



# PROJECT 2025

POTENTIAL IMPLICATIONS FOR U.S. - INDIA RELATIONS

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# POTENTIAL IMPLICATIONS FOR U.S. - INDIA RELATIONS

#### INTRODUCTION

Voters in the U.S. will go to the polls on November 5 to elect their next president. The election was initially meant to be between President Joe Biden and Donald Trump. However, President Biden ended his campaign in July and endorsed Vice-President Kamala Harris. The big question now is who will win? Kamala Harris has been ahead of Trump in the national polling averages since she entered the race at the end of July. For example, a CNN poll in September found that 48% of potential voters supported Harris and 47% supported Trump. That margin, the CNN contented, suggests "no clear leader" in the race.¹ A recent poll by polling analysis website 538, which is part of ABC News, put the odds at 48% for Harris and 46% for Trump.² While these national polls are a useful guide as to how popular a candidate is across the U.S. as a whole, they are not necessarily an accurate way to predict the result of the election. That is because the U.S. uses an electoral college system, in which each state is given a number of votes roughly in line with the size of its population.

A total of 538 electoral college votes are up for grabs, so a candidate needs to hit 270 to win. There are 50 states in the U.S. but because most of them nearly always vote for the same party, in reality there is just a handful where both candidates stand a chance of winning. These places, known as "battleground states," are where the election will be won and lost. There are seven such states in 2024 - Arizona, Georgia, Michigan, Nevada, North Carolina, Pennsylvania, and Wisconsin. One survey showed Harris holding a narrow lead of 49% to 48% in a two-way matchup.³ And in terms of Electoral College votes, a *New York Times* poll projected Harris to win 270 votes to Trump's 268.⁴ That, the publication conclude, is "the closest modern U.S. presidential election."

In anticipation of a potential Conservative/Republican administration next year, conservative groups across the U.S. have banded together and launched a presidential transition project called Project 2025. One of the key outcomes of the initiative was the *Mandate for Leadership: The Conservative Promise*, a playbook for the next Conservative administration that was published in April 2023. This VIF Brief looks at the key elements of Project 2025, the *Mandate for Leadership: The Conservative Promise* in particular, and analyze how it could impact U.S.-India relations going forward.

## **PROJECT 2025**

Project 2025 is a proposed conservative/Republican presidential transition project. It is spearheaded by the Heritage Foundation<sup>a</sup> and includes an advisory board consisting of more than 100 conservative groups from across the U.S. John McEntee, former director of the White House Presidential Personnel Office under the previous Trump administration and senior advisor to the Heritage Foundation explained the project's primary goals as follow:

"Our current executive branch was conceived of by liberals for the purpose of promulgating liberal policies. There is no way to make the existing structure function in a conservative manner. It's not enough to get the personnel right. What's necessary is a complete system overhaul."5

Realizing a "complete system overhaul" requires reshaping the structure of the Executive Branch of the U.S. federal government. The Executive Branch is vested in the President of the United States, who also acts as head of state and Commander-in-Chief of the armed forces. The President is responsible for implementing and enforcing the laws written by Congress (the Senate and the House of Representatives) and, to that end, appoints the heads of the federal agencies, including the Cabinet. The Vice President is also part of the Executive Branch, ready to assume the Presidency should the need arise. The President additionally exercises a check on Congress's power to write laws through the veto power. The Executive Branch of the U.S. federal government also includes the following:

- a. Federal Executive Departments: The U.S. federal executive departments carry out the day-today administration of the U.S. federal government. There are currently 15 executive departments and each of them is led by an appointed member of the President's Cabinet. All the heads of the federal executive departments take the title Secretary, excepting the head of the Justice Department, who is styled Attorney General. In parliamentary or semi-presidential systems, these executive departments are referred to as "ministries." They include the following: Department of Agriculture, Department of Commerce, Department of Defense, Department of Education, Department of Energy, Department of Health and Human Services, Department of Homeland Security, Department of Housing and Urban Development, Department of the Interior, Department of Justice, Department of Labor, Department of State, Department of Transportation, Department of the Treasury, and Department of Veterans Affairs.
- **b.** The Cabinet: The Cabinet is an advisory body made up of the heads of the 15 executive departments. Appointed by the President and confirmed by the Senate, the members of the Cabinet are often

