INTERNATIONAL ORGANISATIONS

By: Lokesh Saini

1. International Monetary Fund

- THE INTERNATIONAL MONETARY FUND (IMF) IS A KEY BRETTON WOODS INSTITUTION ESTABLISHED IN JULY 1944 AT THE UN MONETARY AND FINANCIAL CONFERENCE HELD IN BRETTON WOODS, USA.
- IT FORMALLY CAME INTO EXISTENCE IN 1945, AND BEGAN OPERATIONS IN 1947 WITH THE OBJECTIVE OF FOSTERING GLOBAL ECONOMIC COOPERATION.
- HEADQUARTERS: WASHINGTON D.C., USA
- MEMBERSHIP: 189 COUNTRIES (AS OF 2024)
- INDIA IS A FOUNDING MEMBER
- A COUNTRY MUST FIRST JOIN IMF BEFORE JOINING THE WORLD BANK (IBRD)

Objectives of the IMF

- THE IMF'S PRIMARY ROLE IS TO PROMOTE INTERNATIONAL MONETARY COOPERATION AND ENSURE MACROECONOMIC STABILITY.

- ITS KEY OBJECTIVES INCLUDE:
- MAINTAINING EXCHANGE RATE STABILITY TO AVOID COMPETITIVE DEVALUATIONS

- PROVIDING SHORT- TO MEDIUM-TERM FINANCIAL ASSISTANCE TO MEMBERS FACING BALANCE OF PAYMENTS (BOP) PROBLEMS

- FACILITATING INTERNATIONAL TRADE BY PROMOTING ECONOMIC GROWTH AND EMPLOYMENT

- PROMOTING HIGH LEVELS OF EMPLOYMENT AND INCOME GLOBALLY

- REDUCING POVERTY IN A SUSTAINABLE MANNER, PARTICULARLY IN LOW-INCOME COUNTRIES

Key Functions of the IMF

1. SURVEILLANCE AND MONITORING

- MONITORS ECONOMIC AND FINANCIAL DEVELOPMENTS OF MEMBER COUNTRIES
- OFFERS POLICY ADVICE TO PREVENT FINANCIAL CRISES
- PUBLISHES REPORTS LIKE WORLD ECONOMIC OUTLOOK (WEO)

2. FINANCIAL ASSISTANCE

- PROVIDES FINANCIAL SUPPORT TO MEMBERS IN BOP CRISIS
- LOANS ARE DISBURSED UNDER VARIOUS PROGRAMS (E.G., STAND-BY ARRANGEMENTS, EXTENDED FUND FACILITY)

3. CAPACITY DEVELOPMENT

- OFFERS TECHNICAL ASSISTANCE AND TRAINING TO HELP COUNTRIES BUILD EFFECTIVE ECONOMIC INSTITUTIONS AND POLICIES

IMF Quotas and Voting Power

EACH IMF MEMBER IS ASSIGNED A QUOTA, WHICH DETERMINES:

- ITS FINANCIAL CONTRIBUTION TO THE IMF
- ITS VOTING POWER
- ITS ACCESS TO FINANCIAL ASSISTANCE
- QUOTAS ARE BASED ON A COUNTRY'S RELATIVE SIZE IN THE GLOBAL ECONOMY AND ARE REVIEWED PERIODICALLY.

- INDIA'S QUOTA SHARE (2024): 2.75%
- VOTING POWER: 2.63%
- TOP CONTRIBUTORS: USA (17.43%), JAPAN, CHINA, GERMANY, FRANCE, UK

Special Drawing Rights (SDRs)

- SDRS ARE AN INTERNATIONAL RESERVE ASSET CREATED BY THE IMF IN 1969 TO SUPPLEMENT MEMBER COUNTRIES' OFFICIAL RESERVES.
- SDRS ARE NOT A CURRENCY BUT REPRESENT A CLAIM TO FREELY USABLE CURRENCIES OF IMF MEMBERS.
- THE VALUE OF AN SDR IS BASED ON A BASKET OF FIVE MAJOR CURRENCIES:
  - US DOLLAR
  - EURO
  - CHINESE RENMINBI
  - JAPANESE YEN
  - BRITISH POUND
- INDIA HOLDS AROUND 13 BILLION SDRS (APPROX.)

SDR allocations: what are they and how are they used?

What is an SDR?

Special Drawing Rights (SDRs) are international reserve assets created by the IMF to supplement the official reserves of member countries. The value of an SDR is based on a basket of five currencies.

How are SDRs used?

SDRs are allocated to IMF member countries in proportion to their relative share in the IMF. Countries can exchange SDRs for hard currencies with other IMF members.

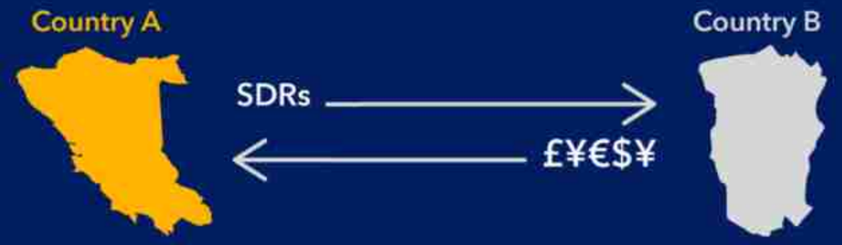
SDR allocations: COVID-19 vaccine purchase example

Step 1: Allocation of SDRs

The IMF allocates SDRs. Country A receives an amount in proportion to its share in the IMF.

Step 2: Trade SDRs for currency

Country A can exchange its SDRs with Country B for foreign currency reserves.



Step 3: Acquire vaccines

Country A can then use these foreign currency reserves to purchase vaccines.

IMF and India – A Historical Overview

1947–1991:

- INDIA APPROACHED IMF DURING MAJOR BOP CRISES INCLUDING POST-PARTITION PERIOD, WARS WITH PAKISTAN, AND THE 1973 OIL CRISIS.

1991 REFORMS:

- INDIA FACED A SEVERE BOP CRISIS.
- IMF PROVIDED FINANCIAL ASSISTANCE (~$2.2 BILLION) UNDER THE STAND-BY ARRANGEMENT.
- LED TO ECONOMIC LIBERALISATION, TRADE REFORMS, RUPEE DEVALUATION, AND STRUCTURAL ADJUSTMENT POLICIES.

IMF’s Role in Indian Economy (Post-1991)

- IMF PLAYED A CRITICAL ADVISORY ROLE DURING INDIA’S LIBERALISATION PHASE.
- INDIA’S INTEGRATION INTO THE GLOBAL ECONOMY ALIGNED WITH IMF’S RECOMMENDATIONS.
- SINCE THE 2000S, INDIA HAS NOT TAKEN LOANS FROM IMF, REFLECTING STRONGER EXTERNAL SECTOR FUNDAMENTALS.
- INDIA NOW CONTRIBUTES TO IMF CONCESSIONAL LENDING FACILITIES FOR OTHER DEVELOPING NATIONS.

IMF Quota Reforms and Emerging Challenges

2010 QUOTA REFORMS:

- IMPLEMENTED IN 2016
- SHIFTED 6% QUOTA SHARE TO EMERGING ECONOMIES
- GAVE MORE VOICE TO COUNTRIES LIKE CHINA, INDIA, BRAZIL

KEY ISSUES:

- US VETO POWER: ANY MAJOR DECISION REQUIRES 85% APPROVAL; US HOLDS ~17.4%
- UNDER-REPRESENTATION OF DEVELOPING COUNTRIES: DESPITE ECONOMIC RISE
- IMF GOVERNANCE STRUCTURE STILL DOMINATED BY ADVANCED ECONOMIES
- INDIA AND OTHER EMERGING ECONOMIES ARE DEMANDING A MORE DEMOCRATIC AND REPRESENTATIVE IMF SYSTEM.

Criticism of IMF

- **WESTERN DOMINANCE:** QUOTA AND VOTING SYSTEM FAVORS ADVANCED ECONOMIES

- **CONDITIONALITIES ON LOANS:** OFTEN REQUIRE AUSTERITY MEASURES, IMPACTING SOCIAL SPENDING IN BORROWER COUNTRIES
- **ONE-SIZE-FITS-ALL SOLUTIONS:** IMF POLICIES MAY NOT SUIT ALL COUNTRIES' UNIQUE SOCIO-ECONOMIC CONTEXTS
- **DELAY IN REFORMS:** INSTITUTIONAL RESISTANCE TO REFLECT CHANGING GLOBAL REALITIES

IMF Reports – Relevance to India

1. WORLD ECONOMIC OUTLOOK (WEO):

- BIANNUAL REPORT ON GLOBAL AND COUNTRY-SPECIFIC ECONOMIC TRENDS
- USED IN INDIA'S POLICY-MAKING AND BUDGET ASSESSMENTS

2. ARTICLE IV CONSULTATIONS:

- ANNUAL REVIEW OF INDIA'S MACROECONOMIC POLICIES
- PROVIDES DETAILED ANALYSIS ON FISCAL DEFICIT, MONETARY POLICY, TRADE, ETC.

- EXAMPLE: IMF 2020 REPORT PREDICTED BANGLADESH SURPASSING INDIA IN PER CAPITA INCOME, SPARKING DEBATE ON INDIA'S ECONOMIC TRAJECTORY POST-COVID.

Way Forward for India in IMF

- PUSH FOR QUOTA REFORM TO ENHANCE REPRESENTATION OF DEVELOPING COUNTRIES
- STRENGTHEN SOUTH-SOUTH COOPERATION TO NEGOTIATE AS A BLOC
- USE IMF PLATFORM FOR POLICY CONSULTATION AND CRISIS PREPAREDNESS
- ENSURE CONDITIONALITIES IN ANY IMF ENGAGEMENT ALIGN WITH NATIONAL PRIORITIES
- INDIA MUST ACT AS A BRIDGE BETWEEN DEVELOPED AND DEVELOPING NATIONS WITHIN IMF

International Monetary Fund(IMF)

Introduction

- The International Monetary Fund created at an international conference convened in Bretton Woods in 1944.
- The goal of the conference was to establish a framework for economic cooperation and development
- That would lead to a more stable and prosperous global economy.
- IMF's mandate
  - The World Bank promotes long-term economic development and poverty reduction.
  - by providing technical and financial support to help countries reform particular sectors or implement specific projects—such as
    - Building schools and health centers
    - Providing water and electricity
    - Fighting disease
    - Protecting the environment
- World Bank assistance is generally long term and is funded both by member country contributions and through bond issuance
- World Bank staff are often specialists in particular issues, sectors, or techniques.

