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U.S. has 'lost' India to 'darkest' China: Trump

- MEA did not offer a response to remarks made regarding the PM's presence at the SCO summit
- Tariffs show a 'miscalculation' by the U.S. regime about India's role in world affairs, officials said
- U.S. Commerce Secretary Lutnick asks India to stop being a part of the BRICS and choose a side

Kallol Bhattacherjee
NEW DELHI

Continuing his critical remarks about India, U.S. President Donald Trump on Friday said that the United States has "lost" India to China, in a reference to Prime Minister Narendra Modi's presence at the Shanghai Cooperation Organisation (SCO) summit in Tianjin earlier this week.

The Ministry of External Affairs did not offer any official response to Mr. Trump's remarks. However, MEA officials speaking on the condition of anonymity said that India's understanding is that the U.S. tariff attack on India was due to a "miscalculation" of India's traditional position in world affairs.

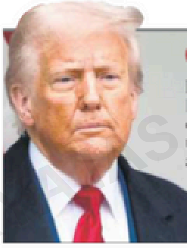
"Looks like we've lost India and Russia to deepest, darkest, China. May they have a long and prosperous future together," the U.S. President wrote on his social media platform Truth Social.

Mr. Trump's remarks were amplified later by U.S. Commerce Secretary Howard Lutnick who appeared on a Bloomberg morning programme and asked India to "stop being a part of BRICS", a grouping of emerging nations which also includes Brazil, Russia, China, and South Africa.

'Choose side'

"They [India] either need to decide which side they want to be on," Mr. Lutnick said.

Asked for a response to Mr. Trump's latest remarks, MEA spokesperson Randhir Jaiswal said he did not have anything to say on the matter.



> Looks like we have lost India and Russia to deepest, darkest, China. May they have a long and prosperous future together
>
> **DONALD TRUMP**
> U.S. President

Officials said that the tariffs and Mr. Trump's negative remarks show a "miscalculation" on the part of the U.S. President.

"India is the most populous democracy with one of the largest markets in the world. We are active in multiple global platforms and are partnering the U.S. on many global challenges. Targeting us after nearly 27 years of stable relationship is nothing but a miscalculation by the Trump Presidency and there is a lot of criticism internally within the U.S. administration that is making it evident," an official source said.

Officials also noted that the photograph used on Mr. Trump's social media post – featuring Mr. Modi with Russian President Vladimir Putin and Chinese President Xi Jinping – was not taken at the recent SCO summit in Tianjin, but predates the current tensions in India-U.S. relations.

The MEA's official silence is in line with the cautious approach that India has taken with regard to Mr. Trump's verbal volleys, which have intensified since he imposed a punitive 50% tariff on imports from India, citing Indian purchases of Russian crude.

Mr. Jaiswal, however, responded to Mr. Trump's senior counselor on trade Peter Navarro's remarks on "Brahmins" in India "profiteering" from India's oil trade with Russia against the backdrop of the war in Ukraine. "We have seen the inaccurate and misleading statements made by Mr. Navarro, and obviously reject them," he said.

Russia-Ukraine war

While maintaining a studied silence on the U.S. President's remarks, India has been working on the dialogue front for a ceasefire in the Russia-Ukraine conflict. The latest round of talks took place on Thursday, when External Affairs Minister S. Jaishankar spoke with his Ukrainian counterpart Andrii Sybiha, saying that India seeks the "establishment of an enduring peace".

The state of the India-U.S. relationship has also placed a question mark on the prospects of the next Quad summit that India is expected to host later this year. A recent *New York Times* report quoted multiple sources within the U.S. administration who said that Mr. Trump is not planning to travel to India for the summit. Mr. Jaiswal did not indicate whether the U.S. President is expected to come to India, only saying, "The Leaders' Summit is scheduled through diplomatic consultations among the four partners (Australia, Japan, India and the United States)."

Another opportunity for high-level engagement between India and the U.S. may emerge during the upcoming UN General Assembly session in New York later this month.

Jaishankar to join BRICS summit on U.S. tariffs: MEA

NEW DELHI
External Affairs Minister S. Jaishankar will represent India at a virtual summit of BRICS nations convened by Brazil to discuss U.S. tariffs on Monday, the Ministry of External Affairs said here on Friday. » PAGE 3

KEY HIGHLIGHTS

India–U.S. Relations

- Strain in relations: U.S. President Trump's remarks accusing India of moving closer to China and Russia.
- Tariff dispute: Imposition of 50% tariff on Indian imports (citing India's Russian crude purchases).
- Quad implications: Question mark over U.S. President's participation in the next Quad Summit in India.
- Diplomatic approach: India maintaining "studied silence" on Trump's verbal attacks → reflects India's policy of strategic patience.

India's Multilateral Engagements

- SCO Summit (Tianjin): India's presence alongside Russia and China → perceived in U.S. as "India drifting".
- BRICS grouping: U.S. Commerce Secretary asking India to leave BRICS, showing discomfort with India's multilateral balancing.
- UNGA session: Possible venue for U.S.–India high-level talks later in the month.

U.S. Concerns

- Fear of India–Russia–China alignment.
- Targeting of India due to Russian crude imports during Russia–Ukraine war.
- Allegations by U.S. officials (Peter Navarro) against Indian "Brahmins profiteering" → sparks controversy, rejected by MEA.

India's Stand

- Non-alignment in new multipolar context: India continues to engage with all major powers (U.S., Russia, China).
- Russia–Ukraine conflict: India pressing for dialogue and ceasefire, Jaishankar engaging Ukraine FM.
- MEA's silence → avoids escalation, keeps diplomatic space open.

Geopolitical Implications

- Shift in U.S. perception: Trump terming India a "loss to China" = U.S. anxiety over India's independent foreign policy.
- Domestic criticism in U.S.: Officials admit tariffs and remarks are a "miscalculation".
- Strategic balancing: India is central to Indo-Pacific & Quad, but simultaneously part of SCO and BRICS.

Key Meitei group rejects govt.'s SoO pact with Kuki-Zo

Vijaita Singh
NEW DELHI

The SoO pact ran against the interests of indigenous people of Manipur, says COCOMI

The Coordinating Committee on Manipur Integrity (COCOMI), one of the largest Meitei civil society groups in Manipur, has rejected the signing of Suspension of Operations (SoO) pact with the Kuki-Zo insurgent groups.

It said that the decision taken by the Centre "reflects an undemocratic and hegemonic imposition upon the indigenous people and its elected representatives of Manipur."

The MHA and the Manipur government signed the pact with the Kuki-Zo groups on Thursday with "re-negotiated terms and conditions or ground rules." It comes ahead of Prime Minister Narendra Modi's expected visit to Manipur on September 13.

This is his first visit to Manipur since ethnic violence between the Kuki-Zo and Meitei people erupted on May 3, 2023.

The Kuki-Zo Council (KZC), a conglomerate of civil society organisations, agreed to open the National Highway-2 (Imphal-Dimapur) passing through Kangpokpi district "for the free movement of commuters and essential goods," the MHA said.

The COCOMI, which has been in talks with the Ministry of Home Affairs (MHA) to find a roadmap for peace in Manipur, said the extension of the SoO agreement despite "the series of terrorist and criminal acts" committed by these groups was a decision that ran completely against the interests of the indigenous people of Manipur.

The COCOMI said the popularly-elected government of Manipur had, through a Cabinet decision on March 10, 2023, unanimously resolved to abrogate the SoO pact. "Under the current President's Rule, the administration is being run by an authority appointed from New Delhi, which lacks the legitimacy to represent the people of Manipur. The decision to extend the SoO under such circumstances is illegitimate," COCOMI said in a statement on Friday.

It said that by extending legitimacy and recognition to the armed groups under the deceptive pact of the SoO, the Government of India had raised serious doubts about its role and responsibility in dealing with narco-terrorism in the region.

"GoI has wilfully disregarded the unanimous resolution of the Manipur Legislative Assembly taken on February 29, 2024 to revoke (abrogate) the SoO. Instead, the President's Rule administration in Manipur has been made a party to the tripartite talks without any mandate from the people. This act represents a complete compromise of the basic principles of democracy," it said.

It added that the Constitution of India guarantees free movement to every citizen across the country as a fundamental right. However, by turning this into a bargaining chip with armed groups, the Government of India had undermined its own constitutional obligations.

KEY HIGHLIGHTS

Background

- Suspension of Operations (SoO) Pact: A tripartite ceasefire agreement between GoI, Manipur govt, and Kuki-Zo insurgent groups.
- Latest Development (Sept 2025): GoI and Manipur (under President's Rule) signed renewed SoO with "re-negotiated terms."
- Context: Ethnic conflict (since May 2023) between Meiteis (valley) and Kuki-Zo (hills).

Stakeholders

1. Government of India (MHA) – aims at peace through negotiated ceasefire.
2. Manipur Govt (Elected vs. President's Rule) – Elected Cabinet (Mar 2023) wanted abrogation; under President's Rule, Centre extended SoO.
3. Meitei groups (COCOMI) – reject pact, term it undemocratic and legitimising "narco-terrorism."
4. Kuki-Zo groups (KZC) – accepted pact, agreed to open NH-2, lifeline for state's supplies.

Constitutional / Democratic Issues

- Federalism:
  - Manipur Legislative Assembly resolution (Feb 2024) abrogated SoO.
  - Centre overriding under President's Rule raises questions on State autonomy.
- Democracy & Legitimacy:
  - President's Rule (Art. 356) – decisions by unelected administrators vs. will of elected Assembly.
  - Raises debate on democratic deficit and Centre-State balance.
- Fundamental Rights:
  - Free movement of citizens (Art. 19(1)(d)) used as a "bargaining chip" with insurgents → undermines constitutional guarantee.

