

Trade talks advance as Modi visits White House



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The United States and India are moving toward a deal aimed at cutting the \$45 billion U.S. trade deficit in that partnership, President Donald Trump said as he hosted Prime Minister Narendra Modi on Thursday. **Story, A12**

As Modi visits, Trump cites progress in bid to cut U.S. trade gap with India

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The United States and India are working toward a deal that aims to cut America's sizable trade gap with India as New Delhi pledges to buy more U.S. energy, weapons and civil nuclear power, President Donald Trump said Thursday during Indian Prime Minister Narendra Modi's visit to Washington.

The meeting with Modi — the fourth foreign leader to visit Trump in the White House since his inauguration — was one of the earliest measures of how Trump will handle his relationship with New Delhi. The partnership is a pillar of Washington's strategy in the Indo-Pacific region, but one that is beset with trouble spots on illegal immigration, visas, America's large trade deficit with India and controversies over India's attempted assassination of a Sikh activist on American soil.

During the news conference, Trump sought to emphasize the friendship between Washington and New Delhi, even as he announced shortly before it that the United States would implement a "reciprocal" tariff policy that would tax foreign goods at the same rate that other nations apply to American products, potentially complicating talks with India.

Trump said the United States will increase military sales to India by "many billions of dollars" and would consider providing New Delhi F-35 fighter jets. He reiterated his dismay with India's tariffs toward the United States, but said the two countries will negotiate a trade deal that will ensure a "level playing field." Trump said India will reform its laws to welcome U.S. nuclear technology into its domestic market.

On the issue of immigration — which sparked outrage in India after the Trump administration sent deportees back to the country in shackles on military flights — Modi said New Delhi will comply with Trump's desires. "We are of the opinion that anybody who enters another country illegally, they have absolutely no right to be in that country," Modi said.

In one of the few moments the Indian prime minister spoke English, Modi became the latest leader trying to foster a personal relationship with Trump. The Indian leader borrowed from Trump's "Make America Great Again" rhet-

oric to announce his own vision: Make India Great Again, or MIGA, he said in English, adding that the two countries could continue to help each other.

"When it's MAGA plus MIGA, it becomes 'mega' — a mega-partnership for prosperity," the Indian prime minister said, according to a translator.

The United States is India's largest trading partner, buying more than 18 percent of all its exports. India exported \$45 billion more to the United States than it imported, and Trump is keen to shrink that deficit. The lack of parity, as well as lingering frustration from a trade deal that never materialized during his first term, drove Trump to describe India on the campaign trail last year as a "very big abuser" of tariffs.

In a call with Modi last month — the second such conversation between the two leaders since the American election — Trump stressed the "importance of India increasing its procurement of American-made security equipment and moving toward a fair bilateral trading relationship," according to a White House readout.

Modi visited Washington armed with concessions aimed at averting a trade war and staving off damaging tariffs on the world's fifth-largest economy. The concessions include a commitment to significantly boost purchases of American energy. New Delhi has already reduced tariffs on high-end American motorcycles — a fixation for Trump, who repeatedly called the 100 percent duty on Harley-Davidsons "unacceptable."

India signaled it was open to offering tariff concessions for imports from the United States in several sectors, including electronics, medical equipment and chemicals, an analyst familiar with the matter said. The Modi administration is looking at potential deals on U.S. agriculture exports and nuclear energy investments, the analyst added, speaking on the condition of anonymity to discuss sensitive matters. Reuters earlier reported the possible concessions.

Ahead of his meeting with Trump, Modi on Thursday met with the president's national security adviser, Michael Waltz. He also held meetings with billionaire Elon Musk and Vivek Ramaswamy, according to Indian offi-



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President Donald Trump and Indian Prime Minister Narendra Modi at the White House on Thursday.

cial. On Wednesday, he held talks with Trump's director of national intelligence, Tulsi Gabbard.

During the news conference Thursday evening, the two leaders said a key path to shrinking America's trade gap with India involves selling billions of dollars worth of energy, especially liquid natural gas, to India. The Biden administration had paused liquid natural gas project approvals as part of its effort to curb climate change. While the leaders were speaking, Waltz posted on X: "Drill Baby Drill = Buy Baby Buy."

