

Consortium of Indo-Pacific Researchers

Indo-Pacific Weekly Mail August 4-10, 2025

Greetings Colleagues,

The Consortium is pleased to share its latest newsletter for the Indo-Pacific. Press the reply button for your feedback and comments.

US-India Relations Test on Tariffs



Figure 1: Indian Prime Minister Modi with the US President Trump in White House on Feb. 14, 2025, Image /whitehouse.gov/

President Trump imposes 25 percent tariffs on Indian imports to America and an additional 25 percent tariff on oil imports from Russia. The additional tariff will take place from August 27. The negotiations between Indian and US officials are still ongoing, and the Indian side has been trying to reduce the tariff. India's Ministry of External Affairs (MEA) said, "additional tariffs on India are 'extremely unfortunate' and unfair, unjustified and unreasonable, stating that India's oil import from Russia is based on market factors and the needs of 1.4 billion people of India.

India and US have a comprehensive Strategic Partnership and are Quad partners in the Indo-Pacific. Over the last two decades, the US and India have had their ties boosted after President Bill Clinton's visit in 2000. The continuous administration of the US has been viewing India as a counter to China's Rise and aimed to support the rise of India.

For India, opening its market for American agriculture and dairy product is quite challenging looking at the need of India's agriculture economy and its farmer's stake. Over 80% of India's farmers are small or marginal landholders, often relying on subsistence farming and local markets. Moreover, 40 % of employment comes from farms industry. Modi government fears of any substantial agricultural import would harm Indian farmer's interest that can trigger to a large-scale protest (already seen in 2020-2021) on agriculture laws and reforms.

However, US-India relations are bipartisan. The Democrats are criticizing Trump's tariff on India; the Republicans are also divided on imposing tariff on India. Republican Senator Lindsey Graham urged India to use its influence to help Trump to end Ukraine war while Nikkei Haley advised not to burn the relation to India.

It is noted that the summit between Putin and Trump is scheduled for August 15 to end the war in Ukraine and broker a peace deal. It is yet to be seen how the peace effort works. Will the peace talks affect additional tariffs on India? However, the chances of positive outcome are less.

The tariff situation makes US-India relations complicated, and it is a test in India-US relations and also how both countries move forward.

India and Philippines Boost Ties

Indian Prime Minister Modi welcomed Philippine President Ferdinand Marcos Jr. in Delhi. The five-day State visit of Marcos aims to boost Philippines-India relations and the celebration of 75 years of diplomatic relations. Modi and Marcos seek to enhance the strategic partnership between India and the Philippines that is guided by the Plan of Action (2025-2029). Both countries aim to strengthen cooperation in critical areas that include political and defense, maritime domain, science and technology, climate change, trade, health, agriculture, digital technologies, and cultural exchanges. Furthermore, both leaders reaffirm their shared interest in a free, open, transparent, rule-

based, inclusive, prosperous, and resilient Indo-Pacific region and reiterate their strong support for ASEAN Centrality. In addition, the joint declaration by the leaders underscores the importance of the final and binding 2016 Arbitral Award on the South China Sea to resolve the disputes and express concerns for the situation in the South China Sea, particularly with regard to coercive and aggressive actions that impact regional peace and stability. Notably, the Philippines is the first country to buy India's indigenized (83% component) BrahMos missile (a collaboration of India and Russia), a landmark deal in defense partnership between the countries that have a territorial dispute with China. Read More

Australia and New Zealand Enhance Cooperation amid Uncertainty in the Indo-Pacific

Prime Minister of Australia Anthony Albanese visited New Zealand and met his counterpart, Christopher Luxon. Both leaders discussed trade and defense cooperation to strengthen ties. Two leaders agree to expand military ties and want to be a "force multiplier" as uncertainty looms due to China's assertive activities; however, both leaders visited China recently. The Chinese naval flotilla recently conducted a live-fire exercise in the Tasman Sea, causing concern for both Australia and New Zealand. Luxon said, "We want to be one, sort of, essential Anzac force essentially operating within our region," referring to the Australian New Zealand Army Corps that fought together in World War

Furthermore, both leaders emphasized the ceasefire in Middle East condemning Israel's military action of takeover of Gaza. Read More

Australia and Japan Sign Defense Deal

Australia and Japan have signed a major defense deal that allows Australia to buy 11 Frigates from Japan. This deal, valued at about AUD 10 billion (USD 6.5 billion), marks Japan's largest defense export since World War II and strengthens the defense relationship between the two nations. The deal has a strategic significance in advancing Australis's naval capabilities amid growing tension in the Indo-Pacific. The deal also positions Japan as a major defense exporter in the coming years; however, Japan would have a first-of-its-kind experience in building the upgraded warship. The futuristic Japanese Mogamiclass frigate boasts a range of up to 10,000 nautical miles, a 32-cell Vertical Launch System, and is fitted with surface-to-air missiles and anti-ship missiles. The first delivery of a Japanese-built warship is scheduled to be delivered to Australia in 2029. Australian Deputy Prime Minister Richard Marle said, "The upgraded Mogami-class frigate will help secure our maritime trade routes and our northern approaches as part of a larger and more lethal naval surface combatant fleet. Australia and Japan have a broad range of security cooperation signed in 2022. This deal enhances the strategic cooperation between two US allies in the Indo-Pacific. Read More

Indo-Pacific Quiz

Which anniversary commemorates the dropping of the atomic bomb in Japan?

a. 80th

c. 81st

b. 82nd

d. 83rd

Where will Trump-Putin Summit take place on August 15?

a. Sweden

c. Istanbul

b. Kyiv

d. Alaska

Consortium Highlights

- ❖ Upcoming Event: US-Japan Alliance, August 22, 9:30 A.M. EST
- Upcoming Roundtable Discussion: South Asia Quagmire, Sept. 19, 9:00
 A.M. EST

Indo-Pacific Quiz Key

Here are the **Answers** for August 3 Newsletter Quiz

- Q. Where is Darwin Harbor Located?
 - a. Australia
- Q. Which countries in the Indo-Pacific received highest tariffs on August 1?

d. India (25%+25%)

Contributions: Indu Saxena