



## U.S.-India Partnership Likely to Strengthen Further under Trump's Second Presidency

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Donald Trump's second term as U.S. president will strengthen the U.S.-India partnership because of converging strategic interests in the Indo-Pacific and growing economic, technological and military cooperation, among other things. However, tensions over trade and migration issues are possible. Trump's unilateral and transactional policies threatening multilateralism may further encourage India and the EU to enhance their cooperation. Poland can use the U.S. and the EU's closer engagement with India to pursue the objectives of the Polish-Indian Strategic Partnership established in 2024.

**Historic U.S.-India Partnership.** India was one of the few countries where Trump's second presidential election victory was received with calm and some optimism. This was because of the [positive experience of Trump's first term](#) and the further strengthening of U.S.-India cooperation by the [Joe Biden administration](#), with India-U.S. relations the best ever. The continued rapprochement with India stems from the bipartisan consensus in the U.S. Congress since the early 2000s on the crucial importance of the country as a [major counterweight to China](#).

Political dialogue with the U.S. has deepened in recent years, as exemplified by Indian Prime Minister Narendra Modi's visits to the United States in June 2023 and September 2024. The good relationship has not been affected by [India's neutrality towards the war in Ukraine](#). The U.S. quietly accepted India's purchases of Russian oil and also helped India successfully realise the [chairmanship of the G20 in 2023](#), giving up on the diplomatic isolation of Russia. Progress was made in defence cooperation, expanding India's access to U.S. military and dual-use technology. The U.S. increased arms sales (e.g., MQ-9B Sea Guardian combat drones) and, for the first time, agreed to transfer technology and some manufacturing to India (e.g., General Electric F414 jet engines for India's Tejas fighters). Biden's most important contribution to the relationship, however, was the strengthening of cooperation on critical technologies (e.g., space, semiconductors, artificial intelligence), with the

creation of the Initiative on Critical and Emerging Technology (ICET) in May 2022, bringing together governments, business, and experts from both countries. However, the good atmosphere was disturbed by disputes over human rights and the state of democracy in India. These included accusations against Indian authorities of the assassination attempts of U.S. citizens of Sikh origin, considered separatists in India, and corruption cases in U.S. courts against Indian billionaire Mukesh Ambani.

The opening up of new cooperation opportunities has resulted in growing trade. Its value increased from \$120.8 billion in 2020 to \$194 billion in 2023 (\$124.2 billion in goods, \$70.7 billion in services). For the U.S., India is now the 10<sup>th</sup>-largest partner accounting for 2.4% of its trade in goods. Mutual ties are strengthened by the growing Indian diaspora in the United States. It is already estimated at 5.2 million people and is the best-educated, richest, and increasingly the most politically active ethnic group in the United States. Although traditionally U.S. citizens of Indian origin (around 2.5 million) vote for Democratic candidates, there is growing support among them for Republicans.

**Challenges to Bilateral Relations.** India's main concerns relate to U.S. market access restrictions and immigration issues. Trump has repeatedly referred to India as the "king of tariffs", criticised the growing U.S. trade deficit (rising from \$34 billion in 2020 to \$45.5 billion in 2023) and announced restrictions on Indian products in the past. The

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U.S. is the largest export market for India, making higher tariffs likely to have a serious impact on the Indian economy. Equally worrying would be restrictions on [migration](#) to the U.S., as Indian nationals are the second-largest group of immigrants in the United States (after Mexicans). They are also the largest foreign student group in the U.S. (331,000 in the 2023/24 academic year, overtaking the Chinese this year), as well as beneficiaries of the H-1B skilled-worker visa programme (280,000 or 72% of all such visas granted in 2023). At the same time, in recent years Indians have become one of the main nationalities apprehended in attempts to enter the U.S. irregularly (97,000 in 2023 and 90,000 in 2024) and are the third-largest (725,000) group of such migrants (after Mexicans and Salvadorans). The continuation of programmes for professionals is advocated by U.S. businesspeople, including those in the technology industry, like Trump's close associate Elon Musk. Restrictions on U.S. technology companies' activities in India, such as data localisation and accusations of disinformation, could also become a source of contention.

**Towards a Stronger Partnership.** Further rapprochement between the U.S. and India will be determined by strategic, personal, and economic ties. Key is the perception by both sides of China as a threat to their security and economic interests. Trump is also taking a close-to-India approach to Russian aggression against Ukraine, with the primary goal of bringing the war to a swift end. A possible ceasefire or search for a political settlement could bring the U.S. and Indian leaders even closer.

India can count on the support of leading U.S. politicians. Trump has a friendly personal relationship with Indian Prime Minister Modi, the third leader to congratulate him on his election victory. Secretary of State Marco Rubio is known for his pro-India, anti-China and anti-Pakistan views. Last July, he introduced a bill on U.S.-India defence cooperation to Congress, which included giving it a status similar to Asian and NATO allies, which would accelerate the sale of advanced military technology to effectively counter the dominance of "Communist China". Mike Waltz, the National Security Advisor, presented a pro-India position in the past, including as co-chair of the Caucus on India in Congress. He heralded increased U.S. engagement in the Indo-Pacific, giving [India an important role as a member of the Quad](#) (a meeting of the group's foreign ministers was already held in Washington on 21 January, the day after Trump was sworn in).

A better understanding of India will be enhanced by the appointments of a historic number of Indo-Americans in the new administration. Although Kamala Harris' loss in the

presidential election meant that a person of Indian ethnicity would not be in power, Vice President J.D. Vance's wife Usha has Indian roots. Among those from the Indian diaspora who play key roles in the new administration are Kash Patel (head of the FBI) and Sriram Krishnan (Artificial Intelligence Advisor to the White House). Interest in the huge Indian market has long been expressed by Musk, who met with Prime Minister Modi twice in the past (calls himself a "fan" of Modi), considering major investment by Tesla in India. Opportunities for economic cooperation, including in nuclear, military, and AI technologies, are of interest to U.S. businesses, which may see India as an attractive market to replace China.

**Conclusions and Outlook.** India may prove to be one of the countries that will benefit most from Trump's presidency. A similar outlook on the main strategic challenge, including China's policies, as well as India's demographic, economic, technological, and military potential give it key importance as a U.S. partner in the Indo-Pacific. A possible change in U.S. policy towards the war in Ukraine would remove the main divergence between the U.S. and India. Likely disagreements over trade issues will be mitigated by India increasing U.S. purchases of energy resources (LNG, oil) and military equipment or offering a deal on tariff reductions in selected sectors. U.S. business demand for skilled Indian workers will maintain access to legal migration in return for India's closer cooperation in the readmission of undocumented migrants. Meanwhile, the new administration's possible reduced emphasis on democracy and human rights issues will minimise ideological disputes and increase mutual trust.

However, Trump's unilateralist, protectionist, and transactional policies may raise challenges and will prompt India to seek other reliable partners. This opens up new opportunities in India's relations with the EU. U.S. protectionism, including threats of tariffs and attacks on multilateral institutions, makes the EU and India likely to be major forces in promoting multilateralism, free trade, or climate action. This could favour the negotiation of an EU-India FTA, facilitating a compromise on the issue. Further rapprochement of the U.S. and EU with India creates favourable conditions for [deepening Poland's relations with India](#) and fulfilling the content of the [strategic partnership signed in 2024](#). In particular, [Poland's presidency of the Council of the EU](#) offers opportunities for the Union to undertake new initiatives and projects that are part of the Polish-Indian partnership, such as the reform of international organisations or the fight against disinformation.