

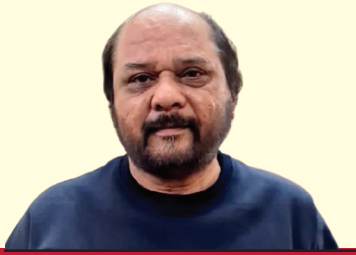
Global India

INTER-LINKING INDIAN DIASPORA

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PANKAJ SHARMA

After Indian Prime Minister Narendra Modi's USA visit, there are apprehensions about the prospects of the deal of F-35 stealth fighter aircrafts. There are many who find American President Donald Trump's offer tricky in many terms and put question mark as it can harm the geopolitical interests of India. There is a strong concern among the defence experts that Trump's announcement might never take a final shape.

Even if Trump's announcement never results in an actual sale, American academicians are very hopeful that USA will get many advantages from this offer as it remains an effective strategic move. It not only signals trust to India along with a willingness to review export control policies, but also counters influence by Russia, which had recently offered India fifth-generation fighter collaboration. Moreover, it forces an Indian reckoning with the incompatibility of higher quality Western systems and with poorly performing Russian systems, including S-400 air defence capabilities that India has previously acquired.

Modi's visit to Washington marked the fourth meeting between U.S. President Donald Trump and a foreign leader since the start of the new administration. Despite differences over tariffs, Modi's trip signalled that U.S.-Indian relations will continue along the positive trajectory seen in recent years, particularly in defence and technology cooperation. Trump made clear that he sees value in India's role as a counterweight to China, but that he also views Delhi as an important player and key partner outside the context of strategic rivalry.

US international relations experts say that Modi's visit less than a month into the new Trump administration signals about the administration's potential foreign poli-

cy priorities. They find Modi-trip marks an early and consequential foreign policy development for the Trump administration in four respects.

First, President Trump elevated India as a premier U.S. partner for his administration, notably hosting Modi before any European leader. This early, high-level engage-

style of bargaining marks a clear break from previous approaches to India, which tended toward accepting strategic trade-offs for Indo-Pacific convergence. Trump's instinct that cantering American priorities proactively wouldn't compromise the relationship and instead improve it for U.S. interests was borne out — India offered

an ambitious goal of growing bilateral trade to \$500 billion by 2030 — but crucially, matched this with substantial offers to India, including support for the India-Middle East-Europe Economic Corridor (IMEC) initiative, technology transfers, counterterrorism and law enforcement cooperation, and a path to fifth-generation fighter

tion to relative American gains, departs from the strategic orthodoxy of recent U.S. administrations on ties with India, which cantered on balance of power politics, and the imperative of India's rise therein, and shared democratic values.

This view also leaves space for balance of power cooperation and encourages investment in capacities of both countries to act collectively across strategic domains — but it seeks to lower the burden America must shoulder in bilateral ties. If institutionalized, such an approach can be more realistic and resilient than those built on elusive ideological principles, which create a mismatch of expectations or approaches that primarily respond to variable U.S.-China and India-China dynamics.

What did the visit tell us about how the US and India will approach top geopolitical issues? Modi's visit comes at a time of significant flux in how Washington approaches its relationships with top allies and adversaries alike. Despite the dizzying pace of change, India looks reasonably well-positioned to capitalize.

On Russia, Trump's Wednesday call with Vladimir Putin and announcement of new negotiations to end the war in Ukraine were undoubtedly music to India's ears. Modi's India has retained good ties with Russia despite criticism from the West, continuing to import Russian weapons and even massively ramping up its purchase of discounted Russian oil since 2022. Now Modi's familiar talking point that India is not neutral, per se, but sides with peace, and his pointed suggestion to Putin that "this is not the era of war," place Modi comfortably in Trump's camp.

On China, many of the cooperative ventures announced during Modi's visit only make sense within the context of continued geopolitical competition with Beijing. Beijing's critical reaction to the trip shows it could easily read between the lines. Modi's India can, for a time, breathe easier in understanding that Trump's America has no plan for a "G-2" condominium with Beijing that would cede to China a sphere of influence in Asia as some Indian analysts have feared.

Even on Iran, where team Trump

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A Trump Puzzle on Modi's Lap

ment not only upgrades bilateral momentum but counters the narrative of Trump's foreign policy approach being insufficiently attentive to alliances and partnerships. By prioritizing India over traditional allies and partners, he has signalled deep interest in and a clear focus on key partnerships of the future.

