

India-US Ties under Trump as US President

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Why in News?

As Donald Trump has gained the votes required to become the U.S.'s 47th President, we will try to analyse India-US ties during Trump 1.0 and what Trump 2.0 means for India.

Trump's First Term – Strengthening Indo-US Strategic Ties:

- **Overview:**

During Donald Trump's presidency (2017-2021), the United States and India **transitioned from strategic partners to indispensable allies**.

This period saw **unprecedented cooperation in defence, counter-terrorism, and energy** but also presented certain challenges, particularly around trade and immigration.

- **Enhanced cooperation in defence, terrorism, and energy:**
 - **High-level diplomatic engagement:** PM Narendra Modi's 2017 White House visit set the tone for close diplomatic ties, culminating in Trump's historic visit to India in 2020.
 - **Counter-terrorism support:** The US firmly supported India's stance on terrorism, including backing the designation of **Jaish-e-Mohammad chief, Masood Azhar**, as a global terrorist and advocating Pakistan's grey-listing by the FATF.
 - **Defence technology and trade:** Under Trump, **India's defence imports from the US reached \$18 billion**, and India gained access to advanced American defence technology, strengthening military capabilities and diversifying defence procurement.
 - **Strategic energy partnership:** The 2018 Strategic Energy Partnership facilitated India's import of American crude and LNG, **making the US India's sixth largest source of hydrocarbon imports**.
- **Confronting China as a common strategic rival:**
 - Trump's policies framed China as a **mutual threat**, enhancing Indo-US alignment in strategic goals.
 - His administration **revived the Quad alliance** and promoted the **Indo-Pacific strategy** to counter China's growing influence.

Trump's First Term - Issues in the India-US Ties:

- **Energy restrictions:** Trump pressured India to **halt oil imports from Iran**, marking a stark shift in India's energy sourcing strategy.
- **Trade and tariffs:** Trade disputes arose as Trump demanded **lower tariffs**, notably on Harley Davidson motorcycles, reflecting his broader stance on a fairer trade balance.
- **Immigration policy:** The Trump administration's restrictive immigration stance, including limits on **H1-B visas**, strained the relationship due to India's reliance on skilled migration to the US.
- **Kashmir mediation controversy:** Trump's offer to mediate between India and Pakistan on Kashmir sparked backlash in India, as it went against India's stance on third-party involvement in the issue.

Trump's Return and its Impact on India-US Relations:

- **Overview:**
 - With Donald Trump set to re-enter the White House, **India anticipates both benefits and challenges** in the upcoming phase of bilateral relations.
 - Building on Trump's earlier tenure, New Delhi expects **continuity in defence, energy cooperation, and strategic ties**, alongside possible **friction in trade and sensitive diplomatic interactions**.
- **Opportunities for stronger India-US ties under Trump:**
 - **Reviving trade and defence deals:**
 - Trump has expressed interest in resuming the Free Trade Agreement talks.

- Expanded U.S. military hardware sales could further bolster India's defence capabilities.
- **Focus on energy independence:** As seen with the earlier MoU for the Driftwood LNG plant, potentially reviving investments and boosting India's energy security.
- **Less pressure on domestic issues:** Compared to the Biden administration, issues like press freedoms, treatment of NGOs, and human rights may see less scrutiny under Trump, easing diplomatic tensions.
- **Stance on regional issues:**
 - Trump's stance of cancelling the majority of U.S. funding to **Pakistan** during his last term is likely to continue.
 - Also, crackdown on **Khalistani** organisations is anticipated during Trump 2.0.
- **Potential areas of friction:**
 - **Trump's tariff policy:** Trump's focus on reducing trade tariffs might reignite disputes over India's tariffs, straining the economic partnership.
 - **Diplomatic mis-steps:** For instance, Trump's previous remarks on Kashmir mediation and India's conflict with China were met with strong denials from New Delhi.
 - **Unpredictable sanctions on oil imports:**
 - Under Trump, India faced pressure to cut off oil imports from **Iran and Venezuela**, risking its energy stability.
 - Similar policies could emerge, impacting India's energy policy and regional diplomacy.

Conclusion:

- Trump's first term reshaped Indo-US relations and India anticipates both opportunities and obstacles with Trump's return to the presidency.
- **Shifting regional dynamics will require careful navigation to maintain a balanced and productive partnership.**

Q.1. What is the Strategic Trade Authorisation (STA)?

The Strategic Trade Authorisation (STA) is a licence exception that allows for the export, reexport, and transfer of certain items to low-risk destinations without a licence. The STA is intended to make trade easier between the United States and its allies.

Q.2. What is FATF?

The Financial Action Task Force (FATF) is an intergovernmental organisation founded in 1989 on the initiative of the G7. It leads global action to tackle money laundering, terrorist and proliferation financing.

News: [Recalling India-US relations in Trump 1.0 | TH](#)

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