



GLOBAL PARTNERS, LOCAL CONFLICTS: THE COMPLEXITY OF USA - INDIA RELATIONS

Dr K.S.KANNAN

M.A,M.A,M.A,M.Ed, PGDCA,Ph.D,
School Assistant in Social Studies
ZPHS (B), V Kota, Chittoor District
Department of School Education, AP

ABSTRACT

As global power dynamics shift, India's foreign policy has entered a difficult phase of strategic recalibration. The nation must balance its expanding technological, economic, and security ties with the United States of America with its long-standing defence and energy ties with Russia. How India has manipulated its diplomatic position in light of the Ukraine conflict, growing tensions between the US and China, and changes in international trade to ensure military readiness, economic growth, and regional stability. India's strategic autonomy, defence modernization, and participation in multilateral forums through a qualitative examination of secondary sources, demonstrating that pragmatic national interests are the main driving force behind India's decisions. Strong economic and strategic ties have been forged between the United States and India over the last 25 years, bringing them closer than ever. As the two biggest democracies in the world with sizable multicultural populations, their alliance has been based on common ideals and interests. They have both expressed concern about the rise of China, India's northern neighbour. But during the last four months, that carefully nurtured relationship has suddenly deteriorated. The return of US. The accomplishments of the past 25 years could be undone by President Donald Trump. India's complicated regional ties and inspirational role as a global leader must be taken into consideration when analyzing its current conflict with the US. In the face of growing trade and energy policy tensions with Washington, India must manage a complex network of bilateral ties that influence its strategic choices and international standing.

Key Words: Tariff, Trade embargo, MUF, Propping up Xi Jinping. Kremlin's Laundromat, Cold War, SOSA,

Introduction

The USA-Indian crisis is too serious to ignore. Trump's historic 50 per cent tariff rate, which would go into effect on August 27 (up from 25% in April 2025), would be the highest imposed on any US trading partner, even higher than tariffs on China and Brazil. Analysts have referred to the August 27 deadline for the

additional 25% penalty that targets India's purchases of Russian oil as a 'trade embargo.' The economic ramifications are enormous. India's \$86 billion in yearly exports to the US could all become economically unviable, as most exporters would not be able to withstand even a 10%–15% tariff increase. A sustained 50% tariff, according to MUFG's analysis, could impede India's GDP growth by 1%, especially hurting labour-intensive industries like textiles. The crisis has already caused Indian companies to see the steepest earnings downgrades in Asia. The possibility of a resolution prior to the tariffs' full implementation is eliminated if the high-level trade negotiations planned for August are cancelled. In its official statement, the White House makes it clear that energy security has taken center stage by directly connecting the fine to India's direct or indirect imports of oil from the Russian Federation.



The rhetoric of Trump's trade advisors has intensified; Peter Navarro recently called India the 'Kremlin's Laundromat' and asserted that India is 'propping up Xi Jinping.' Beijing 'firmly opposes' US tariffs on India, according to China's ambassador, indicating a possible realignment of Asian powers against Washington. This has led to China's diplomatic support for India. Defiance and calculated countermeasures have been the government's response under Modi. In order to counteract export losses, he recently announced tax reforms that will increase domestic consumption. Meanwhile, his four-pronged diversification strategy focuses on increasing domestic manufacturing and trade with the EU, UK, and ASEAN. The administration has also made it clear that it plans to appeal the tariffs to the World Trade Organization.

The Evaluation of India-US Relations

- *Cold War Era:* India maintained non-alignment while the US had stronger ties with Pakistan.
- *Post-Cold War Engagement:* After the Cold War, India and the US began building closer diplomatic ties.
- The US-India Civil Nuclear Agreement in 2005 marked a major milestone in strategic partnership.
- *Foundational Agreements:* LEMOA, COMCASA, BECA, GSOMIA.

Cold War Era: At the individual level, leaders had a big impact on how Indo-US relations developed. Jawaharlal Nehru, the Indian prime minister, distanced India from direct alliances through his non-alignment policy, while the US. The presidents John F. Kennedy and Richard Nixon took different tacks. The socialist beliefs of Nehru and Indira Gandhi's support for the Soviet Union caused Americans to be wary of India. The U. S. . Officials like Nixon and Kissinger, in particular, developed a closer relationship with Pakistan, which strained ties with India.

