

# Trump Tariffs, AI Summit and Two state visits: The important ramifications

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On February 20, 2026, the Supreme Court of the United States struck down the Trump administration’s tariffs on different nations in a 6–3 ruling. The verdict stated that Trump had exceeded his brief, the International Emergency Economic Powers Act (IEEPA), in imposing these tariffs.

The US President in response issued a proclamation titled “Imposing a Temporary Import Surcharge to Address Fundamental International Payments Problems”. The US President said that for a period of 150 days, he is imposing a “temporary import surcharge of 10% ad valorem.”

Trump was imposing these tariffs by invoking Section 122 of the trade act of 1974. Some goods have been exempted from the temporary tariffs.

On Saturday, February 21, 2026, Trump raised the world-wide tariff rate from 10% to 15%.

It remains to be seen whether countries which have already signed trade deals will stick to the existing ones with the objective of ensuring stability. India has so far been cautious in its reaction to the February 20th judgment of the US Supreme Court. Trade negotiators from both sides were to meet in Washington DC, on February 23, 2026, for finalising the interim trade agreement, but talks have been postponed.

## **AI Summit**

India hosted a Five-Day India AI Impact Summit (February 16-20, 2026). Global political leaders and tech leaders attended the summit. Apart from United Nations Secretary General, Antonio Guterres, several world leaders -- including the French President Emmanuel Macron and Brazilian President Luiz Inacio Lula da Silva-- also participated in the summit. Several tech leaders – including Sunder Pichai, Sam Altman (CEO of OpenAI), Dario Amodei (CEO Anthropic), Google DeepMind CEO Dennis Hassabis– and Reliance Industries Limited, chairman and managing director, Mukesh Ambani also participated in the event.

The Summit featured over 500 sessions and over 3,000 speakers who deliberated and presented on several features pertaining to AI.

PM Modi inaugurated the Summit. During his address at the AI Summit, PM Modi while pointing to the growing importance of AI said that the “technological revolution” was shaping the world, but there was need to ensure that it is democratised. He unveiled India’s approach towards AI --“ MANAV” which focuses on transparency in governance, inclusiveness and national sovereignty.

The UN Secretary General, Antonio Guterres highlighted the importance of holding the summit in India and reiterated the point that “.. future of AI cannot be decided by a handful of countries – or left to the whims of a few billionaires,”

French President Emmanuel Macron during his address at the Summit highlighted India’s success in the domain of digital payments and the need for greater cooperation between India and France in AI.

## **India joins Pax Silica**

On the sidelines of the AI Summit, India also joined the United States-led high-technology and supply chain initiative, Pax Silica. Pax Silica has been propelled by the changing geopolitical landscape seeks to reduce dependence upon supply chains in minerals,

semiconductors, AI and infrastructure. It also seeks to counter China's dominance in technology.

### **Importance of the AI Summit**

While the summit drew flak for logistical issues, the presence of important world leaders and tech leaders resulted in discussions on some very important dimensions of AI – especially the role of developing countries and India's potential contribution to the same. Amidst the scepticism Senior Congress leader, Shashi Tharoor said that the Summit has gone of "very well" and some glitches were there, but this happens in large events. While India is in a better position to host mega events, as compared to earlier, it is important to pay more attention to logistical issues and infrastructural issues. The importance of the AI Summit needs to be viewed not just from the dimension of technology, but also geopolitics – some important points were flagged regarding AI not being dominated by a handful of countries and the need for the Global South to have more of a voice.

### **Macron's India visit**

French President Emmanuel Macron was in India (February 17-19, 2026). PM Modi and Macron held delegation level talks in Mumbai before jointly addressing the Innovation Forum. The MEA in a post on X said that talks were held on several issues touched on a including: defence and security, trade and investment, critical minerals, research and development, and education.

During the talks, PM Modi upgraded the India-France relationship to a 'Special Global Strategic Partnership'. The H-125 helicopter final assembly line at Vemagal(Karnataka), set up by Tata Advanced Systems in partnership with Airbus was virtually inaugurated by Modi and Macron.

PM Modi also stated that the India-EU FTA will give a further boost to the economic relationship. He also said that the launch of the India-France year of innovation will give a further push to people-to-people linkages between India and France and help in strengthening linkages

Macron also highlighted the immense potential for cooperation in areas including:space, aeronautics, railways, solar energy, technology infrastructure.

