

India and the United States : Emerging strategic convergence in the contemporary era

Dr. Sushanta Kumar Singh

Lecturer in Political science, R.K.D.T HS School (Junior College) Budharaja, Sambalpur,
Odisha

Abstract: India–United States relations have undergone a major transformation in the twenty-first century, evolving from a phase of Cold War mistrust to a comprehensive and multidimensional strategic partnership. This paper examines the changing nature of Indo–U.S. relations by analyzing their historical evolution, present dynamics, and future trajectory. It highlights how economic engagement, defense cooperation, and geopolitical convergence have become the key drivers of this relationship. The study discusses the rapid growth of bilateral trade, supported by increasing interdependence, while also addressing persistent challenges such as trade imbalances, tariff disputes, and regulatory differences. It further explores the role of strategic agreements, military cooperation, and shared concerns regarding regional security. The paper also evaluates recent developments such as the 2026 Interim Trade Agreement and their implications for future cooperation. In addition, it considers the broader regional impact of Indo–U.S. relations on South Asia, including their influence on Pakistan, Afghanistan, and China. The findings suggest that while differences remain, the partnership continues to strengthen due to shared interests, democratic values, and mutual strategic needs. The study concludes that Indo–U.S. relations are likely to deepen further, provided both nations maintain policy flexibility, sustained dialogue, and a balanced approach to cooperation and competition.

Keywords: Indo–U.S. Relations; Strategic Partnership; Indo-Pacific; Bilateral Trade; Defense Cooperation; Geopolitics; China; Economic Relations; Trade Agreement; Global Security.

Introduction: -

India–United States relations have undergone a significant transformation in the post–Cold War era, showing a clear shift in both economic and strategic dimensions. Over the past few decades, economic ties between the two countries have expanded rapidly, reflecting growing interdependence. However, this relationship continues to be influenced not only by increasing trade and investment but also by periodic trade disagreements and broader geopolitical factors. For instance, the reciprocal trade tariffs imposed by the United States on

2nd April 2025, in the context of an evolving multipolar global order marked by strategic competition and realignments, highlighted the renewed focus on the “America First” trade policy under the Trump administration. The protectionist and regulatory measures adopted during this period have created differences in areas such as services, technology, and strategic cooperation, thereby placing some strain on bilateral engagement (Bragta, 2025).

Despite these challenges, both India and the United States remain committed to strengthening bilateral and multilateral cooperation, particularly in the areas of security and defence. This cooperation is largely driven by the convergence of their strategic interests. Both nations share a common objective of balancing the growing influence of China and safeguarding their respective national interests. China’s expanding power has significant implications for India’s internal and external security, while also posing a challenge to the United States’ position as a leading global power. Additionally, China’s increasing presence in the Indo-Pacific region affects the strategic and economic interests of both countries. From India’s perspective, there is a strong commitment to maintaining a rules-based international order, which aligns with the approach supported by the United States. India also represents an important and growing market for defence equipment. Furthermore, the United States plays a key role in supporting India’s strategic interests in regions such as Afghanistan and Pakistan. The presence of the U.S. Navy in securing international sea routes is especially important for India, given its dependence on maritime routes for oil imports. As a result, security and defence cooperation between India and the United States has emerged as a crucial pillar in promoting regional stability and prosperity, particularly in the Indo-Pacific region (Thi et al., 2024).

At the bilateral level, economic factors such as trade, investment, and energy cooperation continue to play a central role. There are strong prospects for collaboration in the energy sector, including nuclear energy. For India, which does not officially hold the status of a nuclear weapons state under global treaties, engagement with the United States has helped improve access to nuclear materials, technologies, and international markets. It has also contributed to easing certain restrictions imposed by groups such as the Nuclear Suppliers Group, thereby strengthening India’s position in the global nuclear order. On the other hand, the United States sees India as a major opportunity for investment in its nuclear power sector, with the Indian market estimated to be worth around \$100 billion. In addition, India imports substantial quantities of oil and liquefied natural gas (LNG) from the United States, further strengthening their economic ties.

Defence and military-technical cooperation between the two countries has also expanded significantly and is mutually beneficial. By 2021, the value of U.S. defence exports

to India had crossed \$20 billion. This benefits the United States economically, while for India, it helps diversify its sources of defence procurement and reduces dependence on any single supplier, thereby enhancing its strategic flexibility. At the same time, it is important to note that the strengthening of India–U.S. relations also have implications for India’s ties with other major powers such as China and Russia. In recent years, as the United States has increased pressure on both China and Russia, it has also shown concern about India’s continued engagement with these countries. In this context, the paper aims to examine the evolving nature of Indo–U.S. relations in the 21st century, focusing on the changing economic, strategic, and geopolitical dimensions that shape this important bilateral partnership.