National Level: In order to support its economic growth, India looked to the United States and other countries for financial aid. India consequently adopted the non-alignment principle. India's economy was in complete poverty after gaining independence; economic growth would not have been possible if India had sided with the Cold War. Thus, in order to further its national interests, India adopted the non-alignment principle. A different viewpoint on implementing non-alignment was to promote friendly relationships with everyone. India also wanted to have complete control over all international affairs. The sovereignty of the country will be jeopardized if India enters the Cold War. To protect its interests as a nation, India adopted a non-alignment policy in this regard, which also affected its national financial policy toward the USA. There are also a number of other issues. For example, India's economic development was completely independent and non-aligned with the US. Containment strategies against communism. The Indo-Pakistan War of 1971 brought to light a serious divide, with the U.S encouraging the Soviet Union to provide aid to India and Pakistan. • India's nuclear aspirations, particularly the 1974 nuclear test, ran afoul of U.S. S. . censure, intensifying diplomatic strains.

Global Level: A variety of global occurrences have impacted India's foreign policy toward the United States. Here is a list of the following. India was a non-aligned country, but it remained close to the USSR, which encouraged India to embrace a socialist economy under Nehru's leadership. This is why there is no similarity in their economic traits. The Hindi suspect thought that there were differences between the Indian and American economies. It has an impact on international relations as well. Kashmir issue: Tensions between India and Pakistan were brought on by the Kashmir issue after the two countries were divided. At that time, Pakistan became a member of the SEATO alliance, which was led by the United States. As a result, the United States provided Pakistan with millions of dollars in military aid. Washington has been repeatedly told by India that this arm

The US Crisis: An increasingly Complex Problem

The relationship tensions between the United States and India are complex and ever-changing, impacted by political, economic, historical, and strategic factors. The United States and India's relationship has changed over time due to a variety of internal and external influences. Using a three-tiered framework individual, national, and international this study examines Indo-USA interactions prior to and following the Cold War.

Objectives of US-India Relations

- To examine Indo-American interactions using individual, national, and international analytical frameworks
- To evaluate the influence of the Cold War on bilateral relations
- To analyze the evolution of Indo-American relations in the post-Cold War period
- To discern the principal difficulties and opportunities in current Indo-American relations

Strategic Consequences for India's Options

India is navigating this complicated web of relationships while the US is currently experiencing a crisis. Its Global South leadership provides alternate alliances and markets, while its strategic partnership with

Russia offers energy security and defence capabilities crucial to its security requirements. While the relationship between India and Pakistan continues to be a source of regional instability, India's flexibility in aligning itself too closely with either Beijing or Washington is limited by the ongoing China challenge. The strategy used by India seems to be 'strategic hedging,' which involves keeping a number of alliances while steering clear of exclusive ones. India has been able to further its interests in a variety of forums thanks to this strategy, including the Quad with the US, Japan, and Australia, BRICS with China and Russia, and other Global South initiatives. But the current pressure from the US over Russian oil purchases puts this strategy to the test, requiring India to decide between geopolitical alignment and economic pragmatism. India's rise as a major world power with autonomous interests that don't always coincide with established power structures is ultimately reflected in the crisis. Modi's first trip to China in seven years and his renewed trilateral cooperation with China and Russia raise the possibility of a significant re-evaluation of India's strategic alliances. The way the multi-polar order develops as well as India's own future course will depend on its ability to preserve its strategic independence while dealing with pressure from all directions.

Importance of India-US Relations

Economic Growth: Strong economic ties enhance bilateral trade and investment, contributing to job creation and economic development in both nations. U.S. is India's 2nd largest trading partner in 2023. The bilateral trade between the two countries has risen by 72 per cent between 2017-18 and 2022-23.

Defense Collaboration: Strategic defence agreements like the LEMOA and COMCASA facilitate deeper military cooperation and interoperability. E.g. Joint military exercises such as Yudh Abhyas.

Technological Partnership: Collaboration in critical technologies enhances innovation competitiveness. E.g. India-U.S. Initiative on Critical and Emerging Technology (ICET)

Cultural Exchange: A vibrant diaspora and educational exchanges enrich cultural ties and foster mutual understanding between the two societies. Example: Over 200,000 Indian students study in the U.S.

Quad Alliance: The Quadrilateral Security Dialogue (Quad) enhances regional security cooperation, addressing challenges in the Indo-Pacific and promoting democratic values. E.g. The Quad's initiatives in vaccine distribution and maritime security.

Climate Cooperation: Joint efforts in addressing climate change strengthen global environmental governance and sustainable development initiatives. E.g. The U.S. and India clean energy partnership.

