



India-US Relations

For Prelims: [India-US Relations](#), [United Nations](#), [G-20](#), [Association of Southeast Asian Nations \(ASEAN\) Regional Forum](#), [International Monetary Fund](#), [World Bank](#), and [World Trade Organization](#).

For Mains: India US relations - recent development, geopolitical challenges and way forward

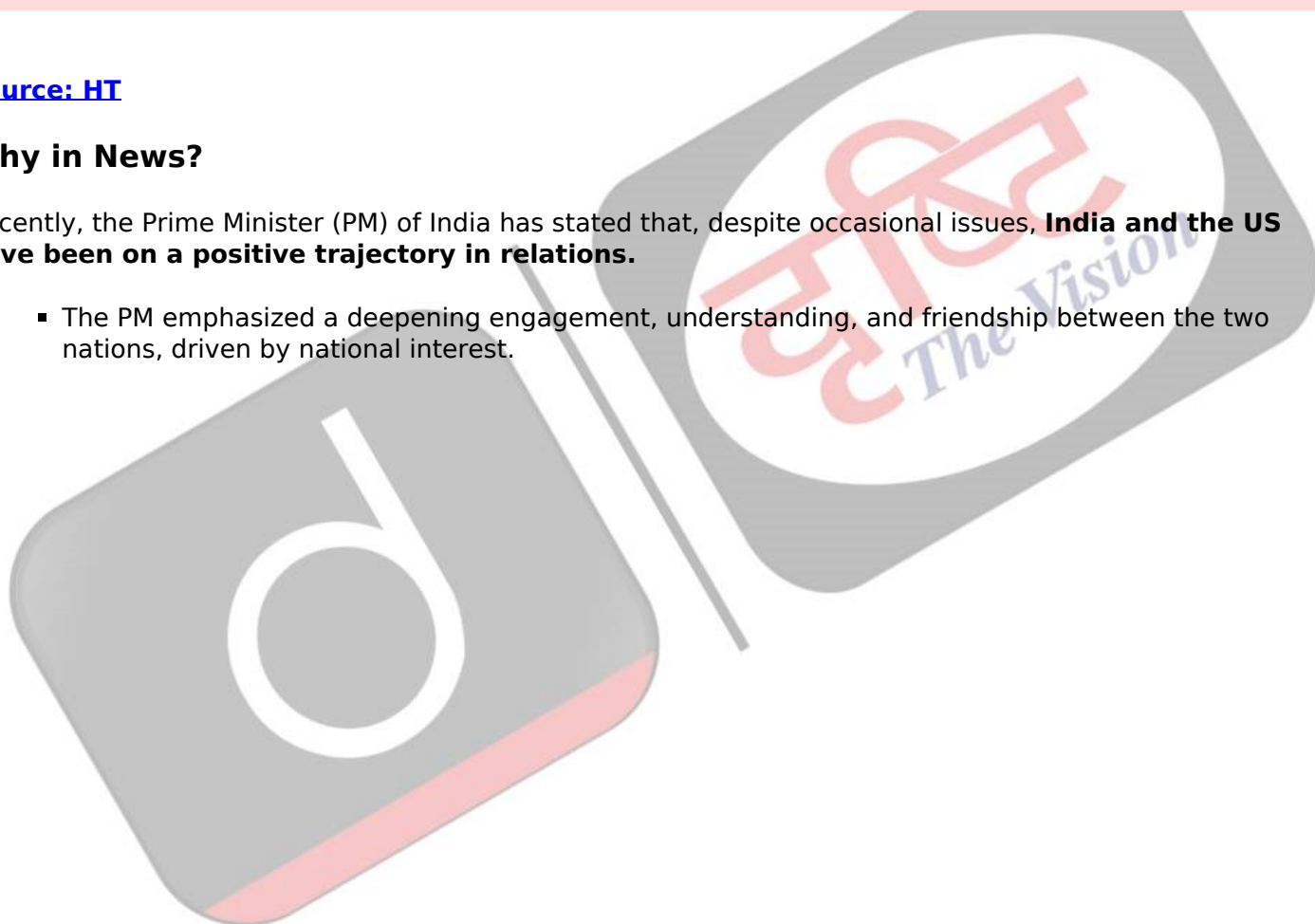
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Why in News?

Recently, the Prime Minister (PM) of India has stated that, despite occasional issues, **India and the US have been on a positive trajectory in relations.**

- The PM emphasized a deepening engagement, understanding, and friendship between the two nations, driven by national interest.

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How have been India's Relations with the US?

▪ About:

- The U.S.-India strategic partnership is **founded on shared values including a commitment to democracy** and upholding the rules-based international system.
- Both have shared interests in promoting global security, stability, and economic prosperity through trade, investment, and connectivity.

▪ Economic Relations:

- The U.S. has emerged as India's biggest trading partner in 2022-23 on account of increasing economic ties between the two countries.
- The bilateral trade between India and the U.S. has increased by 7.65% to USD 128.55 in 2022-23 as against **USD 119.5 billion in 2021-22**.
 - Exports to the U.S. rose by 2.81% to USD 78.31 billion in 2022-23 as against USD 76.18 billion in 2021-22, while imports grew by about 16% to USD 50.24 billion.

