

**DIA, DEOGHAR IAS ACADEMY**

# ***Daily News Feed***

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# UN starts new bid to forge plastic pollution treaty amid 'global crisis'

**Agence France-Presse**  
GENEVA

Nations must resolve the global plastics crisis, the head of UN talks told negotiators from 180 countries gathered in Geneva on Tuesday to forge a landmark treaty on eliminating the life-threatening waste.

"We are facing a global crisis," Ecuadoran diplomat Luis Vayas Valdivieso said at the start of 10 days of negotiations.

"Plastic pollution is damaging ecosystems, polluting our oceans and rivers, threatening biodiversity, harming human health, and unfairly impacting the most vulnerable," he said.

"The urgency is real and the responsibility is on us."

Three years of negotiations hit the wall in Busan, South Korea in December



Activists stage a demonstration in front of the UN offices in Geneva on Monday, on the eve of Plastics Treaty negotiations. AFP

when oil-producing states blocked a consensus.

Key figures steering the negotiations at this new attempt said they were not expecting an easy ride this time, but insisted a deal remained within reach.

"There is been extensive diplomacy from Busan till now," UN Environment

Programme executive director Inger Andersen said.

UNEP is hosting the talks, and Mr. Andersen said conversations between different regions and interest groups had generated momentum. "Most countries, actually, that I have spoken with have

said: 'We're coming to Geneva to strike the deal'. "Will it be easy? No. Will it be straightforward? No. Is there a pathway for a deal? Absolutely."

Plastic pollution is so ubiquitous that microplastics have been found on the highest mountain peaks, in the deepest ocean trench and scattered throughout almost every part of the human body. In 2022, countries agreed they would find a way to address the crisis by the end of 2024. However, the supposedly final negotiations on a legally-binding instrument on plastic pollution, including in the seas, flopped in Busan.

More than 400 million tonnes of plastic are produced globally each year, half of which is for single-use items.



# Yunus vows constitutional status for 2024 uprising in 'July Declaration'

Bangladesh Chief Adviser slams former Prime Minister Sheikh Hasina for turning the country into a 'mafia state'; he vows to write to the Election Commission to organise national polls in February 2026; Awami League criticises the Declaration

**Kallol Bhattacharjee**  
NEW DELHI

**T**he student-people uprising of 2024 that overthrew the Sheikh Hasina-led government of Bangladesh will get "constitutional recognition", said the July Declaration that was launched by Chief Adviser Muhammad Yunus on Tuesday in Dhaka.

The Declaration, launched on the anniversary of the fall of the Hasina government, blamed the Awami League for creating a one-party state in Bangladesh after 1971 and said the party was



**Course reset:** Bangladeshis celebrate at an event organised by the interim government in Dhaka on Tuesday. AFP

"loyal to external forces".

In a statement sent to *The Hindu*, the Awami League hit back at the interim government and said

the Declaration did not offer anything to the "protesting job seekers" of Bangladesh.

"Therefore, the people

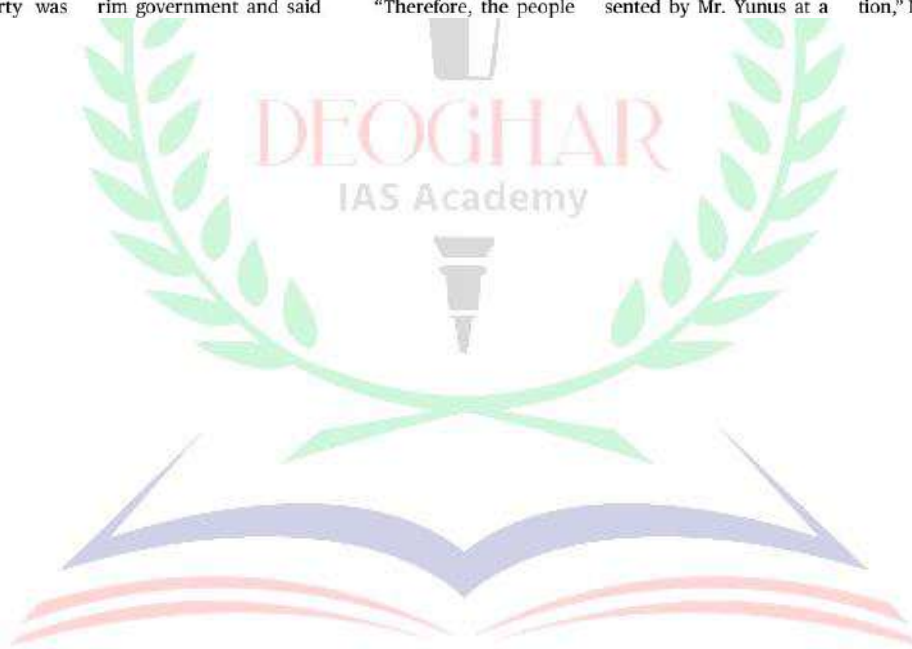
of Bangladesh express their desire that the student-people uprising of 2024 will get proper state and constitutional recognition and that the July declaration will feature in the schedule of the reformed constitution as framed by the government formed through the next national election," said the Declaration.

The document started by paying tribute to the Liberation War of 1971 while avoiding any mention of founding figure of Bangladesh Sheikh Mujibur Rahman.

The Declaration, presented by Mr. Yunus at a

public event held on parliament premises, stated, "...during the rule of Sheikh Hasina, an extreme force that was anti-people, autocratic and against human rights turned Bangladesh into a fascist, mafia and failed state and thereby tarnished Bangladesh's international image."

In a televised speech later in the evening, Mr. Yunus said he will write to the Election Commission to organise election in February 2026. "All of you should pray so that we can progress towards creating a 'New Bangladesh' by conducting a smooth election," Mr. Yunus said.