Second, Trump reset the tenor of U.S.-India engagement by prioritizing immediate U.S. interests in tandem with investments in long-term objectives. Trump elevated material U.S. concerns, such as an unfavourable trade balance due to Indian protectionist policies and illegal migration from India. This

pre-emptive tariff concessions, agreed to broader trade negotiations, announced intent to purchase U.S. energy and committed to aggressive action on illegal immigration. This defies a wisdom on U.S.-India relations held by some in Washington that the U.S. must be more accommodative of India to secure meaningful cooperation.

Third, the Trump administration has set a bold agenda committing to and expanding cooperation on trade, technology, infrastructure, energy, defence and people-to-people ties. The president has demanded more — like broader market access for American goods and services in India and

jets.

Finally, Trump's perspective on India's role regarding China suggests a distinct approach to geopolitics that goes beyond traditional balance of power considerations without dismissing them. India's value as a critical player in the Indo-Pacific region and counterweight to China remains important, but Trump appears to see India as a standalone, vital power in Asia and the globe, with whom the United States needs a strong, sustainable partnership anchored in equitable distribution of benefits, particularly economic ones. This view, combining commercial institutionalism, reciprocity and atten-

USA.....US\$ 5
Canada.....CA\$ 6
European Countries.....Euro 5
Australia.....AU\$ 6
Russian Federation.....RUB 250

China.....CNY 30
Hong Kong.....HK\$ 35
South Africa.....ZAR 60
West Africa.....CAF 3000
Mauritius.....MUR 150

Fiji.....FJ\$ 10
Suriname.....SR\$ 15
Trinidad & Tobago.....TT\$ 30
UAE and Gulf.....AED 20
Saudi Arab.....SAR 20

Japan.....JPY 575
Malaysia.....MYR 18
Singapore.....SG\$ 7
Thiland.....THB 60
Sri Lanka.....LKR 625

Nepal.....NPR 500
Maldives.....MVR 75
Bangladesh.....TK 375
India.....INR 300

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CHALLENGES INDIAN ECONOMY FACING

by Gil Bureau

The Indian economy is one of the fastest-growing economies in the world. However, it faces a number of challenges that need to be addressed in order for it to continue to grow. Indian share market seems very volatile for past few months and financial experts feel that it might face a heavy crash by the end of February this year.

India's economy has many other challenges too. One of the biggest challenges is population density. India has one of the highest population densities in the world, which puts a lot of pressure on resources like land and water. Another challenge is Indian infrastructure.

The Indian economy is the world's tenth-largest economy by minor GDP and third-largest by PPP (purchasing power parity). India is a member of the G20, the International Monetary Fund (IMF) and the World Bank. The Indian economy is projected to be the world's second-largest by 2050.

There are different challenges that the Indian economy faces. The population density of India is one of the highest in the world. This population density, coupled with Indian infrastructure which is not able to keep up with the population growth, is one of the main problems



“Another challenge that the Indian economy faces is poor education. The literacy rate in India is only around 74%. This means that a lot of people are not able to get good jobs and participate in the economy. This leads to a lot of social problems as well.”

that the Indian economy faces. Another challenge faced by the

Indian economy is poverty. Nearly 22% of the population lives below the poverty line. This means that a large portion of the population is not able to participate in the economy and this leads to a vicious cycle of poverty.

Unemployment is another big challenge that the Indian economy faces. The unemployment rate in India is at a 45-year high. This means that there are a lot of people who are not able to find jobs. This leads to a lot of social problems as well.

One of the most recent challenges faced by the Indian economy is payment deterioration. This is caused by the delay in payments from the government to contractors and suppliers. This has led to a lot of financial problems for the contractors and suppliers.

Another challenge that the Indian economy faces is poor education. The

literacy rate in India is only around 74%. This means that a lot of people are not able to get good jobs and participate in the economy. This leads to a lot of social problems as well.

Another challenge faced by the Indian economy is private debt. The private debt to GDP ratio in India is one of the highest in the world. This means that a lot of people have taken out loans and are not able to repay them. This leads to a lot of financial problems for the economy.

Another challenge faced by the Indian economy is fixed labour laws. These laws make it very difficult for companies to lay off workers. This leads to a lot of inefficiency in the economy and leads to a lot of financial problems for the companies.

One of the biggest challenges faced by the Indian economy is inadequate infrastructure. The infrastructure in India is not able to keep up with the population growth. This leads to a lot of problems such as traffic jams, power cuts, and water shortages.

