



US & CANADA

Newsletter

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US POLITICS

“Power, Policy, and Polarisation”

- President Donald Trump announced a [withdrawal of federal National Guard troops](#) from Los Angeles, Chicago, and Portland after prolonged legal battles and political disputes with state and local leaders. The deployments, initially framed as efforts to address rising crime and civil unrest, had been [sharply opposed by Democratic governors](#) and mayors, who argued the federal presence was an unconstitutional intrusion into local law enforcement matters. Federal courts - including the U.S. Supreme Court- rejected the administration’s justifications for the deployments, prompting the reversal. While Trump positioned the withdrawal as a tactical retreat, critics viewed it as an acknowledgment of legal limits on executive authority. Democratic officials welcomed the decision and underscored the [importance of local control](#) over state National Guard units. The withdrawal marks a significant shift in federal-state relations and will likely shape discussions leading into the 2026 midterm elections regarding executive reach, public safety policy, and political polarization.

- U.S. [Immigration and Customs Enforcement \(ICE\)](#) announced a major \$100 million recruitment campaign, described internally as a “wartime recruitment” push aimed at attracting conservative-leaning applicants, military veterans, and gun rights supporters. The initiative seeks to fill thousands of positions to support the Trump administration’s broader goal of dramatically increasing

deportations and immigration enforcement in 2026. The [campaign’s strategy involves](#) targeted media and advertising at locations such as gun shows, military bases, sporting events, and allied online platforms. Critics including civil rights groups and some transit authorities- warned that the campaign’s combative messaging could incentivize recruitment of ideologically extreme or poorly qualified personnel, potentially fostering a more aggressive enforcement culture. The initiative has received [extensive pushback](#) from Democratic lawmakers and advocacy organizations, who argue that immigration enforcement should prioritize legal processes and human rights over militarized imagery, especially given ongoing legal challenges to other federal immigration policies.

- A federal appeals court ruled that the Trump administration could [end](#) Medicaid funding to Planned Parenthood clinics in 22 states and Washington, D.C., overturning a lower court injunction that had previously blocked this provision. The decision centres on a GOP-backed legislative provision [restricting Medicaid reimbursements](#) for certain reproductive and preventative healthcare services in facilities that also provide abortions -even though federal funds are already barred from paying for abortion procedures. Opponents contend that [cutting Medicaid support could](#) force many clinics to cut services such as cancer screenings, STI testing, and contraception for low-income patients. State attorneys general in California, New York, and Connecticut, who led the lawsuit, criticized the ruling as

[undermining access to essential women's](#) healthcare. Proponents argue that the decision aligns with broader Republican efforts to limit funding for reproductive health providers and reorient federal healthcare dollars toward alternative [community providers](#).

- The Supreme Court heard a major [separation-of-powers](#) case on President Donald Trump's effort to remove a member of the Federal Trade Commission, testing long-standing limits on presidential control over independent agencies. The conservative majority signalled openness to overturning or sharply narrowing the 1935 Humphrey's Executor precedent, which insulated certain regulators from at-will removal, potentially expanding presidential authority over the administrative state. The case forms part of a broader docket in the 2025–26 term in which justices are also [weighing Trump's tariff powers](#) and his authority to fire Federal Reserve officials, with rulings that could reallocate power from Congress and independent agencies to the White House. Business groups, consumer advocates, and constitutional scholars view the litigation as a pivotal test of how far Trump's second-term [unitary-executive agenda](#) can proceed through the courts rather than legislation.

- The U.S. House passed the 2026 [National Defence Authorization Act](#), adding roughly 8 billion dollars above the Trump administration's request and emphasizing support for NATO's northeastern flank and Ukraine. Lawmakers framed the bill as a deliberate course-correction from Trump's

ambivalence toward European security, signalling a bipartisan appetite in Congress to sustain forward defence commitments even as the White House pursues a more transactional posture with Russia and questions alliance burden sharing. The legislation increased funding for Baltic force posture, pre-positioned equipment, and exercises, and locked in a 400-million-dollar baseline of Ukraine security assistance separate from emergency packages, thereby constraining executive flexibility. For domestic politics, the vote highlighted growing institutional friction between Congress and the presidency over war-powers, alliance management, and the extent to which Trump can unilaterally reset long-standing security guarantees without legislative buy-in.

