

# Make Aadhaar registrations foolproof: L-G to Delhi govt.

Illegal immigrants getting Aadhaar cards has ramifications for national security, welfare policies, labour markets: Raj Niwas; strict action sought against officials enrolling non-citizens for Aadhaar

**The Hindu Bureau**  
NEW DELHI

**L**ieutenant-Governor V.K. Saxena on Friday wrote to the Delhi government saying Aadhaar card registrations must be made “foolproof”, as illegal immigrants obtaining the document could have “wider national security ramifications”.

In the letter to Chief Secretary Dharmendra, Ashish Kundra, the L-G's Principal Secretary, said that Mr. Saxena has been apprised of several instances of illegal immigrants managing to secure Aadhaar on the basis of forged documents. “This has a cascading impact wherein such individuals are able to secure documents that establish nationality, i.e. passports and voter identity cards,” the letter read.

The L-G had written a similar letter to the Chief Secretary and Delhi Police Commissioner Sanjay Arora in November last year, citing a “sudden spurt in



In November last year, L-G V.K. Saxena had cited a ‘spurt in illegal immigrants’ in Delhi and asked police chief Sanjay Arora to launch a ‘special drive’ to identify such persons. FILE PHOTO

the number of illegal immigrants” in the national capital. Mr. Saxena had asked the police chief to conduct a “special drive for the identification of illegal immigrants and take further action in coordination with Central agencies”.

## **‘Adverse impact’**

In his Friday letter, Mr. Saxena said that having an Aadhaar card allows illegal immigrants to avail of benefits under various welfare schemes run by the Central and State govern-

ments. He added that the card also allows such people to “secure jobs, depressing local labour markets and adversely impacting local employment”.

The L-G directed the government to take a “stringent approach”, particularly with respect to field-level implementation, monitoring and verification procedures.

Mr. Dharmendra was also asked to ensure that “clear instructions are issued to all Registrars to

strictly comply with the provisions of the Aadhaar (Enrolment and Update) Regulations 2016 and switch to an in-house model of enrolment within two months”. He was also directed to prepare a comprehensive detail of all the Aadhaar enrolment centres set up by the Delhi Government by July 15.

In case an illegal immigrant is found to have obtained an Aadhaar card from a centre run by the Delhi government, strict action would be taken against the errant officials, said Mr. Saxena.

## **Karat writes to Shah**

Meanwhile, senior CPI(M) leader Brinda Karat on Friday wrote to Union Home Minister Amit Shah regarding the “blatant violation of human rights and harassment and extortion” in the ongoing drive to identify illegal immigrants. “In the process, genuine Indian citizens are being targeted on the grounds of language and religion,” she said.

# Simultaneous election Bill gives EC unbridled powers; loopholes remain: ex-CJIs

**Sobhana K. Nair**

NEW DELHI

The Election Commission (EC) has been granted unbridled powers in the legislation for simultaneous polls without providing any oversight clause, two former Chief Justices of India, D.Y. Chandrachud and J.S. Khehar, told Parliament's Joint Committee reviewing the Bill on Friday. Both the former CJIs, however, argued that the Bill does not in any way violate the Basic Structure of the Constitution.

The panel headed by BJP MP P.P. Chaudhury is reviewing the Constitution (One hundred and twenty-ninth Amendment) Bill, 2024 and the Union Territories Laws (Amendment) Bill, 2024. Both Justice Chandrachud and Justice Khehar pointed out that while the EC gets a wide ar-

ray of powers to decide when and whether to hold elections in a State or not, the laws have not prescribed any oversight mechanism to check the EC's powers. In an earlier meeting, former CJI Ranjan Gogoi too had made a similar observation.

Justice Khehar, as per sources, suggested that Parliament or the Union Council of Ministers should have a say in taking the call on holding the election to an Assembly, as envisaged under Section 82A(5) of the Constitution (One hundred and twenty-ninth Amendment) Bill.

The section in its current form says, "If the Election Commission is of the opinion that the elections to any Legislative Assembly cannot be conducted along with the general election to the House of the People, it may make a

recommendation to the President, to declare by an order, that the election to that Legislative Assembly may be conducted at a later date."