Security & Governance Dimensions

- Peace vs. Security Dilemma:
  - SoO allows temporary peace but accused of legitimising armed groups involved in violence and narco-trafficking.
  - Perception of bias fuels mistrust among communities.
- Narco-terrorism & Cross-border Insurgency:
  - Manipur's geography (porous Indo-Myanmar border, Golden Triangle proximity) makes it a hub of arms & drug trafficking.
  - Insurgent groups alleged to be deeply linked with narco-networks.
- Ethnic Conflict Management:
  - Meiteis feel Centre is appeasing Kukis → deepens trust deficit.
  - Opening of NH-2 seen as a concession to armed groups rather than a state guarantee.

Implications

- Centre-State Relations: Weakening of State govt authority under President's Rule.
- Democratic Norms: Undermining Assembly resolutions could set precedent.
- Ethnic Polarisation: Risks worsening mistrust between Meiteis & Kukis.
- Counterinsurgency Policy: Raises questions on effectiveness of ceasefire frameworks (SoO/peace talks) in NE.
- National Security: Legitimacy to groups linked with narco-terrorism challenges state authority.

Israel's Gaza City takeover bid begins with strike on high-rise

Associated Press
DEIR AL-BALAH

New frontier: Israeli forces attack the Mushtaha Tower in Gaza City on Friday. AFP

Israel struck a high-rise building on Friday as the Army ramped up an offensive in preparations to take over Gaza City.

Defence Minister Israel Katz said the strike on the building was just the beginning, warning "when the door opens it will not close" and the Army's activity will increase.

His comments come days after Israel began mobilising tens of thousands of reservists and repeating evacuation warnings as part of its plan to widen its offensive in Gaza City and other Hamas strongholds, which has sparked opposition.

Palestinians said Israel's strike on Friday targeted the Mushtaha tower in Gaza City, located in the southern area of the once-upscale Rimal neighbourhood. Israel said it struck the building because it was used for Hamas surveillance.

Israel has declared Gaza City, in the north of the territory, to be a combat zone. Parts of the city are already considered "red zones" where Palestinians have been ordered to evacuate ahead of expected heavy fighting.

That has left residents on edge, including many who returned after fleeing the city in the initial stages of the Israel-Hamas war. Moving costs thousands of dollars and finding space in the overcrowded south to pitch a tent feels impossible. But staying behind, they say, could be deadly.

While this wasn't the first strike on Mushtaha tower, it was the first time the building was targeted since Israel announced its operation to take Gaza City several weeks ago.

Gaza City resident Ahmed al-Boari said the building and the surrounding areas were recently inundated with displaced families who have come since Israel began operating on the outskirts of the city.

The army didn't allow people time to evacuate the building ahead of the strike, he said. It was unclear how many people were killed in the strike.

Israel's new offensive also has sparked widespread protests among members of the Israeli public who fear it will endanger hostages still held in Gaza, some of who are believed to be in Gaza City. There are 48 hostages still held in Gaza, 20 of who are believed to be alive.

Hamas released a propaganda video Friday of two hostages in Gaza City. A video shows Guy Gilboa-Dalal in a car, at one point joined by another hostage, Alon Ohel. Gilboa-Dalal speaks, likely under duress, pleading for the war to end and to return to their families. Gilboa-Dalal was last seen in a video more than six months ago with another hostage, as they watched other hostages being released during a ceasefire.

The Palestinian Health Ministry in Gaza said the bodies of 69 people were brought to hospitals in the enclave over the past 24 hours.

KEY HIGHLIGHTS

Immediate Context

- Israel's offensive: High-rise Mushtaha Tower in Gaza City struck; Israel claims it was used for Hamas surveillance.
- Defence Minister's warning: "When the door opens it will not close" → signals escalation and prolonged operation.
- Declaration: Gaza City designated as a combat zone; parts marked "red zones" for mandatory evacuation.
- Casualties: Palestinian Health Ministry reported 69 deaths in last 24 hours.

Strategic & Security Dimension

- Military mobilisation: Tens of thousands of Israeli reservists deployed → preparation for large-scale ground operations.
- Hostage issue: ~48 hostages still in Gaza; ~20 believed alive. Domestic protests in Israel over offensive endangering them.
- Hamas propaganda: Release of hostage videos → psychological warfare and negotiation leverage.
- Urban warfare challenge: High-rise strikes, civilian-dense areas → high collateral risk, complicates precision operations.

Humanitarian & Civilian Impact

- Mass displacement: Evacuation warnings → overcrowding in southern Gaza; scarcity of shelter, tents, and basic amenities.
- Economic strain: Families unable to afford repeated displacements (costs thousands of dollars).
- Civilian casualties: Lack of warning before strikes → raises concerns about proportionality under international humanitarian law.

Political & Diplomatic Angle

- Domestic Israeli dissent: Civil society protests questioning the offensive due to hostage safety and long war costs.
- International concerns: UN, humanitarian organisations likely to criticise violation of Geneva Convention norms (indiscriminate strikes).
- Regional spillover risk: Intensified Gaza operations could provoke Hezbollah (Lebanon), destabilise fragile ceasefires in West Bank.

India's Possible Concern Areas

- Diaspora security: Indian workers in Israel and students in West Asia.
- Energy security: Escalation could disrupt oil supplies and spike global energy prices.
- Diplomatic balance: India's consistent position → support for two-state solution, condemn terrorism (Hamas), while advocating humanitarian restraint by Israel.

External Affairs Minister to join Brazil-led BRICS virtual summit on U.S. tariffs: MEA

Suhasini Haidar
NEW DELHI

External Affairs Minister S. Jaishankar will represent India at a virtual summit of BRICS nations on Monday, the Ministry of External Affairs said here on Friday, announcing India's participation in the meeting convened by Brazil President Lula da Silva to discuss tariffs imposed by the U.S.

The summit, which is bound to irk the U.S. government, comes days after Prime Minister Narendra Modi's visit to China for the SCO summit and conversation with Chinese President Xi Jinping and Russian President Vladimir Putin, which U.S. officials criticised.

Countries taking part

Brazilian officials have not confirmed how many of the 11-member BRICS grouping of emerging economies will participate in the summit and at what level. Shortly after U.S. tariffs were imposed on August 6, Mr. Lula had called the Mr. Modi and said he would speak to each of the BRICS members to rally support

S. Jaishankar

towards forming a "common" plan to deal with the move.

On Friday, the Kremlin's spokesperson confirmed that Mr. Putin would take part in the summit, and sources said they expected other confirmations over the weekend.

"From [India's] side, it will be the External Affairs Minister [S. Jaishankar] who will be participating in it," said MEA spokesperson Randhir Jaiswal when asked at a weekly briefing. "This BRICS summit is at the leaders' level," he added, but did not clarify why Mr. Modi would not attend the meeting.

India is the next Chair of the BRICS grouping, and will host the summit of countries including Brazil, Russia, India, China, South Africa and new members Egypt, Ethiopia, Indonesia, Iran, Saudi Arabia and the United Arab Emirates.

The Brazilian Ministry of Foreign Affairs has not yet announced the specific agenda of the meeting to be held on Monday. However, local media reported that the summit would discuss the impact of U.S. tariffs on global trade, and measures to strengthen multilateralism in order to counter the effects of unilateral economic measures.

The U.S. has imposed 50% tariffs on goods from Brazil, like India, the two countries with the highest levies worldwide. China and South Africa also face high 30% tariffs, and Indonesian goods are levied 19% tariffs, with a waiver for its most important agricultural exports such as palm oil, cocoa and rubber.

All other BRICS nations including Russia and Iran, which are among the most heavily sanctioned countries, are on the lowest rung of 10% tariffs.

KEY HIGHLIGHTS

Event & Representation

- India will be represented by External Affairs Minister S. Jaishankar at a virtual BRICS summit on Monday, convened by Brazil's President Lula da Silva.
- Despite being a leaders' level summit, PM Modi is not attending; no official reason given.

Agenda & Trigger

- Trigger: U.S. tariffs (Aug 6, 2025) targeting BRICS economies.
  - Brazil & India: 50% tariff (highest worldwide).
  - China & South Africa: 30% tariff.
  - Indonesia: 19% tariff, but key agri exports (palm oil, cocoa, rubber) exempted.
  - Russia & Iran: 10% tariff (though already heavily sanctioned).
- Expected agenda:
  - Impact of U.S. tariffs on global trade.
  - Strengthening multilateralism vs. unilateral sanctions/tariffs.
  - Exploring a "common plan" among BRICS nations.

BRICS Membership Dynamics

- Current 11 members:
  - Original 5: Brazil, Russia, India, China, South Africa.
  - New members (expanded BRICS): Egypt, Ethiopia, Indonesia, Iran, Saudi Arabia, UAE.
- India is next Chair of BRICS → will host the upcoming in-person summit.

Geopolitical Context

- Summit follows:
  - PM Modi's recent visit to China for SCO summit.
  - Meetings with Xi Jinping & Vladimir Putin, criticised by U.S. officials.
- Likely to irk Washington, given BRICS' positioning as a counterweight to U.S.-led global order.

Strategic Significance

- Trade War escalation: BRICS being pushed closer due to shared tariff burden.
- India's balancing act:
  - Hosting BRICS next year.
  - Deepening ties with QUAD & U.S., while simultaneously engaging BRICS + SCO (China & Russia).
- Potential testing ground for alternative financial/ trading frameworks (de-dollarisation debates, BRICS currency, etc.).

