



# TRUMP'S TARIFF TANTRUM

EGO AT THE HELM,  
TURBULENCE FOR THE WORLD

**By turning tariffs into weapons of personal politics, Donald Trump risks fracturing the global trade order, pushing allies into rival camps — and forcing India into a geopolitical pivot it didn't ask for.**

*In the long history of global trade disputes, tariffs were once tools of calculated statecraft — applied sparingly, negotiated quietly, and lifted strategically. Under Donald Trump, they have become the blunt instruments of an impulsive presidency: economic artillery fired at will, often without warning, and almost always with domestic applause in mind.*

**By TITTO EAPEN**

**T**he latest barrage is aimed at India, not because of a collapse in American manufacturing or a breakdown in trade fairness, but because India's foreign policy refuses to be chained to Washington's mood swings. For Trump, strategic autonomy — buying discounted Russian oil, engaging with BRICS, maintaining dialogue with the US is not a sign of maturity; it's a red flag for punishment.

This is not leadership, it is transactional brinkmanship, driven by ego and televised for

political theatre. And while the performance plays well to a domestic base hungry for "America First," the costs will be borne elsewhere: Indian exporters facing tariff walls, global supply chains twisting into new shapes, and a world economy inching closer to the fault lines of a multipolar split.

Trump's tariffs are not just a line item in customs schedules — they are an assault on the idea of predictable global commerce. And if history has taught us anything, it's that when the world's largest economy weaponises trade on a whim, the damage is never contained to the intended target.



## TARIFF POLITICS: FROM ECONOMIC TOOL TO GEOPOLITICAL WEAPON

For most of the post-war era, tariffs were the realm of economic technocrats — measured responses to trade imbalances, rarely wielded without careful diplomatic cushioning. In Trump's hands, they have been stripped of subtlety and weaponised for spectacle.

This is tariff politics 2.0 — not about levelling the playing field, but about enforcing loyalty through economic pain. The Trump doctrine is simple: trade is not a mutual exchange; it is a scoreboard. If America doesn't "win," someone must be made to lose — preferably in a way that makes the evening news.

India has now been cast in the role of the disobedient ally. The sin? Playing a pragmatic balancing game between the West and the emerging multipolar order. By continuing oil imports from Russia after the Ukraine war, expanding trade within BRICS, and avoiding a hard tilt against China, New Delhi has effectively told Washington, "We'll be friends, but we won't be followers." For Trump, whose worldview is binary and transactional, such nuance is intolerable.

The result is a tariff wall disguised as trade policy. Higher duties on Indian steel, aluminium, engineering goods, textiles, and possibly tech components are not just about the economics — they are about signalling to others: stray from the US line and you'll pay the price.



The deeper danger lies in precedent. When the world's largest economy uses tariffs not as a last resort but as a first strike, it erodes the very stability that global trade relies on. It encourages copycat behaviour from other powers, accelerates the fragmentation of trade blocs, and undermines institutions like the WTO. It turns the rules-based order into a rules-by-who's-in-charge order — and in Trump's White House, that means rules that can change overnight.

# THE TARIFF STRIKE

## A NEW KIND OF ECONOMIC COERCION

Trump has slapped tariffs on friends and foes before — Canada for “national security,” the EU for “unfair trade,” China for “stealing jobs.” But what’s unfolding with India is qualitatively different. This isn’t a clash over subsidies or intellectual property. It’s the first time Washington has openly tied market access to a country’s alignment in a global geopolitical rivalry.

The target list wasn’t random. US officials zeroed in on sectors where India is either irreplaceable in the supply chain or politically sensitive at home — gems and jewellery worth over \$12 billion in annual exports, cotton textiles employing millions, and high-value engineering goods feeding into US manufacturing. The intent was surgical: pick industries that would ring alarm bells in Delhi without triggering an immediate collapse in American retail shelves.

In off-record briefings, US trade strategists called it “a calibration for maximum strategic leverage.” Translation: tariffs as a foreign policy whip, not an economic shield. The public line was blunter — Trump accused India of “profiting from American markets while undermining our security objectives,” a nod to its continued dealings with Russia.