INDIA-US RELATIONS

- Prime Minister Narendra Modi and President Donald Trump held a “very warm and engaging” [phone conversation reviewing bilateral ties](#) amid ongoing trade tensions. The leaders assessed progress in the Comprehensive Global Strategic Partnership, discussing trade, defence, [energy, and regional developments](#), while reaffirming commitment to global peace and prosperity. Modi posted on X praising the call, which coincided with U.S. trade delegations in Delhi negotiating tariff reductions on Indian goods hit by 50%. Though specifics remained private, the dialogue signalled intent to stabilize relations strained since August 2025 tariffs, with both sides [emphasizing strategic convergence](#) in the Indo-Pacific despite

economic frictions. This marked a key high-level outreach to bridge gaps before potential 2026 deals.

- India's Foreign Secretary Vikram Misri and U.S. Under Secretary of State Allison Hooker co-chaired [Foreign Office Consultations](#) in New Delhi, conducting a comprehensive review of the bilateral partnership. Discussions spanned trade and investment, defence cooperation, the TRUST initiative, civil nuclear energy, technology, critical minerals, and supply chains. Both sides welcomed momentum in dialogue mechanisms and pledged to advance [the COMPACT framework](#) for military, commerce, and technology ties. Regional and global issues received attention, with shared commitment to a free Indo-Pacific highlighted amid U.S.-India efforts to counterbalance China despite tariff disputes.

- A U.S. delegation led by Deputy USTR Rick Switzer visited New Delhi for critical trade talks, aiming for an initial deal to rollback 50% tariffs on [Indian exports imposed over trade deficits](#) and Russian oil imports. Indian exports to the U.S. had declined 8.59% (\$6.3 billion loss), hitting textiles, engineering goods, and auto parts; negotiators targeted resolutions in this seventh round to pave way for a [full Bilateral Trade Agreement](#) covering digital trade and services. Amid weekly virtual prep, the visit sought to revive momentum stalled since October, with potential for export revival, job creation, and deepened tech-defence ties. Outcomes could counter 2025 diplomatic strains, reinforcing strategic partnership against China.

DIASPORA NEWS

- Indian-American Congressman Raja Krishnamoorthi reintroduced the [High-Skilled Immigration Reform and Entrepreneurship](#) (HIRE) Act, proposing to double the annual H-1B visa cap from 65,000 to 130,000 while retaining the 20,000 exemptions for U.S. master's degree holders. Aimed at addressing [talent shortages in tech](#), healthcare, and defence, the bill targets record demand where Indian firms secured over 70% of FY2025 approvals, potentially unlocking 45,000–50,000 more opportunities for Indian professionals.

- At the [India Abroad Dialogue in Chicago](#), Congressman Raja Krishnamoorthi warned of rising anti-Indian bigotry and urged the diaspora to speak out, build coalitions, and deepen political involvement to avoid vulnerability. Krishnamoorthi outlined three imperatives: vocal opposition to prejudice, [inter-community alliances](#), and electoral participation, quipping, "If you don't have a seat at the table, you're on the menu." Leaders like Dr. Bharat Barai [emphasized legal immigrants'](#) outsized contributions in medicine and tech, while Ankit Jain flagged non-organic negativity. The call [resonated amid polarisation](#), positioning civic activism as essential for the affluent, educated diaspora's security.

CANADA POLITICS

“Political Realignments and Policy Pressures”

- Canada's governing Liberal Party [surged closer to a parliamentary majority](#)

when Conservative Member of Parliament Michael Ma defected to the Liberals. Ma's crossing of the floor boosted Prime Minister Mark Carney's Liberal caucus to one seat short of a majority, strengthening the government's ability to pass legislation without relying on opposition support. The move was formally announced at a Liberal holiday event in Ottawa, where Carney welcomed Ma and underscored the necessity of cooperative governance amid ongoing economic and policy challenges. Ma stated that his decision was motivated by a desire to focus on pragmatic solutions rather than partisan division, a sentiment he argued matched Carney's leadership approach. The defection reflects cracks within the opposition Conservative Party and increases pressure on Conservative leader Pierre Poilievre to unify his party base. Analysts said the development could shift the balance of power in the House of Commons in early 2026, especially if further defections occur.