India's strategic autonomy in a multipolar world

Shashi Tharoor

is a fourth-term Member of Parliament, Congress (Lok Sabha) from Thiruvananthapuram, is chairman of the Parliamentary Standing Committee on External Affairs, and the author of 'Pax Indica: India and the world of the 21st century'

In the lexicon of international relations, few concepts have evolved as dynamically as "strategic autonomy". Once a term confined to academic debate, it now sits at the heart of India's foreign policy discourse, shaping decisions in an increasingly multipolar and volatile world. As global power shifts accelerate and traditional alliances fray, India finds itself navigating a delicate path between competing giants: the United States, China and Russia. The pursuit of strategic autonomy is no longer a theoretical aspiration. It is a daily diplomatic practice, fraught with complexity and consequence.

Strategic autonomy refers to a nation's ability to make sovereign decisions in foreign policy and defence without being constrained by external pressures or alliance obligations. It is not synonymous with isolationism or neutrality. Rather, it implies flexibility, independence and the capacity to engage with multiple powers on one's own terms. For India, the concept has deep historical roots, going back to colonial subjugation and free India's determination never to let anybody else decide our place in the world for us. From Nehru's non-alignment during the Cold War to the Modi government's "multi-alignment" in the current era, successive governments have sought to preserve India's freedom of action while adapting to changing geopolitical realities. In theory, strategic autonomy offers a middle path between rigid bloc politics and passive disengagement. In practice, it demands deft diplomacy, institutional resilience, and a clear-eyed understanding of national interest. It is a balancing act – sometimes precarious, often imperfect, but essential for a country such as India that aspires to global leadership without becoming a client state.

The current global landscape presents both opportunities and challenges for India's strategic autonomy. The unipolar moment of American dominance has given way to a fragmented world order, where China's assertiveness, Russia's revisionism and the West's internal divisions, accentuated by Washington's unpredictability, create a fluid and unpredictable environment. For India, this means recalibrating its relationships with major powers while safeguarding its core interests – territorial integrity, economic growth, technological advancement, and regional stability.

India's relationship with the United States has deepened dramatically over the past two decades. From defence cooperation and intelligence sharing to joint military exercises and technology transfers, the strategic partnership has matured. The Quad grouping (Australia, Japan India, the U.S.), Indo-Pacific dialogues, the incipient I2U2 (India, Israel, the United Arab Emirates and the U.S.) and India-Middle East-Europe Economic Corridor (IMEC), and shared concerns over China's rise have further cemented ties. Yet, the relationship is not without friction. The Trump administration's erratic trade policies, followed by stinging tariffs and sanctions in his second term, have strained economic ties. Washington's pressure on India to reduce its energy and defence dealings with Russia, and to align more closely with western positions, has tested New Delhi's resolve.

India's response has been measured. It continues to engage with the U.S., maintains independent positions on global conflicts, and insists on the primacy of national interest over ideological alignment. This is strategic autonomy in action, not anti-Americanism, but a refusal to be subsumed by American priorities.

Ties with Beijing and Moscow

China presents a more complex challenge. The border clashes with India of 2020 shattered illusions of benign coexistence, and tensions remain high despite diplomatic overtures. Yet, China is also one of India's largest trading partners, a key player in regional institutions, and a competitor whose actions shape the strategic environment. India's approach is one of cautious engagement and firm deterrence. It strengthens border infrastructure, deepens ties with Indo-Pacific partners, and invests in indigenous defence capabilities. At the same time, it participates in multilateral forums such as BRICS and the Shanghai Cooperation Organisation, where China plays a leading role – a difficult but necessary balancing act.

Strategic autonomy here means resisting both confrontation and capitulation. It means asserting sovereignty and refusing to be another country's counterweight to a rising China, while controlling Chinese access to the Indian economy, and simultaneously keeping channels of communication open. It means recognising that rivalry does not preclude diplomacy, and that decoupling is not always desirable or feasible.

India's relationship with Russia is rooted in Cold War solidarity, defence cooperation and shared strategic interests. Despite Moscow's growing closeness to Beijing and Russia's global isolation following the Ukraine conflict, India has maintained its ties – buying oil, importing weapons, and engaging diplomatically. This has drawn criticism from western capitals, but India has stood firm. Its relationship with Russia is historical, multidimensional and not subject to external veto. It continues to diversify its military imports, invest in indigenous production and explore new partnerships, but without abandoning old ones. Strategic autonomy here is about refusing to choose sides in a binary contest, and, instead, crafting a foreign policy that reflects India's unique geography, history and aspirations.

> As the global order shifts, India must continue to walk the tightrope, treading a delicate path between the United States, China, and Russia

During India's G-20 presidency in 2023, Prime Minister Narendra Modi declared that India was now the voice of the Global South – unbowed, plural and potent. Its democracy, he said, was not just a system but a "bouquet of hope", nourished by the strength of its multilingual, multicultural fabric. External Affairs Minister S. Jaishankar argues that partnerships must be shaped by interest, not sentiment or inherited bias. This is diplomacy with a spine – assertive, pragmatic, and unapologetically Indian, seeking to be "non-West" without being "anti-West". This stance resonates across the Global South, where many rising and middle powers concerned with peace and stability in their own regions, are choosing to safeguard their geopolitical and economic interests rather than be swept into the vortex of great-power rivalries. They seek agency, not alignment; voice, not vassalage.

What emerges is a vision of India as a sovereign pole in a rebalancing world – a nation that neither aligns blindly nor isolates itself. India's rise, then, is civilisational, plural and deeply political. While India's pursuit of strategic autonomy is principled, it faces headwinds as it walks the tightrope among the major powers. The global economy is increasingly interdependent, and technological ecosystems are dominated by a few players. Defence modernisation requires partnerships and climate diplomacy demands coordination. In such a world, autonomy must be redefined – not as isolation, but as resilience and adaptability.

Domestic factors also play a role. Political polarisation, economic vulnerabilities and institutional constraints can limit the effectiveness of autonomous decision-making. Strategic autonomy requires not just diplomatic skill, but economic strength, technological capability and political coherence. We cannot be truly autonomous from a position of weakness.

Moreover, in a world of cyber threats, Artificial Intelligence warfare and space competition, autonomy must extend beyond traditional domains. It must encompass data sovereignty, digital infrastructure and supply chain security. India's recent efforts to build indigenous platforms, secure critical minerals and assert its voice in global tech governance are steps in this direction.

More than a slogan

Strategic autonomy is not just a slogan. It is a strategy. It is the art of navigating a turbulent world without losing one's bearings. As the global order shifts, India must continue steadily to walk the tightrope – engaging with the U.S. without becoming a vassal, deterring China without provoking war, and partnering with Russia without inheriting its isolation. It must invest in capabilities, cultivate partnerships, and assert its interests with clarity and confidence.

In doing so, India does not reject the world – it reclaims its agency within it. Strategic autonomy is not about standing alone; it is about standing straight, and standing tall.

KEY HIGHLIGHTS

Definition & Essence

- Strategic autonomy = ability of a nation to pursue sovereign foreign policy and defence decisions free from external pressure or alliance obligations.
- Distinct from isolationism or neutrality; implies flexibility + independence + engagement on one's own terms.
- For India → rooted in colonial past and Nehru's Non-Alignment Policy; evolved into multi-alignment in contemporary era.

Historical Evolution

- Nehru era (Cold War): Non-Aligned Movement (NAM) = autonomy amidst bipolar world.
- Post-Cold War (1991 onwards): Economic liberalisation, engagement with U.S. + West, but retained ties with Russia.
- 21st century (Modi era): Multi-alignment → pragmatic partnerships across rival blocs (Quad, SCO, BRICS, I2U2, IMEC).

Contemporary Drivers

- Geopolitical Flux
    - U.S. unipolar moment fading → multipolarity emerging.
    - Assertive China, revisionist Russia, fractured West.
    - Middle powers and Global South seeking agency.
- National Interests
    - Territorial integrity (esp. China border issues).
    - Economic growth & tech advancement.
    - Energy & defence security.
    - Regional stability in Indo-Pacific + neighbourhood.

Major Power Equations

- U.S.:
    - Deepened defence & tech cooperation, Quad, IMEC, I2U2.
    - Frictions: tariffs, trade disputes, U.S. pressure on Russia ties, sanctions regimes.
    - India's stance: engage without being subsumed.
- China:
    - Challenge: border tensions (Galwan, 2020), strategic rivalry.
    - Necessity: large trading partner, BRICS/SCO cooperation.
    - Strategy: deterrence + cautious engagement; neither confrontation nor capitulation.
- Russia:
    - Legacy partner in defence & energy.
    - Post-Ukraine war isolation → India still engages (oil imports, arms deals).
    - Criticism from West resisted.
    - Strategy: diversification without abandonment.

Global South Dimension

- India as voice of Global South during G-20 presidency (2023).
- Advocates multipolarity, pluralism, and "non-West but not anti-West" diplomacy.
- Resonates with middle powers seeking agency, not alignment.

Challenges to Strategic Autonomy

- Global constraints:
    - Interdependent economy & supply chains.
    - Tech ecosystems dominated by few global players.
    - Climate change, cyber threats, AI, space race → demand cooperation.
- Domestic constraints:
    - Political polarisation.
    - Economic vulnerabilities (import dependence, energy security).
    - Institutional limitations in foreign policy & defence modernisation.

