



# 1. Modi-Milei Talks - Strengthening India-Argentina Ties in Critical Minerals, Shale, Defence and Technology

CLAT 2026 | Geopolitics, Bilateral Diplomacy & Strategic Resources | CLAT Gurukul Current Affairs Series

# Introduction

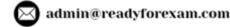
In a significant step forward for India's foreign policy and global strategic alignments, **Prime Minister Narendra** Modi's visit to Argentina and bilateral talks with President Javier Milei marked a critical moment in the India-Argentina Strategic Partnership. Held in Buenos Aires on July 5–6, 2025, the discussions touched upon vital sectors such as critical minerals, shale gas, defence cooperation, telemedicine, digital health, and information technology, signifying a wide-ranging framework of mutual collaboration.

This meeting is historically important as it is the first bilateral visit by an Indian Prime Minister to Argentina in 57 years, and it comes at a time when both nations are expanding their global footprints, especially in areas of energy security, mineral supply chains, and digital innovation. With Argentina's vast reserves of lithium, shale gas, and other critical materials, and India's growing industrial and defence needs, the partnership holds transformative potential.

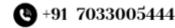
For students preparing under the best online coaching for CLAT or any online coaching for CLAT, this development offers rich insights into international relations, trade diplomacy, strategic minerals law, and energy policy—all crucial for the CLAT Current Affairs 2026 and Legal Reasoning sections.

# Why in News?

- Prime Minister Narendra Modi visited Buenos Aires on July 5, 2025, and held bilateral talks with President Javier Milei of Argentina.
- The two sides explored cooperation in:
  - **Critical minerals (lithium, rare earth elements)**
  - Shale gas and oil
  - **Defence manufacturing**
  - **Space collaboration**
  - Telemedicine and digital healthcare
  - Education, disaster management, agriculture
- The visit marked 75 years of India-Argentina diplomatic ties and 5 years of Strategic Partnership.
- The meeting focused on deepening economic cooperation, tech partnerships, and securing supply chains.











# **Point-wise Summary**

#### 1. Diplomatic Milestone

- First Indian bilateral visit to Argentina in 57 years.
- Modi's second visit to Argentina—earlier visit was for the G20 Summit in 2018.
- Commemorates 75 years of diplomatic relations and marks 5 years of elevated strategic partnership.

#### 2. Geopolitical Significance

- Argentina is undergoing major economic reforms and is looking to expand strategic partnerships beyond its traditional allies.
- The visit is seen as timely, as both countries aim to diversify global alignments in a multipolar world order.

#### 3. Critical Minerals Collaboration

- Argentina holds the world's second-largest shale gas reserves and the fourth-largest shale oil reserves.
- Rich in lithium, copper, and rare earth elements—key for clean energy and electronics.
- India seeks stable supply chains to fuel EV batteries, solar panels, and semiconductor growth.
- Indian PSU KABIL already won two lithium concessions in Argentina since 2024.

#### 4. Shale Energy & Oil Sector

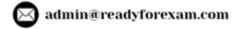
- Discussions on joint ventures in shale gas exploration.
- Argentina's vast conventional and shale reserves make it a natural energy partner.
- India exploring access to Argentina's oil and gas basins to secure long-term supply needs.

#### 5. Defence & Space Cooperation

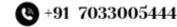
- Dialogue includes:
  - Satellite development
  - Launch services
  - Joint research in defence innovation
- India expressed interest in expanding defence manufacturing ties, particularly in missiles and aviation technologies.

#### 6. Telemedicine & Digital Health

- India's Arogya Setu-style digital platforms and low-cost healthcare solutions were showcased.
- India offered to support **Argentina's healthcare digitization** drive using:
  - AI-enabled medical diagnostics
  - Rural teleconsultation models











#### 7. Education, Agri-tech, Climate Cooperation

- Talks on:
  - Joint university research
  - Digital classroom models
  - **Smart agriculture**
  - Climate resilience
  - **Disaster management systems**
- Technology transfer and training of human resources included in the roadmap.

