July Current Affairs Mock - 2 Date 30 JULY 2025

Q8

- **INTRODUCTION**

Since the Sino-Soviet split in the late 50's and 60's, China and Russia have slowly and steadily grown into a formidable alliance. In 2024 both countries celebrated their 74th year of strong diplomatic ties. This growing partnership poses significant risks to the US led world order. The partnership is a step towards a global great power competition that seeks to dismantle US hegemony and replace it multipolar world order.

"RISING RISK OF MILITARY CONFLICT with both China and Russia"

- October 2023 Report by The Congressional Commission on the Strategic Posture of the US.

- **CRITICAL ANALYSIS OF RUSSIA - CHINA RELATIONS**

① **AUTHORITARIAN GOVERNMENT MODELS AND DOMESTIC POLICIES:**

Both China and Russia prefer the same model of governance : Authoritarian

Date _______ 20___

regimes. Power is concentrated in the hands of a select few. In this case, it is a one-man show by Xi jinping of China and Vladmir Putin of Russia. Any opposition is suppressed and dissent is curbed.

② CONVERGING GEOPOLITICAL OBJECTIVES; A MULTIPOLAR WORLD ORDER AND END TO US HEGEMONY :-

China has its sights on the Asia-Pacific region and expanding its influence there. A flashpoint between US and China is Taiwan and the growing influence of US and its allies in the region. Whereas Russia is focused on it's western front on the european side and threat imposed on it by US NATO allies. Both China and Russia are able to pursue their respective interests without interference. At the same time, US is a common adversary for both.

③ ECONOMIC SYNERGY :-

Both nations economically complement each other. One one hand, China is a manufacturing

Date ______ 20____

powerhouse. On the other hand, Russia has a wealth of natural resources. The post-ukraine invasion Russia has grown increasingly dependent on China ~~for~~ especially Chinese technology and financial systems. While China is the largest importer of oil and gas from Russia going against its own policy of strategically diverse interests.

④ **MILITARY COOPERATION ; ESPECIALLY IN THE INDO-PACIFIC REGION :-**

Russia is the major exporter of strategic weapons to China. China acquired their highly sophisticated air defense systems 'S-400', SU-35 - the 5th generation jet fighters. Moreover, both countries are involved in joint military drills and exercises in politically sensitive areas like the Sea of Japan and the Strait of Taiwan. This is a direct show of their ability to disrupt the status quo and destabilise the region.

⑤ **DIPLOMATIC ALLIANCE ; USE OF MULTILATERAL FORUMS :-**

Date ______ 20___

USA weaponised the dollar against Russia after its invasion of Ukraine and cut it from the SWIFT banking system. China fears the same treatment over the flashpoint of Taiwan. Both countries are at the helm of SCO and BRICS, which are actively trying to create space for a multipolar world and calls for de-dollarization. The trade between both countries takes place in domestic currencies.

⑥ LIMITS ON "NO LIMITS" PARTNERSHIP:

While China and Russia have described their alliance as a "no limits partnership", there ~~are~~ is a lack of depth there. China remains cautious about providing direct military aid to Russia. Moreover it enjoys greater leverage over Russia, as russia has become increasingly dependent on China to keep its economy afloat. This has generated a power imbalance with China in the dominant position.

IMPLICATIONS OF THIS PARTNERSHIP ON THE GLOBAL WORLD ORDER:

Date ________ 20____

① **THREAT TO US HEGEMONY :-**

This growing alliance could potentially engage US in a 2-theatre war. One in the Asian-pacific region and the other on the european front with Russia. This would divide US' attention to two critical junctures at the same time and would ultimately weaken its position, which risks disrupting it's hegemony.

② **TRADE IN DOMESTIC CURRENCIES; PUSH FOR DE-DOLLARIZATION:**

The trade between China and Russia is conducted in their domestic currencies, clearly signalling to the US their intentions to break the dollar hegemony. Moreover, this intent is solidified by their push for de-dollarization by forums such as BRICS and SCO. Breaking the US dollar's hegemony could significantly weaken the US.

③ **GROWING THREAT OF MILTARY CONFICT:**

The threat of a military

Date ______ 20__

conflict escalates everyday especially with joint military drills in contested areas like the sea of japan and strait of taiwan. A direct military escalation among big powers could drive the region into permenant state of chaos.

④ **SHIFTING GLOBAL LANDSCAPE AND THREAT OF ECONOMIC TURMOIL:-**

A military escalation and US protectionist policies under Donald Trump could trigger a butterfly effect in the indo-pacific region and ultimately the whole world. This could further exacerbate the economic turmoil and supply chain disruptione that came into place after the Russian invasion of Ukraine.

