

Modi Prepares to Welcome Trump

President Trump is expected to swoop into India for a full-fledged visit in the last week of February. Hectic preparations are going on to finalise the tour details as well as the trade deal, which is considered as the precursor of free Trade Agreement between the two countries and pegged at \$ 10 billion. Both the leaders are meeting at a time when both are facing political turmoil in their homes. Trump is facing impeachment proceedings and Modi is troubled with nationwide protests of people against the policies of his government.

On the trade front India wants restoration of benefits under Generalised System of Preferences (GSP) under which certain products like textiles can enter the US duty-free. The benefits were withdrawn in June 2019. According to the New York Times, the Trump administration is obsessed with the overall American trade deficit and wants India to buy more American goods. Before granting any concessions under GSP, the US wants India to buy billions of dollars of American turkeys, blueberries, apples, pecans and most importantly genetically modified animal feed. India has tentatively agreed during the talks between the delegations to end price caps on imported medical devices like heart stents, artificial knee replacements. The finance Minister reduced tariffs on import of medical devices in the present budget.

The prospects of improving foreign trade for India are bleak. After coming out of RCEP talks, Indian government tries to renegotiate bilateral trade agreements with members of ASEAN and Japan. But they did not materialize as Japan and some of the ASEAN members sought India's joining RCEP as a precondition to start bilateral talks. Modi's 'look east policy' seems to be faced with road block. Facing a slowdown on exports front for several years, India is desperate to sign a trade deal with the US and consequently succumbs to the US pressures.

The genetically modified (GM) animal feed emerged as a major point in India's trade talks with the US. This is not a small business for US. The Indian market is estimated to reach Rs.9000 crore by 2024 as the demand is rising. On the other hand, according to the animal Husbandry department the area under cultivation for animal feed is at 4% of cropping area and has remained constant for the past four decades. Many US companies have already applied with Indian authorities for clearance of GM animal feed like alfalfa. They have yet to get a green signal.

There is a stiff resistance to the introduction of GM seeds in India. The regulatory mechanism of GMOs is very weak and we have seen many instances like Bt cotton wherein the government ignored the recommendations and/or by passed them to allow GM seeds in the name of field trials. According to media reports, in a meeting chaired by the Prime Minister, GM animal feed was taken up for discussion. The animal husbandry department said to be opposed the import of GM animal feed. Yet the meeting directed the Food Safety and Standards Authority of India (FSSAI) to formulate a regulatory regime for GM animal feed (Business Standard, 29-1-2020). The entry of GM animal feed into India in the absence of

any effective regulatory mechanism and without any in-house assessment of its impact on animals and down chain effects would be disastrous.

The US imperialism is a significant trade partner of India with bilateral trade at \$87.9 billion in 2019. The US is not only India's largest trade partners but also one of its largest defence suppliers. It is expected that both countries would sign defence purchases agreement during the Trump's visit.

The successive governments in New Delhi for the last two decades were signing military agreements with the US imperialism calling it as strategic partnership. India signed Logistic Exchange Memorandum of Agreement (LEMOA) in 2016. Before this India signed General Security of Military Information Agreement (GSOMIA). In 2019 the latest military agreement signed was Industrial Security Annex (ISA). This will open doors to the US defence companies to form joint ventures with Indian private companies. A fourth agreement – Basic Exchange and cooperation Agreement for geo-spatial Cooperation (BECA)- is under negotiation. All these are the part of fundamental agreement called Communication Compatibility and Security Agreement (COMCASA). Thus the Indian defence forces particularly the Navy became part of US 7th fleet and standing guard to US trade and strategic interest in the Indian ocean.

The US companies are in the race for multi-billion dollar defence deals with India, including purchase of 144 fighter jets. The US is keen to corner this contract to supply f-16 fighter jets and is ready to offer assembling plants in India with Indian partner under the Modi's brain child "Make in India" programme. This is being placated as augmentation of defence production capability of India.

The rumblings heard in the US political circles over the Modi's decisions such as LAA, NRC, NPR, restrictions on Kashmir etc. will subside once the deals were signed. They are only part of political pressure applied on its loyal client India by the US imperialism.