The Heritage Foundation is one of the most prominent right-wing think tanks in the U.S. It first produced policy plans for future Republican administrations in 1981, when Ronald Reagan was about to take office. It has produced similar documents in connection with subsequent presidential elections, including in 2016, when Trump won the presidency. That is not unusual - it is common for U.S. think tanks of all political stripes to propose policy wish lists for future governments. And Heritage has been successful in influencing Republican administrations. A year into Trump's term, it boasted that the White House had adopted more than 65% of its proposals.

the President's closest confidants. In addition to running major federal agencies, they play an important role in the Presidential line of succession. President Joe Biden's Cabinet includes Vice President Kamala Harris and the heads of the 15 executive departments. Additionally, it also includes the White House Chief of Staff, the U.S. Ambassador to the United Nations, the Director of National Intelligence, the U.S. Trade Representative, and the heads of the Environmental Protection Agency, Office of Management and Budget, Council of Economic Advisers, Office of Science and Technology Policy, and Small Business Administration.

#### Table 1: Cabinet of the Biden-Harris administration

- Kamala Harris (Vice President) 1.
- 2. Antony Blinken (Secretary of State)
- 3. Dr. Janet Yallen (Secretary of Treasury)
- 4. Llyod Austin (Secretary of Defense)
- 5. Merrick Garland (Attorney General)
- 6. Deb Haaland (Secretary of Interior)
- Tom Vilsack (Secretary of Agriculture) 7.
- 8. Gina Raimondo (Secretary of Commerce)
- 9. Julie Su (Acting Secretary of Labor)
- 10. Xavier Becerra (Secretary of Health and **Human Services**)
- 11. Adrianne Todman (Acting Secretary of Housing and Urban Development)
- 12. Pete Buttigieg (Secretary of Transportation)
- 13. Dr. Miguel Cordona (Secretary of Energy)

- 14. Dennis McDonough (Secretary of Veterans Affairs)
- 15. Alejandro Mayorkas (Secretary of Homeland Security)
- 16. Jeff Zients (White House Chief of Staff)
- 17. Michael Regan (Administrator, Environment Protection Agency)
- 18. Avril Haines (Director of National Intelligence)
- 19. Katherine Tai (U.S. Trade Representative)
- 20. Linda Thomas-Greenfield (U.S. Ambassador to the United Nations)
- 21. Jared Bernstein (Chair, Council of Economic Advisers)
- 22. Isabel Guzman (Administrator, Small Business Administration)
- 23. Shalanda Young (Director, Office of Management and Budget)
- 24. Arati Prabhakar (Director, Office of Science and Technology)
- 25. William Burns (Director, Office of the Central Intelligence Agency)

Source: The White House. https://www.whitehouse.gov/administration/executive-office-of-the-president/

- c. Executive Office of the President (EOP): The EOP was created in 1939 by President Franklin D. Roosevelt. It has responsibility for tasks ranging from communicating the President's message to the American people to promoting the U.S. trade interests abroad. The structure of the EOP can differ from president to president based on their priorities. Overseen by the White House Chief of Staff, the EOP has traditionally been home to many of the President's closest advisors. It includes the following: Council of Economic Advisers, Council on Environmental Quality, Domestic Policy Council, Gender Policy Council, National Economic Council, National Security Council, Climate Policy Council, Office of Intellectual Property Enforcement Coordinator, Office of Intergovernmental Affairs, Office of Management and Budget, Office of National Drug Control Policy, Office of Pandemic Preparedness and Response Policy, Office of Public Engagement, Office of Science and Technology Policy, Office of the National Cyber Director, Office of the United States Trade Representative, Presidential Personnel Office, and National Space Council.
- **d. Federal Agencies**: There are two broad types of federal agencies in the U.S.-Cabinet agencies and independent agencies. In all, the Federal Register, the daily journal of the U.S. government, listed 440 such agencies. Cabinet agencies are those that are established inside of the Executive Office of the President or the 15 executive departments. They constituted the majorities of federal agencies in the U.S.

