

# 'Cherry-picking': Jaishankar jabs Muhammad Yunus over northeast remark

DHAKA, APR 3

External affairs minister S. Jaishankar Wednesday delivered a rebuttal to Bangladesh's chief adviser Muhammad Yunus, who described India's northeast as "landlocked" and positioned Bangladesh as the "guardian of ocean access" for the region.

Jaishankar emphasised India's extensive connectivity infrastructure, stating, "We, after all, have the longest coastline in the Bay of Bengal, of almost 6,500 km. India shares borders not only with five BIMSTEC members, connects most of them, but also provides much of the interface between the Indian sub-continent and ASEAN. Our north-eastern region in particular is emerging as a connectivity hub for the BIMSTEC, with a myriad network of roads, railways, waterways, grids, and pipelines."

Jaishankar also stressed that India believes in an integrated outlook towards cooperation, not one subject to "cherry-



picking."

The remarks from the external affairs minister came in response to Yunus' comments made during his recent four-day visit to China, where he described India's northeast as "a landlocked region of India. They have no way to reach out to the ocean."

Yunus presented Bangladesh as the primary maritime gateway for the region and urged China to expand its economic influence in Bangladesh, calling the country the "only guardian of the ocean."

Yunus' statements coincided with Bangladesh signing nine agreements with China and securing a \$2.1 billion financial package and signing agreements for economic collaboration, including the Teesta River Comprehensive Management and Restoration Project (TRCMRP).

Jaishankar reaffirmed India's commitment to the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), stating, "We are conscious that our cooperation and facilitation are an essential

prerequisite for the smooth flow of goods, services, and people in this larger geography. Keeping this geo-strategic factor in mind, we have devoted increasing energies and attention to the strengthening of BIMSTEC in the last decade."

The controversy has also reignited discussions over the strategic "Chicken's Neck" corridor—a narrow land strip in West Bengal linking the Northeast to the rest of India.

Assam CM Himanta Biswa Sarma called Yunus' statements "offensive" and "strongly condemnable."

He warned that "such provocative statements by Muhammad Yunus must not be taken lightly, as they reflect deeper strategic considerations and longstanding agendas."

Sarma further underscored the importance of strengthening railway and road networks in the region to counter potential vulnerabilities.

Former Manipur CM N. Biren Singh also criticised Yunus, accusing Bangladesh's interim government of treating India's Northeast as a "strategic pawn."

# Myanmar military declares temporary ceasefire to facilitate earthquake relief efforts

MYANMAR, APR 3

Myanmar's ruling military declared a temporary ceasefire in the country's civil war on Wednesday to facilitate relief efforts following a 7.7 magnitude earthquake that has killed more than 3,000 people.

The announcement by the military's high command was reported late on Wednesday on state television MRTV, which said the truce would run until April 22 and was aimed at showing compassion for the people affected by last Friday's quake.

The announcement followed unilateral temporary ceasefires announced by armed resistance groups opposed to military rule. Those groups must refrain from attacking the state, or regrouping, or else the military will take "necessary" measures, the army's statement said.

Earlier on Wednesday, rescuers pulled two men



alive from the ruins of a hotel in Myanmar's capital and a third from a guesthouse in another city, five days after the quake.

The earthquake came amid civil war in Myanmar, making a dire humanitarian crisis even worse. More than 3 million people had been displaced from their homes and nearly 20 million were in need even before it hit, according to the United Nations.

Two of the major armed resistance forces fighting the military, which seized power in 2021 from the democratically elected government of Aung San

Suu Kyi, had announced ceasefires to facilitate the

humanitarian response to the earthquake, though the military initially did not relent in its attacks.

The Three Brotherhood Alliance, one of a powerful group of militias that has taken a large swath of the country from the military, announced a unilateral one-month ceasefire on Tuesday to facilitate the humanitarian response.

The shadow Opposition National Unity Government, founded by lawmakers ousted in 2021, had already called a ceasefire for its forces.

The announcements had put pressure on the military government to follow suit.

# China urges US to immediately reverse latest tariffs, threatens countermeasures

UNITED STATE, APR 3

China on Thursday urged the United States to immediately cancel its latest tariffs and vowed countermeasures to safeguard its own interests, after President Donald Trump declared sweeping levies on all U.S. trading partners around the world.

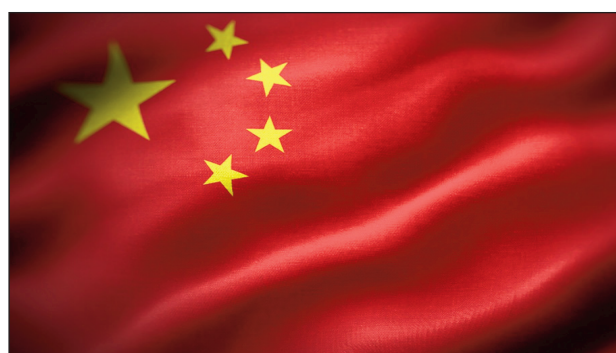
The U.S. move disregards the balance of interests reached in multilateral trade negotiations over the years and the fact that it has long benefited greatly from international trade, the Chinese Commerce Ministry said in a statement.

