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## U.S.-India Relations: A Summary

India, the world's largest democracy and most populous country, overtook Japan in 2025 to become the fourth-largest economy. India's expanding strategic horizons and increased engagement with international partners; geography astride vital sea and energy lanes; growing defense and power projection capabilities; and vigorous space, science, and technology sectors have made it an attractive potential partner for U.S. policymakers. Since 2000, five successive U.S. presidential administrations have worked—with bipartisan congressional support—to establish and deepen a strategic partnership with India.

India for decades pursued a “nonalignment” foreign policy, now described as “multi-alignment” or “strategic autonomy.” Some observers call India “the world’s ultimate swing state.” The first Trump and Biden Administrations called India a crucial partner in U.S. Indo-Pacific strategy, as both governments share concerns about expanding power and influence of the People’s Republic of China (PRC, or China). A Quadrilateral Security Dialogue, or “Quad,” including Japan and Australia, has been a leading forum in this strategy since 2017.

The Joint Statement released after Indian Prime Minister (PM) Narendra Modi’s February 2025 meeting with President Donald Trump noted the launch of a new umbrella initiative, the “U.S.-India COMPACT (Catalyzing Opportunities for Military Partnership, Accelerated Commerce & Technology),” meant to “drive transformative change across key pillars of cooperation.” The two leaders also announced initiatives for two multilaterals: the India-Middle East-Europe Corridor and the I2U2 Group, which includes Israel and the United Arab Emirates (UAE).

President Trump since May has taken actions that observers say put the partnership at risk. The President has repeatedly taken credit for ending a May India-Pakistan military conflict; Indian officials say they met their security objectives and deny any third-party role in halting the fighting. Indian officials also have expressed frustration that the President has treated India and Pakistan as equals—including by hosting Pakistan’s army chief to lunch at the White House—while Delhi holds Pakistan responsible for the terrorist attack that sparked the conflict. President Trump has imposed high tariffs on imports from India and plans to impose more to address India’s purchase of Russian oil. These moves prompted calls in India for boycotts of American goods and criticism of Modi, who has vowed to build a “self-reliant” India, a concept that has been a part of his policy agenda since 2020.

### Critical Emerging Technologies

In 2022, the United States and India launched a wide-ranging initiative on Critical and Emerging Technologies (iCET) to foster cooperation on space; clean energy and

critical minerals; semiconductor supply chains; and artificial intelligence (AI) and quantum computing, among other high-tech fields. Some analysts say shared unease about China is driving such cooperation. The Trump Administration’s successor initiative is the “U.S.-India TRUST (Transforming the Relationship Utilizing Strategic Technology)”; the central pillar is a new Roadmap on Accelerating AI Infrastructure. The TRUST mechanism is overseen by the two countries’ National Security Councils (NSCs). With staffing in President Trump’s NSC reportedly cut by half, experts expect U.S. capacity to implement TRUST to wane. A key question is whether and to what extent the Administration and Congress will be willing to share U.S. advanced technologies with India.

**Figure 1. Map of India**



**Source:** Created by CRS, based on data from the State Department and Esri. Boundaries are not authoritative.

### Defense and Security Relations

Meeting with India’s External Affairs Minister in July 2025, Defense Secretary Pete Hegseth said the United States and India “boast a rich and growing history of cooperation driven by a shared commitment to a free and open Indo-Pacific.” Analysts have called defense cooperation the “load-bearing pillar” of the U.S.-India strategic partnership, even as differences persist. Unprecedented major defense sales—worth up to \$24 billion since 2008—are ongoing, and large-scale bilateral and multilateral joint military exercises across all services are now routine, with an emphasis on interoperability and maritime security. Congress formally named India a “Major Defense Partner” in 2016, conveying certain security cooperation privileges. After mid-2023, iCET included an India-U.S. Defense Acceleration Ecosystem (INDUS-X) to facilitate defense technology and industrial cooperation between the U.S. and Indian governments, businesses, and academic institutions. Under a renamed “INDUS Innovation” initiative, co-production and technology sharing is planned for advanced jet engines and armored

vehicles. The Trump Administration also is negotiating a third 10-year Framework for the U.S.-India Major Defense Partnership (the current expires in 2025). Cooperation also continues on counterterrorism and intelligence sharing.