The White House wanted the world to see this not as a trade spat, but as a warning shot across the bow of any partner thinking of straddling two camps.

Delhi’s response was as much for Washington as it was for its own citizens. The External Affairs Ministry stressed that “India’s trade relationships cannot be contingent on political alignment,” while Commerce Ministry officials quietly began accelerating talks to expand



duty-free quotas with the UAE and Australia. A senior policy adviser in Delhi put it more plainly: “If the US market becomes a switch that can be turned off for political reasons, then we will make sure our economy doesn’t run on US power.”

What makes this moment dangerous for the US is that the very precision of its strike could push India into faster diversification. The UAE, ASEAN, and even China are already exploring expanded import windows for Indian goods as part of BRICS economic integration talks. Moscow has floated preferential oil-for-goods deals that could absorb some of the displaced exports. In attempting to enforce loyalty through coercion, Washington may be speeding up the very multipolar realignment it fears.

Trump may sell this back home as proof that “America doesn’t get played,” but for India — and many other capitals watching — the takeaway is starker: in a world where tariffs become instruments of political obedience, the only real defence is to reduce dependence on any one power, no matter how “strategic” the partnership claims to be.

### Precision Targeting Indian Industries by US strategists





## THE IMMEDIATE IMPACT ON INDIA

The White House's tariff notice wasn't just a customs change; it was a signal flare, visible in every Indian boardroom and ministry corridor. Within 48 hours, the mood in New Delhi had shifted from disbelief to mobilisation.

Prime Minister Narendra Modi set the tone in a televised address, declaring India would "never compromise" on the welfare of its farmers, dairy producers, or fishermen — even if it meant paying a "heavy price" in the short term. The Ministry of External Affairs called the 50% tariff hike "extremely unfortunate" and "unilateral," noting pointedly that the U.S. had not imposed similar measures on China.

### Government Initiatives to combat US Tariffs

A ₹20,000 crore program to help exporters find new markets and improve competitiveness.



#### Export Promotion Mission

Accelerated reforms to strengthen manufacturing resilience and ensure future growth.

#### Domestic Reform Timelines



Inside Udyog Bhawan, officials began translating defiance into policy. Commerce Ministry teams worked with the RBI and EXIM Bank to draft a package of trade support — the centrepiece being a ₹20,000 crore Export Promotion Mission scheduled for rollout by September 2025. The programme is designed to help exporters hit by the U.S. tariffs find new markets, improve competitiveness, and reduce dependence on politically exposed destinations.

Parallel to this, the government accelerated domestic reform timelines to strengthen manufacturing resilience — part of a broader strategy to ensure that future shocks, whether from tariffs or sanctions, would not disrupt growth momentum. Trade officials re-engaged stalled negotiations with the EU and Gulf partners, with the UAE agreement under review to expand jewellery quotas.

Political consensus, rare in Delhi, began to form. Opposition leaders such as Mallikarjun Kharge urged unity in defending India's strategic autonomy, while NCP veteran Sharad Pawar warned that "no one has control over Trump" and framed the tariff move as a pressure tactic that required a firm national response. For exporters, the impact was immediate. Orders from the U.S. slowed, and buyers in apparel and jewellery began exploring alternatives in Vietnam, Bangladesh, and Thailand.

By the end of the first fortnight, India had not retaliated with counter-tariffs — a deliberate choice to keep the door open for negotiation — but it had done something more significant: it had begun rewiring its trade strategy in real time. The U.S., once treated as a fixed destination, was now being reclassified across ministries and markets as just one port of call among many.

# FROM TARIFFS TO TOWER CRANES THE REAL ESTATE DOMINO EFFECT

Trade wars rarely stop at container ports. When a 50% tariff bursts onto the scene — as it did with Trump's August 7th decree — it ricochets far beyond export invoices. In India's case, the shock doesn't just threaten Surat's diamond cutters or Ludhiana's textile mills; it creeps into cement batching plants, steel procurement desks, and boardrooms where REIT deals are negotiated.