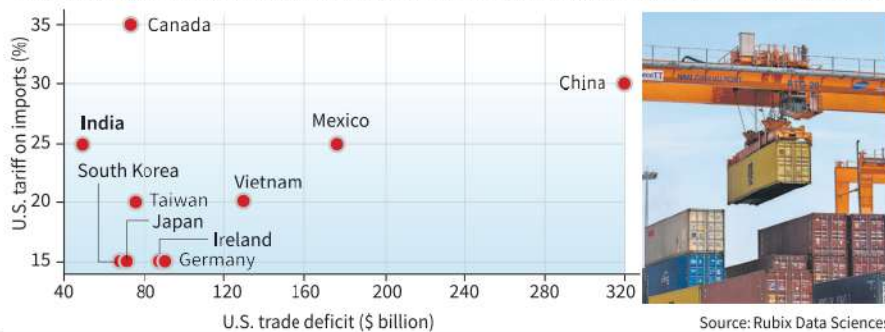


# 'U.S. trade deficit with nine countries higher than that of India'

The only two countries with which the U.S. has higher deficits than India and also levies a higher import tariff are China (30%) and Canada (35%)

## Tariff dynamics

The U.S. has higher trade deficits with nine countries than with India, but levies higher tariffs on just two



**T.C.A. Sharad Raghavan**  
NEW DELHI

**T**he U.S. has levied the third-highest tariff on India among the top 10 countries with which it has the highest trade deficits, an analysis has revealed. In other words, while the U.S. has a higher trade deficit with nine other countries than with India, it has levied higher tariffs on just two – China and Canada.

This comes against the backdrop of the Ministry of External Affairs saying that Mr. Trump's targeting of India is "unjustified and unreasonable".

An analysis by Rubix Data Sciences, a risk management and monitoring company, shows that the U.S. had a \$49.5 billion trade deficit with India in 2024, the 10th highest among all its trading partners. Ho-

wever, the U.S. has levied a tariff of 25% "plus penalties" on imports from India, the third-highest among these countries.

For example, the U.S. had a trade deficit of \$175.9 billion with Mexico in 2024 – 3.5 times that with India – but has levied the same 25% tariff on that country.

Similarly, the U.S. had higher trade deficits with Vietnam (\$129.4 billion), Germany (\$87.9 billion), Ireland (\$87.2 billion), Taiwan (\$76.4 billion), Japan (\$72.3 billion), and South Korea (\$69.9 billion) than with India, but levies lower tariffs on those countries than it does on India.

The only two countries with which the U.S. has higher deficits than with India and also levies a higher import tariff are China (30%) and Canada (35%).

On India's purchase of oil from Russia, Mr. Trump

on Monday said that "they (India) don't care how many people in Ukraine are being killed by the Russian war machine".

However, data from the Centre for Research on Energy and Clean Air, which regularly tracks Russia's energy exports, show that the EU was the largest buyer of Russian liquefied natural gas (LNG), accounting for 51% of Russia's exports of these products between December 2022 and June 2025, followed by China (21%) and Japan (18%). Even when it comes to pipeline gas, the EU was the largest buyer of Russian gas, purchasing 37% of Russia's exports, followed by China (30%) and Türkiye (27%).

China bought 47% of Russia's crude exports during this period, followed by India (38%), the EU (6%), and Türkiye (6%).

# How is China extending its policing network overseas?

What are the joint patrols under the 2017 China-Croatia Agreement on Police Cooperation for?

Anushka Saxena

## The story so far:

**I**n July 16, the Chinese Ministry of Public Security (MPS) announced that an eight-member police team was despatched to Croatia for a "joint patrol mission." This would be the sixth joint patrol under the 2017 China-Croatia Agreement on Police Cooperation.

## What are these joint patrols for?

As the MPS itself highlighted, officers from China and Croatia have formed mixed patrol units to address "the safety concerns of Chinese tourists in Croatia." The Chinese Ambassador to Croatia, Qi Qianjin, said that in 2024, 2,50,000 such tourists visited Croatia, up 41% year-on-year. A similar patrol was launched this time last year, and they operated in Croatian cities such as Zagreb, Dubrovnik, Zadar etc. At the time, it was

said that the patrols were to address the "safety-related concerns" of not just Chinese tourists, but also Chinese citizens and overseas Chinese people in Croatia.

## What about other European nations?

The Croatian project is not a one-off endeavour of the Chinese state. Under its 2014 Operation, 'Fox Hunt', and the subsequent 2015 umbrella project 'Sky Net', the party-state has developed extensive policing and surveillance networks both within and beyond China. As part of 'Sky Net', joint police patrolling initiatives have been launched with Serbia, Italy and Hungary. Three month-long patrols have already been conducted in Serbia in 2019, 2023, and 2024. In Hungary, the Qingtian County Public Security Bureau has gone as far as creating 'police service centres' in the country. Concerns surrounding the creation of Chinese 'service centres' led Italy to reject joint police patrols.

## What is China aiming for?

The freedom accorded to Chinese police mobility in countries abroad has shown two things – first, that there is potential for officers to arrest Chinese dissidents abroad, and second, that their unchecked operations can lead to the establishment of police stations across the world.

It was discovered in 2023 that China operated two stations in the cities of Amsterdam and Rotterdam in the Netherlands. The then Chinese foreign ministry spokesperson said that these 'service centres' were merely venues to assist overseas Chinese nationals to renew their driving licences and receive physical check-ups for that purpose. Around the same time, another media investigation said that the Chinese police service centre contacted a Chinese Dutch citizen who questioned Beijing's version of the 2020 Galwan Valley clashes with India. If true, there has been an obvious effort by covert Chinese operatives to target dissidents.

In April 2023, the FBI arrested two operatives from a similar 'service centre' affiliated with the MPS in Manhattan's Chinatown in the U.S. The Justice Department charged them with conspiracy to act as agents of the PRC government, and obstruction of justice for destroying evidence of their communications with an MPS official.