#### Table 2: Examples of Cabinet agencies

- **Department of Education**: National Assessment Governing Board
- Department of Energy: Alaska Power Administration; Energy Efficiency and Renewable Energy Office; Energy Information Administration; Energy Research Office; Federal Energy Regulatory Commission; National Nuclear Security Administration; Southeastern Power Administration; Southwestern Power Administration; Western Area Power Administration
- **Executive Office of the President:** Administration Office: Council on Environmental Quality; Intellectual Property Enforcement Coordinator Office: National Space Council: Office of the National Cyber Director
- Department of Health and Human Services: Agency for Healthcare Research and Quality; Agency for Toxic Substances and Disease Registry; Aging Administration; Centers for Disease Control and Prevention; Centers for Medicare and Medicaid Services; Child Support Enforcement Office, Children and Families Administration; Community Living Administration: Food and Drug Administration; National Institutes of Health; Public Health Service

- **Department of Homeland Security: Coast** Guard: Federal Emergency Management Agency: Federal Law Enforcement Training Center; National Communications System, Secret Service: Transportation Security Administration; U.S. Citizenship and Immigration Services,
- **Department of Housing and Urban Development**: Federal Housing Enterprise Oversight Office; Government National Mortgage Association
- **Department of the Interior:** Fish and Wildlife Service; Geological Survey; Land Management Bureau; Minerals Management Service; Mines Bureau; National Biological Service, National Park Service; Ocean Energy Management Bureau; Safety and Environmental Enforcement Bureau
- Department of Justice: Alcohol, Tobacco, Firearms, and Explosives Bureau; Antitrust Division; Drug Enforcement Administration; Federal Bureau of Investigation; Federal Prison Industries; Immigration and Naturalization Service; Justice Programs Office; National Institute of Justice; Prisons Bureau; United States Marshals Service

Source: Federal Register. https://www.federalregister.gov/agencies

Independent agencies on the other hand are established outside of the Executive Office of the President or the 15 executive departments. Congress created these agencies and it delegated to them some of its power to make rules for society. While these agencies are constitutionally part of the Executive Branch, they are independent of presidential control, usually because the president's power to dismiss the agency head or a member is limited. Various sources have listed 56 independent agencies.<sup>6</sup>

#### Table 3: Examples of independent federal agencies

- African Development Foundation
- Central Intelligence Agency
- **Consumer Products Safety** Commission
- Defense Nuclear Facilities Safety
- **Environmental Protection Agency**
- **Equal Employment Opportunity** Commission
- Export-Import Bank of the United States
- **Federal Communications** Commission
- Federal Election Commission
- Federal Maritime Commission

- Federal Reserve System/the Fed
- Federal Trade Commission
- General Services Administration
- Inter-American Foundation
- **Merit Systems Protection** Board
- National Aeronautics and Space Administration
- National Science Foundation
- National Transportation Safety Board
- United States Nuclear **Regulatory Commission**
- Office of Government Ethics

- Office of Personnel Management
- Security and Exchange Commission
- **Small Business** Administration
- Social Security Administration
- USAID
- United States Postal Service
- United States Trade and **Development Agency**
- **United States Commission** on Civil Rights
- **United States International Trade Commission**

Source: Federal Register. https://www.federalregister.gov/agencies

Conservatives are of the opinion that the proliferation of federal agencies has created the "administrative state." The term refers to the policymaking work done by the bureaucracies of all the federal government's departments, agencies, and millions of employees. Some deemed these agencies to be the "fourth branch of government" and the people who work there as "the lawmakers no one votes for." While presidents can appoint people to these agencies, they cannot remove them. That, according to conservatives, is constitutionally problematic given that the U.S. Constitution has vested federal executive power in the President. And because the President has the most power, Congress cannot limit his/her control of the Executive Branch. It also cannot set up independent executive agencies and counsels that are not controlled by the President. Hence, conservatives demanded a "maximalist version" of the so-called "unitary executive theory." Unitary executive theory is a Constitutional law theory that states that the U.S. President possesses sole authority over the Executive Branch. In other words, the executive is "unitary." It follows then that the President has complete control of the Executive Branch and Congress cannot empower agency heads to make decisions or restrict the President's ability to fire them.

## PILLARS OF PROJECT 2025

Project 2025 comprises of four pillars: a policy guide for the next presidential administration; a LinkedInstyle database of personnel who could serve in the next administration; training for that pool of candidates dubbed the "Presidential Administration Academy;" and a playbook of actions to be taken within the first 180 days in office.