## Steel, Aluminium and the Silent Surcharge

Even without a single rupee of duty on construction metals, the global pricing psyche shifts. Traders in Shanghai and London Futures pits price in risk, not just volume. The 2018–19 U.S.–China trade war saw India's hot-rolled coil prices jump 8–10% within months, despite India being a bystander. This time, the backdrop is more combustible. Steel in a metro viaduct or aluminium in a high-rise curtain wall already makes up 20–25% of total EPC cost; a sudden risk premium here can turn a project's thin profit margin into a loss before the first beam is welded.

## Currency Whiplash and Imported Luxuries

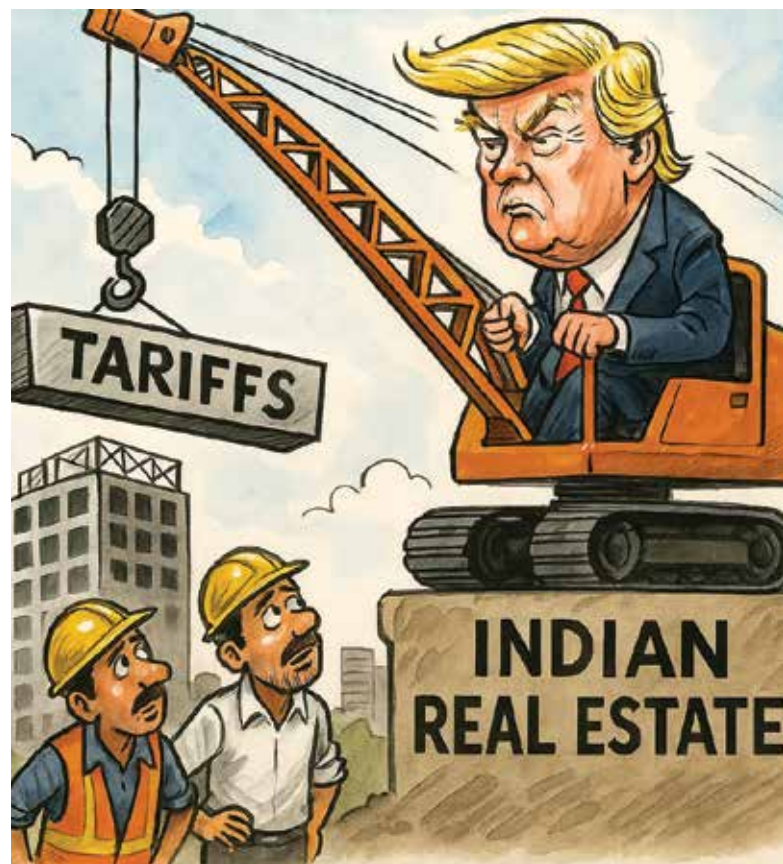
A dip in export earnings nudges the rupee lower, and in an import-dependent segment like premium housing and Grade-A offices, that's a direct hit. Elevators from Finland, HVAC chillers from Japan, smart façade systems from Italy — these aren't bought in rupees. In high-spec projects, 10–15% of fit-out budgets are pegged to euro or dollar invoices. Developers without currency hedges face a cruel choice: absorb the blow or scale back on the very features that sell their projects.

## The Micro-Market Ripple

On paper, a GDP dent of 0.19% looks like a statistical rounding error. On the ground, it feels like shuttered factories and cancelled home bookings. Export belts like Pune's auto component hub, Surat's gem market, and Tiruppur's knitwear cluster aren't just production zones — they are the demand base for nearby mid-income housing and warehousing. When \$8.1 billion in exports is tagged "at risk," mortgage applications dry up faster than monsoon puddles in Ahmedabad.

## Capital Confidence and the Diplomacy Discount

The real estate sector's most invisible dependency is foreign patience. U.S.-based private equity has poured billions into India's commercial towers and logistics parks, often anchoring REIT platforms. A sour turn in bilateral tone doesn't necessarily close the tap, but it does slow the drip — deal committees deliberate longer, risk officers widen their red zones, and capital migrates to markets with less political noise. For developers counting on overseas equity to close land buys or start PPP infra projects, the lag can be lethal.