## How are countries dealing with this?

The crackdown on covert operations of the MPS abroad seems to directly correlate with a particular nation's contemporary relations with China. In the U.S., Chinese espionage has been a topic of grave concern for a while. But as access to Chinese tourists, academics and officials visiting the U.S. has become restricted amid trade related tensions, the discovery of such covert operations has led U.S. authorities to take public action.

But in places like Mongolia, Serbia and Croatia, the policing programme, so far, has yielded no public investigations. These nations boast of enhancing economic and security ties with China. As long as ties with Beijing focus on resolving economic tensions and technological disputes, the issue of transnational repression is likely to take a back seat – unless the degree of surveillance rises to the level that it harms national and/or European security.

Anushka Saxena is with The Takshashila Institution.

## THE GIST

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# How should money laundering be tackled?

What did the Finance Minister report with respect to the number of cases under the Prevention of Money Laundering Act? What are the three stages through which money is laundered? How will the Double Taxation Avoidance Agreement help to stop illegal transfer of money?

## EXPLAINER

G. B. P. Srivastava

**The story so far:** report submitted by the Finance Minister in the Rajya Sabha states that 5,892 cases were taken up by the Enforcement Directorate (ED) under the Prevention of Money Laundering Act (PMLA) 2002, since 2015. Of these cases, only 15 convictions have yet been ordered by special courts. The government claims that investigations have been initiated in more or less all cases, and that Enforcement Case Information Reports (ECIRs) have been issued to initiate proceedings. However, these figures raise two important aspects. First, that the number of convictions vis-a-vis total cases is far from satisfactory and secondly, that money laundering cases have been rising signalling that the government has not been able to check such financial crimes.

### What is a laundromat?

The term is said to have originated from the use of laundromats by organised crime syndicates in the U.S. as cover for their crimes and under-the-table dealings. A laundromat is an all-purpose financial vehicle. It may be set up by a bank or any other company engaged in providing financial services. However, it can also help clients launder the proceeds of crime, hide ownership of assets, embezzle funds from companies, evade taxes or currency restrictions and move money offshore.

### How is money laundered?

Money laundering, as defined under Section 3 of PMLA, is an act through which proceeds or activities connected to the proceeds of crime are concealed, possessed, acquired, or used and projected as untainted property or claiming to be untainted property.

In the first stage called placement, the launderer introduces money into the



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financial system which might be done by breaking up large amounts of cash into smaller sums (a process called smurfing). In the second stage, that is layering, money is shifted to other locations through investments and transactions. And finally in the integration stage, the laundered money is brought into the financial system through real estate, business or asset formation etc. The Supreme Court in *P. Chidambaram versus Enforcement Directorate* (2015) held that hiding the illegal source of money affects the financial system and also the sovereignty and integrity of the nation. Other impacts of money laundering include expansion of money supply which might prove detrimental to monetary stability of the country

ultimately impacting inflation. Moreover, it may also affect trading, according to the Financial Action Task Force (FATF).

### When about the PMLA?

In line with the UN Political Declaration and Global Programme of Action (adopted by the UN General Assembly in February 1990), the law has been made to prevent money laundering and to confiscate the property involved or obtained. The most significant part of the statute is that the burden of proof is on the accused. Another feature is that the ECIR is sufficient to initiate proceedings which has also been reiterated by the Supreme Court in *Vir Bhadra Singh versus ED* (2017) – that no FIR is required to initiate proceedings under the Act. The

only requirement as per the top court was that a scheduled offence (offence against the state) be essential for the offence of money laundering. However, despite being such a stringent law, the offence has become rampant.

### What are the issues to be addressed?

The number of money laundering cases is seriously increasing, questioning the efficacy of the implementation of the law. Moreover, on many occasions, the law has been abused by authority which has been seen and referred to by the Supreme Court as well. In *Vijay Madanlal Chaudhary versus Union of India* (2022) the Court held that to initiate prosecution under Section 3 of the PMLA, registration as scheduled offence is a pre requisite but for initiating attachment of property under Section 5, there need not be a pre-registered criminal case. This view has been very often misused by authorities with politically motivated intentions.

It is important that the authorities follow the recommendations of the FATF and ensure that money laundering cases are handled with care and caution so that misuse could be checked, and genuine cases reported and investigated properly to enhance the rate of conviction. Money laundering is a serious offence as it has a direct linkage with terror activities and is a major source of terror financing. Instead of political motives, the law should be used to address the issues and concerns involved in a genuine manner. Though India has signed the Double Taxation Avoidance Agreement (DTAA) with about 85 countries, which helps to check money laundering, things are not yet in the right direction and much needs to be done. These agreements promote the exchange of financial and tax-related information between tax authorities of participating countries. This facilitates the enforcement of tax regulations and helps prevent illegal activities like tax evasion and money laundering.

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## THE GIST

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# Dangerous turn

Trump must stay the course on  
diplomacy to end the Ukraine war

**P**resident Donald Trump's announcement that he has ordered "two nuclear submarines to be positioned in appropriate regions", in response to the "provocative statements" by former Russian President Dmitry Medvedev, marks a dangerous turn in the U.S.-Russia relationship which the Republican leader had pledged to repair in the run-up to his election late last year. Mr. Medvedev, now the Deputy Chairman of Russia's Security Council, had said that Mr. Trump's threats of imposing tariffs on Russia were "a step towards war". Mr. Trump did not specify whether he has moved submarines capable of launching intercontinental ballistic missiles with nuclear warheads, or nuclear-powered boats equipped with conventional weapons. In recent weeks, Mr. Trump has expressed growing frustration with his Russian counterpart Vladimir Putin over the Ukraine war. Initially, he gave Mr. Putin a 50-day deadline to end the war or face American tariffs. On July 29, this was shortened to 10 to 12 days. Mr. Trump has also threatened secondary "penalty" tariffs on countries that trade with Russia such as India and China.