Both leaders also referred to the importance of the partnership in the current global landscape. PM Modi said that the India-France partnership is multi-dimensional and "... is a partnership of global stability and global progress".

Macron highlighted the point that while India holds the BRICS Presidency, France holds the Chairmanship of G7. As Middle Powers, India and France have sought to find common ground not just on economic issues, but important geopolitical issues.

The French President while pitching for effective multilateralism also highlighted the fact that both countries accord immense importance to strategic autonomy

In a press conference he said: "We believe in a third way, in a free and open Indo-Pacific, in cooperation in defence technology and trade, and in the determination not to submit to any form of hegemony"

Apart from working closely on multilateral platforms, India and France are also part of the India-France-UAE plurilateral where they work on several issues. The joint statement issued after the meeting between both leaders referred to this point.

Cooperation in education and mobility of professionals was also discussed. The joint statement released by MEA highlights the growing cooperation between both countries in the above areas.

PM Modi and Macron also inaugurated the India-France Innovation Forum. During his address, PM Modi spoke about the India-France relationship and mentioned some of the important steps which will be taken during the current year which has been designated as the India-France year of Innovation. He also highlighted important steps being taken to promote an eco-system of innovation in India. Macron during his speech said that India "leads" global innovation and highlighted the fact that Indian CEO's lead major global companies. Macron ended his visit by posting a video of memorable experiences during his visit and a "Thank you India" message.

### **Brazilian President's India visit**

On February 21, 2026, Brazilian President Luiz Inacio Lula da Silva and PM Modi held talks. Lula was in India for a state visit (February 18-22, 2026) and attended the India AI Impact Summit. Both sides set a target of \$20 billion for bilateral trade. Three MOU's pertaining to digital cooperation, critical minerals and mining supply chains were signed. PM Modi highlighted the importance of the cooperation between both countries in energy as well as the significance of the critical minerals agreement – amidst growing concerns pertaining to global supply chains. The Brazilian President highlighted the point that both countries were the biggest democracies in the Global South and pointed to the strengths of Brazil and India in energy and the digital sphere respectively. Lula also highlighted the need for strengthening cooperation on multilateral platforms in an increasingly turbulent and unpredictable geopolitical order. The Brazilian President also reiterated his support for India's Presidency of BRICS in 2026 and said that Brazil would seek to work closely with India under the BRICS framework.

### **India-Bangladesh ties**

Speaker Om Birla represented India at the swearing in ceremony, on February 17, 2026, of the new Bangladesh Nationalist Party (BNP) government. Birla handed a letter from PM Modi to the new Bangladesh PM Tarique Rahman. In the letter, PM Modi extended an invitation to Tarique Rahman and his wife Dr. Zubaida Rahman along with their daughter Zaima. He also said:

“Please accept, Excellency, my best wishes for your good health and success and for the continued progress and prosperity of the people of Bangladesh,”

On the sidelines of the swearing in ceremony Foreign Secretary Vikram Misri held a courtesy meeting with the Leader of Opposition of Bangladesh and head of Jamaat-e-Islami, Shafiqur Rahman. During the meeting, Misri referred to the people centric nature of ties between both countries while Shafiqur Rahman referred to civilisational bonds. This is an important move since one of the major criticisms of India’s foreign policy especially in the neighbourhood has been excessive reliance on one political player.

## **Conclusion**

The events of the last week highlight a few points. First, that Trump’s economic policies will not go unchallenged as is evident from the recent US Supreme Court Verdict. The verdict will be viewed positively but given the overall uncertainty other countries would view the judgment with cautious optimism. Second, the growing dynamism of the India-France relationship and the growing synergies between both countries on multilateral platforms and the global stage is significant. Third, the visit of Lula was important in the context of Brazil-India ties, both countries have been strengthening not just bilateral cooperation but are emerging as important voices of the Global South. Fourth, the growing importance of AI and India’s potential as an important AI player on the global stage – especially as an important voice of the Global South.

Finally, amidst all the important economic and geopolitical events India needs to pay close attention to the neighbourhood and engage with all stakeholders, while giving precedence to its own interests. The meeting of the Indian Foreign Secretary with the leader of Bangladesh’s main opposition party is thus a pragmatic move.

*(Disclaimer: The views expressed above are the author's own and do not reflect those of DNA)*

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