India's poor performance

- As national economic policies are predetermined under IMF packages
- IMF conditionality may additionally result in the loss of a state's authority to govern its own economy
- It is mainly a Washington-based financial institution in which most developing countries hold little voting power.
- IMF packages have also been associated with negative social outcomes such as reduced investment in public health and education.
- Decisions are made and policies implemented by leading industrialised countries—the G7.
- The IMF suffers from near-pariah status in Asia where the memories of draconian austerity policies it imposed during the crisis of the late 1990s linger.
- Attempts to reform its ownership have failed, scotched by the U.S. Congress.

Benefits to India

- Post reforms India, China, Brazil, and Russia will be among the 10 largest members alongside large advanced economies.
- India's quota in IMF would rise to 2.7 per cent, from the existing 2.44 per cent.
- Voting share of India in IMF would increase to 2.6 per cent from 2.34 per cent.

Acceptance of reforms

- Recently in December, the U.S. Congress, the chief objector to the change in IMF has dropped it's rigid attitude towards change in IMF representation.
- The allocation of funds, as the percentage of budget, should be increased to broad-base sports in the country.
- It has allowed the multilateral lender to adopt a country quota distribution that better reflects the power balance of emerging markets.
- More than 6 percentage points of the quota, have been transferred from developed to emerging economies.
- Transferred quota include both the Fund's capital and its proportionate voting rights.
- IMF has gained combined capital that its 188 member-countries contribute to approximately $659 billion from nearly $329 billion.
- The developed nations have had a haircut in their voting share, somewhere between 0.2 and 0.5 percentage points.
- For the first time, the IMF board will consist entirely of elected executive directors, ending the category of appointed executive directors.

2. World Bank Group

- THE WORLD BANK IS ONE OF THE FIVE INSTITUTIONS CREATED AT THE BRETTON WOODS CONFERENCE IN 1944.
- INDIA IS A FOUNDING MEMBER OF THE WORLD BANK.
- THE WORLD BANK GROUP (WBG) IS AFFILIATED TO THE UNITED NATIONS BUT OPERATES WITH AN INDEPENDENT GOVERNANCE STRUCTURE.
- OFFICIAL MISSION: REDUCTION OF POVERTY AND SUPPORT FOR SUSTAINABLE DEVELOPMENT GLOBALLY.

FUNCTIONS OF WORLD BANK

COMPOSITION OF WORLD BANK GROUP

- International Bank for Reconstruction and Development (IBRD) – Lends to middle-income and credit-worthy low-income countries.
- International Development Association (IDA) – Offers grants and interest-free loans to the poorest nations.
- International Finance Corporation (IFC) – Promotes private sector development through investments and advisory services.
- Multilateral Investment Guarantee Agency (MIGA) – Provides guarantees against political risks to encourage foreign investment.
- International Centre for Settlement of Investment Disputes (ICSID) – Offers arbitration for investment disputes (India is not a member).

WORLD BANK GROUP

- Comprises 5 institutions
- Collectively, all 5 institutions are known as the "World Bank Group"

WORK WITH GOVERNMENTS

International Bank for Reconstruction and Development

1 IBRD

Financing for middle-income developing countries

International Development Association

2 IDA

Financing for low-income developing countries

Together **IBRD** and **IDA** are known as the **"World Bank"**

WORK WITH PRIVATE SECTOR

International Bank for Reconstruction and Development

3 IFC

Investments and advisory services to encourage private-sector development

International Development Association

4 MIGA

Political risk insurance and credit enhancement guarantees

TRIBUNAL

International Development Association

5 ICSID

International arbitration of investment disputes

Established 1944
185 Members

Established 1960
165 Members

Established 1956
179 Members

Established 1988
171 Members

Established 1966
143 Members

OBJECTIVES AND FOCUS AREAS

Primary objective:

- Eradicate poverty and boost shared prosperity.
- Provides long-term loans, grants, policy advice, technical assistance, and coordination services.
- Focus areas include education, health, gender equality, climate change mitigation, governance, and institutional capacity.
- Strong alignment with the United Nations' Sustainable Development Goals (SDGs).

SOCIAL DEVELOPMENT - WORLD BANK'S APPROACH

- Defines social development as placing people and their rights at the center of development.
- Broadened poverty definition: not just low income but also lack of access to services, discrimination, exclusion, and lack of opportunity.
- Promotes gender equity, social inclusion, and protection of vulnerable groups.
- Encourages participatory development and engagement with civil society and local institutions.
- Supports programs that empower communities and promote transparency and accountability.

ROLE OF IBRD & IDA IN SOCIAL DEVELOPMENT

IBRD(International Bank for Reconstruction and Development):

- Offers loans and development assistance to middle-income and creditworthy low-income nations.
- Targets sectors such as transportation, agriculture, energy, education, water supply, and health systems.

IDA (International Development Association):

- Provides grants and zero-interest loans to the poorest countries.
- Aims to reduce inequalities, enhance human capital, and support post-conflict recovery.
- Prioritizes investment in education, maternal and child health, and rural livelihoods.

IFC & MIGA - ENABLING PRIVATE SECTOR PARTICIPATION

IFC (International Finance Corporation):

- Invests in private enterprises in developing countries.
- Focuses on job creation, financial inclusion, innovation, and climate finance.
- Helps mobilize private capital to meet development challenges.

MIGA (Multilateral Investment Guarantee Agency):

- Provides political risk insurance for investors and lenders.
- Covers risks such as expropriation, war, civil disturbance, breach of contract, and currency inconvertibility.
- Promotes investment in fragile and conflict-affected regions.

WORLD BANK PROJECTS IN INDIA - OVERVIEW

- India is one of the largest borrowers and beneficiaries of World Bank assistance.

- The Bank collaborates with the central and state governments to implement projects in:
  - Rural and urban development
  - Public health and nutrition
  - Education and skill training
  - Road and transport infrastructure
  - Energy, water resources, and sanitation

KEY SOCIAL PROJECTS IN INDIA SUPPORTED BY WORLD BANK

1. **Sarva Shiksha Abhiyan (SSA):**
   - IDA funding of $1.25 billion supported universal primary education.
   - Enabled enrollment of 17 million out-of-school children.
   - Focused on inclusivity, especially for girls, SC/ST children, and children with disabilities.
2. **Bihar Rural Livelihoods Project (JEEViKA):**
   - Empowered over 1.8 million women via self-help groups (SHGs).
   - Improved livelihoods and increased access to credit and markets.

KEY SOCIAL PROJECTS IN INDIA SUPPORTED BY WORLD BANK

Tejaswini Project (Jharkhand):

- Targeted adolescent girls (14–24 years) for skill training, life skills, and education.
- Aims to improve socio-economic opportunities for young women.

Telangana Rural Inclusive Growth Project:

- Focus on marginal farmers and rural communities from SC/ST backgrounds.
- Enhanced delivery of social protection services and digital inclusion.

Nai Manzil Scheme:

- $50 million World Bank credit for education and vocational training of minority youth.
- Integrated skill training and formal education pathways for disadvantaged groups.
-

WORLD BANK SUPPORT TO INFRASTRUCTURE PROJECTS

1. **National Highway Development Project:** Improved road connectivity across key corridors.
2. **PMGSY (Rural Roads Program):** Enabled all-weather connectivity to thousands of villages.
3. **State Roads Projects:** Funded in states like UP, Kerala, Mizoram, and Tamil Nadu.
4. **Mumbai Urban Transport Project:** Addressed congestion and enhanced rail transport capacity.
5. **Sustainable Urban Transport Project:** Supported policies under the National Urban Transport Policy (NUTP) for cleaner, efficient transport systems.

IMPORTANT WORLD BANK REPORTS

1. **World Development Report (WDR):**
   - Annual flagship publication.
   - Focuses on key development themes such as digital economy, education, labor markets, and global inequality.
2. **Ease of Doing Business Report (Discontinued in 2021):**
   - Tracked business regulations across countries.
   - Influenced economic reforms in India.
3. **Global Economic Prospects:**
   - Biannual report analyzing global and regional economic trends.
   - Offers forecasts and policy analysis.
4. **Poverty and Shared Prosperity Report:**
   - Assesses progress on poverty eradication and inclusive growth.
5. **Human Capital Index (HCI)**:
   - Measures potential productivity of future workers based on health and education outcomes.
6. **Logistics Performance Index (LPI):**
   - Ranks countries based on trade logistics efficiency (e.g., customs, infrastructure, shipment quality).

CRITICAL ANALYSIS OF WORLD BANK

1. **Power Disparity:**
- Voting power is weighted by financial contributions, giving dominance to developed countries like the US.
2. **Sovereign Immunity:**
- World Bank enjoys immunity from lawsuits, raising concerns over accountability.
3. **Structural Adjustment Policies (SAPs):**
- Imposed economic reforms (privatization, deregulation) in exchange for aid.
- Criticized for worsening inequality and undercutting local policy autonomy.
4. **Implementation Challenges:**
- Projects have faced criticism for poor planning, displacement, and inadequate local involvement.
5. **Influence of Donor Agendas:**
- Accused of advancing strategic interests of major donor countries under the guise of development assistance.

CONCLUSION

- The World Bank remains a pivotal institution in global development, especially for nations like India.
- While its work in education, infrastructure, and poverty alleviation has had positive impact, concerns around governance and equity persist.
- Future reforms should ensure greater voice to developing nations, promote participatory development, and improve transparency and accountability mechanisms.
- Its evolving focus on climate change, digital inclusion, and social equity signals a more holistic development approach.

BRETTON WOODS CONFERENCE

HISTORICAL BACKDROP OF THE BRETTON WOODS CONFERENCE

- Held in July 1944, in Bretton Woods, New Hampshire (USA), with 44 Allied nations attending.
- **Objective**: To design a new global economic order post-WWII and avoid the chaos of the 1930s Great Depression.
- It was driven by the need for financial stability, global reconstruction, and development.
- Two key economists involved:
- **John Maynard Keynes (UK)** – Advocated for a more cooperative, global reserve system.
- **Harry Dexter White (USA)** – Pushed for U.S. dominance in global financial structures.

OUTCOMES OF THE BRETTON WOODS CONFERENCE

- Creation of two major international financial institutions:
- International Monetary Fund (IMF) – To ensure exchange rate stability and provide short-term balance of payment support.
- International Bank for Reconstruction and Development (IBRD) – Now a part of the World Bank Group, to fund post-war reconstruction and long-term development.
- Fixed Exchange Rate System:
- Global currencies pegged to the US Dollar, which in turn was backed by gold (Gold Standard).
- The US Dollar became the global reserve currency.
- Promotion of open markets and multilateral trade to avoid protectionism.