Mr. Trump's frustration is understandable. He pressured Ukraine into accepting a ceasefire proposal. His Defence Secretary publicly stated that Ukraine would not be taken into NATO. Yet, the most that he managed to extract from Mr. Putin was a limited truce in the Black Sea and a temporary pause in attacks on Ukrainian infrastructure. At the heart of the impasse are the divergent views in western capitals and Moscow on how to end the war. While western leaders insist on an immediate ceasefire, Moscow believes that this should be part of a comprehensive peace agreement addressing its core security concerns, including NATO's eastward expansion. Russia also finds little incentive to de-escalate at a time when its troops have strategic momentum. Ukraine has carried out deadly drone attacks on several Russian cities, but on the battlefield, is struggling to hold the line. Besides, Mr. Trump's decision to bomb Iran on behalf of Israel, at a time when Tehran was technically in talks with the U.S., appears to have hardened Russia's position. Nevertheless, diplomatic setbacks are not an excuse for nuclear sabre-rattling. The last thing the world wants today is a direct conflict between the U.S. and Russia. Instead of escalating the crisis, Mr. Trump must reflect on why America's current approach – combining sanctions against Russia with military support for Ukraine – has failed to deter Mr. Putin. His initial turn towards diplomacy was a step in the right direction. He must stay the course and narrow the gap between the western and Russian positions on ending the war.





# The technocratic calculus of India's welfare state

With a billion Aadhaar enrollments, 1,206 schemes integrated into the Direct Benefit Transfer system, and 36 grievance portals across States/Union Territories, India's welfare orientation is transitioning into a technocratic calculus. The promise to deliver social welfare at scale, bypassing leaky pipelines and eliminating ghost beneficiaries, might have led to a 're-casting' that delivers 'efficiency' and 'coverage' at the cost of 'democratic norms' and 'political accountability'.

## An offloading

Are we witnessing the emergence of a post-rights based welfare regime? Is the Indian digital welfare state headed towards a systemic impasse? What is the technocratic calculus behind all this? Recent game-theoretic work shows that technocratic rule thrives where parties are polarised. Evidently, our questions have changed. We have shifted from "who deserves support and why?" to "how do we minimise leakage and maximise coverage?" Our politicians across party lines have rationally offloaded hard-choices onto data-driven algorithms without questioning the complexities of constitutional values.

Contextualising Habermas's 'technocratic consciousness' and Foucault's 'governmentality', India's welfare architecture is increasingly shaped by measurable, auditable, and depoliticised rationality. Schemes such as E-SHRAM and PM KISAN embody a uni-directional, innovation-led logic that is streamlined, measurable, and intolerant of ambiguity or error. Conversely, we have deliberative calls for participatory planning and local feedback embodying the long forgotten core of democratic thinking resonating Giorgio Agamben's notion of homo sacer – a life stripped of political agency.

Seemingly, welfare, in the contemporary context, has ceased to exist as a site of democratic deliberations. On a microscopic level, a rights-bearing citizen has been replaced by the auditable beneficiary. Thus, it calls for an urgent need for the state to revisit (in a Rancierean sense) whether it is curating who is visible, who



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The promise to deliver social welfare at scale, using data-driven algorithms, may be at the cost of 'democratic norms' and 'political accountability'

can complain, and whose suffering is computable. Despite claims of a 'socialistic state', we observe a decade-low decline in India's social sector spending that has dwindled to 17% in 2024-25 from the 2014-24 average of 21%. Further, there are some interesting observations beyond plain statistics. Key social sector schemes have borne the brunt of such decline where minorities, labour, employment, nutrition and social security welfare saw a significant decline from 11% (in the pre-COVID-19 phase) to 3% (in post-COVID-19 phase).

Parallely, social commentators often comment the Right to Information (RTI) regime to be in 'existential crisis' and further uncovering the cloak on RTI exposes a critical issue within the institution of dysfunctional information commissions. As of June 30, 2024, the number of pending cases crossed the four lakh tally across 29 Information Commission's (ICs), and eight CIC posts were vacant (annual report of CIC, 2023-24).

The Indian welfare regime must recover its capacity for reflexivity and situated knowledge, elements that are very peculiar to gram sabhas and frontline bureaucratic discretions. To draw Rancière's critique on democracy, we highlight one major impending concern, that "democracy depends on whose suffering is rendered visible and contestable, not merely computable". This concern is further highlighted in Justice D.Y. Chandrachud's Aadhaar dissent (2018), that warned precisely against such decontextualisation of identity which served as a caution against reducing citizens to disembodied, machinic data who are devoid of care, context, or even constitutional assurance in some cases.

## Another instance of algorithmic insulation

Another worrisome trend is the Centralised Public Grievance Redress and Monitoring System's flattening of the federal hierarchies into ticket-tracking systems. Although it is a novel initiative resolving tickets and routing complaints across state agencies, empirical data show that

lakhs of grievances were disposed of between 2022-24. But on a closer examination it might just be centralising the visibility but not the responsibility – a form of algorithmic insulation that renders political accountability increasingly elusive.

These observations are not to dismiss the value of such initiatives. Rather, they invite a deeper conversation on how welfare governance can evolve for a more resilient and responsive state. The government should now think along the lines of 'democratic antifragility' so that our systems built on perfect data and flawless infrastructure do not fail catastrophically under stress (consider Taleb's 'hyper-integrated systems').

We need to empower States to design context-sensitive regimes where federalism and welfare push for pluralism as a feature. Institutionalising community-driven impact audits (as reiterated by the UN Special Rapporteur on Extreme Poverty), by looping in the Rashtriya Gram Swaraj Abhiyan and Gram Panchayat Development Plans should be the core target. All States must be made capable to build platform cooperatives where self-help groups act as intermediaries; functionally, lessons can be learnt from Kerala's Kudumbashree. Civil society must be incentivised to invest in grass-roots political education and legal aid clinics in order to strengthen the community accountability mechanisms. Lastly, it is time we strengthen and codify our offline fall-back mechanisms, human feedback safeguards, and statutory bias audits by embedding the "right to explanation and appeal" – as proposed by the UN Human Rights for digital governance systems.