- **a.** Pillar I: It is a policy guide or a roadmap for the next conservative administration and they are outlined in the nearly 900-page book titled Mandate for Leadership: The Conservative Promise that was published in April 2023.8 The book offers a detailed blueprint for the next conservative president to usher in a sweeping overhaul of the Executive Branch and includes specific proposals for every major federal agency.
- **b.** Pillar II: It is a personnel database that allows candidates to build their own professional profiles. Candidates will then be vetted and shared with the President-elect's team, greatly streamlining the appointment process. The idea is to populate the next administration with the right people (political appointees or loyalists) so that the President can advance his/her agenda through the bureaucracy without hindrance.
- c. Pillar III: The carefully vetted personnel/political appointees will be trained by the Heritage Foundation's Presidential Administration Academy. The academy is a one-of-a-kind educational and skill-building program that offers nearly 30 online courses. These courses provide aspiring appointees with the insight, background knowledge, and expertise in governance to immediately begin rolling back "destructive policy" and advancing conservative ideas in the federal government.
- **d.** Pillar IV: Create a playbook of actions to be taken in the first 180 days of the new Administration to bring "quick relief to Americans suffering from the Left's devastating policies." The playbook will include a comprehensive, concrete transition plan for each federal agency.

#### "MANDATE FOR LEADERSHIP: THE CONSERVATIVE PROMISE"

Pillar 1 of Project 2025 has elicited the strongest response in the U.S. Its Mandate for Leadership: The Conservative Promise outline proposals for overhauling the Executive Branch and major federal agencies. The book is the product of more than 400 scholars and policy experts from across the conservative movement and it included dozens of former Trump administration officials. The book's 30 chapters lay out hundreds of policy recommendations for White House offices, Cabinet departments, Congress, and agencies, commissions and boards.

| Table 4: Outline of Mandate for Leadership: The Conservative Promise |  |   |  |  |  |
|--|--|---|--|--|--|
| Sections   |  | Chapters  |  |  |  |
| 1.   | Taking the Rein of Office              | White House Office • Executive Office of the President of the United States     Central Personnel Agencies: Managing the bureaucracy  |  |  |  |
| 2.   | The Common Defense                     | • Department of Defense • Department of Homeland Security • Department of State • Intelligence community • Media agencies • Agency for International Development  |  |  |  |
| 3.   | The General Welfare                    | • Department of Agriculture • Department of Education • Department of Energy and related commissions • Environment Protection Agency • Department of Health and Human Services • Department of Housing and Urban Development • Department of the Interior • Department of Justice • Department of Labor and related agencies • Department of Transportation • Department of Veteran Affairs |  |  |  |
| 4.   | The Economy                            | epartment of Commerce • Department of Treasury • Export-Import Bank<br>deral Reserve • Small Business Administration • Trade  |  |  |  |
| 5.   | Independent Regulatory<br>Agencies     | Financial regulatory agencies • Federal Communications Commission     Federal Election Commission • Federal Trade Commission  |  |  |  |
|  | Source: The Heritage Foundation. 2023. |   |  |  |  |

As can be seen from Table 4, the primary focus of Mandate for Leadership: The Conservative Promise and hence Project 2025 is internal U.S. matters i.e. overhauling the Executive Branch of the U.S. federal government and bringing about major changes to federal agencies, independent agencies in particular. The primary objective of these efforts is to ease the advancement of conservative policy agendas in the U.S. However, the policy proposals that are outlined in The Mandate for Leadership: Conservative *Promise* could also have major implications worldwide. We will consider them in turn.

# 1. International Security

According to the Mandate for Leadership: The Conservative Promise, China is a "totalitarian enemy." It is the most powerful state in the world other than the U.S. itself and poses the most significant danger to "Americans' security, freedoms, and prosperity." The most severe immediate threat that its military poses is to Taiwan and other U.S. allies along the first island chain in the Western Pacific. And if it could subordinate Taiwan or U.S. allies like the Philippines, South Korea, and Japan, it could break apart any

balancing coalition that is designed to prevent the country's hegemony over Asia. As such, authors of the Mandate for Leadership: The Conservative Promise are of the view that the U.S. must ensure that China does not succeed. Beyond China, the book also identified Russia, Iran, North Korea, and transnational terrorism as posing "real threats" to the U.S. and its allies.

#### **Recommendations**

#### a. Prioritise a Denial Defence against China

- Require that all U.S. defense efforts, from force planning to employment and posture, focus on ensuring the ability of American forces to prevail in the pacing scenario and deny China a fait accompli against Taiwan.
- Prioritize the U.S. conventional force planning construct to defeat a Chinese invasion of Taiwan before allocating resources to other missions, such as simultaneously fighting another conflict.