SIGNIFICANCE FOR INDIA AND DEVELOPING WORLD

- India was a founding member of both IMF and World Bank.
- The conference signaled a shift from colonial economic systems to a rules-based multilateral economic order.
- For newly independent nations like India, these institutions became a major source of funding for development, reforms, and emergency balance support.
- However, decision-making power was concentrated in developed countries — a critique that persists.

The United Nations Security Council (UNSC)

The United Nations Security Council (UNSC)-overview

- The UN Security Council is the premier global body for maintaining International peace and security
- The Security Council, the United Nations' principal crisis-management body, is empowered to impose binding obligations on the 193 UN member states to maintain peace
- The Security Council, the United Nations' principal crisis-management body, is empowered to impose binding obligations on the member states to maintain peace
- The council's five permanent and ten elected members meet regularly to assess threats to international security, including civil wars, natural disasters, arms proliferation, and terrorism
- Structurally, the council remains largely unchanged since its founding in 1946, stirring debate among members about the need for reforms

India and the UN System

Historical Engagement:

- Founding Member: India was one of the original members of the United Nations in 1945, signing the UN Charter in San Francisco.

Contributions to UN Institutions:

- **Human Rights**: India was instrumental in the drafting of the Universal Declaration of Human Rights (1948).
- **Economic and Social Council (ECOSOC)**: India is an active member and has served multiple terms.
- **UNESCO, WHO, FAO:** India has played important roles in specialized agencies of the UN.
- **Climate and Sustainable Development:** India actively participates in forums like UNFCCC, SDG implementation reviews, etc.

Composition of UN Security Council

- The UN Security Council is composed of **15 members**, including **f permanent member** states– China, France, Russian Federation, the United States, and the United Kingdom and **10 non-permanent member** states, which are elected by the United Nations General Assembly (UNGA)
- Ten non-permanent members are elected to the UNSC every year for a **two-year term**
- The 10 non-permanent seats are distributed among the regions of the world: five seats for African and Asian countries (three are for Africa and two for Asia), one for Eastern European countries, two for Latin American and Caribbean countries, and the remaining two for Western European and other countries.
- The Africa and Asia Pacific group takes turns every two years to put up an Arab candidate

Composition of UN Security Council

How does presidency of UNSC rotate?

- Each non-permanent member gets the opportunity to operate as president of the UN Security Council during the two years it is part of the grouping.
- The presidency of UNSC changes hands every month between its members in the English alphabetical order of the member states' names

Powers of the UNSC President

- According to the UNSC's official website, the presidency derives responsibility from the Provisional Rules of Procedure of the United Nations Security Council as well as UNSC's practice.
- The holder of the presidency is considered to be the 'face' and spokesperson of the UNSC.

Composition of UN Security Council

Veto power of UNSC member states

- The UN defines 'veto' as a "**special voting power**", which provides that "if any one of the five permanent members cast a negative vote in (UNSC), the resolution or decision would not be approved".
- However, the "veto power" is **restricted** to P5 member states of the UN Security Council. Non-permanent members of the UNSC do not enjoy this privilege.
- Article 27 of the UN Charter says each member of the UNSC shall have one vote and that decisions on "procedural matters" shall require no more than the affirmative vote of nine out of the 15 members.
- It is important to note that decisions on any other matter need not only an affirmative vote of nine members but also the concurring votes of the permanent members.

UN SECURITY COUNCIL STRUCTURE LOCKS INTERNATIONAL SYSTEM

UN Security Council's five permanent members' use of their veto power for their national interests leads to questioning of the legitimacy of the UNSC

SECURITY COUNCIL

UNSC STRUCTURE

- Use of force **at UN** is decided **by UNSC**
- **Five permanent** members have the right to veto a draft resolution
- To adopt a draft resolution, none of the permanent members should veto it and **9 countries** should vote in favor

- China and Russia have vetoed four draft resolutions **on Syria** since 2011
- The U.S. has used its veto right 42 times **for Israel** since 1972
- **Palestine** has not become a UN member, as full membership requires **UNSC approval**
- China **blocks Taiwan's UN membership**, not recognizing Taiwan as a sovereign country

CRITICISM OF UN STRUCTURE

- Permanent membership system
- Five permanent members' veto right and weak equal representation due to a small number of members

PERMANENT MEMBERS

REFORM PROPOSALS

- Increasing the number of non-permanent members
- Restricting veto right

India's run for permanent membership in UNSC

Why the reforms at UNSC are unavoidable now?

To meet the evolved Geopolitics

- UNSC was composed by victors of the Second World War in 1945 to suit their interests and the UN Charter was designed accordingly, giving to themselves the permanent membership and veto power in the council.
- However, the geopolitical, strategic, economic realities have changed considerably since then, but the UNSC has not reformed itself to these global realities

Inadequate representation

- With global economic and population fulcrum shifting to Indo-Pacific, inadequate Asian representation and no African and Latin American representation are pushing UN to irrelevance, unless it reforms itself

Why India should be granted permanent membership?

Emerging Global Power:

- India, after 75 years of independence, has emerged as one of the major powers in global politics; which represents one-sixth of the global population
- It is also the world's fourth largest economy and third largest in terms of purchasing power parity as of 2020.
- Also, India has taken the lead in calling for New International Economic Order (NIEO) by reforming the international organizations
- •Further, at times of challenges, India has been at the forefront in raising its voice for cooperation and shared responsibilities

Why India should be granted permanent membership?

Long Historical ties with UN:

- India shares a long historic relationship with the UN and its contemporary role in the global arena
- India's contribution to the international community is undeniable.
- India also adheres to the **Principle of Panchsheel** whose relevance is timeless
- The principle of Panchsheel is based on Mutual respect for sovereignty, non-aggression, non-interference, equality and peaceful coexistence. These principles can be **highly significant to UN Charter** to work towards peace and security in cooperation

India's stand on disarmament and non-violence:

- India has stood to uphold non-discriminatory and transparent working in international organisations
- India has time and again reiterated its stand as a responsible nuclear weapons state and its deterrence to no first use and non-use against non-nuclear states
- India has often criticised the discriminatory and undemocratic nature of the NPT (Non proliferation treaty)

India's strategies for a permanent seat at UNSC

- India has adopted a multi-layered strategy to assume the highly coveted permanent seat in the Security Council
- The Indian strategy of "revisionist integration" into the Security Council consists of two components:
- Maximizing support in the UN General Assembly and Minimizing resistance in the UN Security Council
- India hopes that its continued leadership of various Global South forums such as G 7 and NAM, would garner much needed numbers in its support
- On the other hand, India's growing strategic partnerships with the P5, including the historic nuclear deal with the US in 2005, reiteration of historic ties with Russia, and most importantly, seeking a rapprochement with China, in Indian eyes, paint a favorable picture for Indian hopes in the Security Council by the existing permanent members

Roadblocks for India

China factor

- China is one of the five permanent members of the UNSC and has been using its veto power to block India's efforts to become a permanent member of the body
- The opposition by China, could be further complimented by India's assertion with China on Border issues and India's opposition to China's Belt & Road Initiative

India's firmness to not mend

- Critics argue that India has still not signed the Nuclear Non-Proliferation Treaty (NPT) and also refused to sign the Comprehensive Nuclear-Test-Ban Treaty in 1996
- This aspect doesn't sit well with other Permanent members of UNSC

Roadblocks for India

Lack of resources for Multi-lateral Diplomacy

- Though India is on firm path of Economic growth, it has been performing poorly in socio-economic indicators like the Human Development Index, which might become a consideration factor
- Further, India still heavily relies on weaponry imports from US and Russia for its military requirements; which questions its abilities to operate beyond the Indo pacific region

Veto power contention

- Reforms to improve effectiveness and responsiveness of UN to international security challenges are meaningless without the reform of the UNSC veto power with P5, which enables any one of them to prevent the adoption of any “substantive” draft council resolution, regardless of its level of international support.

Way forward

- India should begin playing an active role, rather than pursuing policy of silence on most of the issues in international security UNSC permanent members are often concerned with, from nuclear proliferation in Iran and North Korea, to human rights violations in Syria
- India could also think of aligning its foreign policy on a more coherent note, to better impact its presence in the Geopolitics of the world
- On the whole, a permanent membership to India in UNSC will ensure representation of the developing and underdeveloped world
- Further, India can also significantly contribute to the misuse of veto power and represent the interest of not only India but also the underdeveloped countries and make United Nations a more democratic global governing institute

UN Security Council (UNSC)

The UN Charter vests the primary responsibility for maintaining international peace and security to the UNSC

About

One of the **6 principal organs** of UN; established in **1945 by UN Charter**

Headquarters

New York City

First Session

17 January 1946 at Church House, Westminster, **London**

Membership

- 15 members - 5 Permanent Members **(P5)**, **10 Non-Permanent Members** elected for **two-year terms** (5 elected each year)
- P5 - the **US**, the **UK**, **Russia, France and China**

Presidency

- **Rotates every month** among the 15 members
- **India's** Presidency for year **2022 - December**

Voting Powers

- 1 member = 1 vote
- P5 have **veto power**
- Members of UN sans membership of UNSC **participate without vote**

UNSC Committees/Resolutions

Terrorism

- **Resolution 1373** (Counter Terrorism Committee)
- **Resolution 1267** (Da'esh and Al Qaeda Committee)

Non-Proliferation Committee

- **Resolution 1540** (against nuclear, chemical and biological weapons)

India and UNSC

- Served **7 times** as non-permanent member; elected for the **8th time** for 2021-22; **advocates for a permanent seat**
- Arguments for a permanent seat:
  - **43 peacekeeping missions**
  - Active participation in **formulating Human Rights Declaration (UDHR)**
  - India's **population, territorial size, GDP, economic potential, cultural diversity, political system** etc.

G4

Group of 4 countries (Brazil, Germany, India and Japan) which advocate each other's bids for permanent seats in the UNSC

Uniting for Consensus (UfC) Movement

- Informally known as the **Coffee Club**
- Countries **oppose the expansion Permanent Seats** of UNSC
- **Prime movers of the club** - Italy, Spain, Australia, Canada, South Korea, Argentina and Pakistan
- Italy and Spain are opposed to Germany's bid; Pakistan - India's bid; Argentina - Brazil's bid and Australia - Japan's bid

Major Challenges in UNSC

- Usual UN rules don't apply to UNSC deliberations; **no records of meetings kept**
- Powerplay in UNSC; **anachronistic veto powers** of P5
- **Deep polarisation** among P5; frequent divisions end up blocking key decisions
- **Inadequate representation** of many regions among of the world

Shanghai Cooperation Organisation(SCO)

INTRODUCTION:

- Shanghai Cooperation Organisation encompasses approximately 60% of the Eurasian area and 40% of the global population.
- The combined GDP of its member states accounts for around 20% of the world's GDP.
- Its main goals are to promote cooperation in politics, security, economics, and culture.
- It has a permanent secretariat in **Beijing, China**.
- Shanghai Cooperation Organisation has a number of affiliated organizations, including the SCO Regional Anti-Terrorist Structure (RATS) and the SCO Business Council.