Modi said that India and the United States will collaborate on artificial intelligence, semiconductors and quantum technology. Trump said the United States would also extradite one of the plotters of the 2008 terrorist attack in Mumbai.

Also, Modi announced that India was moving to change its liability laws to enable U.S. civil nuclear energy firms to sell reactors there. The law currently puts liability on the supplier, not the operator.

Such a move would be "a long-sought win for the Trump administration," said Lindsey Ford, White House director for South Asia in the Biden administration. "But Modi's decision to announce

a similar agreement with France one day prior is a reminder for the United States that U.S. technology will not be the only game in town."

A sign of the growing confidence between the two governments was Trump's statement that his administration was open to considering selling the vaunted F-35 stealth fighter jet to India, a weapons platform the United States makes available to only its closest and most trusted allies and partners.

But the weapon is costly and India would need to "dramatically overhaul and upgrade its industrial security procedures to better protect against espionage and technology leakage," said Sameer Lalwani, a senior expert at the U.S. Institute of Peace.

"It's a gesture of trust" that Trump was even willing to contemplate that, he said. But the Indians are intent on building their own fighter jets, he said.

There would also be significant national security concerns with selling the fifth-generation fighter to India, which has recently fielded Russian S-400 air defense systems. Operating the two near one another enhances the risk that the Russian air defenses could acquire data that compromises the fighter's stealth signa-

ture, and could be used by Russia or China to better detect and target American F-35s, he said.

The trip also came in the wake of tensions around immigration. Last week, scenes of the dramatic deportation of more than 100 Indians, who were sent back in shackles on a military jet, caused enormous embarrassment to Modi domestically. India is a major source of illegal immigration to the United States. As of 2022, it accounted for 725,000 out of the estimated 11 million undocumented immigrants in the country, according to the Pew Research Center.

Over the Christmas holiday, far-right activists in Trump's base engaged in a "civil war" with Musk and other senior Trump allies over the need for a skilled-worker visa program that Silicon Valley has long relied on. Many Indians decried the backlash as "racist."

Modi said he did not discuss with Trump whether the American president would take action on the U.S. court case against Gautam Adani, an Indian billionaire and ally of the Indian prime minister accused of bribery schemes.

Trump and Modi have forged a positive relationship since their first meeting in 2017, punctuated

by reciprocal mass rallies — "Howdy Modi" in Houston in 2019 and "Namaste Trump" in Ahmedabad, India, in 2020. Their bond stems from a shared strategic interest in countering China as well as the cultivation of a strong-man image.

Washington has over the past 20 years grown closer to New Delhi, slowly diminishing India's decades-long dependence on Russian arms, for instance, though it has been buying large quantities of Russian oil.

Heightened tensions with China after deadly border clashes in 2020 helped drive India closer to the United States, which has provided intelligence and equipment, including leased Predator drones, to help India defend its frontier.

Trump in his first term revived a grouping known as "the Quad," consisting of India, Japan, the United States and Australia, widely seen as a counterweight to China's growing influence in the region. The Biden administration advanced the initiative, and analysts say that Trump may push the group in a more security-oriented direction.

The two countries established a significant partnership in emerging technology during the Biden administration, announcing for instance co-production plans for military jet engines and armored infantry vehicles.

One area that is likely to have a lower profile now is human rights, analysts said. The attempted assassination of the Sikh activist in 2023 caused tension between the two governments and led to murder-for-hire charges against an Indian intelligence official, who has since left the government.

Administration officials declined to comment on the matter on Thursday.

"I think now that issue is somewhat behind us," said Lisa Curtis, a senior fellow at the Center for a New American Security and a White House South Asia aide in Trump's first term.

Trump also sought to flatter his Indian counterpart, grinning as he responded to a question about who won their negotiations.

"He's a much tougher negotiator than me," Trump said. "He's a much better negotiator than me."

Anant Gupta and Karishma Mehrotra in New Delhi contributed to this report.