



CUTS International *Global Affairs*

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Geopolitics, AI and Trade: Re-thinking Cooperation in an Uncertain World

February highlighted how rapidly technology is reshaping global economic and strategic competition. India's successful hosting of a major global Artificial Intelligence summit, the first one in the global south, marked an important milestone in the debate on governing emerging technologies. With the global AI market projected to exceed US\$1.8 trillion by 2030, governments increasingly view AI not merely as innovation but as a strategic resource linked to economic competitiveness and national security. India's experience with digital public infrastructure and inclusive digitalisation places it in a unique position to help bridge the priorities of advanced economies and the Global South. The question now is clear: can the world develop common norms for AI while ensuring innovation continues to thrive?

Developments in West Asia, meanwhile, reaffirmed the region's enduring geopolitical centrality. Accounting for nearly one-third of global oil production, the region remains critical to energy flows and maritime trade. For India, whose trade with the Gulf exceeds US\$150 billion annually and where over nine million Indians live and work, regional stability is not just desirable but essential. As shifting alliances, energy transitions, and new economic corridors reshape the region, the key challenge will be how countries balance strategic competition with the need for economic cooperation.

Closer to home, the recent elections in Bangladesh once again brought attention to the country's evolving political trajectory. With economic growth averaging 6–7 per cent over the past decade, Bangladesh has become one of South Asia's most dynamic economies. Yet domestic political developments, including the potential influence of figures such as Tariq Rahman, may shape the future direction of governance and regional diplomacy. For South Asia, Bangladesh's stability will remain closely tied to connectivity initiatives, trade integration, and the strategic future of the Bay of Bengal region.

Taken together, these developments raise an important question: can multilateralism keep pace with an increasingly fragmented world? With global defence spending surpassing US\$2.6 trillion and trade and technology rivalries intensifying, countries are turning to bilateral and regional free trade agreements to secure supply chains and economic resilience. Revitalising multilateral cooperation alongside these new partnerships will therefore be essential to address shared global challenges.

P.S.: With BRICS+ expanding and exploring new financial and trade mechanisms, is the world witnessing the early contours of an alternative economic architecture?

Message for our Readers

This is the 103rd edition of the monthly news wrap from the Centre, which carries select published news or comments on a relevant issue. There are equally important issues that may have been overlooked to keep the news wrap short and easy to read.

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Readers are encouraged to send their views and suggestions to: cutsglobal@cuts.org



Venezuelan Oil Sales near US\$2bn as India, US, Europe Boost Imports

Venezuela's oil sales are nearing US\$2bn by the end of February under a US-supervised agreement, as exports rebound across Asia, Europe and the US Gulf Coast. Rising VLCC shipments to India and renewed buying by global refiners signal a structural revival in trade flows.



- [US and Bangladesh Trade Deal: Growing Challenges for Pakistan | PRIME](#)
- [OpenAI announces \\$110 billion funding round with backing from Amazon, Nvidia, SoftBank | CNBC](#)
- [Hyundai to build \\$6.3 billion AI, robotics, hydrogen hub in South Korea | KED](#)
- [How the U.S. and India Finally Reached a Deal | Foreign Policy](#)

Strategic Issues



Shifting Sands: The New Geopolitical Landscape in Mid-February 2026

The emerging geopolitical landscape in mid-February 2026 reflects a gradual shift towards a multipolar and fragmented global order, shaped by power rivalries, energy insecurity, alliance recalibrations and new security challenges. Discussions at the Munich Security Conference underscored transatlantic strains and calls for renewed NATO-centric cooperation, while analysts highlighted the growing role of middle powers, Arctic competition, supply chain realignments and renewable energy as instruments of strategic resilience in an increasingly uncertain and interconnected international system.



- [Rising tensions drive global defence spending to record \\$2.63 trillion, think tank says](#) | BFBS Forces News
- [Statement of the Ministry of Foreign Affairs of Russia Concerning the Expiration of the Russia-US New START Treaty](#) | Ministry of Foreign Affairs Russian Federation
- [Bharat's next frontier: AI, defence and strategic sovereignty](#) | Money Control
- [Trading Day: AI Disruption, US-Iran Nuclear Talks, Rate Cut Bets Keep Investors on Their Toes](#) | US News Money



Vietnam Signs US\$974mn LNG Deal to Strengthen Energy Security

Vietnam has signed a US\$974mn contract through state utility EVN to build the 1,612 MW Quang Trach II LNG power plant in central Quang Tri, reinforcing energy security amid rising electricity demand and eight percent economic growth. The project supports Vietnam's 2050 net zero pathway by using gas as a transitional fuel, while coal still accounts for over 40 percent of power generation, and renewables continue to scale up.



- [Groups sue Trump's EPA over repeal of rule that supported climate protections](#) | PBS NEWS
- [Italy hikes IRAP corporate tax for energy firms, PM Meloni says](#) | Yahoo Finance
- [Austria seeks African gas to avoid US LNG dependency](#) | Africa.com
- [Sweden and other countries oppose the calls to delay the new EU carbon market](#) | World Energy News



Russian Envoy Updates on Pakistan Bilateral Ties

Russian Ambassador to Pakistan Albert Khorev spoke to TASS in early February about bilateral ties ahead of Prime Minister Shehbaz Sharif's visit to Russia from March 03-05. His remarks were not published as a single interview, but as five separate news items, which will now be summarised in a different sequence to facilitate a smooth transition between his points.



- [US begins talks with Russia, China after nuclear treaty expires](#) | NHK World
- [UK foreign minister to meet Rubio amid tensions over joint air base](#) | Reuters
- [PM Modi in Jerusalem: From Strategic Partnership to Political Alignment](#) | The KBS Chronicle
- [Global defence spending rises amid geopolitical tensions](#) | Vatican News



Behind India-US Trade Deal

The India-US trade deal came after both sides agreed to cut US tariffs on Indian goods to around 18 percent, restoring competitiveness after punitive duties linked to India's purchase of Russian oil were imposed. This framework also involves India lowering barriers to US products and increasing purchases of energy and technology, stabilising trade ties after months of tariff tensions.



- [India and EU Sign Mother of All Deals](#) | Institute of Geoeconomics
- [Is the US posing a hidden risk in the West's critical minerals strategy?](#) | PIIE
- [UK confident its trade deal with US still stands despite latest Trump tariff move](#) | Market Screener
- ['Made in Europe' or 'Made with Europe'? Buy European push splits bloc](#) | France24



Cyber Lunar New Year Gains Popularity Among Chinese Inscense

Amid the firecrackers and festive cheer, China's young generation is redefining the Chinese Spring Festival with a "Cyber Lunar New Year", blending hi-tech with spiritual pragmatism. From burning digital incense on their smartphones to exchanging electronic New Year's goods and finding emotional comfort in artificial intelligence (AI) companions, young people are reshaping traditions in their own virtual way.



CUTS EVENT

CUTS Geoeconomic Series Project Global Strategies in the Age of Geoeconomics (G-SAGE)