## 'Remaining period'

Both former CJIs flagged the loophole in the provision that says that if a State Assembly's session is cut short, then the elections have to be held for the remainder of the term. Justice Khehar, it is learnt, asked that if the remaining period is only three months or a week, as per the laws in their current form, the elections will have to be held, defeating the very purpose for which these Bills are being brought. Justice Chandrachud, as per sources, also concurred with this view, arguing that Parliament must define the "remaining period".



# MPs to seek Bharat Ratna for Dalai Lama, says BJP RS member

**Nistula Hebbar**

NEW DELHI

Parliamentarians across party lines are petitioning the Union government to award the Bharat Ratna, India's highest civilian honour, to the Dalai Lama, who recently celebrated his 90th birthday.

BJP Rajya Sabha member Sujeet Kumar, who is behind the effort by MPs, said the All India Parliamentary Forum for Tibet, of which he is a part, has garnered support from over 80 MPs across party lines and also that of Arunachal Pradesh Chief Minister Pema Khandu.

“We haven’t handed over the letter yet to the Prime Minister. We are waiting for signatures to cross at least a 100 to do so,” he said.

## ‘Nothing contradictory’

Mr. Kumar said he did not find “anything contradictory” in Minority Affairs Minister Kiren Rijiju’s statement that the Dalai Lama had full rights to recognise his successor through conventions established for the same and the External Affairs Ministry statement that the Government of India did not have a position on the issue.

“There is nothing con-



The All India Parliamentary Forum for Tibet has garnered support from 80 MPs so far. AP

tradictory about what the Indian government and Kiren Rijiju have said. While Kiren Rijiju has said that it is the Dalai Lama’s right to appoint a successor, the Indian government’s statement that it doesn’t interfere in these matters, means the same,” he said.

Mr. Kumar had harsh words for the Chinese government’s statement that it was in that government’s remit to regulate the choice of successor by the Dalai Lama.

“It is highly ironical that an atheist nation would express such strong opinions on what is purely a religious issue,” he said, while adding that the Indian government’s stance on not running interference was a correct one and not different from Mr. Rijiju’s statement.

# Myanmar junta thanks Trump after recognition of its rule in tariff letter

Agence France-Presse

YANGON

Myanmar's military leader lauded Donald Trump and asked him to lift sanctions, the junta said on Friday after a tariff letter from the U.S. President believed to be Washington's first public recognition of its rule.

Min Aung Hlaing endorsed Mr. Trump's false claim that the 2020 U.S. election was stolen, and thanked him for shutting down funding to U.S.-backed

U.S. State Department sanctioned the junta chief and others for using 'violence and terror to oppress' Burmese people

media providing independent coverage of conflict-racked Myanmar.

The military ousted Aung San Suu Kyi's elected civilian government in 2021, plunging the

country into civil war.

The U.S. State Department sanctioned the junta chief and others for using "violence and terror to oppress" Burmese people and "denying them the ability to freely choose their own leaders".

U.S. diplomats do not formally engage with the junta, but Mr. Trump sent a letter to Min Aung Hlaing by name on Monday telling him the U.S. would impose a 40% tariff from August 1, down from a threatened 44%.



**JULY 14-15 SCO HUDDLE IN RUN-UP TO SUMMIT LATER THIS YEAR**

# Jaishankar likely to be in China next week, first visit since LAC standoff

**SHUBHAJIT ROY**

NEW DELHI, JULY 11

EXTERNAL AFFAIRS Minister S Jaishankar is likely to travel to Tianjin in China for the meeting of Foreign Ministers of the Shanghai Cooperation Organisation on July 14-15, sources have told *The Indian Express*.

Chinese Foreign Minister Wang Yi is expected to host the meeting which will be attended by counterparts from Pakistan, Iran and Russia among others.

This will be Jaishankar's first visit to China since the start of the military standoff along the Line of Actual Control in eastern Ladakh in May 2020.



China Foreign Minister Wang Yi and MoS for External Affairs Pabitra Margherita at East Asia Summit in Kuala Lumpur. PTI

The meeting of the Foreign Ministers will also set the stage for the SCO Leaders' Summit in Tianjin, which is expected to be held early September.