#### b. Increase Allied Conventional Defence Burden-sharing.

- Make burden-sharing a central part of U.S. defense strategy with the U.S. not just helping allies to step up, but strongly encouraging them to do so.
- Support greater spending and collaboration by Taiwan and allies in the Asia-Pacific like Japan and Australia to create a collective defense model.
- Transform NATO so that U.S. allies are capable of fielding the great majority of the conventional forces required to deter Russia while relying on the U.S. primarily for nuclear deterrent, and select other capabilities while reducing the U.S. force posture in Europe.
- Sustain support for Israel even as America empowers Gulf partners to take responsibility for their own coastal, air, and missile defenses both individually and working collectively.
- Enable South Korea to take the lead in its conventional defense against North Korea.

#### c. Implement Nuclear Modernisation and Expansion.

- Expand and modernize the U.S. nuclear force so that it has the size, sophistication, and tailoring to deter Russia and China simultaneously.
- Develop a nuclear arsenal with the size, sophistication, and tailoring including new capabilities at the theater level - to ensure that there is no circumstance in which America is exposed to serious nuclear coercion.

#### d. Increase Allied Counterterrorist Burden-sharing.

- Sustain the military forces needed to deter, prevent, and combat terrorism, but at a sustainable cost in concert with other elements of national power and partner efforts.
- Prioritize enhancing the capability of allies and partners to take the lead in combating terrorism in their regions.

#### 2. Trade

The Mandate for Leadership: The Conservative Promise is of the view that "America gets fleeced every day in the global marketplace" both by a "predatory Communist China" and by an "institutionally unfair and nonreciprocal WTO" and that has contributed to the massive trade deficit that the U.S. has with the rest of the world, USD 773.4 billion as of 2023.9 The book argued that addressing these challenges would go a long way toward "restoring American greatness, both economically and militarily." Ignoring them on the other hand will simply continue "the parasitic draining of the American manufacturing and defense industrial base."

#### Countering a "Predatory Communist China"

China's "economic policies of aggression" such as tariffs, nontariff barriers, dumping, counterfeiting and piracy, and currency manipulation is seen as posing an "existential threat" to the U.S. Its economic aggression also extends to an intricate set of industrial policies and technology transfer-forcing policies that have dramatically skewed the international trading arena. Given that the country will never bargain in good faith with the U.S. to stop its aggression, the better policy option, according to the Mandate for Leadership 2025, would be to decouple both economically and financially from the country as further negotiations would be both "fruitless and dangerous."

#### **Recommendations**

- Expand tariffs to all Chinese products and increase tariff rates to levels that will block out "Made in China" products.
- Provide significant financial and tax incentives to American companies that are seeking to onshore production from China to U.S. soil.
- Stop China's abuse of the so-called *de minimis* exemption, which allows it to evade the tariffs for products valued at less than USD 800.
- Prohibit Chinese state-owned enterprises from bidding on U.S. government procurement contracts.
- Prohibit the use of Chinese-made drones in American airspace.
- Ban all Chinese social media apps such as TikTok and WeChat, which pose significant national security risks and expose American consumers to data and identity theft.
- Prohibit all Chinese investment in high-technology industries.
- Prohibit U.S. pension funds from investing in Chinese stocks.
- Delist any Chinese stocks that do not meet Public Company Accounting Oversight Board standards or, alternatively, close off the Chinese "A shares" stock market to U.S. investment and deregister U.S.- sanctioned Chinese companies.
- Prohibit the use of Hong Kong clearinghouses as transit points for American capital investing in the Chinese mainland.
- Prohibit the inclusion of Chinese sovereign bonds in U.S. investors' portfolios.
- Systematically reduce and eventually eliminate any U.S. dependence on Chinese supply chains that may be used to threaten national security such as medicines, silicon chips, rare earth minerals, computer motherboards, flatscreen displays, and military components.
- Sanction any companies, including American companies like Apple, that facilitate China's use of

its Great Firewall surveillance and censorship capabilities.