▪ International Cooperations:

- India and the United States cooperate closely at multilateral organizations, including the [United Nations](#), [G-20](#), [Association of Southeast Asian Nations \(ASEAN\) Regional Forum](#), [International Monetary Fund](#), [World Bank](#), and [World Trade Organization](#).
- The United States welcomed India joining the UN Security Council in 2021 for a two-year term and supports a reformed UN Security Council that includes India as a permanent member.
- India is also one of twelve countries partnering with the United States on the [Indo-Pacific Economic Framework for Prosperity \(IPEF\)](#).
- India is a member of the [Indian Ocean Rim Association \(IORA\)](#), at which the United States is a dialogue partner.
- In 2021, the United States joined the International Solar Alliance headquartered in India,

and in 2022 the [United States Agency for International Development \(USAID\)](#).

▪ **Defence Cooperation:**

- India has now signed all **four foundational agreements with the US**.
 - The [Logistics Exchange Memorandum of Agreement \(LEMOA\)](#) in 2016,
 - the [Communications Compatibility and Security Agreement \(COMCASA\)](#) in 2018,
 - The [Basic Exchange and Cooperation Agreement for Geo-Spatial cooperation \(BECA\)](#) in 2020.
 - While the **General Security of Military Information Agreement (GSOMIA)** was signed a long time ago, an extension to it, the Industrial Security Annex (ISA), was signed in 2019
- India, which could not access **US weapons during the Cold War**, has bought USD 20 billion worth of arms over the last two decades.
 - However, the incentive for the US is helping India reduce its historical dependence on Russia for its military supplies.
- The armed forces of India and the US engage in extensive bilateral military exercises ([Yuddha Aabyas](#), [Vajra Prahar](#)) and unilateral ones with the four partners in the [Quad Forum \(Malabar\)](#).
- Another grouping in the Middle East - I2U2 involving India, Israel, UAE and the US is being termed as the [new Quad](#).

▪ **Space and Science and Technology:**

- [Indian Space Research Organization \(ISRO\)](#) and US National Aeronautics and Space Administration (NASA) are developing a microwave remote sensing satellite for Earth observation, [NASA-ISRO Synthetic Aperture Radar \(NISAR\)](#).
- In June 2023 ISRO signed with NASA the [Artemis Accords](#) to participate in peaceful and sustainable civil exploration of outer space.
- [ICET](#) is a joint initiative by the National Security Advisors of the US and India to foster cooperation and innovation in key technology domains such as **AI, quantum, telecom, space, biotech, semiconductors**, and defence. It was launched in January 2023.

What are the Major Challenges between India and the US?

▪ **US Criticism of India's Foreign Policy:**

- If the Indian elite has long seen the world through the lens of non-alignment, alliance relationships have been at the heart of US' foreign policy since the [Second World War](#).
 - India's policy of nonalignment especially during the Cold War has always been a point of concern for the West, especially the US.
- After the 9/11 attacks, the US asked India to dispatch troops to Afghanistan; the Indian military vetoed the request.
 - When the US invaded Iraq in 2003, even then India's erstwhile PM withheld military support.
- Even today, India refuses to toe the American line on the Russian-Ukraine war and its [import of cheap Russian oil](#) continues to break records.
 - Pro-US voices have often been raised demanding India to get "on the right side of history".

▪ **India's Engagement with US Adversaries:**

- India has criticised the US decision to block Iranian and Venezuelan oil from the open market.
- India has actively worked to **bring Iran into the [SCO \(Shanghai Cooperation Organization\)](#)**.

▪ **US' Criticism of India's Democracy:**

- Various US organisations and foundations, from time to time, with the tacit support of some Congressmen and Senators, come out with reports questioning the present state of democratic discourse, press and religious freedom and condition of the minorities in India.
 - Some of them include the [International Religious Freedom Report 2023](#) and the [Human Rights Report on India 2021](#) by the US State Department.

▪ **Economic Tensions:**

- The [Atmanirbhar Bharat Campaign](#) has exacerbated the view in the US that India is increasingly becoming a protectionist closed market economy.

- Effective in June 2019, the USA decided to withdraw duty-free benefits to Indian exporters **under the [GSP \(Generalized System of Preferences\) programme](#)** affecting India's export-oriented sectors such as pharma, textiles, agri products and automotive parts.

Way Forward

- The partnership between the two countries is critical for ensuring a free, open, and rules-bound Indo-Pacific region.
- The unparalleled Demographic Dividend provides enormous opportunities for the US and Indian firms for technology transfer, manufacturing, trade and investment.
- India is emerging as a leading player in an international system that is undergoing an unprecedented transformation. It shall use its present situation to explore opportunities to further its vital interests.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Q. 'What introduces friction into the ties between India and the United States is that Washington is still unable to find for India a position in its global strategy, which would satisfy India's National self-esteem and ambitions'. Explain with suitable examples. **(2019)**

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