Evolution of India-US Ties: -

India and the United States share a long and evolving history of interaction, although early connections were largely indirect. The initial link is often traced back to 1492, when Christopher Columbus, while searching for a sea route to India, accidentally reached America. However, formal relations between the two countries began only after India achieved independence. The earliest interactions can be seen in the late 18th century, when American traders, sailors, and representatives of commercial missions began visiting Indian ports. The signing of Jay’s Treaty in 1794 played an important role in facilitating trade between the two regions. Around this time, Benjamin Joy was appointed as the first American Consul in Calcutta, marking an important step in formal diplomatic engagement (Dheeraj, 2009).

During the 19th century, cultural and intellectual exchanges contributed significantly to strengthening ties between India and the United States. American missionaries and scholars played an active role in this process. They not only carried out humanitarian work but also helped introduce Indian society to the American public. Institutions such as the American Mahratta Mission, established in 1815, became important centers of interaction. At the same time, many missionary reports highlighted social challenges in India, particularly issues related to poverty and limited access to education. Interest in India also grew within American intellectual circles during the mid-19th century, influenced by writers like Emerson, Thoreau, and Whitman, who drew inspiration from Indian philosophy and thought. In return, Indian leaders such as Swami Vivekananda made a strong impact during their visits to the United States in the late 19th century. His speech at the World Parliament of Religions in Chicago received widespread appreciation and helped deepen mutual understanding and respect between the two nations. This period can be seen as the beginning of stronger cultural connections and academic curiosity between India and the United States (Shahbaz et al., 2024).

During the Cold War period, Indo–U.S. relations were influenced by a combination of leadership decisions, national priorities, and global political conditions. At the individual level, Jawaharlal Nehru followed a policy of non-alignment, which kept India away from direct association with U.S.-led alliances. In contrast, American leaders such as John F. Kennedy and Richard Nixon adopted different approaches toward India, with Nixon showing a clear preference for Pakistan. The closer relationship developed between Indira Gandhi and the Soviet Union further increased American doubts about India’s strategic position. At the national level, India focused on protecting its sovereignty, promoting economic development, and maintaining independence in foreign policy through non-alignment. However, this approach did not align with the U.S. strategy of containing communism. As a result, several issues created tension between the two countries, including U.S. military support to Pakistan, the Indo-Pakistan War of 1971, and India’s Pokhran-I nuclear test. At the global level, the broader Cold War rivalry, India’s proximity to the Soviet Union, the Kashmir issue, and the U.S.–Pakistan alliance under SEATO further complicated relations, while the rise of China added another layer of strategic concern.

In contrast, the post-Cold War period brought a major shift in Indo–U.S. relations, marked by increasing cooperation and alignment of interests. At the individual level, leaders such as P. V. Narasimha Rao, Atal Bihari Vajpayee, Manmohan Singh, and Narendra Modi made consistent efforts to improve ties with the United States. Similarly, U.S. presidents including Bill Clinton and George W. Bush began to view India as an important strategic partner, leading to significant developments such as the India–U.S. Civil Nuclear Agreement. At the national level, India’s economic reforms after 1991 played a crucial role in transforming the relationship. The shift toward a more open and market-oriented economy encouraged greater trade, investment, and defence cooperation with the United States, even though some tensions initially emerged after the 1998 nuclear tests. At the global level, several changes helped bring the two countries closer, including the end of the Cold War, the emergence of the United States as a dominant global power, the rise of China, and shared concerns related to terrorism and other transnational challenges. Initiatives such as the Indo-Pacific strategy and the Quad further strengthened cooperation. Overall, Indo–U.S. relations in the 21st century reflect a gradual transition from limited engagement and mutual suspicion to a more stable, cooperative, and strategically aligned partnership (Debnath, 2025).

India-US Relations: Present Status and Future Trajectory: -

India–U.S. relations have gradually developed into one of the most important bilateral

partnerships in the twenty-first century. This relationship is shaped by shared strategic interests, growing defence cooperation, expanding trade ties, and common concerns about regional and global stability. After the end of the Cold War, and especially following the civil nuclear agreement in 2008, cooperation between the two countries has increased significantly in political, military, economic, and technological areas. Defence cooperation has become a key foundation of this partnership. Important agreements such as LEMOA, COMCASA, and BECA, along with regular military exercises like Malabar and increasing defence trade, highlight the efforts of both nations to maintain a free, open, and rules-based Indo-Pacific region.

Economic and trade relations also form a major part of this partnership. Over the years, bilateral trade in goods and services has grown considerably, making the United States one of India's most important trading partners. Both countries benefit from cooperation in sectors such as information technology, pharmaceuticals, energy, and digital innovation, which shows how their economies complement each other. At the same time, certain issues like tariffs, intellectual property rights, and market access continue to create disagreements. These challenges require continuous dialogue and effective policy mechanisms to ensure smooth economic engagement.