## Focus on the citizen

We, as citizens of India, must realise that a welfare state stripped of democratic deliberations is a machine that works efficiently for everyone except those it is meant to help. For a Viksit Bharat we will have to reorient digitisation with democratic and anti-fragile principles so that citizens become partners in governance, and not mere entries in a ledger.





## Bullying tactics

India cannot allow the U.S. or the EU to decide its choice of trade partners

**A**fter months of considerable forbearance, the statement by the Ministry of External Affairs (MEA), on Monday, pushing back against the U.S. and the European Union (EU) for “targeting” India is significant. The statement came two hours after Mr. Trump had announced penalty tariffs against India, “substantially” above the current 25% rate set to go into place this week, for importing, processing and selling Russian oil. A day earlier, a senior Trump aide had accused India of “financing” Russia’s war in Ukraine. And on July 18, the EU had announced sanctions on India’s Vadinar refinery (partially Russian owned), and secondary sanctions that will affect Indian refiners. The MEA spokesperson said that the measures were “unjustified and unreasonable” as the U.S. and the EU continue to trade with Russia for goods including LNG, critical minerals and nuclear fuel requirements. The statement also said that it was the U.S. that had encouraged India to keep buying Russian oil to stabilise global markets, something the Biden administration had confirmed. The government said that in comparison to the western countries, India’s Russian oil purchases are a “vital national compulsion” as a result of the conflict in Ukraine, adding that India would “... safeguard its national interests and economic security”. The MEA’s statement is the first such clear response on the issue since the Ukraine conflict. Taken with Union Minister Piyush Goyal’s statement last week on the U.S. announcement of 25% reciprocal tariffs on India from August 7, Monday’s statement indicates New Delhi’s growing frustration with the U.S.’s increasingly offensive positions against India, including on immigration, trade negotiations, Operation Sindoor and Pakistan, and India’s BRICS membership. It is unclear how and to what extent the government is prepared to stand up to the bullying tactics of Mr. Trump. Mr. Trump said on Tuesday that India has not been a “good trading partner” – a possible reference to trade talks and the failure of a mini-deal, ostensibly over India’s resistance on agricultural market access, dairy products and GM foods.

While it is hoped that New Delhi will continue to engage Washington and Brussels to conclude their respective trade talks, the MEA statement is meant to make a larger point. Neither the U.S. nor the EU can decide which country India will partner or trade with. That message is being underlined in visits by Security Adviser Ajit Doval and External Affairs Minister S. Jaishankar to Moscow, to prepare for the Russian President’s visit to India later this year. India’s sovereignty is non-negotiable and its foreign policy choices cannot be manipulated by other countries, no matter how significant their own ties with India are.



# India's presence amid a broken template of geopolitics

**I**t is time for India to punch its weight and enhance its global presence at a time when global geopolitics is being reset. But, as of now, it is not moving India's way.

Operation Sindoor was a reality check when many of India's strategic partners were not willing to call out Pakistan for harbouring United Nations-sanctioned terrorist groups and terrorists. It is now known that three of the perpetrators of the Pahalgam attack (April 22, 2025), who were eliminated recently, were Pakistanis belonging to the Lashkar-e-Taiba. While India's retaliation against terror camps in Pakistan was decisive, it struggled to get this narrative out in the face of United States President Donald Trump repeatedly claiming that it was he who had brought about a ceasefire using trade as a weapon – a claim contradicted by the Government in the recent parliamentary debate. In an unkind twist, Pakistan's Field Marshal Asim Munir was invited to lunch with Mr. Trump after Operation Sindoor. However, the U.S. designated The Resistance Front (TRF), which claimed responsibility for the Pahalgam attack, as a Foreign Terrorist Organization (FTO) and Specially Designated Global Terrorist (SDGT). And in a welcome recognition, the report by the UN Security Council's Monitoring Team also named the TRF for the Pahalgam attack.

## A path with Trump-created hurdles

But all is not well. On a historic day when the NISAR satellite (India-U.S. collaboration) was launched, Mr. Trump hit India with a 25% tariff. However, he made a purely trade issue, which could have been resolved in negotiations, into a geopolitical issue, threatening India by "substantially" raising tariffs for its importing Russian oil when Ukrainians are being killed by the "Russian War Machine." India was being trumped especially when Mr. Trump himself is a strong votary of U.S.-Russian rapprochement. While one can dismiss this as typical Trump-style last minute pressure, he has already called on U.S. companies not to invest in India but only in the U.S., and hire only Americans.

This comes on the heels of the U.S.'s lopsided security and trade deals with its Indo-Pacific allies and the European Union (EU). American tech giant Nvidia has been permitted by the U.S. to resume sales of its H20 AI chips to China, stopped earlier due to national security concerns. More time has been given to China to get the deal done. After getting bogged down in Ukraine and West Asia, the U.S. has less focus on East Asia. Consequently, if a broader geopolitical understanding between the U.S. and China on East Asia was to come about, it would constrict the space for India. East Asian countries are already hedging their bets.

The U.S.'s posturing on South Asia has not helped either. Growing U.S.-Pakistan relations have again become an irritant. Even if this is a reset in bilateral relations, the U.S. has displayed



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astonishing insensitivity to India's security concerns by praising Pakistan for counter-terrorism efforts, and regional stability. In Bangladesh, the U.S. had gone against Indian interests in supporting the ouster of Sheikh Hasina. In Myanmar, U.S. and European support for forces opposing the military government is destabilising India's north-east. After Galwan and Pahalgam, India's hope for better understanding and coordination with the U.S. on regional security interests has been belied. Mutual trust is being rapidly eroded.