HISTORICAL BACKGROUND:

- It emerged as a successor to the Shanghai Five, which was established in 1996 by China, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan.
- These countries, along with Uzbekistan, came together on 15 June 2001 in Shanghai to announce the formation of a new organization aimed at deepening political and economic cooperation.
- Over time, the organization expanded its membership to include eight states, with India and Pakistan joining on 9 June 2017.
- Iran officially became a member in 2023.
- The SCO is governed by the Heads of State Council (HSC), which serves as its highest decision-making body and convenes once a year

THE SHANGHAI COOPERATION ORGANISATION

Objectives of SCO:

1. Strengthen mutual trust and neighborliness among member states.

2. Promote cooperation in political, economic, cultural, and humanitarian fields.

3. Ensure peace, security, and stability in the region.

4. Combat terrorism, separatism, and extremism.

5. Encourage regional economic integration and connectivity

SIGNIFICANCE

1. Geostrategic and Geoeconomic Relevance

- Demographic and Economic Clout:
- Covers 40% of global population.
- Accounts for ~20% of global GDP.
- Encompasses 22% of world's landmass.

2. Strategic Significance

- Acts as a platform for regional integration in Asia.
- Enhances cross-border connectivity, including transport corridors and digital links.
- Provides a non-Western multilateral forum, offering an alternative to US-led alliances.

SIGNIFICANCE

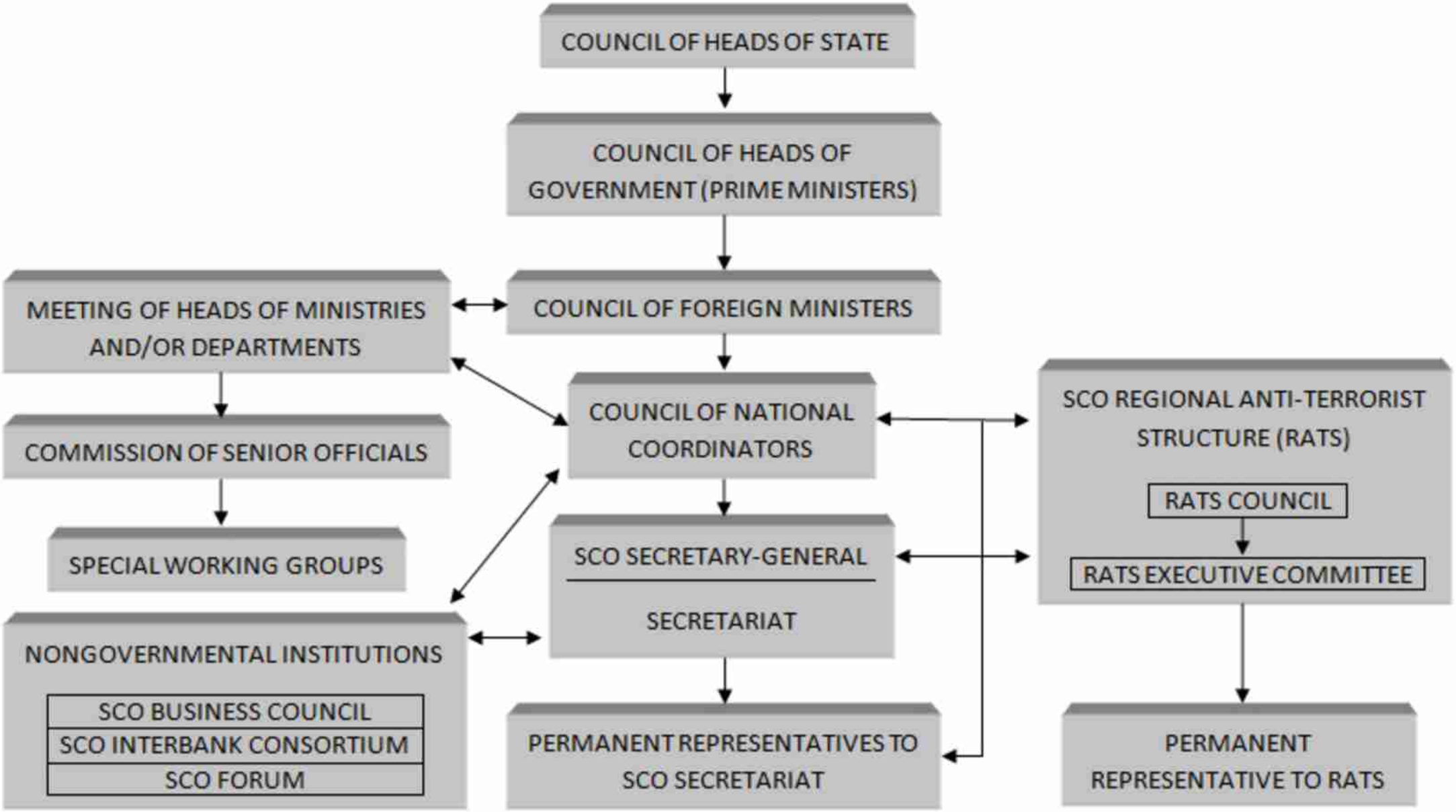
3. Bulwark Against Common Threats

- Combats terrorism and drug trafficking across borders.
- Joint Military Exercises like “Peace Mission” enhance cooperation and interoperability.
- Stronger than groupings like QUAD in collective military drills and security mechanisms.

ORGANISATIONAL STRUCTURE

- Council of Heads of State: Highest decision-making body; meets annually.
- Council of Heads of Government: Second-highest body; discusses multilateral cooperation.
- Council of Ministers of Foreign Affairs: Coordinates foreign policy.
- Council of National Coordinators: Manages current activities and prepares meetings.
- Regional Anti-Terrorist Structure (RATS): Coordinates counter terrorism operations and Facilitates intelligence sharing on terrorism, extremism, and separatism.
- Secretariat: Administrative arm based in Beijing, executes decisions

THE STRUCTURE OF THE SHANGHAI COOPERATION ORGANISATION



Relevance of SCO for India

1. Counter-Terrorism Cooperation

- Access to RATS platform for intelligence sharing and joint counter-terror operations.
- Useful for India's security concerns, particularly with Pakistan's presence in the grouping.

2. Regional Stability

- Enhances India's role in maintaining peace and security in Afghanistan and Central Asia.
- Helps balance China-Pakistan influence in the region.

3. Connectivity and Infrastructure

- Supports India's efforts to improve regional connectivity, including through Chabahar Port, INSTC, etc.
- Complements India's infrastructure goals and neighborhood-first policy

Relevance of SCO for India

4. Economic Opportunities

- Access to Central Asian markets and resources (oil, gas, minerals).
- Scope for collaboration in energy, transport, banking, and startups.

5. Multilateral Diplomacy

- Platform for bilateral and multilateral dialogue with Russia, China, Iran, and Central Asian nations.
- Helps promote India's strategic autonomy and multi-alignment approach.

6. Connect Central Asia Policy

- Aligns with India's "Connect Central Asia" Policy.
- Boosts people-to-people ties, academic cooperation, and energy security.

Challenges

1. Power Imbalance

- China and Russia dominate the decision-making process.
- May cause reluctance in fully endorsing joint initiatives.

2. Economic Integration Difficulties

- Limited intra-SCO trade and economic disparity among members.
- India’s reluctance to join China-led initiatives like BRI adds friction

Challenges

3. External Geopolitical Influences

- Members have divergent foreign alignments (e.g., India's ties with the West vs. Russia-China axis)
- Managing non-alignment and neutrality becomes complex.

4. Divergence in Political Systems and Interests

- SCO includes democracies, authoritarian regimes, and theocracies.
- Lack of shared political values makes consensus-building difficult.

Challenges

5. Human Rights and Governance Issues

- SCO avoids discussions on democratic norms and human rights.
- Conflicting stances on civil liberties and freedoms weaken its global image.

6. Counter-Terrorism and Security Coordination

- Trust deficit and intelligence-sharing reluctance (e.g., India Pakistan dynamics).
- Limits effectiveness of RATS and other counter-terror platforms. The QUAD

Conclusion

The Shanghai Cooperation Organization (SCO) plays a vital role in fostering regional cooperation in security, economic development and cultural exchange among its member states. As global dynamics continue to evolve, the SCO's ability to adapt and address the diverse challenges facing its members will determine its effectiveness and influence n international relations. By promoting stability, enhancing economic ties and fostering mutual respect among diverse cultures, the SCO can contribute significantly to a peaceful and prosperous future for the region.

Shanghai Cooperation Organization

The Shanghai Cooperation Organization (SCO) is a regional intergovernmental security alliance involving Russia, China and four Central Asian states

Milestones

1996
Foundation of the Shanghai Five, the SCO predecessor

1999
Foundation of the Bishkek Group to counter border criminality

2001
Uzbekistan joins SCO

June 15, 2001
Shanghai Cooperation Organization Founding Declaration signed

2008
Iran submits official application for full-right SCO membership

Basic documents

2001
Shanghai Convention on the Struggle against Terrorism, Separatism and Extremism

2002
SCO Charter

2002
Regional Anti-Terrorist Structure (RATS) Founding Agreement

Goals and Objectives

- Strengthening of mutual trust and good-neighborly policies between member states
- Promotion of effective cooperation in politics, trade, economics, science, technology, and culture, as well as education, energy, transport, tourism and environmental protection
- Jointly ensuring peace, security and stability in the region
- Advancement to a new democratic, fair and rational global political and economic order

SCO Structure

- Council of Heads of State
- Council of Heads of Government
- Council of Foreign Ministers
- Meetings of Heads of Ministries and Departments
- Council of National Coordinators
- Regional Anti-Terrorist Structure

Russian Foreign Ministry Ambassador-at-Large Vitaly Vorobyov is the Presidential Envoy for SCO Affairs

India and the Shanghai Cooperation Organisation (SCO)

Introduction

- The Shanghai Cooperation Organisation is a Eurasian political, economic, and military organisation.
- SCO assumes greater importance after entry of India and Pakistan.
- Recently the Shanghai Cooperation Organization Summit was held in Bishkek in Kyrgyzstan.
- Prime Minister Modi introduced the acronym HEALTH ('H' for Healthcare Cooperation, 'E' for Economic Cooperation, 'A' for Alternate Energy, 'L' for Literature and Culture, 'T' for Terrorism free society and 'H' for Humanitarian Cooperation).