Recalibrating Autonomy in 21st Century

- Not isolation → but resilience + adaptability.
- Expands into new domains:
  - Data sovereignty & cyber security.
  - Digital infrastructure & AI.
  - Critical minerals & supply chain diversification.

Way Forward

- Invest in capabilities: defence modernisation, indigenous tech, economy.
- Balanced diplomacy:
  - U.S. → partner, not patron.
  - China → rival, but engage.
  - Russia → old ally, but adapt.
- Leadership in multilateralism: G-20, BRICS+, Global South platforms.
- Assert interests with clarity and confidence → autonomy as resilience, not isolation.

Fixing problems, unlocking India's growth potential

India's economic journey has always been shaped by bold reforms, and the latest set of Goods and Services Tax (GST) measures announced at the 56th GST Council meeting on September 3, 2025, may well prove to be one of the most consequential yet. For years, businesses and policymakers alike have called for simplification, predictability, and fairness in India's indirect tax regime. With the latest decisions – streamlining rates, correcting anomalies, easing compliance and strengthening dispute resolution – the government has delivered a package that balances ambition with pragmatism.

What makes this moment special is not just the scope of the changes but also the collaborative spirit behind them. The result is what many are calling GST 2.0 – a reform designed not merely to fix today's problems but also to unlock India's growth potential for the decade ahead.

Harsha Vardhan Agarwal

is President, Federation of Indian Chambers of Commerce and Industry (FICCI)

GST 2.0 is both a tax reform and the start of a new chapter in the growth journey

Relief for many income groups

Essentials such as soap, toothpaste, hair oil, shampoo, kitchenware and packaged foods now fall under lower tax brackets, immediately easing household budgets and boosting demand in sectors that employ millions. For housing, reduced GST on cement and construction materials will bring homes within reach for more families, supporting the government's 'Housing for All' mission while stimulating allied industries such as steel, tiles, sanitaryware and paints. Infrastructure projects too will benefit from lower costs of inputs, improving project viability and freeing capital for expansion.

Life-saving drugs and critical medical devices have been moved to nil or 5% GST, cutting treatment costs and expanding access for patients. In a country that has emerged as a global hub for affordable medicines, this is both a social and economic win.

Labour-intensive industries such as textiles, handicrafts, leather, footwear, and toys – stand to gain from lower rates that protect margins, safeguard livelihoods, and create jobs in semi-urban and rural clusters. The automotive sector, a key driver of growth, will also see a boost as now more affordable small cars, motorcycles, buses and trucks will encourage demand and investment in auto-manufacturing hubs.

Helping exporters and MSMEs

The rationalisation of rates would also help exporters. Long-standing distortions created by inverted duty structures in textiles, fertilizers and renewables are finally being corrected. This will make Indian products more competitive globally while reducing import dependence.

Export-heavy sectors such as handicrafts, leather, and engineering goods – most driven by micro, small and medium enterprises (MSME) – are well placed to gain benefits. Lower duties on capital goods and intermediates will also promote local value addition, directly supporting the 'Make in India' initiative.

One of GST's biggest challenges has always been litigation. Interpretational disputes, classification complexities and uncertainty over tax treatment have burdened businesses and clogged up the system. Rationalisation addresses this by simplifying slabs and harmonising rates for similar goods. Clarifications on intermediary services and post-sale discounts further reduce ambiguity, bringing long-awaited relief to service exporters and aligning tax rules with commercial practices.

Small exporters will welcome the decision to remove thresholds for refunds on low-value consignments. This ensures fairer treatment for courier and e-commerce players, where liquidity pressures are acute. Faster, more reliable refunds will ease working capital challenges and encourage reinvestment in growth.

Perhaps the most path-breaking measure is the Simplified GST Registration Scheme for Small and Low-Risk Businesses. By introducing automated approvals within three days, the government has dramatically reduced entry barriers, which will cut compliance costs, encourage formalisation, and allow MSMEs to expand into new markets with greater ease.

Given that MSMEs are the backbone of India's economy – contributing to jobs, exports and innovation – the significance of this step cannot be overstated.

Institutional reform has also received a boost with the operationalisation of the Goods and Services Tax Appellate Tribunal (GSTAT). By enabling faster and fairer resolution of disputes, GSTAT will strengthen confidence in the system and reduce case backlogs. This signals that GST is not just about revenue collection but also about building a fair and predictable tax framework that businesses can trust.

The broader message is equally important. The streamlined two-rate GST structure (a standard rate of 18% and a merit rate of 5% with a special de-merit rate of 40% for a select few goods and services) aligns India more closely with global best practices, moving it to the kind of tax regime that advanced economies employ. For international investors, the reforms send a strong signal of policy stability, predictability and ease of doing business. In a world where global supply chains are being reconfigured, India is positioning itself not just as a vast market but also as a reliable and competitive investment destination.

A pathway to economic expansion

Of course, reforms are never the end of the road. Implementation will be key, and challenges such as delays and procedural complexities still need attention. But what stands out is the intent. The government has shown that it is listening to industry, willing to act decisively, and committed to building a tax system that fuels, rather than impedes, growth.

GST 2.0 is more than just a tax reform. It is an economic reform that promises to boost consumption, empower MSMEs, strengthen competitiveness, and reinforce India's growth momentum. It lays the foundation for India's next phase of economic expansion.

The story of GST has always been one of bold ambition. With these reforms, India has taken a decisive step toward realising that ambition. For businesses, consumers and policymakers alike, this is not just an adjustment of rates. It is the start of a new chapter in India's growth journey.

KEY HIGHLIGHTS

Context & Significance

- India's indirect tax reform journey → GST introduced in 2017 as "One Nation, One Tax".
- GST 2.0 marks a second-generation reform, focused on simplification, fairness, competitiveness, and ease of doing business.
- Aligns with global best practices (two-rate structure, predictability, dispute resolution mechanisms).

Key Features of GST 2.0

- Rate Rationalisation
  - Essentials (soap, toothpaste, packaged foods, kitchenware, shampoos, etc.) shifted to lower tax brackets.
  - Construction materials (cement, steel, tiles, sanitaryware) → reduced GST → supports Housing for All + infrastructure push.
  - Healthcare: Life-saving drugs, critical devices → nil or 5% GST.
  - Labour-intensive industries (textiles, handicrafts, leather, footwear, toys) → lower rates → protect jobs, rural livelihoods.
  - Automotive sector: Lower GST on small cars, motorcycles, buses, trucks → boost to demand and manufacturing.
- Export Competitiveness & MSME Support
  - Inverted duty structure corrected in textiles, fertilizers, renewables.
  - Lower duties on capital goods + intermediates → promotes local value addition under Make in India.
  - Removal of refund thresholds for low-value consignments → benefit courier/e-commerce exporters.
  - Simplified GST Registration Scheme: automated approvals in 3 days → reduces compliance cost, promotes formalisation.
- Dispute Resolution & Legal Clarity
  - Operationalisation of GST Appellate Tribunal (GSTAT) → faster resolution of disputes, reduced backlog.
  - Clarifications on intermediary services, post-sale discounts → reduce litigation.
- Two-Rate GST Structure
  - Standard rate: 18%
  - Merit rate: 5%
  - De-merit rate: 40% (luxury/sin goods).
  - Brings India closer to advanced economy models → greater international investor confidence.

Broader Economic Implications

- Consumption Boost: Lower tax on essentials → higher disposable income.
- Housing & Infrastructure: Cheaper inputs → push to real estate, construction, allied industries.
- Healthcare & Social Equity: Lower cost of treatment → inclusive growth.
- Job Creation: Support for textiles, leather, handicrafts, MSMEs → rural & semi-urban employment.
- Export Growth: Correcting distortions → global competitiveness.
- Investment Climate: Stable, predictable tax regime → boosts FDI.

Challenges & Concerns

- Implementation bottlenecks (delays, compliance burden in smaller towns).
- Revenue implications for Centre & States (compensation, fiscal federalism concerns).
- State autonomy vs uniformity debate in GST Council.
- Need for effective digital infrastructure for registration, refunds, and dispute resolution.

The Chancellor

Universities need to be headed by distinguished academicians

The recent submission by Kerala Governor Rajendra Vishwanath Arlekar to the Supreme Court of India, contending that the Chief Minister of Kerala has no role in the appointment of the Vice-Chancellors (V-C) of A.P.J. Abdul Kalam Technological University and Digital University Kerala, is another instance of how recent Governors are the political and ideological adversaries of an elected State government – as seen in Kerala, Tamil Nadu, and, to some extent, West Bengal. Mr. Arlekar had appealed against an attempt by the Court to break the long-standing impasse over V-C appointments to these universities by guiding the creation of search-cum-selection committees and laying down rules. The Governor submitted that the 2018 UGC rules for search-cum-selection committees mandate persons of eminence in higher education and must not be connected in any manner with the university or its colleges. Thus, according to his submission, the Chief Minister, as someone intimately connected to all such institutions in the State, had no role. The draft 2025 UGC Regulations take this further by divesting State governments of a role in appointing V-Cs and bringing it under the Chancellor's purview. While the Court will rule on the merit of Mr. Arlekar's position, it is worth noting that Governors in States ruled by the BJP or its allies do not seem to have such problems with the governments they nominally head.

