of Non-Alignment, as could be seen from article IV of the Treaty. As a result Indo-US relations reached the lowest ebb during the Bangladesh crisis. The USA supported Pakistan throughout the Bangladesh crisis.

Indo-US relations showed signs of improvement after the Bangladesh crisis. Unfortunately they were once again strained when India conducted the Peaceful Nuclear Explosion test on 18 May, 1974 at Pokhran in Rajasthan. Further, there was an uproar of protest in the USA against the imposition of emergency by Mrs.Gandhi on 25th June, 1975. In spite of misunderstandings between India and USA on different issues at different times, Indo-US relations once again improved with the assumption of the US Presidentship by Jimmy Carter, because he viewed India as not only a major state in its own right but a democratic state influential in the Non-Aligned Movement.

It may be said that Indo-US relations in the economic field have been somewhat good. Economic relations
between the two countries started with the USA's grant of substantial aid to India in 1950 under the Point Four Programme. Also, the US increased its aid to India through Technical Co-operation Mission. India got food aid from the USA under the PL-480 Programme to meet the severe food crisis in India. India has been receiving aid from the US through various US agencies such as the United States Agency for International Development (USAID) and the United States Export-Import Bank (EXIM). Besides governmental aid private organisations such as Ford Foundation, Rockefeller Foundation and Christian Missionaries also have been extending aid to India.

The aim of the US economic aid to India is to encourage the private enterprises. This was evident in the Bokaro Steel Plant episode. The USA dropped aid proposal to the construction of Steel Plant in Bokaro because it came under Public Sector.

American economic aid to India was highly motivated. It was clearly seen from stoppage of food aid to India by President Johnson when India criticised the US policies in Vietnam. During Bangladesh crisis the USA tried to influence India through its economic aid policy. But India did not compromise with the USA and maintained independent policy.
In the field of agriculture, the US assistance to India was immense. Both the US government and private organisations gave not only economic assistance but also promoted research in the field of agriculture in India.

India and the USA differed on major world issues like Arab-Israel problem, Disarmament, Vietnam war and Indian Ocean as a zone of peace. Though these issues are not directly concerned to both the countries, they have influenced the overall bilateral relations leading to great divergence.

In the Arab-Israel problem India always stood for the Arab cause because justice was denied to Arabs by Israel when it occupied the Arab territories. India's policy was based on Non-Aligned Principle and her national interest. But the USA supported Israel, as an aggressor, and provided a massive aid to control the Arab countries by making Israel a strong country in that region.

On the issue of disarmament both countries have different perceptions and approaches. They differ mainly on Nuclear Non-Proliferation Treaty (NPT). India believes that the Treaty is discriminatory one and it is an obstacle to achieve the goal of disarmament. On the otherhand, the USA insists on disarmament, but at the same time it wants the nuclear arms should be limited only to nuclear countries.
Vietnam was another issue where India and the USA held divergent views. India supported North Vietnam and opposed the US intervention because of her own bitter experience with colonialism and imperialism. India opposed the American bombing on N.Vietnam and demanded the U.S. withdrawal from the South Vietnam. But the US interference in Vietnam was to end communism through military means and to protect its interest in South East Asia. India did not hesitate to criticise the US policy towards Vietnam.

Regarding the Indian Ocean as a Peace Zone issue, the two countries followed different approaches. As a major littoral state of the Indian Ocean, India wants to protect her regional interests and condemn all sorts of major power interference in the Indian Ocean. But the US approach towards Indian Ocean is based on two factors. One is, in the cold war period, it established military bases in this area to control the Soviet influence, the second is, in the post-cold war era, the U.S. Indian Ocean strategy is to control regional powers of this area.

Therefore, the policies of India and the USA regarding above major world issues were based on the basic principles of their respective foreign policies.

Right from the beginning Indo-US relations started with suspicion and misunderstanding by the USA. The USA criticised India's policy of Non-Alignment because of
certain reasons such as: India with her policy of Non-Alignment foiled the US plan to bring the newly liberated countries into its fold, she criticised the USA whenever the US intervened in the affairs of the Third World Countries, her cordial relations and friendship with the Soviet Union through the Indo-Soviet Treaty of Peace, Friendship and Cooperation. India's opposition to the U.S. military presence in the Indian Ocean, her refusal to sign the nuclear Non-Proliferation Treaty, her opposition to colonialism, imperialism, racial discrimination and apartheid. And above all, the misunderstanding of the meaning of the Non-Aligned by the US resulted in lack of warmth in the Indo-US relations. Therefore, the Non-Alignment has become an obstacle in the growth of Indo-US relations.

Major changes in the world such as the disintegration of the Soviet Union, the collapse of the communist governments in the East European countries, the German reunification and the collapse of the Warsaw Pact brought an end to the cold war between the two superpowers. In the post-cold war era the bipolar system came to an end and different countries want to establish different types of world order - USA proposed uni-polar world, Japan proposed tripolar world, the Non-Aligned Countries proposed the world should be based on stable peace, common security and social and economic development, and India and China proposed the
world order based on Panch Sheel. Under these circumstances in the post-cold war era, the USA wants to improve relations with India on the basis of mutuality and reciprocity, which had been missing during the 1950s, 1960s, 1970s and 1980s. India also wants to have cordial relations with the USA while it pursues an independent and Non-Aligned foreign policy without yielding to the pressures of the lone super power the USA. In the context of the changing world order India and the USA must understand each other and maintain cordial and correct relations in the interests of both the countries in particular, and the world at large in general.