- Order the Department of Homeland Security and Department of Justice to contract with U.S.owned and U.S.-operated artificial intelligence companies that are capable of detecting, identifying, and disrupting both the domestic groups' and Chinese Communist Party (CCP) influencers' social media operations and funding streams using public information as a rapidly available offensive measure.
- Reinvigorate and expand Department of Homeland Security crackdown on the CCP's use of e-sellers (including third-party sellers) and the shippers and operators of major warehouses such as Amazon, eBay, and Alibaba to flood U.S. markets with counterfeit and pirated goods.
- Compel the closure of all Confucius Institutes in the U.S., which serve as propaganda arms of the CCP.
- Significantly reduce or eliminate the issuance of visas to Chinese students or researchers to prevent espionage and information harvesting.
- Hold the CCP accountable for the COVID-19 virus, which almost certainly originated as a genetically engineered virus from the Wuhan Institute of Virology, and do so through the establishment of a presidential commission or select congressional committee that would investigate the origins of the virus; its various costs, both economically and in human life; and the possible means of collecting damages from the CCP, which are likely to rise to the trillions of dollars.

### Countering an "Institutionally Unfair and Nonreciprocal WTO"

According to the Most Favored Nation (MFN) rule of the WTO, member countries must apply the lowest tariffs that they apply to the products of any one country to the products of every other country. However, WTO members can charge higher tariffs if they apply these nonreciprocal tariffs to all countries. The practical result, according to the Mandate for Leadership: The Conservative Promise, has been the "systematic exploitation of American farmers, ranchers, manufacturers, and workers through higher tariffs institutionalized by MFN." That has resulted in chronic U.S. trade deficits with much of the rest of the world and serves as a brake and bridle on both GDP growth and real wages in the American economy. Conservatives opined that the U.S. has one of the lowest tariff rates among WTO members, and by far the lowest among large importing countries. Meanwhile, China's average tariff is 341% higher than the U.S., and the E.U.'s is 50% higher. And the world average tariff rate is more than twice that of the U.S. These "unfair and unbalanced" trade policies, conservatives argued, have hurt American businesses. The result has been a decrease in demand for U.S. domestic production, leading to a loss of manufacturing jobs and lower wages. Thus, matching the tariff practices of foreign rivals is considered necessary by conservatives.

#### Recommendations for fair trade

Pass the United States Reciprocal Trade Act (USRTA) to level the playing field. Under the powers provided by the USRTA, if a foreign country imposes significantly higher nontariff barriers, then the President has the authority to "negotiate and seek to enter into an agreement" that "commits

- the country to...eliminate [its] nontariff barriers." If the country refuses to come to the negotiating table and lower its nontariff barriers, the President has the authority to levy reciprocal duties to offset or mirror those barriers.
- Impose a border adjustment tax proposed by then-House Speaker Paul Ryan (R-WI) and then-House Ways and Means Committee Chairman Kevin Brady (R-TX) in 2017.<sup>b</sup>
- Have key personnel, especially that of the United States Trade Representative and the International Trade Administration, who not only have the skills to implement trade policies, but also have the firm commitment to do so.
- Within the West Wing, align the National Security Adviser, the Chairman of the Council of Economic Advisers, and the Director of the National Economic Council on trade policy.

#### Recommendations for free trade

- Implement tariff relief to help counteract inflation by reducing prices for affected goods as well as to strengthen supply chains and boost manufacturing. End Section 232, 201, and 301 tariffs and work with Congress to pass legislation repealing those provisions so future Presidents cannot abuse them.c
- Resist calls for more spending on trade adjustment assistance for aiding displaced workers which is often hijacked for progressive ends. Technology and changing tastes displace six times as many workers as does trade, yet those workers get no such special treatment. Displaced workers should receive the same benefits regardless of the reason.
- Remove never-needed supply chain restrictions, which give families fewer places to which they can turn. The recent shortage of baby formula, for example, was caused largely by heavily protectionist regulations.
- Enact mutual recognition policies with allies. If a product is safe enough for European or Japanese consumers, then it is safe enough for Americans as well - and vice versa. This can reduce regulatory costs and open new markets.
- Close the Export-Import Bank, which serves mainly to subsidize foreign buyers' purchases of goods from a handful of well-connected American manufacturers.
- Repeal the Jones Act, a century-old "Buy American" maritime law that has decimated the U.S. shipbuilding industry.
- Work with Congress to restore the President's Trade Promotion Authority, which would expedite the negotiation of trade agreements with the U.K., Switzerland, Taiwan, the E.U., and other U.S. allies, and keep trade-unrelated provisions out of trade agreements.

The proposed border adjustment would have eliminated the ability of corporations to deduct the cost of imports while eliminating the tax on income attributable to exports. This border adjustment tax would have shifted the U.S. corporate income tax from an origin-based tax applying to the production of goods and services in the U.S. to a destination-based tax applying to the consumption of goods and services in the U.S. This tax - strongly opposed by American multinational corporations and big box retailers - not only would have leveled the playing field with respect to WTO rules, but also would have provided an innovative alternative to the application of tariffs.