Governors were originally instruments of colonial power and were retained by independent India. From the very beginning, however, they have often acted as political agents of the ruling party at the Centre. Over time, central and State legislation defined and restricted the discretionary powers of Governors which were vested in them by the Constitution. After Independence, State governments retained the colonial-era practice of having Governors as heads of universities – to continue the stated intention of ensuring independent higher education as well as to have a "father figure" or a wise elder. The Acts passed by State legislatures, such as those for A.P.J. Abdul Kalam University, specifically define who the Chancellor will be. The Governor owes his or her position as Chancellor of a university to the respective State government. Even as the Court circumscribes the gubernatorial powers regarding the signing of Bills into law, State governments are acting decisively against having Governors as Chancellors of State universities – one of the few other domains where Governors have a strong say. Punjab and West Bengal, for instance, have passed a law making the Chief Minister the Chancellor. University heads need to be hands-on, distinguished academicians with a broader profile and vision, and strong managerial skills, rather than political appointees, State or Union.

KEY HIGHLIGHTS

Context

- Kerala Governor Rajendra Vishwanath Arlekar submitted to the Supreme Court that the Chief Minister has no role in the appointment of Vice-Chancellors (V-Cs) of A.P.J. Abdul Kalam Technological University and Digital University Kerala.
- Submission based on 2018 UGC Regulations → search-cum-selection committees must have eminent persons unconnected to the university.
- Draft 2025 UGC Regulations further centralize power → excludes State govts, puts appointments under the Chancellor (Governor).
- Reflects wider trend of Governor–State govt confrontations (Kerala, Tamil Nadu, West Bengal).

Constitutional & Legal Dimensions

- Governor's Role: Article 153–162 defines Governor's constitutional position; discretionary powers are limited (Article 163).
- Governor as Chancellor: Colonial legacy continued post-Independence; role not explicitly in Constitution but in State University Acts.
- Judicial Interventions:
    - SC has ruled that Governor's discretionary powers are narrow.
    - Courts have tried to balance State autonomy with UGC's central regulatory framework.
- UGC Regulations: Statutory rules under Entry 66, Union List (coordination & determination of standards in higher education).
- Conflict: Federalism (State List Entry 25: Education, subject to Union List) vs Centre's overarching regulatory role.

Political & Federalism Angle

- Governors seen as agents of the Union govt rather than neutral constitutional heads.
- More friction in Opposition-ruled States (Kerala, TN, WB) than in BJP/NDA-ruled States.
- States pushing back → Punjab & WB have legislated to make Chief Minister Chancellor, removing Governor's control.
- Larger trend: shrinking State role in education governance, centralisation through UGC/NEP mechanisms.

Governance & Administrative Issues

- Universities require autonomy: V-Cs should be academic leaders, not political appointees.
- Governor as Chancellor may politicize appointments and create administrative deadlock.
- Chief Minister's exclusion weakens democratic accountability.
- Search-cum-selection committees must balance independence with representation of stakeholders.

Comparative Insights

- UK & US Universities: Autonomy from executive; academic councils hold greater sway.
- Indian States: Varied models — some retain Governor as Chancellor, others moving to CM or independent boards.

Way Forward

- Clear demarcation of Governor's constitutional vs statutory roles.
- Neutral mechanisms for V-C appointments: Independent committees insulated from political interference (Centre or State).
- Strengthen University governance structures (Senates, Syndicates, Academic Councils).
- Federal balance: Respect State autonomy in education, while maintaining national academic standards.

A new leaf

Environmental compliance needs to be monitored at all levels

The Ministry of Environment, Forest and Climate Change has brought into effect a set of rules called the Environment Audit Rules, 2025, that allows the vital activity of environmental monitoring and auditing to go beyond the remit of State Pollution Control Boards. The rules will largely scrutinise whether industrial units are compliant with environmental regulation. The overall framework for monitoring and compliance within the existing environmental framework is presently supported by the Central Pollution Control Board, the Regional Offices of the Environment Ministry, and the State Pollution Control Boards/Pollution Control Committees. They have, however, been facing significant constraints in terms of manpower, resources, capacity and infrastructure. "These limitations have hampered their ability to comprehensively monitor and enforce environmental compliance across the vast number of projects and industries operating nationwide," said a press statement by the Environment Ministry. This scheme aims to bridge the manpower and infrastructure deficits faced by regulatory authorities, thereby strengthening the effective implementation of environmental compliance mechanisms.

Under the new rules, private agencies can get themselves accredited as auditors. Much like chartered accountants, environment auditors can get themselves licensed and be authorised to evaluate the compliance of projects with environmental laws and their adherence with best practices in the prevention, control and abatement of pollution. Environmental regulation has, in recent years, transcended policing and bookkeeping. Given that human-caused climate change is seen as a problem that nations must collectively fix, new dimensions to environmental regulations have emerged. Thus, audits undertaken by these agencies can also be used for compliance with 'Green Credit Rules', under which individuals and organisations can gain tradeable 'credits' for afforestation, sustainable water management and waste management among other activities. Beyond industrial units, nearly every company in India will have to account for its direct and indirect carbon emissions. This will entail fairly complex accounting practices, which are beyond what Pollution Control Board officials can handle. However, preparing for the future should not be at the expense of compromising core responsibilities. It is usually at the district, block and panchayat levels that the most flagrant environmental travesties abound, which escape notice usually because of the lack of trained staff. The new regime must seek to empower them too.

KEY HIGHLIGHTS

Context & Rationale

- Notified by: Ministry of Environment, Forest and Climate Change (MoEFCC).
- Need for reform:
  - State Pollution Control Boards (SPCBs) & Central Pollution Control Board (CPCB) face manpower, capacity, resource, and infrastructure constraints.
  - Ineffective monitoring → gaps in compliance enforcement across industries.
- Objective: Strengthen monitoring, compliance, and enforcement mechanisms in environmental governance.

Salient Features

- Accreditation of private environmental auditors:
  - Similar to Chartered Accountants.
  - Authorised to conduct compliance evaluation of industries/projects.
- Expanded scope:
  - Beyond "policing & bookkeeping."
  - Includes audits for Green Credit Rules (tradeable credits for afforestation, water conservation, waste management, etc.).
- Mandatory carbon accounting:
  - Companies must disclose direct & indirect emissions (Scope 1, 2, and possibly 3).
  - Requires advanced environmental accounting practices.

Institutional & Regulatory Implications

- Decentralisation & outsourcing: Auditing function no longer exclusive to SPCBs.
- Bridging deficits: Addresses shortage of trained staff and infrastructure.
- Integration with global climate commitments: Supports India's NDCs under Paris Agreement and climate action goals.

Concerns & Challenges

- Regulatory dilution risk: Excessive reliance on private auditors → conflict of interest, "regulatory capture."
- Local-level neglect: District/block/panchayat-level violations (illegal sand mining, waste dumping, etc.) often escape scrutiny.
- Capacity asymmetry:
  - Big industries can adapt to carbon accounting.
  - Small-scale & rural industries may find compliance burdensome.
- Accountability deficit: Who audits the auditors?

Governance & Policy Dimensions

- Parallel to Financial Auditing: Environment auditors akin to CAs, ensuring transparency.
- Green federalism: Balance between Centre, States, and local bodies.
- Link with Environmental Governance Principles:
  - Precautionary principle
  - Polluter pays
  - Sustainable development

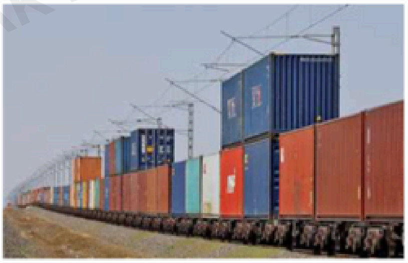
Not easy to switch to domestic from global, say exporters

Trade experts/exporters say global market diversification is a more feasible option but can't happen overnight and will need govt. support

Amiti Sen
NEW DELHI

Multiple factors, such as low surplus absorption capacity and different specifications, severely inhibit a shift to the domestic market for exporters struggling to sell in the U.S. because of the 50% tariffs.

Trade experts and exporters believe international market diversification is a more feasible option, but even that cannot happen overnight and would need active support from the government.



Tough times: The domestic market cannot substitute the export market for India, says Mr. Dhar . REUTERS

Market stress

"Diverting export products to the domestic market is not a big possibility as there is oversupply. Already, all domestic players are under stress, as you can see from their heavy discounts. International market diversification is definitely a solution, but it is not an immediate option," pointed out Sanjay Jain, chairman, ICC National Textiles Committee.

Rationalisation of GST rates could expand the domestic market for some sectors such as footwear, but not for others like diamonds and jewellery, because for every product, the domestic market's capacity to absorb will be different, explained Ajay Sahai of FIEO. "For low-value items like some handicrafts, there might be demand in the domestic market, but for high-value items like carpets, the capacity to absorb may be limited due to high price and because it is not a fast-moving item," he said.

Long-term solution

Thirukkumaran Natarajan, chairman of Tiruppur-based Esstee Exports India Pvt. Ltd., said diversifying to domestic markets can only be a long-term solution. "The set-up is different for exports and domestic (demand) as markets are different and overheads are also different, said Mr. Natarajan, who is also the Secretary of Tiruppur Exporters Association.

Exporters need to keep supplying to their foreign markets to retain the major brands that source supplies from them, said Mithileshwar Thakur of AEPC.

"If exporters stop supplying to major foreign brands, they may just leave. So, exporters will try their best to retain them," Mr. Thakur said.

The domestic market cannot substitute the export market for India, pointed out Biswajit Dhar from the Council for Social Development.

"India is a hugely import-dependent country. We need the foreign exchange," he said. Mr. Dhar added that the best way to deal with the loss of U.S. market would be to diversify to newer markets in Africa, Latin America and Central Asia and the Centre should provide all support.

(The writer is with The Hindu Businessline. Inputs from T.E. Raja Simhan.)