The Indian economy is currently facing a number of challenges. These include high levels of inflation, an unstable rupee, and a large current account deficit. In addition, the country faces significant infrastructure needs and a growing population that is increasingly young and educated. These factors present both opportunities and challenges for the country's economic growth in the years ahead.

ADVT RATE

LAST COVER

HKD 20,000

USD 2,750

INR 2,00,000

FIRST INNER

HKD 17,500

USD 2,250

INR 1,50,000

LAST INNER

HKD 17,500

USD 2,250

INR 1,50,000

CENTRE SPREAD

HKD 40,000

USD 5,500

INR 4,00,000

FULL PAGE

HKD 15,000

USD 1,950

INR 1,25,000

HALF PAGE

HKD 10,000

USD 1,300

INR 75,000

CLASSIFIED

HKD 5,000

USD 650

INR 50,000

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A Trump Puzzle on Modi's Lap

has reimposed a “maximum pressure” campaign that could obstruct India-Iran cooperation, India has effectively hedged its bets by enhancing its ties with Israel and Gulf Arab states. Expect the IMEC initiative to get an added boost from Trump's Washington as part of the effort to recover and rebuild after the Gaza War and to further isolate Iran.

American experts have opined that the Modi government has been looking to nuclear power as an essential energy source for meeting the demands of India's growing economy and seeks technology from the United States. The needs are substantial, with the Indian government announcing plans to build 100 gigawatts of nuclear capacity by 2047. The U.S. should be a natural partner in this effort. Civil nuclear cooperation was a foundation of the new strategic partnership starting 20 years ago when the Bush administration began a process to bring India into the global nuclear club even though New Delhi never signed the global Non-Proliferation Treaty (NPT).

Although the U.S.-India Civil Nuclear Agreement (also called a 123 agreement) was announced

in 2005 and signed in October of 2008, no U.S.-origin nuclear reactors have yet been built in India due to commercial, legal and bureaucratic obstacles. One challenge was continued U.S. restrictions on working with some Indian nuclear entities. These constraints were lifted at the very end of the Biden administration. Another hurdle has been India's nuclear liability rules, which were enacted in 2010. Nuclear suppliers believe India's rules are out line with global norms and put them at unlimited risk in the event of an accident. The Indian government announced plans to revise its nuclear liability laws just as Modi embarked on his trip to France and the United States.

With that background, Trump and Modi re-focused U.S.-India energy cooperation toward pledges for India to purchase more American oil and gas and for the U.S. to share nuclear energy technology when India's liability laws change. The leaders committed to old plans to build large nuclear reactors as well as possible cooperation on small modular reactors, with the joint statement including a commitment to “fully realize the U.S.-India 123 Civil Nuclear Agreement by moving forward

with plans to work together to build U.S.-designed nuclear reactors in India through large-scale localization and possible technology transfer.”

The opinion of India's foreign relations experts is that we should expect a fair amount of continuity from the previous administrations as Trump and Modi recommitted to deepening defence technology collaboration and military operational cooperation over the next decade. Going forward, defence cooperation will likely remain the “load-bearing pillar” of the U.S.-India relationship.

While repackaging previous strategic technology collaborations into a new initiative, Transforming the Relationship Utilizing Strategic Technology (TRUST), the two leaders maintained a vision of codeveloping and coproducing critical and emerging technologies. The leaders reaffirmed the INDUS-X platform while modelling new INDUS acceleration initiatives off of it, including in space and energy.

Indian experts say that the Modi and Trump also highlighted new efforts to strengthen collaborative deterrence. On a call the previous week between defence officials, Secretary of Defence Pete Hegseth

suggested to his counterpart Defence Minister Rajnath Singh that the overarching purpose of U.S.-India defence industrial, technological and operational cooperation was “to deter aggression in the Indo-Pacific.” The joint leaders' statement from the Modi visit reflects this sentiment with efforts to operationalize deterrence, including Indian leadership in the Combined Maritime Forces, new industrial partnerships to co-develop autonomous undersea surveillance, and a security role for the Quad (a grouping of Australia, India, Japan, and the U.S.) including maritime patrols.

India committed to procure new capabilities to enhance Indian security burden sharing in the Indian Ocean, including additional P-81 maritime patrol aircraft. It also indicated plans to join the literal “arsenal of democracy” when it concludes agreements to buy and coproduce with U.S. defence firms “Stryker” infantry combat vehicles and Javelin anti-tank guided missile. Other announcements like the strategic minerals and undersea cables initiatives have a clear angle to counter China's dominance and coercive leverage in these sectors.