Jaishankar's visit follows visits by Defence Minister Rajnath Singh and NSA Ajit Doval, who had travelled to China in the last

**CONTINUED ON PAGE 2**



# ● Jaishankar likely to be in China next week, first visit since standoff

week of June for SCO meetings.

While these discussions are taking place in multilateral meetings, they assume significance in the bilateral context.

Delhi and Beijing have been working towards normalising their bilateral relationship, but India's Operation Sindoor against China's ally Pakistan brought out divergences in the relationship.

In recent days, Indian Army officers have publicly accused China of complicity in Pakistani military strikes against India in the wake of Operation Sindoor. Lt General Rahul R Singh, Deputy Chief of Army Staff (Capability Development and Sustenance), said Beijing provided "live inputs" to Pakistan on Indian operational deployment even when talks were underway between the Indian and Pakistani Directors General of Military Operations regarding cessation of hostilities.

Naming Pakistan, China and Turkey as the "three adversaries" India faced on its "one border" in the north, Lt Gen Singh said China provided "all possible support", treated the northern border as a "live lab" to test its weapons supplied to Pakistan, and had followed its "36 stratagems", hoping to kill the adversary with "a borrowed knife", and to "use the neighbour to cause pain".

This was the strongest indictment of Beijing's involvement in the military confrontation between India and Pakistan in May.

In the last week of June, eight months after the disengagement of troops at the LAC in eastern Ladakh, Rajnath Singh told his Chinese counterpart Admiral Dong Jun that there was need for a "structured roadmap of permanent engagement and de-escalation". He called for a "permanent solution of border demarcation".

In his talks on the sidelines of the meeting of SCO Defence Ministers in Qingdao, Singh underlined the need for "bridging the trust deficit created after the 2020 border standoff, by taking action on ground".

The SCO Defence Ministers failed to issue a joint statement after Singh declined to sign the draft statement which omitted a reference to the April 22 Pahalgam terror attack in J&K.

So, Jaishankar's visit will be a challenging task for New Delhi. China is the host of the SCO Leaders' Summit in Tianjin which will be hosted by President Xi Jinping.

Doval had travelled to Beijing in December last year when India and China agreed on a set of "six consensus" including resumption of the Kailash Mansarovar Yatra, trans-border river cooperation and Nathula border trade. This was announced by the two sides following talks in Beijing between Doval and Wang Yi — they are also the Special Representatives (SRs).

The two sides have taken some steps including the resumption of the Kailash Mansarovar Yatra, currently underway. The two sides are also talking to each other about resuming direct flights and are looking to ease visa curbs for Chinese nationals and sharing data on transnational rivers like the Brahmaputra.

The two sides also agreed to jointly make preparations for the 24th Special Representatives' Meeting on the China-India Boundary Question.

Sources said the Indian side is working towards engaging the Chinese side with "eyes wide open" because the border situation is still not normal. About 50,000-60,000 troops are still deployed on either side of the LAC.



# ED conducts fresh searches in 'U.S. donkey route' case

Agency carries out probes at seven locations in Mansa of Punjab along with Kurukshetra and Karnal in Haryana; this follows leads from earlier raids into an alleged human trafficking racket

**Devesh K. Pandey**

NEW DELHI

**T**he Enforcement Directorate (ED) on Friday carried out another round of searches in Punjab and Haryana in connection with the U.S. donkey route case involving alleged human trafficking and money laundering.

The searches were conducted at seven locations in Mansa district of Punjab, along with Kurukshetra and Karnal in Haryana.

"This search is based on credible inputs gathered in the previous search operation conducted on July 9 at 11 locations. The inputs show that the second-leg persons/human traffickers were used to arrange illegal route resources outside India in connivance with donkers (human trafficking conduits)," said an official.

Earlier searches were carried out in Amritsar, Sangrur, Patiala and Moga in Punjab, and Ambala, Kurukshetra and Karnal in Haryana.

The operations form part of the ED's probe into the money laundering angle linked to the illegal immigration of individuals



**On the radar:** The United States sent back hundreds of Indian immigrants on a military plane in February. The ED is investigating a money laundering angle linked to illegal immigration. REUTERS

deported from the United States in February.

