

Test #02
Current Affairs (US Tariffs on India,
Ukraine war prospects, Pakistan's US-China
Balance)

Question #1

US has imposed double tariffs on India. Critically evaluate its economic and geopolitical implications on regional and global power politics.

1. Introduction:

In Aug 2025, the United States has raised tariffs on Indian exports. It doubled the tariffs so that Indian goods now face rates as high as 50%. This move was justified by Washington. It was pressure on New Delhi for its purchase of Russian oil and broader trade issues. The tariff decision has important immediate economic

effects and wider geopolitical consequences for regional and international power politics.

2. Immediate Effect on Indian exporters:

Indian exporters of garments, gems and jewellery, sports goods, and furniture face a sharp loss of competitiveness in the US market because extra charges raised and many shipments and orders have been delayed or rerouted since this announcement.

3. Winners: Competitors in Asia (China, and Bangladesh)

Higher tax on Indian products will benefit regional competitors like China and Bangladesh to fill orders at best price.

4. Jobs, informal workers and regional impact inside India:

As the affected industries employ many low skilled

worker and informal contractors,
it ~~the~~ will increase unemployment.

5. Short term disruption to US firms sourcing from India.

US importers who depend on Indian suppliers now face higher buying cost. They may find to new suppliers or change contract. They can also increase prices for customers.

6. Strain on US-India Strategic partnership and Trust:

These tariffs come at a time when both countries are expanding their defence and technological ties. It could affect their partnership and mutual trust.

7. Regional Political Effects in Asia:

Due to US tariffs, now India may shift ~~a~~ its trade flow from US to its region. Indian products may sold not regionally.

8. Political Economy inside the US: domestics supporters and opponents.

Some US industries and politicians support US tariffs and the strict trade rule. While others like retailers and import based businesses oppose this idea.

9. Long term implications for Indian Industries:

Now in response to that India may increase support for local production and industries. It may sign a strong trade agreement with some new partners. These steps will help the economy to grow and stabilize.

Conclusion:

The US doubling of tariffs on Indian goods create an immediate economic pain for India.

This decision is supported by politicians and US industries while opposed by retailers. It also weakens the trust built between US and India. To manage this shock, India should provide short term support to its industry and US on the other hand, should consider the strategic risk of using trade pressure. As it could harm relations and lead to unexpected political consequences.