Acting in concert with the U.S., the EU is targeting India's import-led energy security at a time when India is negotiating an India-EU Broad-based Trade and Investment Agreement. The EU has sanctioned India's Vadinar Refinery, where Russian Rosneft has a large stake, knowing full well that stopping Russian oil into India will lead to huge pressure on oil prices. On the other hand, Hungary, Slovakia, Belgium, Spain and others are importing Russian oil, through pipelines and as LNG, by securing exemptions or under existing contracts. Europe receives 51% of Russian LNG exports. The EU's carbon border tax and digital and other trade barriers on India remain. India hopes that the recently concluded India-U.K. Comprehensive Economic and Trade Agreement (CETA) will force the EU to climb down from its asks in its trade negotiations.

## China's moves

All this has given China an opportunity to, once again, become active in India's neighbourhood. China has proposed new groupings and new deals to keep India out. For example, China's meeting with Pakistan and Bangladesh in Kunming on June 19, 2025 proposed formalising a trilateral initiative, but Bangladesh has not agreed. China is also helping Bangladesh revive a Second World War airbase at Lalmonirhat which is close to the Siliguri Corridor. China's support to Pakistan during Operation Sindoor was extensive. China has also standardised Mandarin names for locations within Arunachal Pradesh. And it wants to seize the future of the institution of the Dalai Lama from India. Riding on a huge trade surplus with India, China is squeezing India's crucial supply chains such as rare earths, fertilizers, Active Pharmaceutical Ingredients, tunnel boring machines and technical personnel. More worrying is the planned construction of China's largest dam in Tibet on the Yarlung Zangbo (Tibetan name for the Brahmaputra), which is near the Indian border. Prime Minister Narendra Modi's recent visit to the Maldives has been timely given China's influence.

To counterbalance an unpredictable, and even unreliable, U.S., an unresponsive EU and an aggressive China, India is carrying out a tightrope act. It has prioritised accelerating the current thaw in relations with China to reset equations after the Galwan conflict – despite there being no move towards de-escalation on the border after

the initial disengagement in October 2024.

Further, India should seriously rethink its stand to remain on the margins of global conflicts. India has been largely silent, if not openly pro-Israel, on the ongoing Israel-Gaza war – an unfolding multidimensional human tragedy. India was also largely silent on the recent Israel-Iran conflict and American bombings, despite important relations with both warring parties and huge stakes in the Gulf. Though it rightly abstained on the UN votes on the Ukraine conflict, its overall approach of not taking a proactive stand on world conflicts may hurt its larger interests and diminish its geopolitical clout as long as it remains on the sidelines. Operation Sindoor has shown India that if it seeks a greater engagement of its partners with its conflicts and issues, India needs to engage more with their conflicts and issues.

Some argue that India should keep its head down and focus on becoming the third largest economy and that a larger geopolitical role may hurt its economic growth. The contrary is true. In a fragmenting world order, geopolitics, coercion and threats and protectionism are determining economic and technological outcomes – not most favoured nation or free trade or multilateral World Trade Organization-led trade norms. Therefore, to get its economic and technological trajectory right, India needs to get its geopolitics right.

## The road ahead

Realising that the geopolitical space is shrinking, India is finally breaking free and has objected to the "targeting". It has called out the double-speak of the U.S. and the EU under the guise of safeguarding their economic interests – the EU for larger trade in goods and services with Russia than India in 2024, and the U.S. for importing Russian uranium, palladium, fertilizers and chemicals. India's call for a ceasefire in Gaza (it abstained on a similar UN General Assembly resolution two months ago), is a realisation that it needs to be assertive in global conflicts to preserve its strategic autonomy. Facing an erosion of trust with the U.S. and a U.S.-China deal, India needs to clinch an India-U.S. trade deal soon to prevent a further deterioration of relations and to persuade Mr. Trump to travel to India for the Quad summit (India-U.S.-Japan-Australia).

After Mr. Trump's outburst, it is a moot point whether India will revive the RIC (Russia-India-China). However, greater engagement with BRICS (2026 summit in India), the Shanghai Cooperation Organisation and with East Asia (having missed the Regional Comprehensive Economic Partnership bus), will only reinforce India's policy of multi-alignment and push back those who constrain it. No more can India just put our head down, mind its own economic business and expect to grow. That template is now broken.

To get its economic and technological trajectory right, India needs to get its geopolitics right





# India may change stance amid Trump's threat of more U.S. tariffs, European Union sanctions over Russian oil

## NEWS ANALYSIS

**Suhasini Haidar**  
NEW DELHI

The statement by the Ministry of External Affairs on Monday, defending India's purchases of Russian oil, is its most explicit since Russia's invasion of Ukraine in 2022, making it clear that India will take "all necessary measures" to safeguard its interests.

The MEA's response followed the new threats by U.S. President Donald Trump to impose penalty tariffs over and above the massive 25% reciprocal tariffs the U.S. will impose on Indian goods as tariffs kick in worldwide on Thursday. It also followed EU sanctions imposed in July against Rosneft's partially-owned Vadrinar refinery and other Indian companies engaged in reprocessing Russian oil.

On Monday, Mr. Trump said India was selling "massive amounts" of Russian oil for "big profits" without "caring how many people in Ukraine are being killed by the Russian war machine", which was why he would raise tariffs "sub-



**Weighing options:** India could continue to buy crude from Russia or seek alternative partners. FILE PHOTO

stantially". The MEA statement called out both the U.S. and the European Union for their double standard, given they themselves continued to purchase Russian energy, critical minerals, fertilizers, iron and steel.

India shifted its oil purchases to Russia after 2022, when Ural imports made up less than a per cent of its oil imports, increasing to as much as 40% by 2023. However, the MEA statement said that India's purchases are "compelled" by the global market and the need for affordable energy costs. It added that in comparison the U.S. and EU imports from Russia were not even a "vital national compulsion", calling the targeting of India "unjustified

and unreasonable".

