International Relations · GS - II

“The use of economic sanctions and tariffs as instruments of foreign policy highlights the tension between geopolitical objectives and economic interdependence.” Discuss in the context of the US waiver of measures targeting buyers of Russian energy and its implications for India.

EXAM YEAR	PAPER	SUBJECT
Daily Practice 17/10/2026	GS - II	International Relations

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Discuss economic sanctions, secondary sanctions, tariffs, India's dependence on imported crude oil, inflation, the current account, India–US relations, strategic autonomy and the need for energy diversification.

Model Answer

Economic sanctions and tariffs are instruments of economic statecraft used to influence the behaviour of states. The Lindsey O. Graham Sanctioning Russia and Iran Act, 2026, authorised additional duties and other measures targeting specified Russian energy buyers and related activities. On 16 October 2026, US President Donald Trump waived specified measures under the Act, citing US national interests. The waiver reduced the immediate risk of additional tariffs affecting countries such as India, China and Turkey, while leaving room for future action.

For India, the decision provides relief from a potential trade dispute with the United States and greater flexibility in sourcing Russian crude. Affordable energy can help moderate inflation, reduce production costs and support the balance of payments. However, continued dependence on a temporary waiver creates policy uncertainty.

The development highlights the challenge of balancing energy security, relations with Russia and economic ties with the United States.

India should diversify energy suppliers, strengthen strategic petroleum reserves, improve sanctions compliance and accelerate its transition towards cleaner energy while maintaining strategic autonomy.

BECOME IAS
AI POWERED UPSC PREP