

WHY INDIA IS CONFIDENT VIS-À-VIS TRUMP 2.0

Patrizia Cogo, Junior Visiting Fellow, CIDOB

While Trump's second term may bring about areas of friction in U.S.-India relations, New Delhi approaches the outcome of the 2024 U.S. elections with relative confidence. Since the 2000s, engagement between both countries has deepened, especially with regard to their visions for the Indo-Pacific and shared concerns over China's assertive role in the international system. However, there are potential areas of divergence around U.S. protectionist trade and technology policies. In any case, India will probably continue relying on its multi-alignment strategy, balancing U.S. ties with diversification of partnerships across the West and the Global South, and investing in its domestic capabilities so as to navigate an increasingly fragmented world order.



818

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In the words of Indian Foreign Minister **Jaishankar**, “I know today a lot of countries are nervous about the US ... We are not one of them.” In light of the 2024 U.S. election results, and contrary to the general mood among U.S. allies in both Europe and Asia, one could say that India is relatively confident about the outcome.

Following an upward trend stemming from the early 2000s, U.S.-India cooperation and areas of convergence flourished during Trump's first term, particularly regarding their complementary visions for the Indo-Pacific region, as well as in their shared concerns about China's growing influence in the world and assertive foreign policy. Notably, the Quad's resurrection in 2017 took place under the Trump Administration, with India playing a key role, motivated in part by its border clashes with China that same year. This line of work continues today with the next Quad Summit scheduled in India, thus advancing the agenda for security and defence cooperation between both countries—a course that has been respected at the bipartisan level between Republicans and Democrats.

Another reason why India welcomes Trump's return to the White House is the prospect of the U.S. stepping in to end the war in Ukraine, even if that may mean Ukraine's accepting a peace deal involving territorial concessions. Sanctions imposed on Russia after its invasion of Ukraine in 2022 have impacted its military industry, including the delay of equipment deliveries to India, which relies on Russia for 36% of its **arms imports**. U.S. involvement could ease tensions between Washington and Moscow, and give more flexibility to India when it comes to maintaining its strong ties with Russia. Such ties extend beyond the military realm, with **trade linkages** growing significantly since 2022. Modi's visit to Russia this

summer, **the first** since the invasion, highlights India's commitment to a multi-alignment strategy amid U.S.-China competition and the ongoing war in Ukraine. India will keep open as many channels of dialogue and cooperation as possible, but primarily when convenient.

Moreover, Trump's foreign policy tends to downplay the pillar of a values-based approach to international relations, which represents an advantage for the Indian government. It comes at a time when New Delhi faces international scrutiny over **media freedom** in the country, recurrent and often opaque **internet shutdowns**, **communal violence**, and **alleged** involvement in the killing of Sikh dissidents abroad, *inter alia*.

India is likely to continue relying on its multi-alignment strategy, committing once more to one of its core tenets of foreign policy, namely, strategic autonomy. This means that India will keep nurturing the positive trend in relations with Washington while balancing this with diversification of partnerships across the West and the Global South, and investing in its domestic capabilities.

However, potential areas of divergence exist between the two sides. Protectionist policies, including "trade wars", which is to say weaponisation of trade and economic interdependence, will be a "comeback" of the Trump Administration, which could pose challenges to India. During his **re-election campaign**, Trump proposed plans involving a blanket tariff of 10-20% on all trading partners, and of up to 60% or more on goods coming from China. In fact, Trump's perception of India as a "**big abuser**" of trade ties with the U.S., due to high tariffs on U.S. imports, suggests he would aim to reciprocate with similar measures. These intentions raise concerns and questions about how to manage their potential impact on the Indian economy. Moreover, as of **2023**, U.S.-India trade ties amounted to a trade deficit of \$36.74 billion in favour of India—a situation that Trump has vowed to address. This imbalance, then, could lead to tensions as the U.S. is likely to press India to reduce its trade barriers and open its economy more to U.S. products.

Likewise, **limitations** or delays on US tech transfers to India could be point of discussion. Aiming to build up its domestic defence industry, India is interested in frameworks of technology transfer programmes that support its indigenising efforts and reduce reliance on military equipment from other countries. One example of the direction India wishes to take is last year's **GE-HAL deal** year between the U.S. and India, which sets a precedent for ground-breaking cooperation in the defence industry. This agreement, *a priori*, entails joint production in India of fighter jet engines for the Indian Air Force. Nevertheless, this process could stall if Trump's "America First" strategy—focused on boosting sales of U.S. products—clashes with Modi's "**Atmanirbhar Bharat Abhiyaan**", an initiative for a

“self-reliant” India across all sectors, including **defence**. In any case, both sides could reach an agreement as long as progress is made in achieving a mutually acceptable balance of U.S. technology transfers and U.S. sales contracts. In this sense, transactionality, bargaining, and reciprocity will now be more important in future U.S.-India dialogues.

Finally, India is likely to continue relying on its multi-alignment strategy, committing once more to one of its core tenets of foreign policy, namely, strategic autonomy. This means that India will keep nurturing the positive trend in relations with Washington while balancing this with diversification of partnerships across the **West** and the Global South, and investing in its domestic capabilities. It is in this context that the European Union (EU) emerges as a key strategic partner. Next Year’s EU-India Summit represents an opportunity for both sides to counter Trump’s trade policies and mark a turning point in bilateral relations. In recent years, security and defence consultations, including cooperation in defence equipment and maritime security in the Indo-Pacific, and initiatives such as the **EU-India Trade and Technology Council**, reflect prioritising of this political dialogue in times when economic power is increasingly intertwined with security considerations.

As we move to a more contested world order over the next four years under a second Trump Administration, U.S.-India relations are likely to continue a positive trend of overall convergence, especially in the context of the **U.S. vision for the Indo-Pacific**, where India is considered a key partner in counterbalancing China. However, India is not impermeable to the risks and unpredictability of Trump’s policies and will aim to strike an equilibrium between strengthening ties with the U.S. while also keeping its options as open as possible as it continues its rise to become the world’s third-largest economy in an increasingly fragmented world order.