### Trade Relations

In 2024, India was the 13<sup>th</sup>-largest U.S. goods export market by country; the United States was India's largest. The average most-favored-nation (MFN) tariff rate was 3.3% for the United States, and 16.2% for India. Calling India the "tariff king," President Trump has imposed higher tariffs on India, among other partners, since January 2025. Invoking the International Emergency Economic Powers Act, he applied: a 25% India-specific tariff effective August 7, in a response to "large and persistent annual U.S. goods trade deficits" (the 10<sup>th</sup>-largest U.S. bilateral goods trade deficit in 2024 was with India); and a 25% tariff effective August 27 to address India's imports of oil from Russia. Some Indian officials reportedly criticized the latter tariff as unfair, noting that other partners, such as the EU, do not face it. These measures, subject to some exceptions, would lead to a 50% tariff on India on top of existing tariffs. Invoking Section 232 of the Trade Expansion Act of 1962, the President expanded tariffs on steel and aluminum; imposed tariffs on automobiles, auto parts, and copper; and could impose tariffs on products under investigation, such as pharmaceuticals. India is a top U.S. generics supplier. In addition to pharmaceuticals, top Indian goods exports to the U.S. market included smart-phones, diamonds, oils, jewelry, shrimp, solar cells, and auto parts in 2024.

The two nations have sought to expand their trade ties and address their trade issues. Amid U.S. tariff actions, India moved to reduce some of its tariffs and withdraw its digital services tax on digital advertising services, which had elicited U.S. concerns. In April 2025, the two sides "finalized the terms of reference" for trade talks. Press reports indicate U.S. negotiators cancelled a planned August 25, 2025, visit to India, although both sides say discussions are ongoing. Sticking points in the talks reportedly have included U.S. requests for more access to India's agricultural market, including for dairy.

### Immigration

India closely watches U.S. immigration policy, especially in terms of the H-1B visa (for temporary workers in specialty occupations). Indians account for more than two-thirds of annual H-1B visa issuances, and India is consistently the top origin country for permanent employment-based immigrants. Congress has considered reforming the H-1B program; some observers express concern that hiring through the program displaces U.S. workers; others argue that U.S. employer demand for H-1B workers reflects a lack of qualified U.S. workers and that limited visa availability is a problem for U.S. competitiveness. India recently surpassed China as the source of the largest number of foreign students in the United States. The United States has labeled India as "recalcitrant" with regard to the removal of its nationals from the United States.

### Energy and Climate

India is both the world's third-largest energy consumer and third-largest emitter of greenhouse gases, including carbon dioxide (CO<sub>2</sub>), despite low per capita CO<sub>2</sub> emissions. India

relies heavily on coal for power generation. Indian leaders vow to reduce carbon emissions, with goals of more than doubling renewable energy generation to 500 gigawatts by 2030 and "net-zero" emissions by 2070. The United States and India in 2021 launched a bilateral Climate and Clean Energy Agenda 2030 Partnership focused on clean energy cooperation, the current status of which is unclear.

### Democracy, Human Rights, and TNR

The U.S. State Department reports ongoing human rights violations in India—including transnational repression and restrictions on religious freedom and media freedom—and some Members of Congress have expressed concern. Since the 2014 election of PM Modi and his Hindu nationalist Bharatiya Janata Party, observers have raised concerns about democratic backsliding and creeping autocracy.

### India's Other Foreign Relations

India's rivalry and conflict with neighboring **Pakistan** is unabated after nearly eight decades. In May 2025, the two countries fought a four-day military conflict, their most extensive since 1971, following an April terrorist attack in India-administered Kashmir that Delhi blamed on Pakistan. While a ceasefire has since held, tensions remain high. Indian analysts say Pakistan's key international benefactor, **China**, enables and supports Pakistan's ability to pursue hostilities against India. A lethal 2020 clash along India's long-disputed frontier with China damaged trust between Delhi and Beijing. A 2024 de-escalation agreement stabilized the border, and India has taken some moves to repair ties—including high-level diplomacy. The majority (75%) of China's defense exports go to India's immediate neighbors, and Delhi closely watches China's growing clout in South Asia and the Indian Ocean region.

India's ties with **Russia** are arguably the most prominent sign of its commitment to strategic autonomy. Russia continues to be India's leading source of defense articles, as it has been for decades, although Delhi is diversifying suppliers. Delhi's studied neutrality on Russia's 2022 invasion of Ukraine rankled U.S. officials, including some in Congress. Indian purchases of Russian oil skyrocketed and, by mid-2023, Russia was supplying nearly half of India's imported oil, eliciting unexpected Trump Administration ire and tariff threats in mid-2025. Delhi officials reject U.S. criticisms as unjust.

### Issues for Congress

Along with laws and policies on immigration and trade that touch upon U.S.-India relations, the 119<sup>th</sup> Congress may consider: whether, and if so how, to adjust export controls to facilitate greater high-technology collaboration and arms trade with India; whether and how to incorporate India into U.S. Asia strategy and resource the Quad; the future of energy cooperation; the potential implications of democratic backsliding and human rights issues; and how India's engagements in the Indian Ocean and with its neighbors, as well as Russia, Iran, and others, might affect U.S. interests in Asia and globally.

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**K. Alan Kronstadt**, Specialist in South Asian Affairs  
**Shayerah I. Akhtar**, Specialist in International Trade and Finance

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