## New Delhi's Calculated Calm

Unlike the chest-thumping tit-for-tat of other capitals, India's initial move is one of studied restraint — diversify markets, fast-track other FTAs, avoid steps that would spike domestic input costs. Yet state governments in export-heavy regions are already gaming out job loss contingencies. If they reallocate budgets from highways to handouts, infra timelines slow, and with them, the real estate projects those roads would have fed.

## Trump's Name on Indian Towers

There's irony in the fact that India is the Trump Organization's largest overseas market — ~11 million sq. ft. across six cities, over ₹175 crore in licensing fees, and a Gurugram sales launch that booked ₹3,250 crore in a single day. The asset-light model shields them from steel price shocks, but not from sentiment shifts. Ultra-luxury buyers may currently treat geopolitics like background noise, but history shows political hostility has a way of bleeding into lifestyle choices.

## The Strategic Takeaway

For developers and EPC firms, this isn't about whether the tariff touches your BOM spreadsheet. It's about pricing in volatility as a permanent line item. Lock in metals early, hedge foreign-currency exposure, rethink sourcing for MEP systems, and diversify funding sources so your capital plan doesn't hang on the mood swings of Washington. Because in a world where a tweet can move a commodity market, even a real estate project in Thane can feel the tremors of a tariff signed in the Oval Office.

# IS THIS THE END OF TRUMP REAL ESTATE BUSINESS IN INDIA?

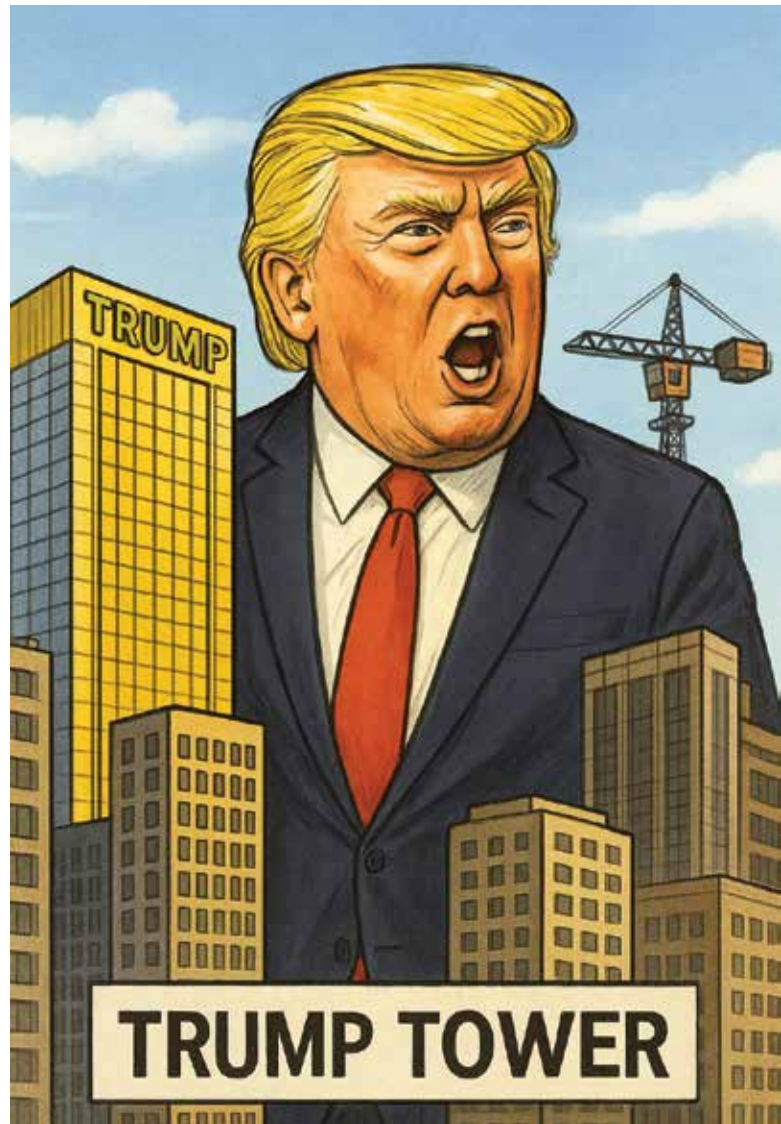
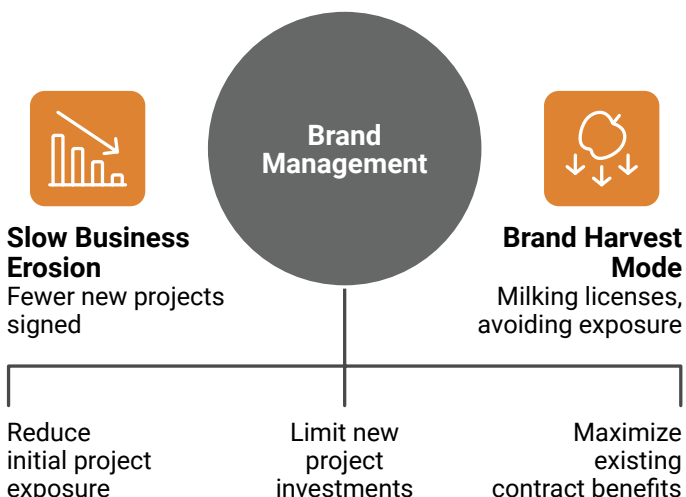
For all the noise about tariffs, tantrums, and trade wars, Donald J. Trump is still, at his core, a property brander. Long before he was firing aides in the White House, he was licensing his name to glass towers in Toronto, Istanbul, Manila, and Panama. The formula was simple: zero construction risk, maximum brand premium – a golden signature on the façade and a slice of the sales revenue without ever lifting a brick.