KEY HIGHLIGHTS

Context

- U.S. has imposed 50% tariffs on Indian exports → exporters face reduced competitiveness.
- Exporters struggle to divert surplus into the domestic market due to structural and demand-related constraints.

Challenges in Shifting to Domestic Market

- Low absorption capacity: Domestic demand cannot absorb high-value or niche export products (e.g., carpets, diamonds, jewellery).
- Oversupply & stress: Domestic producers already face heavy discounts → dumping surplus would worsen conditions.
- Different specifications & standards: Export-oriented production setups differ from domestic market requirements → cost and structural barriers.
- Overheads mismatch: Exports involve different cost structures, logistics, and quality benchmarks.

Feasible Option – International Market Diversification

- Seen as a more sustainable alternative than relying on the domestic market.
- New geographies suggested: Africa, Latin America, Central Asia.
- Government role crucial: Need policy support, trade agreements, and logistical facilitation.

Sector-Specific Insights

- Footwear: GST rationalisation may expand domestic demand.
- Handicrafts (low-value): Some scope for domestic absorption.
- Carpets, diamonds, jewellery (high-value, slow-moving): Limited domestic scope.

Strategic Concerns

- Retention of global brands: If exporters stop supplying, global buyers may permanently shift to competitors → long-term loss.
- Foreign exchange necessity: India's import-dependence makes export earnings critical; domestic substitution cannot replace forex inflows.
- Global positioning: Losing U.S. market share without alternative diversification risks India's trade balance.

Way Forward (Policy Suggestions)

- Short-term: Government support to reduce stress (credit, GST rationalisation, export incentives).
- Medium-term: Explore FTAs and preferential trade arrangements with emerging markets.
- Long-term: Build resilient and diversified export markets to reduce overdependence on U.S./EU.
- Structural reforms: Improve competitiveness, reduce logistics cost, build domestic consumption base gradually.

Multipolarity and us

It could mean a solitary, nasty, and brutal international existence where you dare not count on anyone

KANTI BAJPAI

FOR THE PAST decade, if not longer, India has been touting a multipolar world. One cannot wish a multipolar world into being, though sometimes this is what Indian policymakers seem almost to suggest: The world either has several poles of strength, or it does not. Right now, it does not, with the US and China pre-eminent by a huge distance. The crisis with the US, however, is giving us a glimpse of a multipolar world. That glimpse is unsettling.

Having fantasised about multipolarity and brandished it as a good thing, we are now getting a ringside look at what it might entail. International Relations scholars are familiar with the debate on whether a bipolar or multipolar world is a more stable one, where stability means the absence of great power conflict and war. Probably the balance of scholarly opinion is that a bipolar world is the more stable since the two primary powers must only worry about each other. Their interactions, therefore, are more predictable even if they don't like each other.

A multipolar world, by contrast, has been thought to be less stable since multipolarity implies at least three more or less equal powers (and more likely, four or five co-equal powers). In such a world, keeping track of the interests, ambitions, and moves of several other powers is much more difficult. Permutations of allies and alliances can be quite dizzying, just by the mathematics of permutations.

We in India have favoured the emergence of multipolarity in the sense that it promises greater fluidity and choice in our external relations. But these must be balanced against the uncertainties let loose by three or more contending and mutually suspicious powers, all looking in several directions at the same time.

> At the recent SCO summit, China and Russia supported India against the US with respect to Trump's tariffs. Can we really take much comfort from their words? The danger is that if they themselves cut a deal with Washington, the US President's bullying of India won't matter very much to them anymore. That's multipolarity — you cut your deals, and good luck to everyone else.

In saying all this, I am not advocating that the world remain bipolar. That the world will be increasingly multipolar in the years and decades ahead is fairly sure. If multipolarity is coming, we should prepare ourselves for what it means. US President Donald Trump, with his explosive economic policies towards India and his diplomatic finger-wagging, has given us a glimpse into what a multipolar world, in which India is still a distinctly secondary power, will be like.

First, as noted, it will feature much greater uncertainty. Until a few weeks ago, New Delhi could count on the US being positively disposed towards India and willing to take on a disproportionate share of the costs of a budding partnership. Can we really count on this looking ahead, even in a post-Trump era? Whatever happens internally in the US after Trump, can New Delhi ever count on returning to that cosy certainty?

Can we ever also count on China, Russia, and the European Union, the other powerful actors, holding true to promises made? They all have their own interests, ambitions, and policy preferences, and they will all, just like us, be constantly calibrating and recalibrating towards each other and towards India. So, greater fluidity of choice will have to be balanced against uncertainty of partnerships and quasi-alliances.

Second, a multipolar world often seems to get conflated in Indian minds with multilateralism — that in a multipolar world, the rules of international engagement would more likely be made through consultation and would more often be mediated and regulated by rules and institutions than is currently the case. What is now reasonably clear, on the other hand, is that in the emerging multipolar system, multilateralism is receding. Or, at least, that its recession is an equally likely outcome of multipolarity.

Third, Trump and his shenanigans have given India a foretaste of the possible dangers and pitfalls of a multipolar world. New Delhi has made a shibboleth out of "multialignment" and "strategic autonomy" (whatever those vaporous terms mean). We are now seeing what they can mean — not what they have to mean but what they very well could mean.

They could mean a very solitary, nasty, and brutal international existence where you dare not count on anyone. At the just-concluded Shanghai Cooperation Organisation (SCO) summit, China and Russia supported India against the US and Trump's tariffs. Can we really take much comfort from their words? The danger is that if they themselves cut a deal with Washington, the US President's bullying of India won't matter to them anymore. That's multipolarity — you cut your deals, and good luck to everyone else. What is true of China and Russia is also true of the EU and Japan and other so-called friends of India.

This is not a defence of, or nostalgia for, unipolarity or bipolarity. It is simply a thought experiment on the future. Beyond Trump's galling policies towards India, we need to think more seriously about the road ahead. That's the real issue now, strategically speaking.

The writer is visiting professor of International Relations, Ashoka University, and emeritus professor at the Lee Kuan Yew School of Public Policy, National University of Singapore

KEY HIGHLIGHTS

Conceptual Understanding

- Unipolarity: Post–Cold War dominance of the US.
- Bipolarity: Cold War structure (US vs USSR) → considered more stable since only two primary powers need to manage their rivalry.
- Multipolarity: More than two great powers (3–5 poles).
    - Favoured by India as it provides greater flexibility, choices, and fluidity in external relations.
    - But inherently unstable → difficult to predict, shifting alliances, frequent recalibrations.

Indian Position on Multipolarity

- India has long advocated multipolarity as a hedge against hegemony of one or two powers.
- However, multipolarity may mean:
    - Greater uncertainty in alliances.
    - Volatile commitments from partners (China, Russia, EU, Japan may change positions quickly).
    - Reduced reliability compared to earlier Indo–US cooperation.

Current Trigger: Trump's Policies

- Economic nationalism (tariffs against India).
- Diplomatic unpredictability → exposed India's vulnerability in a multipolar setting.
- SCO episode: Russia and China supported India against Trump's tariffs, but this may not be reliable — they may cut deals with the US.

Multipolarity ≠ Multilateralism

- Indian policymakers often conflate the two.
- Reality: multipolarity does not guarantee rule-based, consultative, institutionalized cooperation.
- Instead, it can accelerate the recession of multilateralism (WTO weakening, UN sidelined, preference for transactional bilateralism).

Strategic Autonomy & Multi-alignment

- Indian foreign policy doctrines like strategic autonomy and multi-alignment face real-world stress tests in multipolarity.
- Risk: They may translate into "solitary survival" in a fragmented and transactional world order.
- Alliances will be situational, temporary, and interest-driven.

Challenges for India in Multipolarity

- Uncertainty: No permanent friends, only permanent interests.
- Volatility: Alliances shifting rapidly (permutations of coalitions).
- Asymmetry: India remains a "secondary power" vis-à-vis US, China, Russia.
- Erosion of Multilateralism: Weaker institutional safeguards.
- Strategic Loneliness: Danger of being left isolated if partners prioritise their own deals.

Way Ahead for India

- Accept multipolarity as inevitable but prepare for its brutality and unpredictability.
- Develop domestic economic and technological strength to reduce vulnerability.
- Build issue-based coalitions rather than permanent alliances.
- Prioritise resilience, self-reliance, and diversified partnerships (Indo-Pacific, QUAD, BRICS+, SCO, G20).
- Constant recalibration of foreign policy, while safeguarding core interests.

Reaching Out To Punjab

Urgent relief from Centre and reinforcement of river embankments are needed

Manpreet Singh Badal

PUNJAB IS NOW ground zero for two converging crises. First came the brief but intense India-Pakistan conflict in May 2025, when the entire state reeled under blackouts, missile alerts, and cross-border escalation. Though the sirens have faded, another disaster has surged forth, this time in the form of floods. These floods are drowning not only its fields and villages, but also hopes of recovery. This is the time to fortify Punjab, not just its riverbanks, but its future as the nation's breadbasket and borderland.

Pakistan has been weaponising water. While both banks of the Sutlej and Beas rivers lie firmly within Indian control, the situation is more challenging on the Ravi, where only one bank remains under Indian sovereignty. The other bank runs through Pakistan, and its recent construction of embankments, spurs, and studs is certainly a part of a calculated plan. While Pakistan's economy is minuscule compared to India's, the embankments along the Ravi in Pakistan are formidable and overseen and executed by the Pakistani military. A similar scenario pl ayed out during the 1988 floods as well. The use of concrete embankments and the military's involvement underscore how Pakistan views the Ravi as a matter of national security, a lesson India cannot afford to ignore.