Opportunities / Potential Areas of Cooperation

- Holding regular economic forum of the SCO on an regular basis.
- Working for peace in Afghanistan.
- Development of the SCO Cooperation Strategy for interconnectedness of efficient economic and transport corridors.
- Interaction in the field of smart agriculture and the introduction of agro-innovations.
- Adopting the SCO "Green Belt" program in order to introduce resource-saving and environmentally friendly technologies in the member countries.
- Regular meetings of the heads of departments responsible for the development of information technologies.
- To develop an Action Program on cyber security.
- Supporting the World Trade Organisation structure, while building more people-to-people ties, tourism and cultural bonds within the grouping.

SCO's Significance for India

- The invite for the Prime Minister Narendra Modi's swearing-in ceremony to the current chair of SCO has signalled India's desire to increase its engagement with the organisation.
- The SCO's significance for India lies in economics and geopolitics with the Eurasian states.
- SCO is a potential platform to advance India's Connect Central Asia policy.
- The SCO member states occupy the huge landmass adjacent to India's extended neighbourhood where India has both economic and security imperatives.
- Importance of SCO-Afghanistan Contact Group to stabilise Afghanistan.
- SCO membership provides India a vital counter to some of the other groupings it is a part of.
- The SCO provides the only multilateral platform for India to deal in close proximity with Pakistan and Afghanistan.

Challenges for India

- There are differences on the idea of connectivity being put forth by different SCO members.
- While India has made its opposition to Belt and Road Initiative clear, all other SCO members have embraced the Chinese project.
- Growing closeness of Russia and China
- India's bilateral trade with Central Asia and Russia is very low compared to China's trade with Russia and Central Asia.
- The lack of connectivity has also hampered development of energy ties between the hydrocarbon-rich region and India.

SCO Bishkek Declaration

- Terrorism, regional cooperation and the future of Afghanistan were major themes at the 2019 Shanghai Cooperation Organisation's Heads of State summit in Bishkek.
- The SCO member states also urged the global community to work towards a consensus on adopting the Comprehensive Convention on International Terrorism (CCIT).

Way Forward

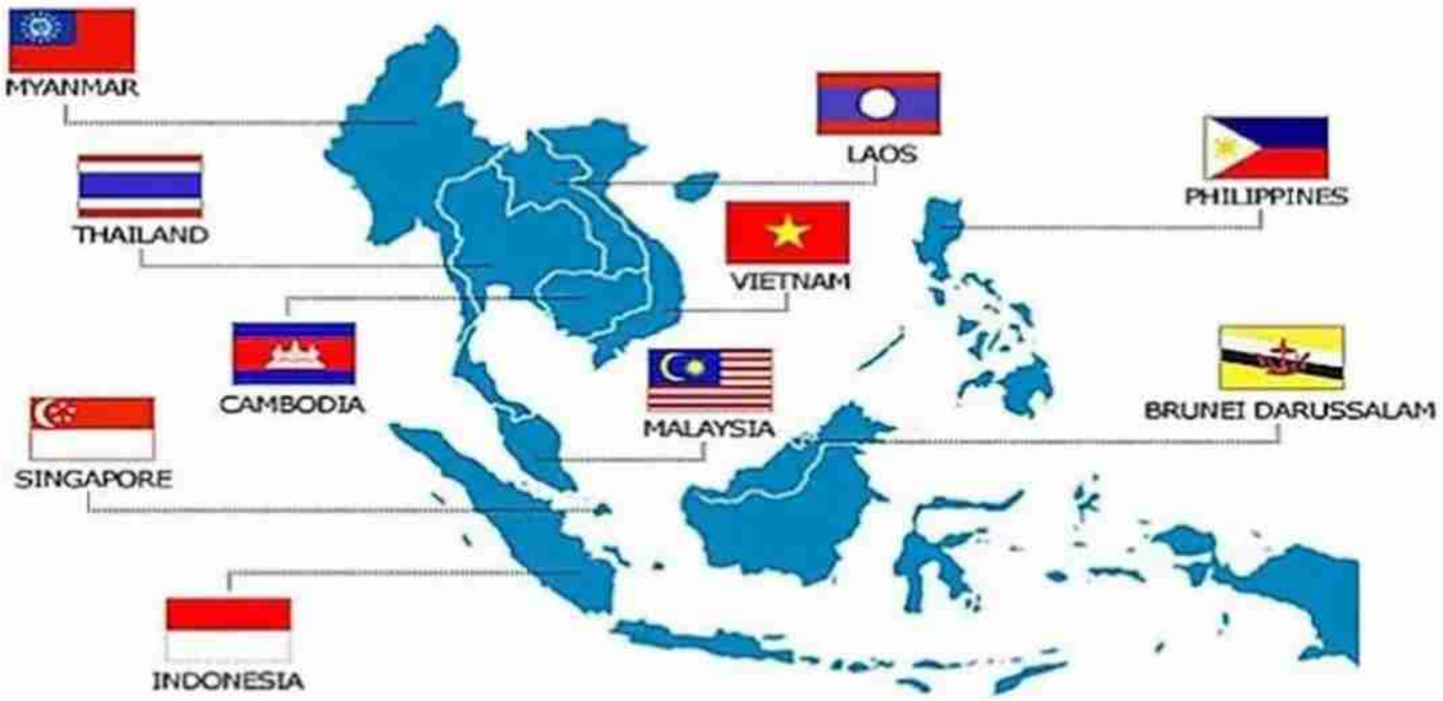
- Increase cooperation between SCO and other multilateral organisations.
- Need to increase economic cooperation among SCO member states.
- Focus on illegal drug trafficking, cooperation in information technology, environment, healthcare and sports.
- Strengthen the fight against terrorism, extremism, drug trafficking and organised crime among others.
- Increasing awareness of our shared cultures can help boost tourism.
- If India is not able to exploit the economic potential of the region, it will be a missed opportunity.
- Chabahar port and Ashgabat agreement should be utilized for a stronger presence in Eurasia besides a clear focus on operationalising INSTC.

Association of Southeast Asian Nations(ASEAN)

- **Established**: 8 August 1967, Bangkok, Thailand (via Bangkok Declaration)
- **Founding Members**: Indonesia, Malaysia, Philippines, Singapore, Thailand
- **Motto**: “One Vision, One Identity, One Community”
- **Secretariat**: Jakarta, Indonesia
- **Population**: 662 million (as of 2022)
- **GDP**: $3.2 trillion (as of 2022)

ASEAN

ASEAN Member Countries



Significance

1. Regional Stability- Promotes peace and stability through ASEAN Regional Forum.
2. Economic Growth-4th largest exporter in global trade.
3. Cultural Diversity- Rich diversity in languages, religions, and traditions which promotes cross-cultural exchange and cooperation.
4. Strategic Location- Located at the crossroads of major trade routes(Strait of Malacca is a vital global shipping route)
5. Diplomatic Engagement- Free Trade Agreements (FTAs) with: India, Japan, China, South Korea, New Zealand, etc.

Institutional Mechanism of ASEAN

1. ASEAN Summit

- Annual summit of heads of state; sets policy direction.

2. ASEAN Coordinating Council (ACC)

- Oversees implementation of decisions and agreements.

3. ASEAN Secretariat

- Facilitates cooperation and initiatives, ensures institutional support.

4. ASEAN Regional Forum (ARF)

- Dialogue platform on political and security issues with external partners

Fundamental Principles of ASEAN

- Respect for sovereignty, equality, and non-interference.
- Peaceful settlement of disputes.
- Promotion of regional peace, stability, and prosperity.
- Mutual respect for independence and territorial integrity

21st ASEAN-India Summit

- The 21st ASEAN-India Summit, held on 10 October 2024 in Vientiane, Lao PDR, marked a decade of India's Act East Policy.

- PM Modi participated for the 11th time, joining ASEAN leaders to assess the ASEAN-India Comprehensive Strategic Partnership and to shape future cooperation

Key outcomes

- **PM Modi's Address**: **Focus on ASEAN Unity and Economic Growth**
- PM Modi reiterated India's unwavering support for **ASEAN Unity**, **ASEAN Centrality**, and the **ASEAN Outlook on the Indo-Pacific**.
- Calling the 21st century the "Asian century".
- PM also highlighted the need for a timely review of the **ASEAN-India Free Trade Agreement (AITIGA)** to unlock greater economic potential.
- **Future Plan of Action (2026-2030)**
- Leaders agreed on the creation of a new ASEAN-India Plan of Action (2026-2030) to further the partnership.
- **Two joint statements were adopted**
- Joint Statement on Strengthening ASEAN-India Comprehensive Strategic Partnership for Peace, Stability, and Prosperity in the Indo-Pacific
- Joint Statement on Advancing Digital Transformation, recognizing India's role in digital public infrastructure

10-Point Plan for Enhanced Connectivity and Resilience

1. Celebrating **2025 as ASEAN-India Year of Tourism** with USD 5 million for joint activities
2. Marking a decade of the Act East Policy with **people-centric activities** like Youth Summits and Start-up Festivals
3. Organizing the **ASEAN-India Women Scientists Conclave**
4. Doubling **scholarships at Nalanda University** and adding new ones at Indian agricultural universities
5. Reviewing the **ASEAN-India Trade in Goods Agreement (AITIGA)** by 2025
6. Allocating **USD 5 million** to enhance Disaster Resilience
7. Initiating a **Health Ministers' track** to build health resilience
8. Establishing an **ASEAN-India Cyber Policy Dialogue**
9. Hosting a workshop on **Green Hydrogen**
10. Launching the '**Plant a Tree for Mother**' campaign to promote climate resilience

India-ASEAN Engagement: Opportunities for Cooperation

1. Strategic Partnerships

- ASEAN members have limited military ties with China due to disputes. •
- India can emerge as a reliable security partner.

2. Cultural Connections

- Promotion of tourism and cultural exchanges through joint branding initiatives.

3. Connectivity Enhancement

- Strengthen land, air, and sea linkages.
- Boost people-to-people contact, trade, and investment.

4. Multilateral Cooperation

- Collaborate in forums like the UN, East Asia Summit, ASEAN Regional Forum to advance common interests

Issues and Challenges in India-ASEAN Relations

1. Trade Imbalances

- India has a rising trade deficit with ASEAN.
- Imports: $68 billion vs Exports: $42 billion (2021–22).
- Concerns over ASEAN-India Free Trade Agreement (AIFTA) benefits.

