

# Global trade getting weaponised through tariffs, says Sitharaman

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Finance Minister Nirmala Sitharaman (*pictured*) on Wednesday said global trade is increasingly “getting weaponised” through tariffs and other measures, and India will have to negotiate its way carefully. She said that the overall strength of the economy will give the country an added advantage.

“Trade is getting weaponised through tariff, through many other measures and India will have to negotiate its way carefully in this, and not just take care of tariff but I think overall our economy strength is what is going to give us that additional advantage,” Sitharaman said at Times Network’s India Economic Conclave 2025. She said that globally it is now “very clear” that trade is not free and fair.

“India can be lectured saying you (India) are very inward-looking, you are a tariff king and so on. But tariff has been weaponised,” she said adding India’s intention was never to weaponise tariffs. India, she said, only safeguarded its domestic industries against flooding which happens from a “predator”.

But the weaponisation of trade



today is without criticism, she said, adding that some nations state that tariffs are not good and no one should take these measures but “suddenly we have newer people coming up saying we’ll come up with tariff barriers and there’s no questioning. So that seems to be the new normal”.

These remarks are important as global trade has been disruptive due to the high tariffs imposed by the US. Mexico too has recently announced to impose high tariffs in countries with which they do not have free trade agreements. She also said the Centre has set clear goals for transparency in fiscal management and brought down its debt levels, and called upon states to

implement the same.

“The central government has set clear goals for transparency in budget-making, ensuring that fiscal management is visible to all and meets the highest standards of accountability. As a result, we have been able to bring down the debt-to-GDP ratio since the post-Covid period, when it had crossed 60 per cent. It is now on a declining path,” she said.

## **Parliament passes Bill to allow 100% FDI in insurance sector**

The Parliament passed a Bill to raise FDI in the insurance sector to 100 per cent from the current 74 per cent, which is expected to increase insurance penetration, lower premiums, and boost job creation. The Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Bill, 2025, was cleared by the Rajya Sabha with a voice vote. The House also rejected amendments made by the Opposition, including the one to send the legislation to a parliamentary panel for scrutiny. Sitharaman informed the House that the opening of the sector has helped in increasing penetration of insurance in the country, and there is “scope for more”.