## **Based on 17 FIRs**

The ED investigation is based on 17 first information reports (FIRs) registered by the police in Punjab and Haryana against travel agents, visa agents and middlemen who allegedly defrauded individuals seeking to go abroad.

The accused, as per the allegations, had lured victims with false promises of legal air travel and collected about ₹45-50 lakh from each individual.

"However, the agents used to dupe the innocent persons as they were sent

through illegal routes (donkey route) by crossing the borders of many countries illegally through dangerous/jungle routes under the influence of donkers (human trafficking conduits) and the mafia," the agency said.

The ED said the agents, in conspiracy with donkers and other operatives, created threatening circumstances for the victims and their families, coercing them to make additional payments. "Statement of a few deportees were recorded by the ED and further examination of facts revealed names of suspects...", it added.

Earlier this month, the National Investigation Agency (NIA) arrested two alleged donkey route traffickers after conducting searches in Himachal Pradesh and Delhi. The two were reportedly associates of Gagandeep Singh, who was arrested in March.

"Gagandeep was arrested on a complaint of a victim who was illegally trafficked to the U.S. using the infamous 'dunki' route and was deported to India in February this year. The NIA had chargesheeted Gagandeep, a resident of Tilak Nagar in Delhi, in the case on June 27," the agency said.

# Militants kill nine travellers in Balochistan

“Nine people abducted from both coaches have been killed, and their bodies have been recovered,” Mr. Alam said, adding that all nine were from Punjab.

The Balochistan Liberation Front (BLF), a banned outfit known for attacking the security forces, claimed responsibility for the gruesome murders.

“We have moved the nine bodies to the hospital for post-mortem and burial procedures,” Mr. Alam said.

Security forces suspended traffic on the highway and began a large-scale search operation to locate the perpetrators. Condemning the killing of the nine passengers, Balochistan Chief Minister Mir Sarfaraz Bugti said that the killing of innocents based on identity is an “unforgivable crime”.

“The terrorists have proven that they are not human beings, but cowardly beasts. The blood of innocents will not go in vain on the soil of Balochistan. The State will not allow these murderers to hide even underground,” he said.

Interior Minister Mohsin Naqvi condemned the incident and said terrorists have shown the worst barbarity by targeting innocent people.

This is not the first time that insurgents have targeted people belonging to the Punjab province and passenger buses plying on different highways in Balochistan.

Meanwhile, insurgents also carried out three other terrorist attacks in Quetta, Loralai and Mastung, but a spokesperson for the Balochistan government, Shahid Rind, claimed security forces repulsed these attacks.

Unconfirmed reports in the Balochistan media claimed that insurgents had struck at several places in the province during the night and engaged security forces by attacking check posts, government installations, police stations, banks, and communication towers.

While Mr. Rind confirmed the attacks, he said there were no reports of casualties in any of them.

Bordering Iran and Afghanistan, Balochistan is home to a long-running violent insurgency.



# View India's Gender Gap Report ranking as a warning

India is now a global economic power, a digital innovator, and home to the world's largest youth population. But the World Economic Forum's Global Gender Gap Report (2025) is a sobering reminder that when it comes to gender equality, India remains far behind.

## Structural issues

India ranks 131 out of 148 countries, with particularly low scores in economic participation and health and survival – the pillars essential for meaningful gender parity. These are not just social indicators. They are signs of a structural failure holding back national progress.

Despite progress in educational attainment, India continues to struggle in ensuring women's health and autonomy. The report shows that India's sex ratio at birth remains among the most skewed in the world, reflecting a persistent son preference. The healthy life expectancy for women is now lower than men's.

Such outcomes point to chronic neglect in reproductive health, preventive care and nutrition, especially for women from lower-income and rural backgrounds. Increased Budget allocations for health, especially at the primary care level, are a necessity to improve women's well-being and their access to basic services, such as education and health care. Without good health, economic inclusion becomes impossible. Nearly 57% of Indian women in the 15 to 49 age group are anaemic – as reported by National Family Health Survey (NFHS)-5 – which reduces their ability to learn, work, or carry pregnancies safely. Such a widespread and correctable issue is emblematic of the broader failure to treat women's health as a national development priority.