Initiatives like the Quad reflect their shared commitment to democratic principles and collective security. However, India continues to follow a policy of strategic autonomy, maintaining balanced relations with multiple global powers. This approach ensures that cooperation with the United States remains practical and interest-based rather than a formal alliance. Overall, Indo-U.S. relations today represent a broad and evolving strategic partnership based on shared values, mutual benefits, and common global responsibilities. Although some differences still exist, the relationship continues to strengthen through increasing institutional cooperation, resilience, and long-term strategic alignment in areas such as defence, trade, and global politics (Raju, 2026).

Table 1 clearly indicates a steady increase in India-U.S. bilateral trade from 2020 to 2024, showing the strengthening of economic ties between the two countries. The total trade value rose from USD 146.1 billion in 2020 to USD 212.3 billion in 2024, reflecting growth in both U.S. exports to India and imports from India. However, U.S. imports have consistently been higher than its exports, leading to a continuous trade deficit, which increased from USD 28.3 billion in 2020 to USD 45.7 billion in 2024. The estimated data for 2025 suggests a short-term decline in total trade and a slight reduction in the trade deficit, possibly due to temporary global economic conditions. In contrast, projections for 2026 show a strong recovery, with total

trade expected to cross USD 240 billion and the trade deficit likely to reach around USD 50 billion. Overall, the data highlights increasing economic interdependence between the two countries, with India becoming an important trade partner for the United States, while the persistent trade imbalance reflects differences in trade patterns and economic structure between the two economies.

Table 1: Year-wise Trends in India–U.S. Bilateral Trade (2020–2026)

Year	Total Trade	U.S. Exports	U.S. Imports	Trade Balance
2020	USD 146.1 billion	USD 58.9 billion	USD 87.2 billion	-USD 28.3 billion
2021	USD 157.4 billion	USD 60.3 billion	USD 97.1 billion	-USD 36.8 billion
2022	USD 177.8 billion	USD 71.2 billion	USD 106.6 billion	-USD 35.4 billion
2023	USD 196.0 billion	USD 76.3 billion	USD 119.7 billion	-USD 43.4 billion
2024	USD 212.3 billion	USD 83.3 billion	USD 129.0 billion	-USD 45.7 billion
2025 (Estimates)	USD 178.5 billion	USD 72.1 billion	USD 106.4 billion	-USD 34.3 billion
2026 (Projected)	USD 240+ billion	USD 95+ billion	USD 145+ billion	-USD 50 billion

Source: Yamarthi (2026)

Over the past nearly two decades, India and the United States have moved from a phase of mistrust during the Cold War to a closer alignment of their interests. Their relationship has gradually developed into a strong strategic partnership, especially in areas such as trade, defence, and counterterrorism. This growing cooperation has also influenced regional dynamics in South Asia. The strengthening of ties between India and the United States has given India greater confidence in dealing with Pakistan, sometimes encouraging a more assertive approach. Since the security situation in South Asia is closely linked to India–Pakistan relations, this partnership has raised concerns in Pakistan. The long-standing rivalry between India and Pakistan, along with Pakistan’s concerns about India’s involvement in Afghanistan, has further complicated the situation. With the return of the Taliban in Afghanistan, regional instability has increased, and instead of resolving tensions, both regional and global powers

often appear to be pursuing their own limited strategic interests. In this context, the India–U.S. partnership is also seen as a challenge to China’s interests in the region, particularly in relation to Pakistan and projects like the China–Pakistan Economic Corridor (CPEC), which could face obstacles due to rising instability in Afghanistan.

From the perspective of the United States, strengthening ties with India has become an important strategic priority. India’s growing economic strength and its significant geostrategic location have increased its importance in global politics. At the same time, India has adjusted its foreign policy to suit changing international conditions, positioning itself as a potential counterbalance to China’s rising influence (Shahzad, 2023). In recent developments, India and the United States signed a major Interim Trade Agreement in February 2026, which marked a significant step forward in their economic relationship. Announced on 6 February 2026, the agreement reduced U.S. tariffs on Indian goods from as high as 50% to 18% and removed the additional 25% penalty tariff that had been imposed in 2025. It also included India’s commitment to purchase around USD 500 billion worth of American products, including energy, technology, agricultural goods, and aerospace equipment, over a period of five years. This agreement not only helped ease the trade tensions that had emerged in 2025 but also reflected a broader strategic adjustment in economic relations (Yamarthi, 2026).