The statement left other double standard unsaid, such as the U.S. and Europe's funding and arming Israel's war in Gaza, that has led to the killing of at least 60,000 Palestinians, including 18,000 children. Nor did it point out that the U.S. has not announced penalties on China, a bigger buyer of Russian oil. Meanwhile, Mr. Trump himself, just a few months ago was much less critical of the Russian war, and had even threatened Ukrainian President Volodymyr directly for not engaging with Russia. "Like any major economy, India will take all necessary measures to safeguard its national interests and economic security," said the MEA.

This marks a shift from the past when New Delhi's response to low-impact U.S. and EU sanctions of Indian companies for Russian transactions was submissive. In 2017, the Modi government agreed to "zero out" all its oil imports from Iran and Venezuela, even though they were cheaper and of higher quality, after threats from the previous Trump administration. In 2022, India refused to submit to threats from the Biden administration, possibly as it did not believe it would carry out those threats, as Mr. Trump is quite clearly capable of doing.

### Changing tack

The MEA's statement could indicate that it is prepared to change to a third tack – that of considering "measures" against any further costs imposed by the West, even though Indian oil companies have begun reducing their Russian intake. These measures, according to experts could be three-fold: maintaining *status quo*, looking for alternative partners, and retaliatory actions.

The first option would be to continue to buy Rus-

sian energy at competitive prices and even double down on them, while weathering sanctions imposed by the U.S. and the EU, and continuing to pursue free trade agreements with both in the hope these would lessen such penalties. This is the strategy that the government has employed thus far.

The next option, to search for alternative options for trading to circumvent U.S.-EU sanctions, could include moving to quickly conclude FTA negotiations ongoing with the GCC, EAEU, Australia, New Zealand, and so on. It could also conclude talks on revising the ASEAN-India Trade in Goods Agreement or even a re-look at joining the 15-nation ASEAN-led Regional Comprehensive Economic Partnership that India withdrew from in 2019, largely due to concerns about China. While this was not a possibility even a few weeks ago, when Commerce and Industries Minister Piyush Goyal referred to ASEAN as the "B-team of China", and the AITIGA as a "mistake", the government's outlook may change given Mr. Trump's

relentless tirades.

The third option, of countermeasures, could involve suspending talks with the EU on the BTIA, and with the U.S. on trade, nuclear energy, defence purchases and others until they prove more reasonable on the issue.

India could also consider restarting Iran and Venezuela oil supplies, which could prove cost-effective, but could also incur further sanctions. Experts also point out that the Russian penalties are only one of a barrage of actions by Washington that may lead New Delhi to reconsider its ties with the U.S. in other spheres as well – with divergences emerging on trade and investment, repercussions on technology transfer, counter-terrorism strategy (given Mr. Trump's moves with Pakistan and counter-narrative on Operation Sindoor), and multilateralism with Mr. Trump's threats against BRICS. All eyes are now on whether the turbulence will impact the strongest pillar of India-U.S. ties – their shared Indo-Pacific strategy and the Quad summit that India is due to host this year.



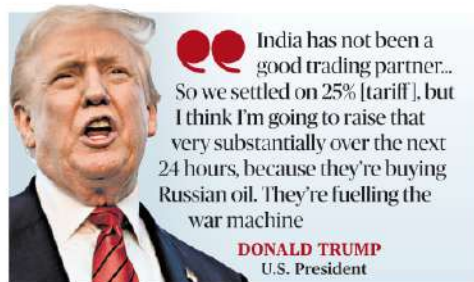
# Will hike tariff on India 'very substantially' over the next 24 hours, says U.S. President

**Press Trust of India**  
NEW YORK

U.S. President Donald Trump on Tuesday said India had not been a good trading partner, and announced that he would raise the tariffs on the country "very substantially" over the next 24 hours because it is buying Russian oil.

"With India, what people don't like to say about India, they are the highest tariff nation. They have the highest tariff of anybody. We do very, very little business with India because their tariffs are so high," he said in an interview with CNBC Squawk Box.

"India has not been a good trading partner, because they do a lot of business with us, but we don't



do business with them. So we settled on 25% [tariff], but I think I'm going to raise that very substantially over the next 24 hours, because they're buying Russian oil. They are fuelling the war machine. And if they're going to do that, then I'm not going to be happy," he added.

Asked about a likely trade deal with India, Mr.

Trump said the "sticking point" with India was that its tariffs were too high. "India went from the highest tariffs ever, they will give us zero tariffs... But that's not good enough, because of what they're doing with oil."

A day earlier, Mr. Trump said he would "substantially" raise U.S. tariffs on India, accusing the country

of buying massive amounts of Russian oil and selling it for big profits.

Hours later, India mounted a sharp counter-attack on the U.S. and the European Union for their "unjustified and unreasonable" targeting of New Delhi for its procurement of Russian crude oil. India pointed out the double standards in targeting it on the issue and said both the U.S. and the EU are continuing their trade with Russia. "Unlike our case, such trade is not even a vital national compulsion," the External Affairs Ministry said in a statement. The Europe-Russia trade includes not just energy but also fertilizers, mining products, chemicals, iron and steel, and machinery and transport equipment, it said.

"Where the U.S. is concerned, it continues to import from Russia uranium hexafluoride for its nuclear industry, palladium for its EV industry, fertilizers as well as chemicals," it added. "In this background, the targeting of India is unjustified and unreasonable. Like any major economy, India will take all necessary measures to safeguard its national interests and economic security," the Ministry said.

On August 1, Mr. Trump signed an executive order titled "Further Modifying The Reciprocal Tariff Rates", raising tariffs for over five dozen countries, including a steep 25% for India.

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# India-Philippines relations elevated to level of strategic partnership, says PM Modi

**Kallol Bhattacharjee**  
NEW DELHI

India and the Philippines have decided to boost their defence and maritime links, begin direct flights, and start negotiating a new trade deal as they upgrade their ties to the level of a "strategic partnership", Prime Minister Narendra Modi said on Tuesday.