India ranks 143rd on the Economic



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India must treat gender equality as central to its economic and demographic future

**Participation and Opportunity subindex.** Women continue to earn less than a third of what men do, and female labour force participation remains stubbornly low. The McKinsey Global Institute, in 2015, had projected that closing gender gaps could add \$770 billion to India's GDP by 2025. Yet, in 2025, India appears to have lost out on the opportunity. At the current pace of progress, it may take over a century to close the global economic gender gap – and India lags behind even that trajectory.

## A sidelining

This is not just about employment numbers. Women remain busy in informal and subsistence work and are grossly under-represented in decision-making spaces – from boardrooms to budget committees. The result is a policy ecosystem that repeatedly sidelines women's lived realities. The burden of unpaid care work continues to be a major drag on women's time and agency. Indian women perform nearly seven times more unpaid domestic work than men, as highlighted by the Time Use Survey. Yet, this critical labour remains invisible in national accounting and underfunded in public policy.

Investing in care infrastructure such as childcare centres, elder care services and maternity benefits would not only ease this burden but also enable millions of women to enter or re-enter the workforce. The vacuum in these services reflects both a gender and an economic blind spot.

Central and State governments must begin to account for unpaid care work in their economic and social policy frameworks through time-use surveys, gender budgeting, and direct investment in care infrastructure. India can look to countries such as Uruguay and South Korea, which have

begun integrating care economies into their development plans, with positive results.

## Supporting senior citizens

India is at a demographic turning point. While it continues to draw benefits from a young population, its percentage of senior citizens is expected to nearly double by 2050, reaching close to 20% of the population. This demographic shift will predominantly comprise very old women, especially widows, who often experience high dependency. At the same time, fertility rates have already fallen below replacement level, as noted in the NFHS-5. This means that the working-age population will shrink and the care needs of the elderly will rise. The only way to sustain economic growth in this context is to ensure women – half the population – are healthy, supported, and economically active. Gender equality is no longer just a rights issue. It is a demographic and economic necessity.

If women continue to exit or be excluded from the workforce, the dependency ratio will rise even faster, placing greater strain on fewer workers and undermining fiscal stability.

Reversing this trend demands integrated policies that connect health, labour and social protection.

India does not lack frameworks or ambition – the slogans are there. What is required is real investment: in public health systems that prioritise women's needs; in care services that redistribute unpaid work, and in policies that see women not as beneficiaries, but as builders of the economy.

✓ The Global Gender Gap Report is not just a ranking. It is a warning: unless India treats gender equality as central to its economic and demographic future, it risks squandering the gains it has worked so hard to achieve.

# Palestinians facing joint attack by Israel and United States, says envoy

**Kallol Bhattacharjee**

NEW DELHI

Palestinians in Gaza are facing a joint assault by Israel and the United States, Abdullah M. Abu Shawesh, Ambassador of Palestine to India, said here on Friday. At a press conference, Mr. Abu Shawesh accused Israel of committing genocide and said that the Israeli Defence Forces (IDF) have destroyed two schools and a university library that were built with funding from India.

"Israel is not fighting alone. It is a joint Israel-U.S. war that we are facing in Gaza. Israel is not just killing, it's committing genocide. Israel also has the support of many other Western countries, including the United Kingdom that is also supporting Israel in its killing of innocent people," said Mr. Abu Shawesh.

The remarks from the



Israel is committing genocide... The only way to ensure a better future for the Palestinians is to ensure that Israel obeys international law

**ABDULLAH M. ABU SHAWESH**  
Ambassador of Palestine to India

Palestinian envoy came against the backdrop of growing international concern about the ongoing Israeli military operations in the Gaza Strip that began after the October 2023 Hamas attack on Israeli targets. Israeli Prime Minister Benjamin Netanyahu visited Washington DC earlier this week to discuss a ceasefire plan with U.S. President Donald Trump where he also discussed the possibility of transferring Palestinians from Gaza to other countries in the region. Mr. Netanyahu said that Israel was working with the U.S.

to get a "better future" for the Palestinians.