2. Bilateral over Multilateral Engagement

- India tends to engage individually with ASEAN countries rather than through collective multilateral forums

3. Competing Regional Agreements

- ASEAN's focus on RCEP and CPTPP reduces space for ASEAN-India partnership.

4. Dominance of China

- Chinese economic and strategic presence in the region limits ASEAN's reliance on India for balancing power.

5. Limited Connectivity

- Inadequate physical and digital infrastructure hampers:
- Trade
- Investment
- People-to-people contact

Way Forward to Improve India-ASEAN Relations

1. Expand QUAD to QUAD+

- Include ASEAN in the QUAD framework to enhance strategic cooperation.

2. Maritime Security Collaboration

- India can act as a credible maritime partner in the Indo-Pacific due to ASEAN's cautious stance towards China.

3. Strengthen Cultural Connect

- Promote tourism, cultural exchange, and creative joint branding initiatives.

4. Boost Connectivity

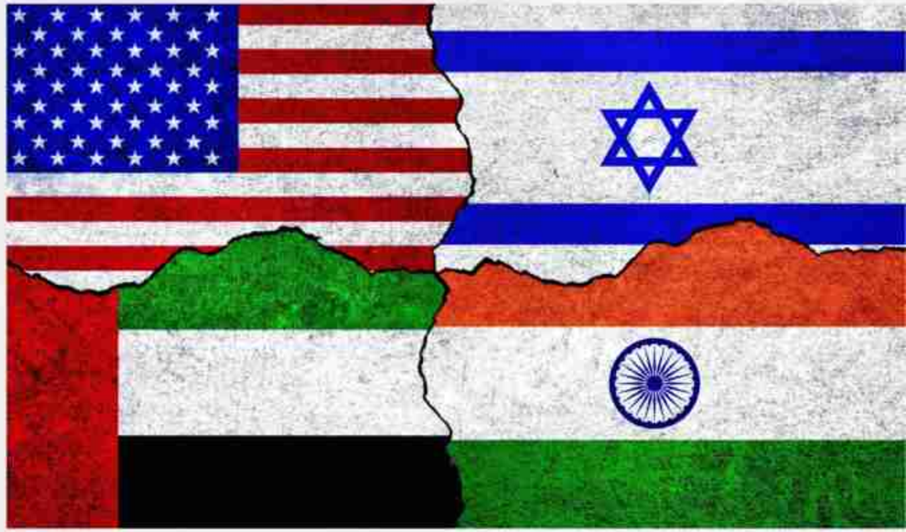
- Enhance land, air, and sea linkages: Trilateral Highway, Digital infrastructure, & Aviation and shipping routes

5. Global and Regional Collaboration

- Strengthen joint engagement in multilateral forums: UN, East Asia Summit & ASEAN Regional Forum

I2U2

- The I2U2 Group is a new strategic partnership formed between India, Israel, the United Arab Emirates, and the United States. It is also referred to as the West Asian Quad/Middle East Quad/New Quad.
- It was established to enhance cooperation and collaboration in various areas such as water, energy, transportation, space, health, and food security.
- The main objective of this grouping is to promote economic development, scientific innovation, and regional stability.
- Member countries committed to working together to address common challenges and explore new opportunities for growth and progress.



OBJECTIVES

- To **reinvigorate and re-establish** American partnerships globally.
- To **enhance collaboration and engagement among the four nations** in various areas such as food security, maritime cooperation, etc.
- To **promote deeper economic and trade relations** between the four countries.
- To **leverage the technological expertise** of India, Israel, USA, and UAE to collaborate in various areas, including climate, etc.
- To examine the **possibilities of security cooperation** among the four nations within the structure of the new alliance.

EVOLUTION

- In October 2021, the I2U2 platform was established after the **Abraham Accords** between Israel and the UAE with the aim of addressing matters related to maritime security, infrastructure, and transportation in the area.
- Originally named the “International Forum for Economic Cooperation,” it was also known as the “**West Asian Quad**” at the time.
- **First virtual summit**: As part of I2U2 initiatives, India, Israel, UAE, and the US will hold their first virtual summit in July 2022

Factors that led to the formation of I2U2

- **Abraham accords:** In 2020, the UAE, Bahrain, Sudan, and Morocco established formal ties with Israel under the Abraham Accords, which were promoted by the Trump Administration.
- **Countering Turkey's assertiveness in the region**: The emergence of the new Quad can be attributed to the aligned interests of I2U2 nations which were spurred by Turkey's assertive claims to leadership in the Islamic world.
- **Countering China**: The initiative has been launched to counter China's influence and projects such as BRI in the region.
- **More focused on economic cooperation**: the West Asia Quad seems to focus more on economic cooperation and not security cooperation.

SIGNIFICANCE for INDIA

- **De-hyphenation of foreign policy**: India can deepen engagement with Israel through Abraham Accords without risking its ties with the UAE and the other Arab states.
- **India's position in global politics**: I2U2 grouping will help emerge India as a global leader in various issues such as climate cooperation, clean energy, waste management, etc.
- **Market benefits for India**: India is a massive producer of goods such as automotive, etc. This will benefit capturing the market opportunities in the other three countries.
- **Strategic autonomy**: India is part of SCO, Quad, and I2U2 at the same time. Hence, it will help India to maintain strategic autonomy.

AREAS OF COOPERATION

- **Economic cooperation**: A new ‘Quad’ aims to deepen economic cooperation among Israel, India, UAE, and United States.
- **Six identified focused areas**: water, energy, transportation, space, health, and food security.
- **Clean Energy**: It intends to mobilize private sector capital and expertise to help modernize the infrastructure and promote the development of critical emerging and green technologies.
- **Connectivity**: It aims to advance physical connectivity between countries in the Middle East region

AREAS OF COOPERATION

- **Finding solutions for waste management**: It strives to jointly create new solutions for waste treatment and explore joint financing opportunities.
- **Strengthening startup ecosystem**: The four countries will try to connect the startups to I2U2 investments.
- **Security and defense cooperation**: India and the US are already members of the QUAD, and India has individual bilateral defence cooperation with each of the countries.
- **Climate diplomacy**: All the members are part of the Agriculture Innovation Mission for Climate initiative (AIM for Climate)

Challenges of I2U2 for India

- **Departure from India's non-aligned stance**: Being a member of I2U2, it is difficult for India to maintain a balance with other organizations such as Shanghai Cooperation Organization(SCO).
- **Regional credibility:** India in I2U2 might create a dent in India's credibility as a non-partisan state in trying to resolve the Israel Palestine conflict.
- **Relations with China and Russia:** Groupings such as I2U2 can lead to degrading India's relations with Russia and China.
- **Acknowledgement of USA hegemony:** Through the inclusion of the USA, India recognizes the active role of the USA in the matters of the West Asian region

Way forward

- **Leveraging the relations for economic cooperation:** India can leverage its good relations with Israel, the Gulf, and the US alike to build economic exchanges that are mutually beneficial.
- **Maintaining strategic relations with the region:** Utilizing India's diaspora presence and its "Look West" policy of intensifying already flourishing relations with major powers in the Middle East, New Delhi should hold a deep strategic relationship with the region.
- **Utilizing the platform for energy cooperation and trade:** The I2U2 is a good opportunity to enhance cooperation in energy, security, food security, trade and commerce, maritime security, etc.
- **Mutual benefit from each country's expertise:** The US is an export hub, while UAE is growing in the energy sector. Israel is way ahead in terms of defense research and technology, and India is one of the fastest-growing economies in the world

BRICS

- Genesis: British economist Jim O' Neill in 2001 coined acronym 'BRICs' representing the emerging economies of Brazil, Russia, India, and China.
- BRIC started functioning as a formal grouping on the margins of G8 Outreach Summit in 2006. 1st BRIC Summit was held in Russia in 2009. BRIC became BRICS with the inclusion of South Africa in 2010.
- Members (10):
- Initial 5 members (BRICS): Brazil, Russia, India, China, South Africa and
- 5 new members (BRICS+): Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates.
- It represents:
- 45% ofthe world's population.
- 37.3% of world GDP (compared to EU's 14.5 % and the G7's 29.3%)

2024 BRICS Summit

- 16th BRICS Summit, and the First Summit with expanded BRICS membership was held in Kazan (Russia).

About the Summit

- Adoption of Kazan Declaration: "Kazan Declaration: Strengthening Multilateralism for Just Global Development and Security" was adopted.
- Extend full support to Brazil for its BRICS Chairship in 2025 and the holding of the 17th BRICS Summit in Brazil

RELEVANCE

- **Energy Security:** With Iran, Saudi Arabia and UAE as members, BRICS countries produce about 44% of the world's crude oil.
- **Voice for global south:** BRICS acts as a platform for India to raise concerns and advocate for the rights of developing countries acting as a leader of global south on issues such as terrorism, climate change.
- **Safe space for dialogue:** BRICS provides neutral platform for India to engage in dialogue and manage potential rivalries, even during times of bilateral tensions (India China Doklam standoff).
- **Boosting multilateral reform demands:** It allows India to push for reforms in institutions such as UNSC and WTO for ensuring equitable global order.
- With the exception of Ethiopia and Iran, all BRICS+ countries are WTO members.

Challenges

- **Underutilisation of Economic Potential**: For example,
- Intra-BRICS Trade: Intra-BRICS trade remains low at just 2.2% (as of 2022).
- **Dedollarisation**: Although there's talk of a common BRICS+ currency, experts see this as unlikely, especially with the group's recent expansion.
- **Inability to create alternative Global Financial Institutions**: NDB lacks the funds needed to match the reach and impact of the World Bank and IMF or the Asia Infrastructure Investment Bank (AIIB) which was initiated by China in 2013.
- **Inability to influence Global Institutions**: For example, BRICS+ countries collectively hold only about 19% of voting power within the International Bank for Reconstruction and Development (IBRD), compared to about 40% held by G7 countries and about 23% by EU-27 nations.

