

Modi heads to US in attempt to avoid Trump trade war

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Delhi

The Indian prime minister is heading to Washington for high-stakes talks in an attempt to avoid a trade war with Donald Trump.

Narendra Modi is considering tariff cuts in at least a dozen sectors in the hope of dodging US levies that would pile pressure on its slowing economy.

Today's meeting will test the much-hyped "bromance" between Trump and Modi, with the two leaders exchanging hugs during the president's first term. Trump has called Modi "the nicest human being", while the Indian prime

minister has said the president was his "dear friend". Both are populists who rose to power on anti-establishment and nationalist policies.

India's foreign secretary, Vikram Misri, said the fact that Modi had been invited to the US "within barely three weeks of the new administration taking office, shows the importance of the India-US partnership".

But Trump has not held back his frustration over India's high tariffs, labelling it a "very big abuser" and accusing it of blocking US imports.

Modi's two-day visit will take place just after Trump announced a 25% tariff on global steel and aluminium imports into the US. Calling the tariffs "the first of many", the president

indicated there could be levies on cars, chemicals, pharmaceuticals and other goods.

The metal tariffs have rattled India's steel and aluminium industries, which export billions of dollars of goods to the US each year. The Indian Steel Association said yesterday that the steel tariff was "expected to slash exports to the US by 85%".

In an effort to pre-empt punitive action the Indian government has cut duties on a range of goods, including high-end motorcycles such as Harley-Davidsons. It is also considering tariff cuts on electronics, medical and surgical equipment, chemicals, dish antennae and wood pulp.

Bilateral trade has been steadily growing, surpassing \$118bn (£95bn) in the last financial year, with India running a \$32bn trade surplus. Trump says he wants a relationship that is more "fair" while India says it is open

\$118bn

The estimated bilateral trade between India and the US during the last financial year

to discussing a limited deal to address US concerns about market access.

Trump has urged Modi to buy more US defence and energy products, with India presenting a lucrative market as the world's largest arms importer. Nuclear energy is also on the agenda as India seeks to expand its clean energy sources to meet decarbonisation targets. Reports suggest India is in talks to buy combat vehicles and finalise a fighter jet engine deal.

Another issue is Trump's crackdown on illegal migration. The president says Modi has assured him India "will do what's right".

The US last week deported 104 Indian migrants and plans to return many more. Images of deportees in shackles during a 42-hour military flight prompted public anger in India.

Modi will also push for H-1B visas. Trump has expressed support for the programme, which brings skilled workers to the US tech sector. Elon Musk has also backed it, but Steve Bannon and other Maga voices argue that H-1B visas siphon jobs and undermine American workers.