Responding to the Israeli plan to transfer Palestinians from Gaza, Mr. Abu Shawesh said, "We had a better future in Palestine before Israel was born. We had our homes, we had our Palestinian passports. I still have the keys to my original house that we lost after the creation of Israel. I think the only way to ensure a better future for the Palestinians is to ensure that Israel obeys international law."

The Palestinian envoy further said that Israelis

are targeting the people who are the original inhabitants of Palestine.

"Our people have been living in Palestine even before Prophet Abraham's arrival," said Mr. Abu Shawesh, making a presentation about the rights of the Palestinian people to the historic land of Palestine. He also said the Palestinians had agreed to a two-state solution despite the fact that it was unfair to them as it required them to surrender their right to return to their original homes. "But we agreed as we wanted to live in peace," said the Palestinian envoy.

"Nothing is left in Gaza. The Israelis have destroyed everything. Two schools built with India's assistance have also been destroyed by the IDF," he said, adding that the Jawaharlal Nehru library in the Al Azhar University - Gaza has also been destroyed.



## Rubio holds 'positive' meeting with China's Wang

**Agence France-Presse**  
KUALA LUMPUR

U.S. Secretary of State Marco Rubio said on Friday he had a "positive" meeting with his Chinese counterpart Wang Yi on the sidelines of ASEAN talks in Malaysia, where Washington's tariffs are in sharp focus.

Mr. Rubio and Mr. Wang's first face-to-face meeting since U.S. President Donald Trump returned to office came as Washington and Beijing are locked in disputes ranging from trade to Taiwan – and both powers vie for greater influence in the region.

"I thought it was very constructive and positive meeting," Mr. Rubio said.

## PKK begins laying down arms as part of peace plan

**Associated Press**  
SULAYMANIYAH

Fighters with a Kurdish separatist militant group that has waged a decades-long insurgency in Turkey began laying down their weapons in a symbolic ceremony on Friday in northern Iraq, the first concrete step toward a promised disarmament as part of a peace process.

The Kurdistan Workers' Party, or PKK, announced in May that it would disband and renounce armed conflict, ending four decades of hostilities. The move came after PKK leader Abdullah Öcalan, who has been imprisoned on an island near Istanbul since 1999, urged his group in February to convene a con-



Abdullah Öcalan

gress and formally disband and disarm.

Mr. Öcalan renewed his call in a video message broadcast on Wednesday, saying, "I believe in the power of politics and social peace, not weapons."

The PKK issued a statement from the fighters laying down their weapons, who called themselves the "Peace and Democratic So-

ciety Group," saying that they had disarmed "as a gesture of goodwill and a commitment to the practical success" of the peace process. "We will henceforth continue our struggle for freedom, democracy, and socialism through democratic politics and legal means," it said.

The ceremony took place in the mountains outside the city of Sulaymaniyah in northern Iraq's semi-autonomous Kurdish region. The state-run *Iraqi News Agency* reported that "the process will take place in stages, with a group of party members initially laying down their weapons symbolically". The disarmament process is expected to be completed by September.

## Brazil vows retaliatory tariffs against the U.S.

**Associated Press**  
RIO DE JANEIRO

Brazilian President Luiz Inácio Lula da Silva said on Thursday that he will impose retaliatory tariffs on the United States if President Donald Trump follows through on a pledge to boost import taxes by 50% over the South American country's criminal trial

against his predecessor, Jair Bolsonaro.

Mr. Lula said he will trigger Brazil's reciprocity law approved by Congress earlier this year if negotiations with the U.S. fail.

"If there's no negotiation, the reciprocity law will be put to work. If he charges 50 (% tariffs) from us, we will charge 50 from them," Mr. Lula told *TV Re-*

*cord* in excerpts of an interview that will be fully aired later in the day. "Respect is good. I like to offer mine and I like to receive it."

Mr. Lula's comments raise the risk of a tariffs war erupting between the two countries, similar to what has happened between the U.S. and China. Mr. Trump has vowed to respond forcefully if coun-

tries seek to punish the U.S. by adding tariffs of their own.