"China firmly opposes this and will take countermeasures to safeguard its own rights and interests," the ministry said, as the world's largest economies look set to spiral deeper into a trade war that stands to upend global supply chains.

Trump on Wednesday announced China would be hit with a 34% tariff, on top of the 20% he previously imposed earlier this year, bringing the total new levies to 54% and close to the 60% figure he had threatened while on the campaign trail.

Chinese exporters, as with those from every other economy, will face a 10% baseline tariff, as part of the new 34% levy, on almost all goods shipped to the world's largest consumer economy from Saturday before the remaining, higher "reciprocal tariffs" take effect from April 9.

Trump also signed an



executive order closing a trade loophole known as "de minimis" that has allowed low-value packages from China and Hong Kong to enter the U.S. duty free.

Trump had ordered the U.S. Trade Representative to determine whether China was living up to its commitments under the 2020 "Phase 1" U.S.-China trade agreement by April 1.

The deal had required China to increase purchases of U.S. exports by \$200 billion over a two-year period, but Beijing failed to meet its targets when the COVID-19 pandemic struck. China bought \$153 billion in U.S. goods in 2017, before the trade war began, Chinese customs data shows, and that figure rose to \$164 billion last year.

Worldwide tariffs "Arguably, President Trump's tariffs elsewhere will cause the most headaches," said Ruby Osman, a China expert at the Tony Blair Institute for Global Change.

"Chinese firms have been rerouting trade through places like Vietnam and Mexico to avoid U.S. sanctions, but these markets are now being hit with significant tariffs of their own."

"China+1" strategies

caught on among Chinese exporters and multinational companies that had made the production powerhouse central to their supply chains during Trump's first term.

But with India, Mexico, Vietnam and Malaysia - the countries that benefited most from this shift - facing tariffs of between 24% to 46%, the cost advantage of relocating manufacturing out of China is significantly diminished.

Trump's tariffs could encourage China to step up its trade with alternative markets, but no other country currently comes even close to U.S. consumption power, where Chinese producers sell more than \$400 billion worth of goods annually.

"Trump's tariffs certainly won't help Chinese firms and will cause some real pain in some sectors, but they don't make any definitive mark on the Chinese economy," said William Hurst, Chong Hua Professor of Chinese Development at the University of Cambridge.

"U.S. exports are of declining importance to China. The American tariffs will spur more Chinese trade with other places, from Europe to Southeast Asia and Africa," he added.

# Donald Trump's tariff shock : Major blow to India's textiles, autos and seafood sectors

NEW DELHI, APR 3

US President Donald Trump Thursday morning announced reciprocal tariffs, with a 27 per cent levy on all goods imported from India. Announced during his 'Liberation Day' address, the move comes as a setback for New Delhi, which had been hoping for tariff concessions rather than new trade barriers.

Trump also termed India as a "tariff king" and "tariff abuser".

India's exports to the US span 30 sectors, with six in agriculture and 24 in industry. And here's a look at the Indian sectors and products most vulnerable to these tariffs.

Textiles and apparel The textile and apparel industry of India stands as one of the most exposed sectors to the new US tariffs. The tariffs are likely to make Indian products more expensive and less competitive.

EY India partner and retail tax leader Paresch Parekh said it appeared "advantage India" for the Indian textile sector.

"India competes globally for textile exports with countries like Bangladesh, Vietnam, Cambodia, Sri Lanka, China, Pakistan, etc.

"As compared to around 27 per cent tariff for Indian imports, these countries have been hit harder by USA tariffs: Bangladesh at 37 per cent, Vietnam at 46 per cent, Cambodia at 49 per cent, Pakistan at 29 per cent, China at 54 per cent, Sri Lanka at 44 per cent, etc," he said.

The US buys textiles worth over USD 36 billion from India.

Automakers Trump announced a 25 per cent tariff on vehicles not assembled in the US, effective April 3. This new tariff will apply to all cars made outside the US, including those built in Canada and Mexico, likely leading to significant price increases.

The tariff will apply to



imported passenger vehicles -- sedans, SUVs, crossovers, minivans, cargo vans -- and light trucks, as well as critical auto parts, engines, transmissions, powertrain components, and key electrical parts.

"With US automotive tariffs rising, India's electric vehicle sector has a prime opportunity to capture a larger share of the US market, especially in the budget car segment," EY partner & automotive tax leader Saurabh Agarwal said.