#### 8. Preferential Trade Agreement (PTA)

- Discussions initiated to fast-track a Preferential Trade Agreement to boost:
  - Access to Indian pharmaceuticals in Latin American markets.
  - Faster drug approvals and adoption of India's UPI payment system.

#### 9. Symbolic Diplomacy

- PM Modi:
  - Paid homage to General José de San Martín, a hero of Argentina's independence.
  - Visited Boca Juniors stadium, famous for football legend Diego Maradona.

# **Explanation of Peculiar Terms (NOTES)**

- 1. Critical Minerals: Rare minerals like lithium, cobalt, and rare earths essential for renewable energy technologies, defence, and electronics.
- 2. Shale Gas: Natural gas trapped within shale formations, extracted using hydraulic fracturing ("fracking").
- 3. Strategic Partnership: A formal bilateral relationship involving economic, defence, technological, and political cooperation.
- 4. **Telemedicine**: Providing healthcare services remotely using digital technology, especially in rural and underserved areas.
- 5. KABIL (Khanij Bidesh India Limited): A joint PSU established to secure strategic mineral supplies from abroad.
- 6. Preferential Trade Agreement (PTA): A trade deal where countries reduce tariffs or duties for selected goods/services to promote mutual trade.
- 7. UPI (Unified Payments Interface): India's digital real-time payment system, now being exported to several countries.









# **Legal and Strategic Framework**

#### A. Bilateral Trade & Investment Law

- PTAs must comply with World Trade Organization (WTO) rules.
- India's agreements are governed by:
  - **Foreign Trade Policy**
  - **FTDR Act, 1992**
  - **Bilateral Investment Treaties (BITs)**

#### **B.** Minerals Regulation

- India regulates critical minerals through:
  - Mines and Minerals (Development and Regulation) Act, 1957
  - National Mineral Policy, 2019
- Foreign mineral imports must comply with strategic resource allocation frameworks.

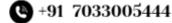
#### C. Defence and Space Law

- Technology transfer and joint defence manufacturing require:
  - MoD clearances
  - Compliance with Strategic Partnership Model (SPM)
  - Oversight under ISRO and DRDO protocols

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# 2. The 'Big Beautiful Bill Act': US Policy U-turn on Clean Energy as China Surges Ahead

CLAT 2026 | Energy Policy, International Relations, and Environmental Law | CLAT Gurukul Current Affairs Series

# Introduction

In a dramatic shift from the previous Biden administration's green energy agenda, US President **Donald Trump** has signed into law the 'One Big Beautiful Bill' Act (OBBBA) on July 3, 2025. This legislation reverses key provisions of the Inflation Reduction Act (IRA) and significantly pulls back on federal support for clean energy technologies, such as solar, wind, and electric vehicles (EVs). Simultaneously, the OBBBA doubles down on fossil fuel production, expands oil and gas drilling, and reduces royalty rates.

This policy reversal has significant domestic, economic, and global implications, particularly as the world races toward green transitions and nations like China increase their clean energy investments. The OBBBA may reshape global energy markets, challenge climate change commitments, and realign geopolitical strategies in energy dominance.

For aspirants enrolled in the best online coaching for CLAT or any online coaching for CLAT, this development touches upon vital topics such as environmental law, international energy policy, climate change governance, and legislative process in democracies, making it crucial for CLAT Current Affairs 2026 and Legal Reasoning.

# Why in News?

- US President Donald Trump signed the 'One Big Beautiful Bill' Act (OBBBA) into law on July 3, 2025, marking a significant departure from Biden's green policies.
- The law:
  - Phases out incentives for solar, wind, and EVs
  - Slashes support for clean energy infrastructure
  - Expands fossil fuel subsidies and drilling operations
- Comes at a time when China is rapidly increasing its solar, wind, and EV investments, gaining dominance in the global clean energy race.
- The Act is expected to **increase US household energy bills** and reduce America's leadership role in climate mitigation.