- Prime Minister Mark Carney unveiled a suite of domestic initiatives aimed at addressing Canada's affordable housing shortage and bolstering community infrastructure. The government's plan focused on accelerated construction of new homes, protections for vulnerable communities, and policies to expand economic opportunities. Ottawa framed the announcements as part of a broader strategy to reduce cost pressures on Canadians and support economic stability amid ongoing trade tensions with key partners. Carney emphasised that a secure housing supply is fundamental for middle-class families and young Canadians, tying the policy priorities

to social cohesion and electoral responsiveness.

- Prime Minister Mark Carney announced that Canada would provide an additional \$2.5 billion in economic aid to Ukraine to support financing and development amid ongoing conflict. The announcement, made alongside Ukrainian President Volodymyr Zelenskyy, was positioned as part of Canada's continued international solidarity and commitment to democratic resilience. However, the decision sparked significant backlash across Canadian social and political discourse, with critics asserting that such a large foreign aid package was ill-timed given domestic concerns about housing affordability, healthcare pressures, and economic strains.

INDIA-CANADA RELATIONS

- India and Canada announced that they will soon begin discussions on the Terms of Reference (ToR) for a proposed Comprehensive Economic Partnership Agreement (CEPA)-a precursor to formal free trade negotiations. Commerce and Industry Minister Piyush Goyal stated that both nations are preparing to define the scope, modalities, and objectives of future trade pact negotiations, signalling renewed momentum in economic cooperation after years of stalled talks. Canadian representatives are expected to engage in these preparatory talks early in 2026.

- India's Commerce and Industry Minister Piyush Goyal held discussions with Canada's Minister of International Trade, Maninder Sidhu, in New Delhi on

advancing bilateral trade and commercial engagement. The discussions highlighted progress made during ongoing ministerial dialogues aimed at strengthening trade linkages and mutual investments. Goyal described the meetings as productive and said they would form the basis for expanded engagement under the Comprehensive Economic Partnership Agreement (CEPA) framework.

- India formally condemned the fatal shooting of an Indian doctoral student near the University of Toronto, drawing diplomatic attention to Canada's treatment and safety of Indian nationals. The Ministry of External Affairs (MEA) in New Delhi expressed deep sorrow over the incident and confirmed that the Indian Consulate in Toronto is in constant contact with the victim's family and Canadian authorities, offering all possible assistance during the investigation.

DIASPORA NEWS

- Canada's Bill C-3 - an Act to Amend the Citizenship Act (2025) - came into force, significantly altering citizenship rights for diaspora families, particularly those of Indian origin. The reform removed the long-criticised "first-generation limit," which previously prevented Canadian citizens born abroad from passing citizenship to their children also born outside Canada. The revamped law now restores citizenship to affected individuals and allows future generations to qualify if at least one parent meets minimum residency requirements. This change directly impacts many Indian-origin

families who were excluded from citizenship due to historical legal gaps and have long campaigned for reform.

- The fatal shooting of 20-year-old Indian-origin student Shivank Avasthi near the University of Toronto Scarborough campus drew widespread attention within Canadian and Indian diaspora communities. Canadian police classified the case as a homicide and stated the investigation was ongoing, while the Indian consulate in Toronto expressed grief and continued assistance to the family. In another incident, Himanshi Khurana, a 30-year-old Indian woman, was found murdered in a Toronto residence near Strachan Avenue and Wellington Street West following a missing person report on December 19.

The unrelated incidents have sparked outrage and fear in Toronto's Indian community, amid rising anti-India sentiment, hate crimes, and safety concerns for the diaspora-Canada's largest international student group. Indian authorities urged vigilance.