



US & CANADA

Newsletter

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MANOHAR PARRIKAR INSTITUTE FOR
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US POLITICS

“War Powers, Economic Strain, and Institutional Flux”

- NASA successfully launched [Artemis II from Kennedy Space Centre](#), marking the first crewed flight beyond low Earth orbit since 1972. The mission was historic for its diversity, carrying the first woman (Christina Koch), person of colour (Victor Glover), and non-U.S. citizen (Jeremy Hansen) to the Moon. On April 6, the crew broke the record for the furthest distance humans have ever travelled from Earth- 252,757 miles. The mission concluded safely later in the month, with the astronauts returning to Earth after successfully orbiting the [far side of the Moon](#), a major milestone for the goal of a permanent lunar presence.

- The [U.S. Senate rejected a bipartisan resolution](#) aimed at limiting President Trump’s authority to wage war against Iran. The vote (47–52) saw most Republicans oppose the measure, while nearly all [Democrats supported](#) it. The failure of the resolution effectively preserved broad executive war powers, reinforcing the administration’s ability to continue military operations [without congressional constraint](#). The debate highlighted deep partisan divides over foreign policy oversight and constitutional authority. Critics argued that Congress was abdicating its war-making responsibilities, while supporters framed the decision as necessary for strategic flexibility during an active conflict.

- President Trump fired [Attorney General Pam Bondi](#), replacing her with

Todd Blanche. Simultaneously, Defence Secretary Hegseth dismissed three [high-ranking Army generals](#) without public explanation. In the courts, the Supreme Court heard arguments regarding Executive Order 14160, which seeks to end birthright citizenship- a case marked by President Trump’s unprecedented personal attendance at oral arguments. Additionally, the DOJ moved to dismiss the [criminal convictions](#) of Steve Bannon after the Supreme Court vacated a lower court ruling regarding his contempt of Congress charges.

- The [U.S. Bureau of Economic Analysis](#) reported on April 30 that the GDP grew at an annual rate of 2.0% in the first quarter of 2026. While this marked a rebound from late 2025, the report highlighted underlying instability. Consumer sentiment reached a 50-year low in April as the Iran [war drove energy prices higher](#) and inflation expectations jumped to 4.7%. Federal spending saw a 10% spike, largely [attributed to military needs](#) and AI infrastructure, despite the federal workforce having shrunk by 11.8% (355,000 workers) since late 2024. Outgoing Fed Chair Jerome Powell warned of threats to the [Federal Reserve’s](#) independence amidst administration pressure to lower interest rates.

- In a landmark and controversial decision, the U.S. Supreme Court struck down a key provision [of the Voting Rights Act](#) (Section 2), significantly weakening protections against racial gerrymandering. The 6–3 ruling triggered immediate backlash from civil rights organisations, who warned it could enable voter

suppression and [erode democratic safeguards](#). Political leaders sharply divided along partisan lines, with Republicans welcoming the decision and Democrats condemning it. The ruling is expected to [reshape electoral politics](#) ahead of upcoming elections, particularly in states undergoing redistricting battles.

- The United States [hosted King Charles III](#) and Queen Camilla for a formal state visit, reinforcing transatlantic relations between the U.S. and the United Kingdom. The visit included [ceremonial events](#) at the White House and emphasised shared historical ties and strategic cooperation. The Biden-era diplomatic framework with allies appeared [to continue under Trump](#), though framed more in symbolic and bilateral terms. The visit also served as a soft-power counterpoint to escalating geopolitical tensions elsewhere.

- A partial shutdown of [the Department of Homeland Security](#), which began in February 2026, officially ended on April 30 after becoming the longest such shutdown in U.S. history. The resolution came after Congress passed a temporary funding bill signed by President Trump. While core functions like immigration enforcement continued, the shutdown exposed vulnerabilities in federal budgeting processes and highlighted partisan gridlock over immigration and [homeland security funding](#).

INDIA-US RELATIONS

- Air Chief Marshal A.P. Singh conducted an extensive visit to the United States. Singh held high-level talks with U.S.

Air Force Chief [Gen. Kenneth Wilsbach](#) in Arlington, focusing on interoperability and “complex operational modalities.” The visit included a familiarisation flight in an F-15EX and strategic discussions at [Peterson Space Force Base](#), highlighting a shift toward space-based national security. Concurrently, the 4th DefSpace Symposium in India underscored the “Pax Silica” alliance, a joint initiative focused on securing critical minerals and integrating military space capabilities. Analysts described this period as a “landmark moment” where Washington began treating New Delhi as a trusted partner for its most sensitive aerospace know-how.

- A delegation of Indian officials, led by Additional Secretary Darpan Jain, engaged U.S. counterparts in a three-day round of discussions aimed at finalising the [first phase of a bilateral trade agreement](#) (BTA). The talks focused on contentious issues such as market access, tariff reductions, non-tariff barriers, and regulatory standards. These negotiations were part of broader efforts to stabilise economic ties after tariff disputes in 2025. Both sides signalled cautious optimism, with India emphasising the need to protect domestic sectors while expanding exports, and the U.S. seeking greater access for [agricultural and industrial goods](#).