The President of Brazil's Senate, Sen. Davi Alcolumbre, and Chamber of Deputies Speaker Hugo Motta, a pair of moderates who have recently been at odds with Mr. Lula, agreed that the reciprocity law gives Brazil "the means ... to protect our sovereignty."

**WILL DEFEND CANADIAN WORKERS, BUSINESSES IN NEGOTIATIONS: CARNEY**

# Trump says 35% tariff on Canada from next month, eyes 15-20% for others

US says changes only if fentanyl flow goes down

JEFF MASON &  
ISMAIL SHAKIL  
WASHINGTON, JULY 11

US PRESIDENT Donald Trump ramped up his tariff assault on Canada on Thursday, saying the U.S. would impose a 35% tariff on imports next month and planned to impose blanket tariffs of 15% or 20% on most trading partners.

In a letter released on his social media platform, Trump told Canadian Prime Minister Mark Carney the new rate would go into effect on August 1 and would go up if Canada retaliated.

In a post on X late on Thursday, Carney said his government will continue to defend Canadian workers and businesses in their negotiations with the US as they work towards that deadline. The 35% tariff is an increase from the current 25% rate that Trump had assigned to Canada and is a blow to Carney, who was seeking to agree a trade pact with US.

An exclusion for goods covered by the United States-Mexico-Canada Agreement (USMCA) on trade was expected



Canadian Prime Minister Mark Carney. Reuters file

to stay in place, and 10% tariffs on energy and fertilizer were also not set to change, an official said.

Trump said in his letter about what he referred to as the flow of fentanyl from Canada as well as the country's tariff- and non-tariff trade barriers that hurt US dairy farmers and others. "If Canada works with me to stop the flow of Fentanyl, we will, perhaps, consider an adjustment to this letter," Trump wrote.

Canadian officials say a minuscule amount of fentanyl originates from Canada but they have taken measures to strengthen the border. "Canada has made vital progress to stop the scourge of fentanyl in North America. We are committed to continuing to work with the United States to save lives and protect communities in both our countries," Carney added in his X post late Tuesday. **REUTERS**

## Rubio meets China's Wang Yi, says good chance of Trump-Xi meeting

DAPHNE PSALEDAKIS & DANIAL AZHAR  
KUALA LUMPUR, JULY 11

US SECRETARY of State Marco Rubio said on Friday he had "positive and constructive" talks with Chinese Foreign Minister Wang Yi, as the two major powers vied to push their agendas in Asia at a time of tension over Washington's tariff offensive.

The top US diplomat was in Malaysia on his first Asia trip since taking office, seeking to stress the US commitment to the region at the East Asia Summit and ASEAN Regional Forum, where many countries were reeling from a raft of steep US tariffs announced by US President Donald Trump.

Rubio had his first in-person talks with China's foreign minister, which came after Beijing warned Washington against re-instating hefty levies on its goods next month and threatened retaliation against nations that strike deals with the US to cut China out of supply chains.

Wang sharply criticised Washington during talks with Asian counterparts in Malaysia,



US Secretary of State Marco Rubio had his first in-person talks with the Chinese foreign minister in Kuala Lumpur. AP

calling the US tariffs "typical unilateral bullying behavior".

But both sides described their bilateral meeting as positive and constructive on Friday. And Rubio said the odds of Trump meeting Chinese President Xi Jinping were high. "We're two big, powerful countries, and there are always going to be issues that we disagree on. I think there's some areas of potential cooperation and I thought it was a very constructive, posi-

tive meeting, and a lot of work to do," he told reporters.