⑤ **DIPLOMATIC ALLIANCES TO CHALLENGE EXISTING WORLD ORDER:-**

The emergence of SCO and BRICS in a world traditionally led by US helmed Organizati

-ons such as the UN and IMF are challenge to US hegemonic world order. These multilateral forums are aimed at fostering diplomatic alliances along with economic and cultural relations among the member states, with the ultimate aim of breaking US hegemony and breaking the dollar dependency

• **CONCLUSION**

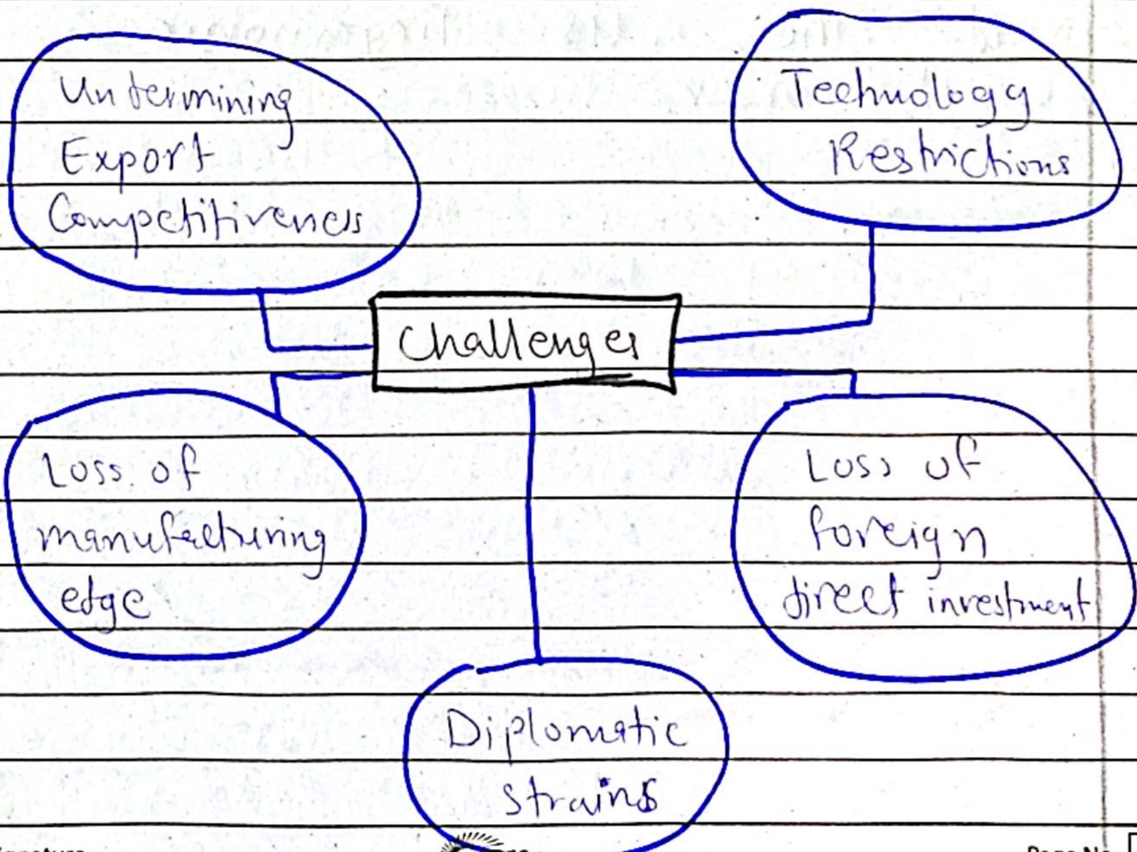
While certain structural depth persists in China - Russia relations, the partnership only stands to grow stronger in their shared objectives to end the US hegemonic world order.

Q6

- **INTRODUCTION:**

US, the longtime hegemon of the post WW2 world order, has starkly reversed its policies under the President Trump's second term. President US Trumps policies have affected allies and foes alike. This puts China's economy under strain but also presents an opportunity to fullfil the vacuum that the US is fast leaving behind.

CHALLENGES FOR CHINA:



Date ________ 20____

① EXPORT-DEPENDENT SECTORS HIT:
US tariffs on Chinese goods, especially since the recent trade war under President Trump, have increased the costs of Chinese products, making them less competitive in the American market.

② LOSS OF MANUFACTURING EDGE AND SUPPLY CHAIN DIVERSIFICATION:-
Sectors like electronics, machinery and textiles, which are heavily reliant on US demand, face lower profit margins and disruptions in supply chains. Moreover, US companies are shifting production to neighbouring countries like India, Vietnam, and Mexico to avoid being hit with higher tariffs and reduce dependence on China.