Recently, Pakistan has also launched a massive flood-control initiative on the Ravi, focusing on the construction of a 90-kilometre-long retaining wall on both sides of the river. This wall, planned to be 300 feet wide and 27 feet high, will incorporate specialised water training structures designed to regulate the river's flow. We need to invest in reinforced embankments, and use better flood control systems to protect our fields and villages from both natural overflows and cross-border manoeuvres.

Alongside this, I would also emphasise the urgent need to invest in recharging groundwater. While canal irrigation is important when river water is available, a substantial number of farmers depend on groundwater for their crops. We should use flowing waters to refill our underground water reserves. According to the Central Ground Water Board's Master Plan, Punjab needs 1.1 million artificial recharge structures to harness nearly 1,200 million cubic metres of rainwater, improving long-term water security for agriculture.

> As a farmer and former finance minister, I can point to some practical realities facing the agricultural sector. Wheat sowing will begin in a few weeks, but first we must pump out water and clear silt from flooded fields. For this, local administrations require diesel. Second, as a one-off measure, farmers should be provided free seeds and fertilisers. This provision should go to those whose fields were inundated, with subsidies for others, since all have incurred losses.

While strengthening the Ravi embankment and recharging aquifers are medium-term measures, we must also strengthen the farming sector immediately. Five steps are essential.

As a farmer and former finance minister, I can point to some practical realities facing the agricultural sector. Wheat sowing will begin in a few weeks, but first we must pump out water and clear silt from flooded fields. For this, local administrations require diesel. Second, as a one-off measure, farmers should be provided free seeds and fertilisers. This provision should go to those whose fields were inundated, with subsidies for others, since all have incurred losses.

The Centre can effectively reach and support farmers by sending an additional instalment of relief directly under the PM KISAN scheme through direct benefit transfer (DBT). Similarly, targeted support for motor repairs, desilting, and social security benefits can also be delivered via DBT mechanisms. Additionally, the central government can open a portal for PM Awas Yojana beneficiaries to upload and geotag damaged houses for direct relief, with further assistance available to affected schools under the National Education Mission. Direct cash transfers are essential to quickly compensate farmers for immediate losses, restore purchasing power, and stabilise rural economies. It is also time to integrate federal programmes with Punjab's planning, ensuring that relief, recovery, farming initiatives, and river management all benefit from coordinated support.

Finally, relief efforts must not be limited to farmers alone. As former chief minister Parkash Singh Badal recognised during the cotton crisis, farm labourers are equally impacted by such disasters. At least 10 per cent of all support should be set aside specifically for farm labourers whose livelihoods have been disrupted.

Beyond emergency farm help and fixing our riverbanks, we also need to face the dual realities of climate change and the outdated Indus Waters Treaty. Recent South Asian monsoons have become increasingly volatile and intense, with 2025 seeing rainfall 15-30 per cent above long-term averages and rapid swings between extreme floods and drought.

The Indus Waters Treaty, signed in 1960, was not designed to address rapid or erratic changes caused due to climate change. The treaty lacks flexible provisions for adaptive management and climate resilience planning. The visionary decision of Prime Minister Narendra Modi regarding the suspension of the Indus Waters Treaty signals a recognition that South Asia's water-sharing frameworks must be rethought in the era of climate change.

Immediate relief from the Centre, medium-term reinforcement of river embankments, and long-term reform of the Indus Waters Treaty stand as the pillars to truly fortify Punjab and India against the mounting threats of hostile neighbours and climate change.

The writer is a former finance and planning minister of Punjab

KEY HIGHLIGHTS

Security Dimension

- Post-Conflict Vulnerability: May 2025 India–Pakistan conflict followed by blackouts, missile alerts, and escalations highlight Punjab's frontline fragility.
- Pakistan's "Weaponisation of Water":
  - Strategic embankments, spurs, studs along Ravi.
  - 90 km flood-control retaining wall (300 ft wide, 27 ft high) built with military oversight → signals securitisation of rivers.
  - Echo of 1988 floods where similar actions amplified risks.

Disaster and Climate Challenges

- Flood Devastation: Massive inundation of villages and agricultural land → threatens breadbasket status.
- Volatile Monsoons: 2025 rainfall 15–30% above average, with erratic swings between flood and drought → direct linkage with climate change.
- Indus Waters Treaty (IWT) Gaps:
  - Signed in 1960, rigid framework, not designed for climate volatility.
  - No adaptive provisions for resilience or rapid hydrological shifts.
  - Recent suspension of IWT by PM shows recognition of new realities.

Agricultural Sector Distress

- Immediate Recovery Needs:
  - Diesel for pumping water and clearing silt.
  - Free seeds & fertilisers for inundated farms, subsidies for partially affected.
  - Repairs of motors, desilting, and relief through DBT.
- Farm Labourers: At least 10% of relief funds must be reserved for them (lessons from cotton crisis).

Institutional & Policy Measures

- Centre–State Coordination:
  - Direct Benefit Transfer (PM-KISAN, PM-Awas Yojana, social security, National Education Mission) → fast relief delivery.
  - Federal schemes must be integrated into Punjab's planning for coherent recovery.
- Groundwater Recharge Imperative:
  - Punjab needs 1.1 million artificial recharge structures to harness ~1,200 MCM of rainwater.
  - Flowing floodwaters can be used to refill aquifers → long-term water security.

Strategic Takeaways for India

- Short-term: Direct cash relief, quick farm input support, targeted DBT.
- Medium-term: Reinforced embankments, aquifer recharge, integrated disaster–agriculture management.
- Long-term: Re-negotiating/rethinking Indus Waters Treaty in light of climate change + hostile neighbour tactics.
- Comprehensive Approach: Punjab's crises are not only agricultural or environmental but also national security concerns.

COMPLETE THE STORY

Tax rate reduction and simplification is welcome. But a stalled agriculture reform agenda needs re-energising

INDIAN AGRICULTURE HAS suffered from lack of value addition and organised processing of raw produce enabling better integration from farm to fork. A major reason has been the multiplicity of taxes and state-level duties, cesses and surcharges. The latter levies have, thankfully, been subsumed under the unified Goods and Services Tax (GST) system since July 2017. That process has received a further fillip with the latest GST rate rationalisation exercise. Virtually every agricultural and processed food item will now attract either zero or 5 per cent duty. That includes ice cream, chocolates, biscuits, cookies, cakes, pastries, sugar confectioneries and corn flakes. These were all being taxed at 18 per cent in the mistaken belief that they are consumed by the better-off. The truth is, ice cream is a dairy product containing around 21 per cent milk solids. That's more than the 15 per cent in full-cream milk. The primary ingredient in bakery products and cereal flakes is, likewise, wheat and maize grown by farmers.

However, rationalisation isn't simply about lowering rates. The GST Council needs to also be lauded for doing away with the multiple duties on like or similarly-derived items. A good example is skimmed milk powder and butter fat. While both are directly processed from milk, the former attracted 5 per cent GST and the latter (including butter and ghee) 12 per cent. Furthermore, vegetable fats were taxed at 5 per cent, adding to the temptation to adulterate desi ghee with cheaper palm or hydrogenated oils. A uniform 5 per cent GST on all processed dairy products and nil on milk itself makes things simple. The same goes for removing distinctions between loose salted, savoury-flavoured and caramelised popcorn; all will henceforth be taxed at 5 per cent. Previously, chapati, roti and khakhra were leviable to 5 per cent GST, whereas it was 18 per cent on parathas. But now, all Indian breads — and also pizza bread — will see nil rates, thereby ending the scope for classification disputes and bureaucratic discretion.

But tax rate reductions and simplification — GST has also been cut to a uniform 5 per cent for tractors, harvesters, threshers and drip irrigation systems — is only one part. Equally important is the unfinished task of reforming Indian agriculture — specifically the dismantling of barriers to marketing, movement and stocking of farm produce. The Narendra Modi government had attempted these reforms through its three farm laws, only to repeal them under political pressure and subsequently violate their spirit by imposing export bans and stocking limits on wheat, rice, sugar and pulses. That stalled reform agenda needs re-energising. Agriculture is too important to be given a cavalier, do-nothing approach. The GST Council's reform should be the start of something much bigger.

KEY HIGHLIGHTS

Structural Issues in Indian Agriculture

- Lack of value addition and weak organised agro-processing sector.
- Multiplicity of state-level taxes, duties, cesses and surcharges created inefficiency before GST.

Role of GST in Agriculture

- GST introduced in July 2017 → subsumed multiple levies.
- Latest reforms (2025):
  - Zero or 5% GST on most agricultural and processed food items.
  - Major corrections:
    - Ice cream, chocolates, biscuits, cakes, pastries, cornflakes → reduced from 18% to 5%.
    - Dairy products: uniform 5% GST on skimmed milk powder, butter, ghee, butterfat.
    - Vegetable oils and dairy fats now aligned → reduces adulteration incentives.
    - Indian breads (roti, chapati, khakhra, parathas, pizza bread) → nil GST.
    - Popcorn (all types) → 5% GST.
    - Agricultural machinery (tractors, harvesters, threshers, drip irrigation) → 5% GST.

Benefits of GST Rationalisation

- Simplifies compliance and reduces classification disputes.
- Prevents distortions and adulteration in food/dairy markets.
- Boosts agro-processing sector by lowering costs.
- Creates a uniform, predictable tax regime for agriculture-linked products.