Expected Developments and Upcoming Initiatives

Security of Supply Arrangement (SOSA): To ensure reliable and secure supply of defense equipment and technology. Negotiations are progressing to enhance supply chain resilience.

Reciprocal Defense Procurement Arrangement (RDP): To streamline defense procurement processes and increase market access for Indian manufacturers, thus improving procurement efficiency.

Joint Production of Stryker Armoured Combat Vehicles: To boost joint defense capabilities.

Enhanced Public-Private Collaborations: To establish incubator centres, joint innovation funds, and support for startups via Defense Advanced Research Projects Agency (DARPA) and the Defense Innovation Unit (DIU).

Streamlined Regulatory Reforms: To simplify and expedite defense export and technology transfer regulations, address International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR) complexities and improve STA-1 exemptions for smoother transactions.

Challenges in India US Relations

- *Trade Imbalances cause friction:* affecting sectors like agriculture and manufacturing. U.S. concerns over India's tariffs on agricultural products have led to trade disputes
- *Data Privacy Concerns:* Differing approaches to data protection and cross-border data. The U.S. seeks free data flow, while India emphasizes data localization for privacy
- *Defense Procurement Hurdles:* Bureaucratic delays and disagreements slow defence collaboration. E.g. The delay in finalizing the Predator drone deal
- *Visa Restrictions:* Stricter U.S. visa regulations, particularly for H1-B visas, limit Indian IT professionals' mobility and affect the tech industry
- *Intellectual Property (IP) Rights:* Disagreements over IP protections, particularly in pharmaceuticals, impact trade negotiations
- *Geopolitical Differences:* Diverging views on Russia, Iran, and other regional conflicts sometimes challenge bilateral strategic cooperation.

Way Forward



- Bilateral economic ties will be strengthened by resolving trade disputes. E. G. Reducing import taxes on steel and aluminium could increase the benefits of trade between the two countries.
- Improved Tech Cooperation increasing cyber security collaboration and coordinating data privacy standards. E. G. forming a cyber security forum between the US and India.
- Simplify Defence Procurement, Defence cooperation will be improved by streamlining defence procurement procedures and accelerating technology transfers. E. G. accelerating projects such as the Joint Advanced Tactical Ground Station (JATGS) through the implementation of the Defence Technology and Trade Initiative (DTTI).
- Reducing H1-B visa requirements will help professional exchanges and the tech sectors in both nations.
- Mutual trade benefits will be supported by enhancing IP dialogue through diplomatic channels. E. G. Create an IP Working Group between the US and India.
- Strengthen the India-U relationship by enhancing ICET cooperation. S. Collaboration in cutting-edge fields will be encouraged by the Initiative on Critical and Emerging Technology (ICET).

- Regional Diplomacy, shared strategic objectives will be advanced by closer coordination on geopolitical issues such as terrorism and Indo-Pacific security.

REFERENCES

1. Maizland, L., U.S.-India relations. Council on Foreign Relations, 2023, <https://www.cfr.org/timeline/us-india-relations>
2. Mishra, S. India's balancing act between Russia and the US amidst growing tensions., 2023, ORF. <https://www.orfonline.org/expert-speak/indias-balancing-act-between-russia-and-the-us-amidst-growing-tensions>
3. Unnikrishnan, N. Tracing the strategic dimensions of India-Russia relations, 2024, ORF. <https://www.orfonline.org/research/tracing-the-strategic-dimensions-of-india-russia-relations>
4. Kambala, Y. J. (2024). India-Russia relations: A historical and contemporary analysis. The Journal of Multidisciplinary Research, Adikavi Nannaya University.
5. ASPEN Institute India, and Sen, R. The evolution of India's bilateral relations with Russia (Policy Paper), 2011, https://anantaaspencentre.in/wp-content/uploads/2022/11/the_evolution.pdf
6. Ravikumar, M., & Downey, J. Dropping 'truth bombs'? The framing of the Russian invasion of Ukraine in Indian broadcast news. European Political Science, 2024, . <https://doi.org/10.1057/s41304-024-00481-W>
7. U.S. Mission India, Enhanced U.S.-India defense ties and Indo-Pacific security on display at Aero India 2025, U.S. Embassy & Consulates in India, 2025, <https://in.usembassy.gov/enhanced-u-s-india-defense-ties-and-indo-pacific-security-on-display-ataero-india-2025/>
8. Juster, K. I., & Linscott, M. It's time for a U.S.-India trade deal. Foreign Policy, 2025, <https://foreignpolicy.com/2025/01/21/us-india-trade-deal-trump-modi-economy-indo-pacific/>