This global footprint, however, has been shrinking. Projects in Vancouver and Toronto were de-Trumped amid political backlash, Panama's was mired in legal brawls, and even in the U.S., new ground-up developments under the Trump name are rare. The empire today survives less on pouring concrete and more on licensing fees, golf resorts, and nostalgia merchandising.

Against that backdrop, India has been an unexpected jewel in the Trump crown. With ~11 million sq. ft. of branded luxury real estate across six cities and over ₹175 crore in licensing income generated so far, this is the largest overseas market for the brand. The success stories are hard to ignore – Trump Towers Gurugram sold ₹3,250 crore worth of apartments in a single day, a record in India's luxury segment. Buyers weren't investing in construction quality (that's the developer's job); they were buying a lifestyle – the idea of "Trump living," a blend of Manhattan excess and gilded exclusivity.

But here lies the fragility: in India, the Trump name is not about product; it is about perception. And perception, as any marketer will tell you, is the most volatile asset class. The moment the brand becomes politically loaded – especially as the face of a punitive 50% tariff on Indian goods – that aspirational gloss can start to crack. Ultra-luxury buyers may not queue up waving flags, but they are sensitive to social mood. A brand associated with "economic bullying" could see its 10–15% price premium evaporate, even if the marble floors and skyline views remain unchanged.

## Mitigating the Slow Erosion of Trump's Indian Businesses



Developers, too, will be doing their own math. The Trump tag has been a sales rocket booster, justifying premium pricing and faster absorption. But in an environment where American policy is actively hurting Indian exporters – from Surat's diamond polishers to Ludhiana's textile mills – the risk-to-reward ratio for paying those 3–5% branding fees starts to look less compelling. Why invite potential controversy when a neutral global brand could achieve the same sales velocity without the political baggage?

The danger for Trump's India business isn't an immediate collapse – existing contracts are locked in, and the rarefied buyers of Trump-branded penthouses are not price-sensitive in the same way as the mid-market. The danger is slow erosion: fewer new projects signed, quieter launches, and eventually, the brand shifting into "harvest mode," milking current licences but avoiding new exposure until the political climate thaws.