Limitations & Unfinished Agenda

- Tax reforms alone insufficient without agricultural market reforms.
- Persistent barriers:
  - Restrictions on marketing, movement and stocking of produce.
  - Frequent export bans and stock limits (wheat, rice, sugar, pulses).
- Three Farm Laws (2020):
  - Attempted reforms in marketing, contracts, stocking.
  - Repealed due to political pushback → reform momentum stalled.

Why Punjab keeps flooding

Punjab, drained by three perennial rivers and a number of smaller tributaries and seasonal rivers, is naturally prone to flooding. But the devastation is made worse by governance and coordination issues

ANJU AGNIHOTRI CHABA
JALANDHAR, SEPTEMBER 5

PUNJAB IS reeling from one of the worst floods in recent memory.

The state government has declared all 23 districts as flood-hit. Data from Friday show that 1,902 villages have been inundated, more than 3.8 lakh people affected, and more than 11.7 lakh hectares of farmland destroyed. At least 43 people have been killed so far.

This flooding is not entirely out of the ordinary: the geography of Punjab, the land of the five rivers, makes the region naturally flood-prone. That said, human factors have also played their part in the disasters.

Rivers: boon & bane

Three perennial rivers — Ravi, Beas and Sutlej — flow through the state of Punjab. The Ravi passes through Pathankot and Gurdaspur; the Beas through Hoshiarpur, Gurdaspur, Kapurthala, Amritsar, Tarn Taran, and Harike; and the Sutlej through Nangal, Ropar, Nawanshahr, Jalandhar, Ludhiana, Moga, Ferozepur, and Tarn Taran.

The seasonal river Ghaggar, and several smaller tributaries and hill streams, known locally as *choes*, also cut across the state.

These rivers, and the alluvium they carry, makes Punjab one of the most fertile places on the planet. For millennia, agriculture has thrived in the floodplains, and today, Punjab produces nearly 20% of the country's wheat and 12% of its rice, despite making up only 1.5% of its landmass.

This fertility, however, comes at a cost. Rainfall in Punjab and upstream catchment areas in Himachal Pradesh and Jammu & Kashmir (J&K) make Punjab's rivers swell during the monsoon. While an elaborate system of *dhussi bundhs* (earthen embankments) form a first line of defence against flooding, heavy rain often overwhelms these.

This is what has happened this year, and many times in the past, most notably in 1955, 1988, 1993, 2019, and 2023.

Beginning on August 10, exceptionally heavy rain in Himachal Pradesh led to the Beas swelling greatly. Inflows of 50,000-55,000 cusecs exceeded the river's carrying capacity; villages and farmland in Kapurthala, Tarn Taran, Ferozepur, Fazilka and Hoshiarpur were flooded.

By mid- to late-August, the Ravi too had swollen up due to rainfall in Himachal and J&K. On August 26, two gates of the Madhopur Barrage (near Pathankot) were destroyed, and the flow in the Ravi exceeded 2 lakh cusecs, causing a deluge in the districts of Pathankot, Gurdaspur and Amritsar.

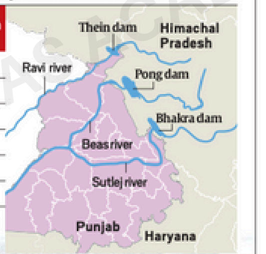
All this while, incessant rain in Punjab made things worse. While most embankments on the Sutlej held up, heavy rain in southern Punjab's Malwa region led to severe waterlogging in the districts of Ludhiana, Jalandhar, Ropar, Nawanshahr and Moga.

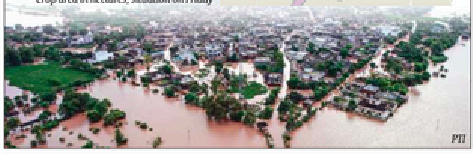
As of Friday, Punjab, Himachal Pradesh, and J&K have all recorded more than 45% excess rainfall (above the seasonal normal) this year, data from the India Meteorological Department (IMD) show.

FIELDS FLOODED, PEOPLE DISPLACED

District	Population affected	Crop area affected
Gurdaspur	1,45,000	40,169
Amritsar	1,35,880	26,701
Kapurthala	5,728	17,807
Fazilka	24,212	17,786
Ferozepur	38,594	17,221
Tarn Taran	60	12,828
Mansa	178	11,042

Crop area in hectares; situation on Friday





Dammed either way

Every time Punjab floods, the spotlight falls upon three dams that sit upstream on Punjab's three perennial rivers, playing a significant role in controlling the rivers' flow downstream.

The Bhakra dam is on the Sutlej in Himachal Pradesh's Bilaspur district, and the Pong dam is on the Beas in Himachal's Kangra district. Both are operated by the Bhakra Beas Management Board (BBMB), a statutory body constituted under the Punjab Reorganisation Act, 1966. The Thein dam (officially the Ranjit Sagar dam) is on the Ravi at the border of J&K and Punjab, and is operated by the Punjab State Power Corporation Ltd and the state's Irrigation Department.

When excessive rain fills up the dams' reservoirs, water must be released to prevent overtopping, a potentially catastrophic situation when the water level in the reservoir exceeds the dam's crest. "If catchment rain is extreme and reservoirs near their limits, BBMB must release water to preserve dam safety," Sanjeev Kumar, Director (Water Regulation) at the BBMB, told *The Indian Express*.

During heavy rainfall, even controlled releases can cause flooding downstream. This is what happened this year. "This year's inflow [on the Pong dam] is about 20% higher than 2023 (the last time Punjab flooded), and such unprecedented flow has never been recorded before," BBMB chairman Manoj Tripathi said at a press conference on Friday. "We have managed it very well," he said.

Punjab, however, has long felt that the BBMB does not act in the state's interest. State officials say that the Board keeps reservoir levels too high in July and August to ensure water for winter irrigation and power, and there isn't much cushion when sudden rain arrives in August and September. Moreover, officials say, the BBMB often does not provide timely warnings, with sudden releases often blindsiding state officials downstream.

At the heart of Punjab's complaints with the BBMB is the constitution of the body. The state feels it has too little say in the Centre-controlled Board whose primary mandate is to provide irrigation and generate power, not flood-management. The Centre's decision to amend BBMB rules in 2022, which now allow officers from across India, not just Punjab and Haryana, to hold top posts in the Board, has aggravated Punjab's concerns.

Larger governance problem

Experts have long called for better management of dams, including Thein, which is operated by the state government. This year, the Madhopur barrage gates were destroyed after water was released from the Thein dam on August 26. The volume of rainfall aside, sources blame a lack of communication between officials upstream and downstream for the gates not being opened on time. In this case, both belonged to Punjab's Irrigation Department.

"At Ranjit Sagar, Pong, and Bhakra, water was stored for many days and then released in massive volumes, causing sudden flooding downstream. A flood cushion was not maintained, and warnings were delayed," environmentalist Jaskirat Singh of Public Action Committee Mattewara told *The Indian Express*.

"Heavy rain is natural, but the damage was made worse by human decisions. Unless dams are managed with transparency and scientific discipline, Punjab will continue to face such floods," he said.

Also important is the maintenance of *dhussi bundhs*. Union Agriculture Minister Shivraj Singh Chouhan, after visiting flood-hit districts in Punjab, on Friday blamed illegal mining for weakening these earthen embankments, and said "it is necessary to strengthen those structures so that Punjab can be saved from such tragedies in the future".

A senior officer of the Punjab Drainage Department told *The Indian Express* that Punjab should strengthen embankments and invest in desilting bottlenecks on rivers, which would cost an estimated Rs 4,000–5,000 crore but prevent greater losses from flooding. He said, "Every year governments wake up only after floods."

KEY HIGHLIGHTS

Geographical Context

- Punjab is drained by three perennial rivers – Ravi, Beas, Sutlej – along with seasonal rivers and smaller tributaries.
- These rivers make Punjab one of the most fertile plains, contributing to 20% of India's wheat and 12% of rice.
- However, the same rivers also make the state naturally flood-prone.

Recent Flood Situation (2025)

- Over 1,902 villages inundated, affecting 3.8 lakh people.
- More than 1.17 lakh hectares of farmland destroyed.
- Districts most affected: Amritsar, Gurdaspur, Kapurthala, Fazilka, Ferozepur, Tarn Taran, Mansa.

Causes of Flooding

Natural factors:

- Exceptionally heavy rainfall in Himachal Pradesh & Jammu & Kashmir (catchment areas).
- Sudden high inflows into Sutlej, Beas, Ravi due to swollen Himalayan tributaries.
- Deficient embankments and siltation reducing carrying capacity.

Human factors:

- Excessive dam filling (Thein dam, Pong, Bhakra, Ranjit Sagar) → sudden release downstream without timely warning.
- Poor coordination with Bhakra Beas Management Board (BBMB).
- Encroachments on riverbeds and floodplains.
- Lack of drainage planning and urban expansion blocking natural waterways.

Institutional & Governance Issues

- BBMB's mandate is skewed toward power generation rather than flood management.
- 2022 amendment to BBMB rules reduced state representation, limiting Punjab's say.
- Lack of early-warning dissemination to state authorities.
- Experts criticize fragmented river management – Centre controls major dams, state responsible for disaster relief.

Larger Implications

- Agricultural Losses: Punjab's role as India's food bowl makes floods a national concern.
- Water Governance Challenge: Reflects weak inter-state coordination (Punjab, Haryana, Himachal, J&K).
- Climate Change Factor: Increasing frequency of extreme rainfall events.
- National Security Angle: Floods in border districts (Gurdaspur, Ferozepur, Amritsar) affect defence logistics and border security.