

India - United States Relations: Notes for UPSC

India US relations notes IAS is an important topic from the GS Paper II, International Relations perspective of the UPSC Exam.

Overview of Indo-American relations

India-US relations have become increasingly multi-faceted, covering cooperation in areas such as trade, defence and security, education, science and technology, civil nuclear energy, space technology and applications, environment and health.

Grassroot level interactions between the people of the two nations provide further vitality and strength to this bilateral relationship. There have been regular contacts at political and official levels with a wide-ranging dialogue on bilateral, regional and global issues having taken place.

Major areas of cooperation in India-US relations

A "Strategic Dialogue" was established in July 2009 during the visit of US Secretary of State Hillary Clinton to India with the objective of strengthening bilateral cooperation across diverse sectors. The first round of the Strategic Dialogue was held in Washington DC in June 2010, followed by the second round in New Delhi in July 2011. The Minister of External Affairs led the Indian delegation for the Dialogue; the US Secretary of State led the Dialogue from the US side. The third meeting of the Strategic Dialogue will be held in Washington in June 2012.

To know more about the various Indian Government Relations, visit the linked article

Trade And Economic Relations

Trade and economic partnership between the US and India has been a key component of the bilateral relationship. A new US Financial and Economic Partnership to strengthen bilateral engagement on macroeconomic, financial, and investment-related issues was launched in New Delhi in April 2010 by the Finance Minister Mr. Pranab Mukherjee and US Treasury Secretary Timothy Geithner. The Second Meeting of India- US Financial and Economic Partnership was held in Washington D.C in June 2011. The India-US Trade Policy Forum (TPF) was established in July 2005 to discuss issues related to trade. The last and seventh meeting of the TPF took place in Washington DC from September 21- 22, 2010.

An Agreement on Framework for Cooperation on Trade and Investment was signed during the visit of Minister for Commerce & Industry, Mr. Anand Sharma to the USA in March 2010. As part of the Economic Dialogue, a separate Commercial Dialogue has been set up to cover:

- (a) Trade Defence Measures
- (b) Small and Medium Enterprises
- (c) Capacity building on Intellectual Property Rights (IPRs).

For greater involvement of the private sector in discussion on issues involving trade and investment the bilateral India-US CEO's Forum was reconstituted in 2009. The fourth round of the reconstituted CEOs' Forum to facilitate a structured dialogue between the industry and the government was held on 22 September 2011 at Washington DC. Separately a Private Sector Advisory Group (PSAG) has also been created consisting of prominent Indian and international trade experts to provide strategic recommendations and insights to the US-India Trade Policy Forum.

In 2017, the US exported \$25.7 billion worth of goods to India, and imported \$48.6 billion worth of Indian goods. Major items imported from India include information technology services, textiles, machinery, gems and diamonds, chemicals, iron and steel products, coffee, tea, and other edible food products. Major American items imported by India include aircraft, fertilisers, computer hardware, scrap metal, and medical equipment.

PM Modi's Visit to USA (September 2014)

After a hectic, five days in the United States, it is time to take stock of the achievements of Prime Minister Narendra Modi's visit. U.S. businesses, clearly disaffected by the difficulties they face in doing business with India, had also signalled its desire to renew investments.

On issues where the countries differ, like the nuclear deal, trade and World Trade Organisation (WTO), they seem to have deferred negotiations, indicating that no progress was made in resolving them. In that context, even the renewal of the strategic partnership, and reference to "joint and concerted efforts" to dismantle terror groups including al-Qaeda, Lashkar-e Taiba, Jaish-e-Mohammad, the D-Company, and the Haqqanis" do not indicate any particularly new action or formulation.

The statements seem most opaque when it comes to spelling out a shared worldview for India and the U.S.: while referring obliquely to China's aggression in the South China Sea, 'global crises' like the situations in Iraq and Syria, and cooperation in Afghanistan, and a confounding, long reference to North Korea (DPRK), they list no action or step that the two countries hoped to take together. And while both sides made it clear ahead of the talks that the U.S. would request, and India would discuss the possibility of joining the anti-Islamic State coalition, there was silence on where those discussions led. On all fronts of the 'comprehensive dialogue', that is, eight issues including energy, health, space, women's empowerment, trade, skills, strategy and security, Mr. Modi's visit successfully brought India-U.S. ties, that were faltering for a few years, back on track.

Latest Developments in India-US Relations

- On 3 August 2018, India became the third Asian nation to be granted Strategic Trade Authorization-1 (STA-1) status by the United States. STA-1 enables the export of high-technology products in civil space and defence from the US to India
- On 8 November 2017, the US announced a grant of nearly US\$500,000 for organisations which can come up with ideas and projects to promote religious freedom in India and Sri Lanka.
- In September 2019, Modi visited Houston and he addressed a large Indian American contingent in the Houston NRG stadium. Along with President Trump, he reaffirmed Indian American ties, with an emphasis on increased military cooperation with the initiation of the Tiger Triumph exercises.
- In February 2020, US President Donald Trump visited India. In his maiden visit to India, both nations significantly ramp up bilateral relations mainly in strategic ties and defense.
- Trump's first official visit to India has been overshadowed by anti-Citizenship Amendment Act North East Delhi riots, which left more than 40 dead and hundreds injured.
- In wake of the COVID-19 pandemic, President Donald Trump on April 7th, 2020, spoke of “retaliation” if India turned down his request to lift the hold on US orders of an antimalarial drug, hydroxychloroquine which he has touted as a “game-changer” in the fight against the coronavirus despite its untested efficacy.