Trump's real estate empire has survived bankruptcies, lawsuits, and even the reputational blowtorch of his own presidency. But in India, his survival will depend not on glass and steel, but on whether he can keep the Trump name a symbol of aspiration – rather than a reminder of economic confrontation.

# THE SOCIAL & EMOTIONAL COUNTER: WHEN 1.4 BILLION PEOPLE TAKE IT PERSONALLY

Trade policy may be decided in Washington's corridors of power, but its emotional reception is often determined in the lanes of Surat, the malls of Mumbai, and the chai stalls of Kanpur. And here lies the underestimated risk for the United States — the collective mood swing of 1.4 billion Indians.

India is not new to economic nationalism. From the Swadeshi movement of the early 1900s to the post-Galwan "boycott Chinese goods" calls of 2020, the country has demonstrated an instinctive readiness to turn consumer choice into a geopolitical statement. These movements are rarely government-mandated; they are self-organised, socially amplified, and culturally sticky.

## The Soft Targets: American Consumer Brands

If Trump's tariff becomes a symbol of economic disrespect, the easiest retaliation for ordinary Indians is not through customs duty or trade negotiations, but through wallets and thumbs — by refusing to buy or engage with American products. Apple, Google, Facebook, Instagram, Netflix, Amazon — these brands are not just products; they are lifestyle fixtures. But they are also highly visible proxies for "America" in the Indian consciousness.

History offers cautionary precedents. After the 2020 border clashes with China, Chinese smartphone makers saw a measurable dip in sales and were forced into rebranding campaigns with Indian celebrities and cricket sponsorships to repair perception. Even a 5–10% consumer sentiment swing in India — the world's second-largest smartphone and

social media market — would translate into billions in lost revenue for American tech firms.

## The Emotional Economics

Unlike tariff negotiations, which operate in fiscal quarters, boycotts move at the speed of hashtags. "#BoycottAmericanBrands" could trend in hours, fuelled by influencers, political rhetoric, and a latent sense of "teach them a lesson." The damage is twofold — immediate sales erosion and long-term brand equity erosion. In markets like India, where brand affinity is often aspirational, a perception of arrogance or exploitation can undo decades of soft power.

## Washington's Misread

The real risk is that policymakers in the U.S. underestimate this dynamic. They see India as too dependent on American tech ecosystems to risk disengagement. But history shows that when emotion and identity are at stake, Indian consumers have proven willing to endure inconvenience to make a point. The memory of "foreign brands" being kept out until the 1990s is still alive in the older generation, and for the younger demographic, switching apps or brands is frictionless.

In that sense, Trump's tariff is not just a trade war — it's a branding war. And in a country where 1.4 billion people decide every day what to eat, wear, watch, and share, no brand, however global, can afford to be the villain in the national narrative.





## THE REALIGNMENT IN GEOPOLITICS INDIA'S DRIFT TOWARD BRICS

Trade wars rarely exist in isolation; they are gravitational events, pulling entire diplomatic orbits out of their paths. Trump's 50% tariff strike may have been aimed at India's export ledger, but its aftershocks are geopolitical — forcing New Delhi to quietly re-chart its long-term alliances.

For decades, India's foreign policy posture has been a carefully balanced trapeze act — deepening defence cooperation with the United States while maintaining historical and strategic links with Russia, and keeping trade channels with China open despite border tensions. But Washington's economic hostility is eroding the "trust premium" that has underpinned the India-U.S. relationship since the 2008 civil nuclear deal. When tariffs become the default language of negotiation, the incentive to hedge — and to hedge visibly — grows.

### Russia's Return to the Centre Stage

Moscow, already India's largest defence supplier, stands to benefit from the chill in Delhi-Washington trade warmth. Beyond arms sales, Russia has been pitching joint energy exploration, Arctic shipping corridors, and currency-settled trade mechanisms to sidestep the dollar. The success of the rupee-rouble oil trade during Western sanctions has proven the model works. As U.S. tariffs squeeze certain Indian exports, Russia becomes a partner not just in geopolitics, but in trade insurance — a market immune to Washington's whims.