Challenges

- **Inability to stand as a cohesive block**: Geopolitical rivalries exist between BRICS members such as between India and China or Saudi Arabia and Iran.
- **Perception of being an Anti-West organisation** potentially limiting cooperation in areas of shared interest such as climate change, trade, and global security.
- **Existence of similar groupings**: For example, Unlike BRICS, which includes a diverse range of political systems, IBSA consists of democracies that may find it easier to establish a shared agenda and foster cooperation.
- Similarly, BASIC is also considered to be more cohesive group than BRICS

Way forward

- **Develop Clear and Shared Vision**: Outlining long-term goals and objectives will help align diverse interests of member states and foster a sense of unity. Setting up of a permanent secretariat is also needed.
- **Consensus-Building:** Prioritize diplomacy and dialogue to resolve differences and build consensus among member states.
- **Enhanced Institutional Capacity:** Strengthen the institutional capacity of BRICS+ to support its operations and making its initiatives including NDB, BRICS-Pay etc. more effective.
- **Checking Chinese influence:** India needs to balance the strategic influence that China exerts in the BRICS grouping with its economic diplomacy and its relations with Russia and Iran

BRICS

Brazil Russia India China South Africa

New Members

After the addition of FIVE new members, BRICS now includes TEN countries (BRICS+).

Argentina was also invited but it did not join the grouping.

Iran, UAE, Ethiopia, Egypt, Indonesia

Formation — July 2006

Brazil, Russia, India, and China ("BRIC").

The term "BRIC" was coined by Jim O'Neill, a Goldman Sachs economist, in a research paper, highlighting Brazil, Russia, India, and China as emerging economic powerhouses.

The First Summit

16 June 2009

Held in Yekaterinburg, Russia.

South Africa joins the BRICS

Septemper 2010

South Africa was accepted as a full member at the BRIC Foreign Ministers' meeting in New York.

The First BRICS Summit

2011

The 3rd BRICS Summit, and the 1st with South Africa, was held in Sanya, China, in April 2011, marking the full formation of the BRICS group.

NDB and CRA

15 July 2014.

At the BRICS Summit held in Fortaleza, Brazil, an agreement for establishing NDB and CRA was signed.

21 July 2015.

The New Development Bank (NDB) started operations.

Space Program

August 2021

The space agencies of the five BRICS countries signed an agreement outlining the "six satellites and five stations" plan.

15th BRICS Summit

August 2023

BRICS invited six new countries to become full members of BRICS which were to be effective from 1 January 2024.

Objectives

- Increase influence of emerging economies in global politics.
- Challenge dominance of Western nations in IMF and World Bank.
- Greater voice and representation for emerging economies.

According to the World Bank Data (2019), BRICS (5 countries) comprises

1. **41% of the world population,**
2. **24% of the world GDP,**
3. **Over 16% share in the world trade**
4. **29.3% of total land surface.**

BRICS+ comprises

36%
BRICS+'s (10 Countries) share of world GDP in 2022 at purchasing power parity

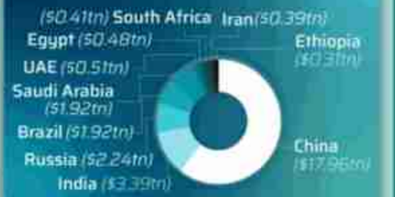
46%
of total World Population

25%
BRICS+'s share of global exports

The constellation includes

- **China** Gaofen-6 and ZY-3 02 satellites
- **China-Brazil** China-Brazil Earth Resources Satellite 04
- **Russia** Canopus
- **India** ZY-2, 2A

BRICS Countries and their GDPs
GDP in trillions of US Dollars



Contingent Reserve Arrangement (CRA)

An agreement among the BRICS' central banks for mutual support during a sudden currency crisis.

New Development Bank (NDB)

USD 100 Billion
Authorized Capital of NDB

Headquarters Shanghai, China.

The New Development Bank was created to meet the development funding requirements of the five founding countries namely Brazil, Russia, India, China & South Africa (BRICS) and other emerging economies and developing countries as well.

Members

New Members

Bangladesh, UAE, Egypt

Prospective Members

Uruguay

Dilma Rousseff
Current and First Female President

BIMSTEC (Bay of Bengal for multisectoral technical and economic cooperation)

- The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) has emerged as a pragmatic alternative to SAARC, promoting regional collaboration across South and Southeast Asia.
- At the 6th BIMSTEC Summit in Bangkok, PM Modi reaffirmed India's commitment to regionalism by unveiling a 21-point action plan, aligned with key doctrines like 'Neighbourhood First East,' MAHASAGAR Vision ,' 'Act , and the Indo-Pacific framework, positioning India as a stabilising force in the region.

Evolution of BIMSTEC

- • Initially formed as ‘BIST-EC’ (Bangladesh, India, Sri Lanka, and Thailand Economic Cooperation).
- Renamed ‘BIMST-EC’ after Myanmar joined in 1997.
- In 2004, Nepal and Bhutan joined, leading to the current name: BIMSTEC

About BIMSTEC

- **Established**: In 1997, through the Bangkok Declaration to promote regional cooperation
- **Geographic Focus:** Connects South and Southeast Asian nations around the Bay of Bengal.
- **Members**: 7 countries – Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand.
- **Founding Members:** Bangladesh, India, Sri Lanka, and Thailand.
- **Core Objective:** Foster economic cooperation, social progress, and collaboration in science, technology, and development across the region

BIMSTEC SUMMIT 2025

- PM Modi attended the 6th BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) Summit, hosted by Thailand, which is the current chair

About

- Theme:“BIMSTEC: Prosperous, Resilient, and Open”
- Focus on shared growth amid global uncertainties.
- The BIMSTEC Summitis the first in-person meeting in seven years.
- Thechairmanship of the regional grouping was handed over to Bangladesh

KEY OUTCOMES

- **BIMSTEC Bangkok Vision 2030**: A strategic roadmap aiming to transform BIMSTEC into a more integrated, resilient, and open regional organization by 2030.
- **Maritime Transport Cooperation Agreement**: Signed to enhance regional maritime connectivity, reduce trade costs, and facilitate mutual recognition of shipping documents.
- **Report of the Eminent Persons Group**: Adopted to provide recommendations for BIMSTEC's future direction and institutional reforms

INDIA led Initiatives

- **BODHI Programme:** Launched to develop human resource infrastructure by offering training and scholarships to BIMSTEC students at institutions like Nalanda University and the Forest Research Institute.
- **Centres of Excellence:** India announced the establishment of centers focusing on disaster management, sustainable maritime transport, traditional medicine, and agricultural research and training.
- **Trade and Economic Engagement:** Proposed the creation of a BIMSTEC Chamber of Commerce and the organization of an annual BIMSTEC Business Summit in India.
- **Youth and Cultural Diplomacy:** India will host a BIMSTEC Athletics Meet in 2025, the inaugural BIMSTEC Games in 2027, and a Traditional Music Festival to strengthen people to-people ties.

Significance of BIMSTAC for India

- **Strategic Importance**: It bridges South and Southeast Asia, reinforcing India's Act East and Neighbourhood First policies.
- **Economic Integration**: Facilitates regional trade, investment, and value chain development, with prospects of a BIMSTEC Free Trade Agreement.
- **Security Cooperation:** Strengthens counter-terrorism, maritime security, and disaster response through joint efforts like BIMSTEC DMEx.
- **Energy and Climate Collaboration:** Enables regional energy grid planning and joint climate resilience efforts via the BIMSTEC Energy Centre

Significance of BIMSTAC for India

- **Northeast Connectivity**: India has developed the Sittwe Port in Myanmar and is working on port connectivity programs across the Bay of Bengal
- India, as BIMSTEC's largest economy, can use the bloc to advance its 'Act East' policy and strengthen ties with Southeast Asian nations.
- Actively involved in BIMSTEC-led initiatives like the **BBIN Motor Vehicle Agreement** and India-Myanmar-Thailand Trilateral Highway to reduce dependency on the Siliguri Corridor.
- **Energy Security:** Facilitates regional power trade and renewable energy
- **Geopolitical Influence:** projects. Strengthens India's presence in the Indo-Pacific region

Why BIMSTEC is a Better Alternative to SAARC?

• SAARC Limitations	- BIMSTEC Advantages
• India-Pakistan tensions hinder cooperation	• Pakistan's exclusion leads to no political deadlock.
• Limited progress on connectivity.	• Projects like BBIN and IMT Highway are active.
• Minimal security cooperation.	• Security and maritime cooperation were promoted.
• Insufficient trade integration.	• Working on links between FTA, energy, & digital economy.
• No significant leadership initiative.	• India takes a proactive leadership role.

Challenges

- Institutional Weakness: Lack of a strong permanent secretariat with sufficient funding and staff hinders coordination and implementation.
- Slow Progress on Agreements: Critical initiatives are experiencing delays and remain unfinished.
- Political Instability in Member States: Ongoing crises in Myanmar (civil war), Nepal, and Sri Lanka.
- Overlapping Priorities: Some members prioritise ASEAN or bilateral relations over BIMSTEC, which reduces collective momentum.
- Limited Financial Commitment: Inadequate financial contributions and investments impede the implementation of large-scale projects.

Way forward

- **Strengthen Regional Integration**: Push for early conclusion of the BIMSTEC Free Trade Agreement.
- **Bilateral Diplomacy within Multilateralism:** Proactively engage with key members like Thailand, Bangladesh, and Sri Lanka to resolve bilateral issues and build trust.
- **Unilateral Leadership for Collective Good:** Adopt initiatives such as visa relaxations or tariff reductions to boost regional tourism and trade.
- **Maritime and Island-led Development:** Transform Andaman & Nicobar Islands into a maritime economic and security hub.
- **Port and Regulatory Upgradation:** Modernise eastern ports and harmonise maritime laws for seamless regional maritime connectivity.

BIMSTEC

Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation

Members

Initial Members(BIST-EC) (1997)

- Bangladesh
- India
- Sri Lanka
- Thailand

Myanmar (22 Decemeber 1997)

Nepal, Bhutan (February 2004)

BIMSTEC Organizational Structure

The Summit

Heads of State or Government of Member States.

Ministerial Meeting

Ministers dealing with foreign relations.

Sectoral Ministerial Meetings

Ministers of line ministries for respective sectors.

Senior Officials' Meeting

Foreign Secretaries/Senior officials nominated by Member States.

BIMSTEC Permanent Working Committee (BPWC)

Senior officials from National Focal Points.

BIMSTEC Purposes

Economic Development
Accelerate growth and progress in the region.

Collaboration
Work with like-minded organizations.

Training & Research
Provide educational, professional, and technical training and research facilities.

Regional Projects
Focus on productive projects leveraging regional synergies.

Peace & Stability
Combat terrorism, crime, natural disasters, climate change, and diseases.

Connectivity
Establish multidimensional connectivity for economic integration.

International Cooperation
Collaborate with organizations sharing similar goals.

Poverty Eradicationv
Eradicate regional poverty.

Trade & Investment
Promote trade and investment for economic and social development.