Welcoming visiting Filipino President Ferdinand Romualdez Marcos Jr., Mr. Modi said that as both countries support "freedom of navigation", cooperation in the maritime domain is "natural and essential." The two sides also announced the commencement of talks for a preferential trade agreement.

"We have been consistently working together in areas such as humanitarian assistance, disaster relief, and search and rescue operations. Today, as the President is visiting India, three Indian naval ships are, for the very first time, participating in a naval exercise in the Philippines. India's hydrography ship is also a part of this important engagement," the Prime Minister said. He also expressed his "sincere gratitude" to the government of the Philippines for condemning the terror attack in Pahalgam on April 22.

The Prime Minister discussed regional and global issues with the Filipino President, and hinted at India's position on the disputes in the South China Sea.

"We remain committed to peace, security, prosperity, and a rules-based order in the Indo-Pacific region. We support freedom of na-



Prime Minister Narendra Modi with Filipino President Ferdinand Romualdez Marcos Jr. in New Delhi on Tuesday. SHIV KUMAR PUSHPAKAR

vigation in accordance with international law," he said.

Mr. Modi described the Philippines as an "important partner" in India's Act East Policy. "I am happy to share that we have decided to upgrade our ties to a strategic partnership. We have also prepared a detailed action plan to turn this partnership's potential into outcomes," he said. The Prime Minister also announced that direct flights between India and the Philippines will begin this year, while India will extend a free e-tourist visa facility to Filipino nationals for a period of one year, starting August 2025.

## **Defence cooperation**

The two countries agreed on a number of defence-related mechanisms including the finalisation of the Terms of Reference between their armies, navies and air forces.

These agreements will cover "capacity building, joint maritime activities, exchange of training programmes between our officials, and all standard elements when we talk about defence cooperation", according to P. Kumaran, Secretary (East) of the Minis-

try of External Affairs. The two countries also agreed on the Terms of Reference for enhanced maritime cooperation between the Indian Coast Guard and the Philippine Coast Guard.

Mr. Kumaran also reiterated India's position on the South China Sea. "We consider the South China Sea as a part of the global commons. We support freedom of navigation and overflight in the region, and legitimate commerce through the waters of the South China Sea. India has an abiding interest in peace and stability in the region and our position is based on the UN Convention of the Law of the Seas, 1982," he said.

India and the Philippines sealed a treaty on mutual legal assistance in criminal matters and another treaty on the transfer of sentenced persons.

India announced that it will extend its support to a pilot project to set up the infrastructure needed for the Philippines Sovereign Data Cloud. India also invited the Philippines to participate in its Information Fusion Centre for the Indian Ocean Region.

# Flash floods in Uttarakhand leave four dead

Many feared washed away after water from Kheer Ganga river swept through Dharali in Uttarkashi

Local authorities estimate that around 60-70 people are missing or trapped in the area

Nine Army personnel feared missing, 20 people rescued in first three hours, Army officer says

Ishita Mishra  
NEW DELHI

At least four persons were killed and dozens feared washed away in Uttarkashi district of Uttarakhand after flash floods triggered by torrential rain hit the Kheer Ganga river on Tuesday afternoon.

The floods hit hotels and residential buildings in Dharali town, situated 8,600 feet above sea level, where video footage recorded by residents showed giant waves of water gushing through the area and swallowing everything in their way, including people and homes.

Residents were heard yelling warnings to their acquaintances to run for their lives. The entire market area of the popular tourist town was washed away in minutes, leaving the

place looking like a sludge-filled river bed.

At least 25 establishments, including hotels, guest houses, and homes were completely destroyed. A rough estimate by the district administration says that around 60-70 people are missing or might be trapped in the area. As many as nine Army personnel are feared missing, said Lieutenant-Colonel Manish Shrivastava, the Army's Public Relations Officer at Dehradun. Army rescued around 20 people in the first three hours of the rescue operation, he added.

## Heavy losses

Uttarkashi District Magistrate Prashant Arya said that the floods, which hit the town around 1.45 p.m., had caused heavy losses of life and property.

Sources in the Indo-Ti-



**Blink of an eye:** A series of images shows floodwater surging downhill and destroying buildings in Dharali town, located 8,600 feet above sea level, in Uttarakhand, on Tuesday. PTI

betan Border Police (ITBP) in the area said that 32 people were rescued by different teams.

As many as 120 people were rescued and given first aid till the time of filing this report.

The administration has

also set up relief camps for those affected. Hospitals in the area have been asked to reserve a separate wing for the treatment of injured people, and medical teams have been asked to be ready with beds, oxygen, and medicines.

"There has been heavy destruction in the area around the Harshil helipad, another popular tourist spot which also houses an Army and [Indo-Tibetan Border Police] ITBP camp. Teams of State Disaster Response Force, Army and

ITBP were immediately rushed to the spot to carry out rescue operations on a war footing," Mr. Arya said.

Given the poor weather conditions and further predictions of heavy rains over the next couple of days, the administration has announced that all schools will be shut on July 6.

Disaster management officials have been asked to use loudspeakers and sirens to alert people living in villages near the river, in the Chilyansaur, Bhatwari, and Dunda blocks, asking them to evacuate their homes for safer locations. Trekking permits in Uttarkashi have also been denied until further notice.

## CM condoles losses

Uttarakhand Chief Minister Pushkar Singh Dhami condoled the losses and ordered the administration

to ensure speedy rescue and rehabilitation. "I am in constant contact with senior officials, and the situation is being closely monitored. I pray to God for everyone's safety," the CM said.

Prime Minister Narendra Modi and Home Minister Amit Shah also spoke to Mr. Dhami and took stock of the situation and the rescue operation. The Union government has assured the State of its help in the rescue efforts.

Hours after Dharali, information of flash floods triggered by rains was received from Sukhi top, another tourists destination in Uttarkashi, said Vinay Shankar Pandey, divisional commissioner of Garhwal region. He added that no loss of life was reported from the spot but the water level in the river increased drastically.

