**Syllabus subtopic:** Effect of Policies and Politics of Developed and Developing Countries on India’s interests, Indian Diaspora.

**Prelims and Mains focus:** about the details of the visit; about India-US trade dispute

**News:** US President Donald Trump is on his first official state visit to India on 24th February. He is scheduled to travel to Ahmedabad, Agra and New Delhi on a three-stop visit that will end on 25th February.

**Background**

“Fair trade” and “America First” have been central planks of Trump’s presidency and a pact with India will burnish his credentials as a deal maker, as well as to show his constituency that he has kept his poll promises.

**Deal or No Deal?**

- US President Donald Trump kept up the pressure on India to lower tariffs, complaining it has been hitting the US “very hard” even as he unveiled a power-packed team—albeit with the trade chief missing—to accompany him on his visit to India.

- Although two defence pacts worth more than $3 billion could be signed during the visit,

- A deal to buy six more Apache helicopters for the Indian Army could be expected around Trump’s visit. That deal is expected to be worth around $800 million.

- The procurement of 24 Seahawk anti-submarine warfare-capable helicopters was cleared by India’s Cabinet Committee on Security (CCS) chaired by the Prime Minister.
A limited trade deal with India was seen as a possibility earlier this month, but Trump seemed to have ruled it out. But analysts speculate that one reason Trump does not appear to be in a hurry to wrap up a trade deal with India could be that he has got China to agree to a deal and worked out another with Mexico and Canada to replace the **1994 North American Free Trade Agreement (Nafta)**.

- China has the biggest trade surplus with the US, while Nafta has been described by Trump as America’s “worst” deal, blamed for a decline in manufacturing jobs.

- According to foreign ministry **both India and the US have agreed not to rush the deal** and instead look to the future and strike a deal that will be a “win-win” for both sides.

- **New Delhi is looking to increase its energy purchases** from the US that would cut down India’s trade surplus. New Delhi is also looking to buy **civilian passenger aircraft** from the US in the years ahead.