### China: From Adversary to Economic Counterweight

Here's the paradox — while security tensions with Beijing

remain unresolved, the sheer gravitational pull of China's manufacturing and its role within BRICS cannot be ignored. A more "conductive" stance toward China in trade forums would allow India to leverage supply chains, access alternative investment capital, and push for collective bargaining against Western protectionism. Delhi will not warm to Beijing on security — but in trade blocs, expect pragmatism over posturing.

### The BRICS and Global South Bloc

The logical geopolitical hedge is deeper entrenchment within BRICS, now expanded with heavyweights like Saudi Arabia, UAE, and Egypt. Within this forum, India gains a platform to counter Western trade measures, co-develop payment systems outside SWIFT, and build preferential trade routes across Asia, Africa, and Latin America. The message to Washington is subtle but unmistakable — if you close one market, we'll open five others.

### Risks of Overcorrection

Realignment is not without cost. Closer economic embrace of Russia and China risks alienating European partners, where Indian pharma, IT, and engineering goods enjoy stable demand. And while BRICS offers scale, it lacks the regulatory cohesion of Western trade frameworks. India's challenge will be to pivot without appearing to defect — a diplomatic choreography that keeps options open while signalling it has alternatives.

In the long game, Trump's tariff may accelerate a shift that was already underway — the slow migration of India's economic gravity toward the multipolar Global South. The irony? By trying to isolate India in a trade dispute, Washington may be pushing it deeper into the very alliances that seek to dilute American economic dominance.

## CONCLUSION – TRUMP’S TARIFF TANTRUM: INDIA’S CHALLENGE, THE WORLD’S TEST

Trump’s 50% tariff on Indian goods is more than a policy announcement – it is an open declaration that economic weapons are now as potent as military ones in shaping the global order. What appears on paper as a targeted strike at select export categories is, in practice, a stress test of national resilience – exposing the fragility of supply chains, the volatility of capital flows, and the vulnerability of consumer sentiment.

For India, the immediate task is not simply to manage a tariff shock, but to redraw its map of dependencies. The American market may remain important, but no longer inviolable. A pivot toward Russia, deeper integration with BRICS, trade corridors with Africa and Latin America, and stronger linkages with ASEAN and the EU will no longer be optional – they will be survival imperatives.

For the global economy, the implications are even more profound. If Trump returns to the White House, U.S. foreign policy will likely move from diplomacy-first to transaction-first, where loyalty is measured in trade concessions and strategic alignment is priced in tariffs. This is not a return to isolationism – it is hyper-engaged economic nationalism, designed to bend the rules of globalisation to fit a single country’s balance sheet.

The real estate and infrastructure sectors, often seen as insulated from trade wars, are now firmly in the blast radius. Commodity pricing shocks, currency pass-through costs, and disrupted capital pipelines will not just slow projects – they will force developers to rethink the very viability of large-scale urbanisation plans tied to foreign capital.

Socially, India’s 1.4 billion people have long memories and quick reflexes when it comes to perceived slights. If the boycott impulse hardens into an organised consumer movement against American brands – Apple, Google, Facebook, Amazon – the damage will be reciprocal. U.S. corporations that rely on India as both a growth market and a global talent pool may find themselves caught in the same crossfire as the exporters hit by tariffs.

The choice before the world is stark. If Trump wins, expect a hegemonic U.S. armed with tariffs instead of treaties, willing to redraw global trade lines unilaterally. If he loses, the door opens – however briefly – for the emergence of a multipolar order where economic power is distributed, not dictated.

Either way, the comfortable era of predictable, rules-based globalisation is dead. What rises in its place will be shaped not by goodwill, but by how fast nations can build alternate corridors of commerce, capital, and cooperation before the next shock hits. Trump’s tantrum is not India’s isolated problem – it is the world’s trial by fire.

## TARIFF GEOPOLITICS AND THE TEST OF THE WORLD



### About The Author

Titto Eapen is the Founder and Chief Editor of Urban Acres - A Think Tank of Urban Built Environment. He is also the curator of the V30 Conclave and Dialogues, where India’s leading urban thinkers, developers, and policymakers converge to reimagine the future of the built environment.

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