India's largest export items to the US are engine components, power trains and transmissions.

Agriculture and seafood According to an analysis of the think tank Global Trade Research Initiative (GTRI), the hardest-hit sector in agriculture would be fish, meat, and processed seafood, with \$2.58 billion in exports in 2024, facing a 27.83% tariff differential.

The US is a major destination for Indian shrimp and other seafood products. Tariffs could increase prices, making Indian seafood less competitive compared to products from other exporting nations.

"Already our exports have anti-dumping and countervailing duties in the US. The additional hike in tariffs will make us uncompetitive. Out of India's total shrimp exports, we ship 40

per cent to America," Kolkata-based seafood exporter and MD of Megaa Moda Yogesh Gupta said.

Liquor, dairy and sugar India's processed food, sugar, and cocoa exports may also face the heat as the tariff gap is 24.99 per cent. Its exports stood at USD 1.03 billion last year.

Cereals, vegetables, fruits, and spices (USD 1.91 billion shipments) have a tariff differential of 5.72 per cent between.

Dairy products, with exports worth USD 181.49 million, could be "severely" affected by a 38.23 per cent differential, "making ghee, butter, and milk powder costlier and reducing their market share in the US," GTRI Founder Ajay Srivastava said.

The other products which can be affected include edible oils (USD 199.75 million exports and 10.67 duty gap); alcohol, wines, and spirits (USD 19.2 million exports and 122.10 per cent tariff differential); live animals and animal products (USD 10.3 million exports and 27.75 per cent gap).

Diamonds and golds The US is one of India's largest jewellery export markets, accounting for almost 30 per cent of the share. Indian jewellery exports to the US are over \$11 billion per year.

The gems and jewellery sector will be one of the most affected since import tariffs may be up to 20 per cent from the current zero per cent on loose diamonds and 5.5-7 per cent on gold jewellery, industry officials said.

The tariff hike has come at a time when gold prices rose further to cross the \$3,200-mark in the international market. In India, gold price has crossed the Rs 90,000-mark per 10 gm.

Footwear

The footwear industry, with exports worth \$457.66 million to the U.S., faces a tariff gap of 15.56 per cent. This substantial tariff could make Indian footwear more expensive in the US market, leading consumers to opt for alternatives from other countries, thereby impacting Indian manufacturers and exporters.

Other Asian economies have been hit even harder, with a 34 per cent reciprocal tax on China, Japan's exports to US will attract 24 per cent, Thailand 36 per cent, Bangladesh 37 per cent, Malaysia 24 per cent, Taiwan at 32 per cent, South Korea at 25 per cent and Vietnam will attract 46 per cent, one of the highest. These higher tariff rates could create new trade opportunities for Indian exporters.

Countries impose tariffs to make imported goods more expensive, which, in turn, encourage domestic manufacturing and job creation, a goal Donald Trump claims to achieve by his actions.

But higher import duties can be inflationary, making raw materials or components more expensive for domestic industries. If a local auto manufacturer needs an imported component that isn't produced locally, the tariff will increase the component's cost, making the final product more expensive for consumers.

# Chinese linked barges create bridge to Taiwan, raises concerns over potential invasion

TAIWAN, APR 3: In recent weeks, China has been practising unusual manoeuvres off its southern coast involving three special barges. The vessels have linked up one behind another, forming a long bridge that extends from deeper waters onto the beach.

That feat has been a warning to Taiwan.

The vessels' debut suggests that China's People's Liberation Army may be a step closer to being able to land tens of thousands of troops and their weapons and vehicles on Taiwan's shores, experts say. Developing that capability has been a priority of China's leader, Xi Jinping, in his quest to absorb Taiwan — either by negotiations or by war.

China has been conducting military exercises around Taiwan for years, including a new surge this week. But even as China's drills have intensified, and its missiles, warships and fighter jets have advanced, many experts have doubted that the Chinese military could cross the Taiwan Strait with the speed and numbers needed for a successful invasion. Strong

winds and currents for much of the year add to the dangers of trying to land on Taiwan. If the new barges go into service, they could expand China's options for where and when to land on Taiwan, making Xi's threat of a possible invasion more plausible.

The vessels have been practising in waters about 350km southwest of Guangzhou, the city where they were

built. The barges have retractable, heavy-duty legs that work like giant stilts. The legs protrude from the deck when in transit and are lowered, when the vessels are in position, onto the seabed to steady the vessels against the waves. The barges then thrust out long extendable bridges, forming a 2,700ft causeway that links the vessels together and connects to the

shore. Pictures from foreign satellites have shown the barges practising with civilian Chinese cargo ships and ferries that could carry vehicles and people to be offloaded onto the causeway. China featured the barges on a recent programme about military rivalry with Taiwan, warning that they could play a potential role in an attack.