Rubio said that his sit-down with Wang was not a negotiation, but rather about establishing a constructive baseline to continue talks. Rubio noted Trump had been invited to visit China, and added: "It's a visit he wants to undertake, and so we'll work on finding the right date for that, but I'm sure it'll happen because the president - both presidents - want it to happen." **REUTERS**



OF 23 COUNTRIES SENT 'TARIFF' LETTERS, 8 HAVE LESS THAN \$1 BN TRADE SURPLUS

# US households face bigger income loss than Trump's \$300 bn tariff revenue

SIDDHARTH UPASANI  
NEW DELHI, JULY 11

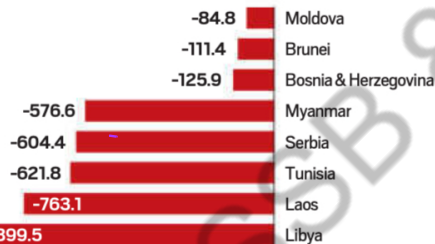
THE AMERICAN government hopes to collect \$300 billion in revenue this year from President Donald Trump's tariff war. However, the higher prices resulting from the increase in tariffs from imported goods could set back US households' incomes by an even greater amount.

On Tuesday, Treasury Secretary Scott Bessent said the US, so far in 2025, had garnered around \$100 billion in tariff income, which could triple to \$300 billion by the end of the year. And while Trump claims the tariffs "will start being paid" from August 1 by the countries they are imposed on, the loss of income for US households from higher prices will exceed the government's revenues on account of the higher duties on foreign goods.

According to non-partisan policy research centre The Budget Lab at Yale, all tariffs levied up to July 9 in 2025 — assuming they stay in force in perpetuity — will lead to a 1.8 per cent increase in prices in the short-run, which is

## COUNTRIES WITH LESS THAN \$1 BN SURPLUS

US' goods trade balance in 2024 (\$ million)



Source: US Census Bureau

equivalent to an annual income loss of \$2,367 for each household, on average. With the Census Bureau estimating the number of US households at just over 127 million, this results in a total income loss of \$302 billion for American households this year.

The Budget Lab's calculations assume the US Federal Reserve does not react to the tariffs, which are estimated to bring down GDP growth in 2025 by 70 basis points (bps) and 40 bps in the long run — equivalent to an annual GDP loss

of \$110 billion in 2024 prices. Meanwhile, the unemployment rate is seen rising 40 bps by the end of 2025.

To be sure, the gains for the US government from the tariffs could end up being higher than just \$300 billion considering the reciprocal tariffs were suspended for 90 days as various countries negotiated trade deals with the Trump administration.

According to the Budget Lab, the tariffs levied so far in 2025 could raise the government's rev-

enue by a net \$2.2 trillion over 2026-35. This is lower than the US Congressional Budget Office's own estimate of tariff income of about \$2.8 trillion over 10 years, which Bessent said this week was "probably low."

## Small beginnings

Starting July 7, Trump has sent 'letters' to 23 countries informing them of the tariff that would apply to goods imported into the US from their shores starting August 1. This interim pause until next month, according to ANZ Asia Economist Krystal Tan, "appears to be a calculated negotiation tactic — designed to increase the pressure on trading partners to accelerate talks and offer deeper concessions".

However, the list is littered with names that the US stands little to gain from. Of the 23 countries on whom the US has levied tariffs as of July 10, eight — Laos, Myanmar, Serbia, Bosnia & Herzegovina, Libya, Tunisia, Brunei, and Moldova — enjoyed a goods trade surplus of less than \$1 billion in 2024. In fact, these eight countries' goods trade surplus with the US in 2024 was a mere

\$3.79 billion, up from \$3.11 billion in 2023.

And yet, these countries have been slapped with tariffs ranging from 40 per cent — Laos and Myanmar, who had a goods trade surplus of \$763 million and \$577 million, respectively, with the US in 2024 — to 25 per cent. Moldova, which faces a tariff of 25 per cent, had a goods trade surplus of just \$85 million with the US last year. All these rates are in addition to any sector-specific tariffs.

Then there is Brazil, which has attracted the highest tariff rate of 50 per cent for non-trade reasons, with Trump complaining in his letter to President Luiz Inácio Lula da Silva that the treatment of his predecessor Jair Bolsonaro — who is on trial for his alleged coup attempt following a loss to Lula in the 2022 elections — was a "disgrace" and a "witch hunt". The US, ironically, enjoyed a goods trade surplus of almost \$7 billion with Brazil in 2024. On the whole, the 23 countries to have received Trump's letters so far had a combined goods trade surplus of \$326 billion in 2024, up 6 per cent from 2023.

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