DIASPORA NEWS

- Congressman Eli Crane introduced a pivotal piece of legislation that sent shockwaves through the Indian professional community. The “[End H-1B Visa Abuse Act of 2026](#)” proposes a dramatic restructuring of the high-skilled

labour program, including a three-year freeze on new H-1B issuances and a reduction of the annual cap from 65,000 to just 25,000. Most critically for Indian techies, the bill suggests a [minimum salary threshold](#) of \$200,000, a move that experts say would “price out” the majority of Indian IT engineers. The bill also targets the Optional Practical Training (OPT) program and seeks to restrict H-4 dependent visas. This legislative shift reflects the Trump administration's “[America First](#)” labour policy, creating deep uncertainty for the nearly 300,000 Indian nationals who typically receive H-1B approvals annually.

- A comprehensive study released in mid-April [by the Carnegie Endowment for International Peace](#), in partnership with YouGov, highlighted a historic shift in sentiment within the Indian-American community. The “Indian American Attitudes Survey 2026” revealed that 4 in 10 Indian Americans are considering leaving the United States. While the community remains economically successful, the survey pointed to [rising dissatisfaction with the high cost](#) of healthcare, housing, and education. Furthermore, 71% of respondents expressed disapproval of the current administration’s performance. The report noted that the combination of the “[never-ending](#)” [Green Card](#) backlog and a perceived rise in identity-based rhetoric is leading many, particularly younger professionals and students, to look toward India’s innovation hubs as a viable alternative for their future.

- A major intellectual and policy debate within the diaspora emerged after [Sridhar Vembu publicly urged Indians](#) in the United States to consider returning to India. In an open letter, Vembu argued that Indian professionals abroad are increasingly caught in polarised U.S. political and cultural conflicts. He framed “reverse brain drain” as essential for India’s technological [sovereignty and long-term global standing](#). The intervention sparked widespread discussion across diaspora networks, with some supporting the call as a strategic necessity, while others viewed it as impractical given the opportunities and infrastructure advantages in the U.S. The debate reflects a deeper identity tension within the diaspora-balancing integration in American society with growing confidence in India’s economic and technological trajectory.

- A concerning trend reported in April 2026 was the sharp rise in cyber fraud targeting [the Indian diaspora in the United States](#). According to India’s Ministry of External Affairs, incidents surged dramatically- from just 8 reported cases in 2024 to over 600 in 2025, with continued escalation into 2026. Scammers frequently impersonate U.S. immigration officials or legal authorities, exploiting anxieties around visa status and policy changes. Victims- particularly students and H-1B workers- are threatened with deportation or [legal action to extort money](#). Experts attribute the rise to increased scrutiny and uncertainty in U.S. immigration processes, which make such scams more believable. Authorities have urged diaspora members

to verify communications through official channels.

CANADA POLITICS

“Majority Mandate and the Turn to Economic Sovereignty”

- Quebec’s National Assembly passed an expanded version of its [controversial secularism framework](#) (Bill 9), significantly tightening restrictions on religious expression in public institutions. The legislation prohibits daycare workers from wearing religious symbols and bans prayer spaces in public institutions such as universities and government facilities. The law was supported by the ruling Coalition Avenir Québec and Parti Québécois but opposed by Liberals and Québec Solidaire, reflecting deep political polarisation. Critics argue that the law disproportionately affects minority communities, especially Muslims, and [undermines civil liberties](#), while supporters defend it as essential to maintaining state neutrality. The move has reignited debates about multiculturalism versus secular nationalism in Canada, with potential constitutional challenges expected.

- In a significant political shift, [Conservative MP Marilyn Gladu](#) crossed the floor to join the Liberal Party. The move strengthened Prime Minister Mark Carney’s political position during a critical period of parliamentary consolidation. Party defections are rare in Canadian federal politics and often signal deeper ideological or [strategic realignments](#). Gladu’s decision was interpreted as both a personal political recalibration and an indicator of internal tensions within the

Conservative Party. The development contributed to the Liberal Party’s broader effort to consolidate power ahead of key parliamentary votes and policy initiatives. It also reflected the fluid nature of [Canadian party dynamics](#) during a period of political transition.

- A major turning point occurred on April 13, 2026, when [federal by-elections in key ridings](#)- including Scarborough Southwest, University-Rosedale, and Terrebonne- resulted in sweeping victories for the Liberal Party. These wins gave Prime Minister Mark Carney a parliamentary majority for the first time since taking office, significantly strengthening his legislative authority. The elections followed [earlier political uncertainty](#) and were closely watched as a test of public support. With a majority secured, the government gained greater flexibility to advance its policy agenda, including economic reforms and international initiatives. The outcome marked a decisive consolidation of political power and reshaped [Canada’s parliamentary landscape](#).

- In response to rising global energy [prices linked to the Iran conflict](#), Prime Minister Mark Carney announced the temporary suspension of Canada’s federal fuel excise tax from April 20 to September 7, 2026. The measure aimed to ease cost-of-living [pressures on Canadians](#) as fuel prices surged due to disruptions in global oil markets. The policy reflects the government’s attempt to balance inflation management with [political responsiveness to public concerns](#). While welcomed by consumers, economists cautioned that such

measures could have fiscal implications and only provide short-term relief. The decision underscores how global geopolitical events directly influence domestic economic policy in Canada.