③ TECHNOLOGICAL DISRUPTIONS
The US along with tariffs also imposed a policy of export controls, such as bans on advanced semiconductors. This greatly hinders China's ambitions of tech advancement

Date ________ 20____

and self-reliance.

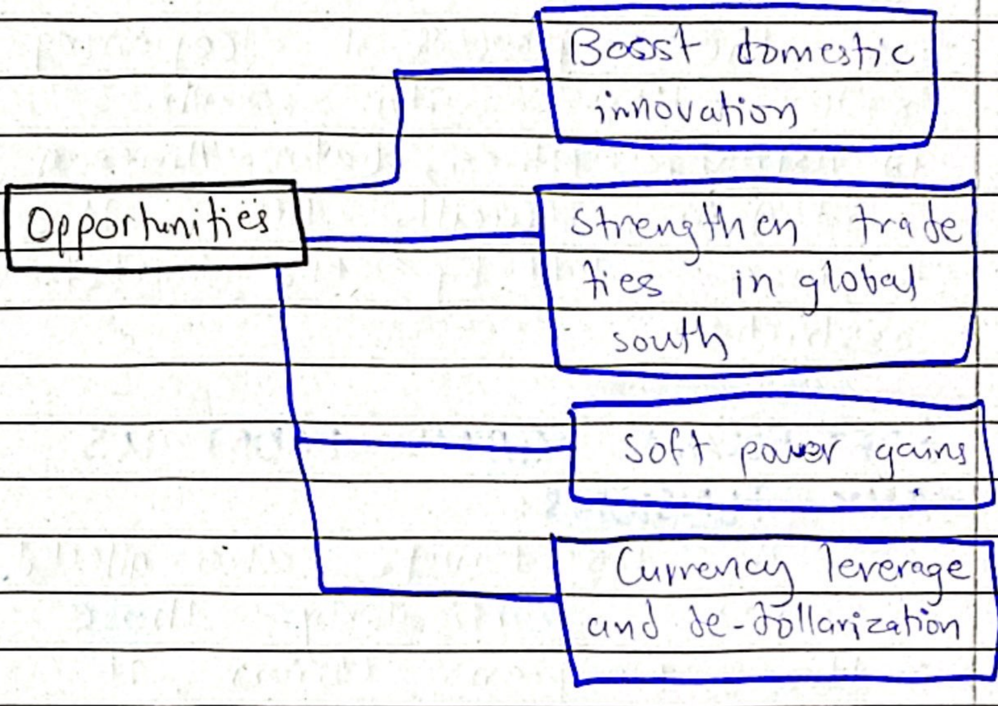
④ LOSS OF FOREIGN DIRECT INVESTMENT:

China, known as the ~~[illegible]~~ "world's factory" stands to lose this status and perks. As companies seek to shift production to China's neighbours, it redirects the capital and manufacturing investment that once flowed freely into China.

⑤ DIPLOMATIC STRAINS

These developments strain the already tense US-China relations. The growing influence of US in the Indo-Pacific, disputes over Taiwan and the South China Sea are a factor of unease between both the nations. The tariffs further exacerbate tensions which leads to a more adversarial strategic environment.

OPPORTUNITIES FOR CHINA IN US GLOBAL TRADE WAR:



① BOOST TO DOMESTIC INNOVATION AND SELF-RELIANCE

Tarrifs have pushed China to focus and accelerate development of domestic industries, especially in semiconductors, aerospace and AI. A notable example is that of "Deepseek" AI which caused the US stock market to lose billions in worth in a matter of days.

② TRADE TIES STRENGTHENING IN THE GLOBAL SOUTH :-

As the US pursues increasingly protectionist policies, China has

Date________________20____

began the process of deepening trade ties with countries in ASEAN, Africa, Latin America, and Asia. Queitly filling the lacunae left by US market restrictions.

③ **SOFT POWER GAINS FROM US-ALLY TENSIONS:**

As US tariffs also affected its allies particularly those in the European Union, it offers China an opportunity to fill the seat left behind by by the US isolating them in the process. For example, after EU was hit with US tarrifs, a high level diplomatic engagement was initiated to between China and EU to foster economic alliances among the nations.

④ **CURRENCY LEVERAGE AND REDUCED DOLLAR DEPENDENCY**

China has the opportunity to leverage the Yuan and it's alternative payment system CIPS to reduce dollar dependency especially with countaries

Date ______ 20___

hit with similar trade barriers and tarrifs especially those in the global south.

- **CONCLUSION**

The US tariffs present significant challenge for China but also an opportunity for China to align itself as a strategic global superpower.