The U.S. Constitution places all taxing authority with Congress and none with the President. However, Congress uses Section 232 of the Trade Expansion Act of 1962 and Sections 201 and 301 of the Trade Act of 1974 to delegate some of its taxing authority to the President Delegating tariff-making might have worked in the short run, but in the long run, it was both constitutionally dubious and ripe for abuse.

- Restore the WTO's dispute resolution process to full strength.
- Create a successor to the WTO that is open only to liberal democracies. This would prevent authoritarian countries like China from abusing the organization for their own ends.
- Adopt a multi-pronged China strategy to convince the Chinese government to reform its illiberal human rights and trade policies.
- Strengthen diplomatic pressure (in concert with allies) against Beijing's abuses. Encourage cultural and intellectual engagement with the Chinese people.
- Rejoin the Trans-Pacific Partnership (TPP), whose 11 members are developing institutional trade norms in an important geopolitical region without U.S. input or involvement.
- Reorient the proposed Indo-Pacific Economic Framework for Prosperity to focus only on trade issues, which it currently ignores in favor of progressive wish-list policies.

### 3. Climate Change

According to the Mandate for Leadership 2025: The Conservative Promise, environmental extremism is "a pseudo-religion meant to baptize liberals' ruthless pursuit of absolute power in the holy water of environmental virtue." As such, it considers it decidedly "anti-human." It argued that under the rubrics of combating climate change and ESG (environmental, social, and governance), the Biden Administration, Congress, and various states, as well as Wall Street investors, international corporations, and progressive special-interest groups, have altered America's energy landscape. In other words, they have created an artificial energy scarcity that requires trillions of dollars in new investment, supported with taxpayer subsidies. That has made America more energy insecure and more dependent on adversaries like China for energy.

Also, implementing Project 2025's recommendations, experts argued, could increase U.S.'s planet-heating emissions significantly by 2.7 billion tonnes above the current trajectory by 2030, an amount comparable to the entire annual emissions of India. 10 Such a burst of extra pollution would torpedo any chance the U.S. could meet its goal of cutting emissions in half by 2030. Project 2025's recommendations would also result in 1.7 million lost jobs in 2030, due to reduced clean energy deployment that is not offset by smaller gains in fossil fuel jobs, and a USD 320 billion hit to U.S. GDP as a wave of new domestic renewables and electric car manufacturing is reversed. It would also potentially derail global efforts to mitigate climate change. The U.S. is, by far, the largest historical emitter of greenhouse gases, and remains one of the largest when measured per capita. India has long argued that because developed countries such as the U.S. have emitted more greenhouse gases over time, they should now carry more of the burden. The U.S. reneging on its climate pledges therefore could become key friction point between India and the U.S.

#### *Recommendations*

- Promote American energy security by ensuring access to abundant, reliable, and affordable energy.
- Support repeal of massive spending bills like the Infrastructure Investment and Jobs Act and Inflation Reduction Act.

- Unleash private-sector energy innovation by ending government interference in energy decisions.
- Stop the war on oil and natural gas.
- End the focus on climate change and green subsidies.
- Eliminate energy efficiency standards for appliances.
- Eliminate the Office of Energy Efficiency and Renewable Energy.
- Eliminate the Office of Clean Energy Demonstrations.
- Eliminate the Clean Energy Corps.
- Oppose "climate reparations."
- Remove the Greenhouse Gas Reporting Program for any source category that is not currently being regulated.

#### IMPLICATIONS FOR U.S.-INDIA RELATIONS

The U.S. has long-standing concerns over India's tariff rates, deeming them the highest of any major economy. The Mandate for Leadership 2025: The Conservative Promise observed that India levies higher tariffs on 13 products for every one Indian product that is subject to a U.S.-applied higher tariff. China's ratio on the one hand is 10 to one. As a result of the higher nonreciprocal tariffs, U.S. runs trade deficit with India. The Office of the U.S. Trade Representative estimated U.S. goods and services trade with India in 2022 at USD 191.8 billion.11 It also estimated total U.S. goods and services trade deficit with India that year at USD 45.7 billion.