# **Point-wise Summary**

# 1. What is the Big Beautiful Bill Act (OBBBA)?

- A legislative act signed by **President Donald Trump** on July 3, 2025.
- Approved by both the US Senate and House of Representatives.
- Formally reverses key provisions of the Inflation Reduction Act (IRA) initiated under President Joe Biden.

#### 2. Core Provisions of OBBBA

- Ends federal tax credits for EV purchases starting September 30, 2025.
- Phases out incentives for:
  - Solar and wind energy projects
  - EV battery manufacturing
- **Expands oil and gas leasing with reduced royalty rates.**
- Supports hydrogen and nuclear research but cuts support for green technologies.

# 3. Economic Impact on Households

- According to the **Rhodium Group**, the OBBBA will:
  - Increase US household energy bills by 2–7%.
  - Cost families an additional \$95–\$250 annually by 2035.
- Driven largely by:
  - **Reduced EV adoption**  $\rightarrow$  higher fuel consumption.
  - **Higher demand for fossil fuels** → increased energy prices.

# 4. Fossil Fuel Support and Expansion

- The bill encourages:
  - **New domestic oil exploration**
  - Expanded fossil fuel infrastructure
- Reduces regulatory burdens and:
  - Increases drilling rights
  - Slashes royalty rates for fossil energy companies







#### 5. Concerns from Environmentalists

- Climate experts warn:
  - o OBBBA undermines clean energy momentum.
  - US will lag in global climate leadership.
- The World Resources Institute stated:

"Fossil fuels alone won't meet the energy demands of a modern, electrified economy."

#### 6. Strategic Risk: Losing the Clean Energy Race

- US rollback comes at a time when:
  - China has surged ahead in renewable investments.
  - o China built 100+ coal plants and 240 GW of solar/wind in 2024 alone.
- Critics argue the US is giving up its position in the clean energy supply chain and green manufacturing.

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#### 7. Potential Impact on US Industry

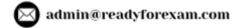
- Manufacturing risk:
  - Low demand for solar panels, batteries, EVs  $\rightarrow$  factories may shut down.
- Financial concerns:
  - o Previously announced clean-tech investments could be stalled or withdrawn.

#### 8. Broader Legislative Themes

- The OBBBA also aims at:
  - Reducing federal spending
  - Shrinking federal deficits
  - Focusing on "energy independence" through domestic fossil fuels

#### 9. Global Implications

- Weakens US position in:
  - Climate change negotiations
  - Clean energy trade
- May lead to:
  - Rise in global emissions
  - o Reversal of US-India and US-EU green partnerships











# **Explanation of Peculiar Terms (NOTES)**

- 1. OBBBA (One Big Beautiful Bill Act): A US legislation reversing support for clean energy technologies and increasing fossil fuel reliance.
- 2. **IRA** (Inflation Reduction Act): Biden-era law that invested over \$369 billion in climate and clean energy projects.
- 3. Royalty Rates: Payments made by private companies to the government for extracting natural resources like oil and gas.
- 4. EVs (Electric Vehicles): Battery-powered vehicles that reduce greenhouse gas emissions compared to internal combustion engine cars.
- 5. Fossil Fuel Subsidies: Financial incentives provided to oil, gas, and coal producers to lower their production costs.
- 6. **Rhodium Group**: A policy think tank specializing in climate, economic, and energy analysis.

# **Legal and Policy Implications**

# A. Legislative Process

- The Act demonstrates the power of executive-legislative alignment in altering federal priorities.
- Reflects partisan shifts in US Congress over climate and energy.

# B. International Treaties and Climate Commitments

- Pulling back on clean energy may violate Paris Agreement obligations.
- Raises questions on US compliance with multilateral environmental agreements (MEAs).

# C. Domestic Environmental Law Reversal

- Undermines progress under:
  - Clean Air Act
  - **Energy Policy Act of 2005**
  - State-level Renewable Portfolio Standards (RPS)