At the broader global level, changing geopolitical conditions, including the rise of China, shifting power structures, and evolving Indo-Pacific dynamics, present both opportunities and challenges for India–U.S. cooperation. Platforms like the Quad provide a framework for multilateral engagement, while bilateral initiatives focus on specific areas of collaboration. The future success of this partnership depends on how effectively both countries manage their differences while continuing to build on shared interests. Looking ahead, there is a need for innovative policy approaches to address emerging challenges and make the most of existing strengths. Trade negotiations must balance the need for market access with regulatory independence, while cooperation in technology should address both security concerns and the need for industrial growth. Immigration policies should also recognize the importance of people-to-people connections and the role of the Indian diaspora. Most importantly, continuous strategic dialogue is essential to ensure that both countries understand each other’s priorities and work together toward common goals. Overall, the trajectory of India–U.S. relations points toward further strengthening, but achieving its full potential will require sustained effort, flexibility in diplomacy, and mutual understanding of each country’s strategic needs and domestic limitations (Yadav, 2025).

Conclusion: -

Indo–U.S. relations in the twenty-first century represent a significant shift from earlier phases of limited engagement and mutual suspicion to a strong and evolving strategic partnership. The relationship has expanded across multiple dimensions, including trade, defence, technology, and geopolitical cooperation, reflecting the growing convergence of interests between the two nations. Economic ties have strengthened considerably, as seen in the steady rise in bilateral trade, although challenges such as trade imbalances and policy differences continue to persist. At the same time, defence and security cooperation has emerged as a central pillar, supported by key agreements, joint exercises, and shared objectives in maintaining regional stability, particularly in the Indo-Pacific region. Geopolitically, the partnership has been shaped by common concerns. However, India’s policy of strategic autonomy ensures that the relationship remains flexible and interest-driven rather than alliance-based. The study also highlights that Indo–U.S. cooperation has wider regional implications, especially for South Asia, influencing relations with Pakistan, Afghanistan, and China. Recent developments, including the 2026 Interim Trade Agreement, indicate a willingness on both sides to resolve differences and strengthen economic engagement. Looking ahead, the future of Indo–U.S. relations appear promising but will depend on the ability of both countries to manage disagreements, adapt to changing global conditions, and sustain constructive dialogue. Greater cooperation in trade, technology, defence, and people-to-people exchanges will be essential for realizing the full potential of this partnership. Overall, Indo–U.S. relations are expected to continue evolving as a resilient and strategic partnership that contributes to regional stability and global governance.

References: -

1. Bragta, S. K. (2025). Trajectory of India–US economic relations in the shadow of tariff barriers: An analysis. *International Journal for Research and Studies*, 21, 9–14.
2. Debnath, K. (2025). Indo–USA relations: A three-level analysis (individual, national, and international) of the Cold War and post–Cold War era. *International Journal of Advanced Research in Science Communication and Technology*, 5, 613–617.
3. Raju, K. V. (2026). India–U.S. relations: defence cooperation, trade dynamics, and geopolitical interests. *International Journal of Political Science and Governance*, 8(2), 312–317. <https://doi.org/10.33545/26646021.2026.v8.i2d.905>
4. Shahbaz, M., Mustafa, G., Liaqat, B. B., & Munir, H. M. A. (2024). Evolution of Indo-US diplomatic Ties: A historical analysis. *Journal of Social & Organizational Matters*,

- 3(3), 205–218. <https://doi.org/10.56976/jsom.v3i3.111>
5. Shahzad, F. (2023). The Indo-US Strategic Partnership: An analysis of the Trump Era. *Journalism, Politics and Society.*, 1(4), 231–244. <https://doi.org/10.63067/exv0da34>
 6. Thi, H. Q., Thi, H. N. L., & Oanh, N. T. (2024). The India-US Security and Defense Cooperation under Narendra Modi: Challenges and Assessments. *Journal of Liberty and International Affairs Institute for Research and European Studies - Bitola*, 10(3), 111–130. <https://doi.org/10.47305/jlia24103111t>
 7. Uyanaev, S. V. (2022). India–US relations: the current state and external consequences. *Herald of the Russian Academy of Sciences*, 92(S7), S589–S594. <https://doi.org/10.1134/s101933162213010x>
 8. Yadav, S. (2025). India–USA relations: An analytical study of the current situation and key challenges. *International Journal for Multidisciplinary Research (IJFMR)*, 7(6), 1–9.
 9. Yamarthi, I. (2026). Emerging trends in USA-India foreign trade relations Emerging Trends in Foreign Trade Between the United States of America and India: A Study of the 2026 Trade Deal, Bilateral Dynamics, and Strategic Economic Partnership. *SSRN Electronic Journal*. 1(1). 1-30. <https://doi.org/10.2139/ssrn.6262038>