| Table 5: U.S. goods and services trade with India          |                   |                  |                  |  |  |
|--|-------------------|------------------|------------------|--|--|
| Products   | Exports           | Imports          | Deficit          |  |  |
| Goods  | USD 47.2 billion  | USD 85.5 billion | USD 38.4 billion |  |  |
| Services   | USD 25.9 billion  | USD 33.2 billion | USD 7.4 billion  |  |  |
| Total  | USD 118.8 billion | USD 73 billion   | USD 45.7 billion |  |  |
| Source: Office of the U.S. Trade Representatives. Undated. |                   |                  |                  |  |  |

#### **Potential Downsides**

Matching the tariff practices of foreign rivals is a key economic agenda of Project 2025. In fact, Trump has frequently deployed tariffs during his first term in office, targeting imports from China and the E.U. and sparking tit-for-tat trade wars. The former President has signaled he would similarly rely on tariffs in a potential second term, and he has been on record last year saying that

"If India, China, or any other country hits us with a 100 or 200% tariff on American-made goods, we will hit them with the same exact tariff. In other words, 100% is 100%. If they charge U.S., we charge THEM - an eye for an eye, a tariff for a tariff, same exact amount."12

Speaking at a rally in South Carolina in February this year on the eve of the primary there, Trump repeated that

"If China or any other country makes us pay a tariff of, let's say 100%, or 200%, or even 300%, and they do that, we will make them pay a reciprocal identical tariff of 100% or 200% or 300% right back."13

Trump further declared that he would enact the "Trump Reciprocal Trade Act" if he is elected. That would enable him to impose a reciprocal tariff on any foreign country that imposes a tariff on American-made goods that is higher than the tariff imposed by the U.S. And to ensure fairness, the Act will empower him to negotiate the reduction of tariffs on foreign goods if foreign countries agree to reduce their tariffs on American goods. Thus, trade promise to be a key focus of a potential Republican president and it may act as major irritants between India and the U.S.

#### **Potential Upsides**

There is broad agreement in the U.S. that China is the most consequential threat that the country faces today. The U.S. and India shares a concern about the threat China poses to the world order and in particular to a free and open and prosperous Indo-Pacific region. That is likely to drive partnership between the two countries no matter what other issues prevail. It is important to note that U.S. policy towards India is bi-partisan in nature and is deeply rooted in both the Democratic and Republican parties. In fact, the appreciation for the importance of India to a wide range of U.S. interests is one of the only things Democrats and Republicans can agree on today. So, regardless of who wins the upcoming U.S. election, continuity and stability in U.S.-India relations can be expected. Of particular importance is the growing cooperation between the U.S. and India on the technology front. The U.S.-India initiative on Critical and Emerging Technologies (iCET), announced in May 2022, is a case in point. Since its launch, the U.S. and India have made significant strides toward deepening and expanding strategic cooperation across key technology sectors including space, semiconductors, advanced telecommunications, artificial intelligence, quantum, biotechnology, and clean energy. Also, the U.S. and India have accelerated their interaction in a number of multilateral forums including the Quadrilateral Security Dialogue (the Quad) and the I2U2 (India, Israel, the U.A.E., and the U.S.). Although progress of the I2U2 have stalled for now owing to deteriorating security situations in the Middle East and Europe, it is still considered an important initiative by both countries.

#### CONCLUSION

There has been much criticism of Project 2025, its prescription that U.S. President should have total control over the Executive Branch of the U.S. federal government and take full control over independent federal agencies in particular. That has prompted President Joe Biden to declare on his campaign social media account in July that Project 2025 "will destroy America." And in a speech to the American Federation of Teachers that same month, Vice-President Kamala Harris stated that Project 2025 was "a plan to return America to a dark past." And during the ABC News presidential debate in September, she again called Project 2025 a "dangerous plan." Echoing these sentiments, others lamented that Project 2025 is an "authoritarian playbook" that will "destroy the U.S. system of checks and balances and create an imperial presidency."17

For India, Project 2025 poses both a challenge and an opportunity. It poses a challenge because the country could potentially be dragged into some kind of trade war with the U.S. But that is not completely insurmountable. The two countries' deepening bilateral engagements could help manage their disagreements over bilateral trade. What is critical for the U.S. and India is for them to find a way to insulate the areas that they agree upon from those that they do not. In other words, they should agree to disagree on certain matters. On China, India's concerns align broadly with that of the U.S. There is no question that China poses grave challenges to both countries. As the U.S. continues to reduce its reliance on China, it will seek greater cooperation with India in areas pertaining to supply chains, technology, etc.

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