- In a major domestic policy reform, the Canadian government introduced legislation to create a [centralised Financial Crimes Agency \(FCA\)](#). The initiative aims to address longstanding weaknesses in Canada's fragmented approach to combating money laundering and financial crime. The new agency will consolidate investigative and prosecutorial powers currently spread across multiple institutions, including FINTRAC and the RCMP. The reform follows a public inquiry that identified systemic gaps in enforcement. Additionally, the government announced a ban on cryptocurrency ATMs, citing their use in fraud and illicit transactions. Experts view the FCA as a critical step toward strengthening Canada's financial regulatory framework in an era of increasingly complex global financial crime.

- Prime Minister Mark Carney announced the creation of [the Canada Strong Fund](#), the country's first national sovereign wealth fund. With an initial endowment of approximately \$25 billion over three years, the fund is designed to finance major [infrastructure and strategic economic projects](#). The initiative reflects a broader policy shift toward economic resilience and reduced dependence on external markets amid global uncertainty. The fund will invest in sectors such as energy, critical minerals, transportation, and data infrastructure. Analysts view this

as a significant step in Canada's long-term economic planning, aligning with global trends where states use sovereign funds to [secure strategic industries](#).

- The Canadian government released its [Spring Economic Update](#) on April 28, 2026, outlining a strategy centred on economic resilience, diversification, and affordability. The update emphasised investments in infrastructure, housing, and industrial capacity while maintaining fiscal discipline. It also highlighted efforts to reduce deficits and support Canadians facing rising living costs. The policy framework reflects a response to a "[fragmented global environment](#)," with a focus on strengthening [domestic economic foundations](#). The update signals a continuation of expansionary but targeted fiscal policy aimed at long-term growth and stability.

INDIA-CANADA RELATIONS

- Canada proposed a major overhaul of its international student program, which has significant implications for Indian nationals- the largest [group of foreign students in](#) Canada. The new framework includes stricter financial requirements, caps on student intake, and tighter oversight of institutions. These measures are aimed at addressing concerns over system abuse and ensuring quality control, but they have generated concern in India. The policy shift affects one of the most important pillars of India-Canada relations: education and people-to-people ties. Indian students contribute substantially to Canada's economy and workforce pipeline, making this [development a critical issue](#) in bilateral engagement.

- A major point of friction re-emerged when Canadian intelligence agencies publicly accused India of foreign interference and espionage activities within Canada. The report also [identified Khalistan extremism](#) as a serious national security concern- an issue India has consistently raised with Ottawa. This dual framing underscores a fundamental divergence: while Canada highlights concern about foreign interference, India emphasises the threat posed by pro-Khalistan groups operating on Canadian soil. The episode reflects the persistence of [security tensions](#) even as both sides attempt to normalise relations. It also indicates that intelligence and diaspora-linked issues remain a sensitive and unresolved dimension of the bilateral relationship.

DIASPORA NEWS

- A major development affecting the Indian diaspora in Canada occurred on April 1, 2026, when the Canadian government introduced sweeping changes to [its immigration and permanent residency \(PR\) system](#). The reforms include revised income thresholds for sponsorship programs, increased citizenship and passport fees, and greater authority for provinces to select immigrants based on local labour needs. These changes disproportionately impact Indian nationals, who constitute one of the [largest immigrant groups in Canada](#). The reforms also expand access to settlement services while tightening eligibility conditions, reflecting a dual approach of facilitation and control. For Indian migrants- especially students and skilled workers- the policy shift introduces new uncertainty around [long-term residency pathways](#), even as Canada

continues to rely on Indian talent for economic growth.

- There was a widespread recognition of the Indian diaspora in Canada through the celebration of [Sikh Heritage Month](#). Canadian political leaders and institutions marked the occasion with public events and statements acknowledging over a century of Sikh contributions to Canada's social, economic, and political life. Vaisakhi celebrations on April 14 further reinforced the visibility of the Sikh community, which forms a significant portion of the Indian diaspora. Officials emphasised values such as equality, service (seva), and inclusivity, framing Sikh Canadians as central to [Canada's multicultural identity](#). The observance not only celebrated cultural heritage but also reinforced the political and social influence of Indian-origin communities within Canadian society.

- The Government of India introduced a standardised global fee [structure for Overseas Citizenship of India \(OCI\) applications](#), directly affecting Indian-origin individuals residing in Canada. The new policy sets a uniform application fee of USD 275 for applications submitted abroad, replacing earlier variations across jurisdictions. The reform aims to streamline administrative processes and improve transparency in diaspora engagement policies. For Indian Canadians, OCI status remains crucial for maintaining economic, familial, and cultural ties with India, including visa-free travel and property rights. While the move simplifies the system, it also increases costs for some applicants, reflecting India's broader effort to institutionalise its relationship [with the global diaspora](#).