Focus Areas

Initial Sectors (1997)

- Trade
- Technology
- Energy
- Transport
- Tourism
- Fisheries

Expanded Sectors (2008)

- People-to-People Contact
- Agriculture
- Environment
- Poverty Alleviation
- Counter Terrorism
- Climate Change
- Public Health

Reorganized Sectors (2021)

01 02 03

Rationalized cooperation under respective Member States' leadership.

22% of the world's population

$2.7 trillion GDP

Benefits for Member Countries

- Overcome landlocked challenges
- Greater regional influence
- Balance China, access Indian markets
- Connection with Southeast Asia

India and BIMSTEC

India's Focus
Security, Counter-terrorism, Disaster Management, Energy.

Strategic Platform
Supports "Neighbourhood First" and "Act East" policies.

Countering China
Alternative to Belt and Road Initiative, promoting best practices.

The QUAD (Quadrilateral Security Dialogue)

- Quad-It is an informal strategic forum among like minded democracies across the Indian and the Pacific Ocean, which is aimed to ensure and support a ‘free, open and prosperous‘ Indo Pacific region. It comprises the USA, India, Japan, and Australia

History of the Quad Grouping

Quad 1.0 – Origin of the Quad

- **2004 – Tsunami Relief Cooperation**
- Informal coordination among India, Japan, US, and Australia for tsunami relief operations in the Indian Ocean.
- Marked the first instance of strategic cooperation among the four.
- **2007 – Formal Proposal and Initial Setback**
- Initiated by Japanese PM Shinzo Abe.
- Aimed to institutionalize the grouping as a strategic alliance.
- Australia withdrew under Chinese pressure and due to US-China tensions.
- Resulted in the dissolution of Quad 1.0

History of the Quad Grouping

Quad 2.0 – Revival and Evolution

2012 – Concept of 'Democratic Security Diamond'

- Proposed again by Shinzo Abe.
- Conceptualized an alliance of democracies: US, Japan, India, and Australia.

2017 – Resurgence of the Quad

- Rising Chinese assertiveness (e.g., South China Sea, India-China border tensions).
- Increasing focus on Indo-Pacific security.
- Senior officials from all four countries met in Manila.

2021 – First Formal Summit & Official Declaration

- First leaders' summit held in March 2021 (virtual format).
- Declaration outlined Quad's commitment to a free, open, inclusive, healthy, and democratic Indo-Pacific.
- Opposition to coercion and unilateralism emphasized.

Quad Timeline: Key Events

2004 – Formation

Australia, India, Japan, and the U.S. **coordinate disaster relief** after the **Indian Ocean Tsunami. China protested** against the Quad.

2007: First Official Meet

The Quad holds its **first official meeting, focusing** on shared interests in the Indo-Pacific region. **Malabar Exercise** conducted with all members particiaption

2008-2012 – Temporary Dissolution

Australia withdraws over concerns of provoking China, leading to the group's pause.

2017-2024 – Revival

Quad is **reactivated** with a broader focus on security, technology, and regional policies.

QUAD Summit 2024

- The latest QUAD summit 2024 was held in Delaware, USA, on September 22,2024.
- The summit focused on various critical areas aimed at enhancing cooperation among the member countries of the QUAD- USA, Australia, India and Japan

Relevance of QUAD for India

Strategic Counterbalance: Helps India **counter China's influence** in the Indo-Pacific

Maritime Security: Ensures **freedom** of navigation and upholds international laws like **UNCLOS.**

Economic Cooperation: Strengthens **infrastructure, trade standards, and supply chains.**

Health & Humanitarian Aid: Played a key role in **COVID-19 vaccine distribution and disaster relief.**

Significance

1. **Strategic Counterbalance to China**
   - Emphasizes ASEAN centrality, UNCLOS, and peaceful dispute resolution (e.g., South China Sea).
2. **Maritime Security Cooperation**
   - Malabar Naval Exercise (annual, complex joint drills)
   - Indo-Pacific Partnership for Maritime Domain Awareness (IPMDA)
3. **Economic Cooperation and Infrastructure Development**
   - Promotes regional economic resilience and alternatives to China's BRI.
   - Quad Infrastructure Coordination Group supports sustainable infrastructure

Significance

4. Technology and Supply Chain Resilience

- Semiconductor Supply Chain Initiative
- Quad Partnership for Cable Connectivity and Resilience
- Focus on critical minerals and high-tech components.

5. Provision of Public Goods (Health and Development)

- Quad Vaccine Partnership
- Quad Cancer Moonshot (health innovation and access)
- Indo-Pacific Logistics Network Pilot
- Relief during events like Cyclone Yagi

Recent Outcomes of the Quad Summit 2024

1. Maritime Security oMAITRI Maritime Initiative

- Expansion of IPMDA- Indo-Pacific Maritime Domain Awareness
- Quad-at-Sea Ship Observer Mission scheduled for 2025.

2. Humanitarian Assistance and Disaster Relief (HADR)

- Indo-Pacific Logistics Network Pilot oDevelopment of joint airlift capability for HADR operations.
- Aid for Cyclone Yagi o$4 million humanitarian assistance announced for Vietnam.

Recent Outcomes of the Quad Summit 2024

3. Health Initiatives

- Quad Cancer Moonshot Initiative
- Focus on cervical cancer prevention and treatment.
- Emphasis on HPV vaccination, screening access, and treatment in the Indo Pacific.

4. Education and Research

- Quad Scholarships
- India-led initiative: 50 scholarships, total funding of $500,000.
- Aimed at students from the Indo-Pacific in diverse fields.
- Quad Bio-Explore Initiative
- Joint research on AI-driven agricultural advancements across member states

Recent Outcomes of the Quad Summit 2024

5. Infrastructure and Connectivity

- Centre for Cable Connectivity and Resilience
- Focus on undersea cable network development.
- Key for digital infrastructure and secure data traffic.
- Quality Infrastructure Development
- Commitment to sustainable and resilient infrastructure.

6. Climate Change and Clean Energy

- Quad Climate Change Adaptation and Mitigation Package (Q-CHAMP)
- Regional strategy to build climate resilience and promote sustainable practices.

Recent Outcomes of the Quad Summit 2024

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Challenges

1. Perception of Anti-China Alignment

- Seen as an ‘anti-China alliance’ or ‘mini-NATO’ by Beijing.
- Accusations of regional destabilization and containment strategy fuel mistrust.

2. Divergent Strategic Interests Among Members

- Varied threat perceptions and strategic priorities.
- Limited response to India-China Galwan clashes (2020) highlights uneven commitment.

3. Lack of Institutionalization

- No formal structure or secretariat.
- Limits effectiveness in policy coordination, project execution, and long-term planning

Challenges

5. Lack of Consensus on Security Issues

- India's emphasis on strategic autonomy limits deeper military integration.
- Resistance to forming a formal military alliance within the Quad framework.

6. Challenges in Expansion of Membership

- Inclusion of new members (e.g., South Korea, Vietnam, New Zealand) risks:
- Diluting cohesion
- Complicating decision-making

7. ASEAN Concern

- Fears of regional polarization and marginalization of ASEAN centrality.
- Countries like Indonesia and Malaysia cautious about Quad's growing influence.

Way forward

1. **Strengthening Institutionalization**
   - Establish a formal institutional framework (e.g., permanent secretariat).
2. **Enhancing Military and Security Cooperation**
   - Improve interoperability and strategic coordination among Quad navies.
3. **Engaging with ASEAN and Regional Partners**
   - Launch a Quad-ASEAN dialogue for alignment.
4. **Establishment of Quad Economic Framework for:**
   - Digital trade, supply chain resilience and Investment in high-tech sectors (AI, quantum, semiconductors)
5. **Expansion through 'Quad Plus' Engagements**
   - Involve like-minded countries such as South Korea, Vietnam, Singapore

Quadrilateral Security Dialogue (Quad)

Introduction

- The Quadrilateral Security Dialogue (Quad) of four countries, Japan, the US, Australia and India, was formed in 2007 with the initiative of Japanese PM Shinzo Abe.
- The aim of the Quad is to support a "free, open and prosperous" Indo-Pacific region.

Background

- Due to lack of participation and no proper institutional framework, QUAD remained dormant for quite some time.
- By realising the threat China's expansionist policy is causing, in November 2017, the four countries developed a new strategy to keep the critical sea routes in the Indo-Pacific free of any influence, especially Beijing's.
- In November 2020, the Quad conducted Malabar Naval drills in the Indian Ocean.

China's Response

- China affirmed that the activities of the Quad do not affect it.
- China could create conflicts among the members and reduce the pace of the activities of the group.
- China has been looking to tap the huge resources in South China Sea and ensure that it asserts its dominance in the region.
- Thus, Beijing has invested heavily in the East Indian Ocean region all the way up to Djibouti and Port Sudan.
- Examples of this are the Hambantota port and Colombo Port City projects in Sri Lanka.
- The Colombo Port City Project showed another version where the Chinese public company brought its own labourers to build the port instead of Sri Lankan ones.
- China started the construction of a deep-water port at Kyaukpyu in Myanmar and leased the island of Feydhoo Finolhu in the Maldives and the Gwadar port in Pakistan.
- Saudi Arabia and the UAE has been largely dependent on Chinese resources to sustain its economy.
- China has been facing an internal debt crisis due to the overlending of funds to the BRI and therefore, has been restricting the expenditure the way it did for CPEC in Pakistan.
- Experts suggest China would be most likely to adopt a new approach to fund the BRI through multilateral bodies such as the Asian Infrastructure Investment Bank to reduce the debt burden.

Quad vs Belt and Road Initiative (BRI)

- The BRI promises economic security but not human security by providing funds to developing countries with a debt trap.
- Here, the Quad can play a vital role as it is a group of democratic countries.
- Quad should provide a choice to the nations as to where they want to borrow the money for development purposes from.

India's Maritime Policy & Quad

- India's maritime policy has been dependent on China's plans in the Indian Ocean.
- The South China Sea has been the dominant shipping route in Asia and harbours huge natural gas resources.
- India needs to develop positive relations with its neighbours that have already been tapped by China.
- Uncertainty regarding India's policy with Bangladesh and vice versa has left a void that Beijing is filling, and China's investments in Dhaka have increased over the years.

Way Forward

- The Quad needs to be institutionalised and given a formal structure where India needs to be the aggressor.
- The advantage that India has is that the other members are geographically cut off from the Indian Ocean region.
- The only nation with big-enough naval power to rival China in this area is India and thus it can bring peace, stability and security in the region.
- Quad members can benefit from pooling resources through multilateral bodies such as the Asian Infrastructure Investment Bank, which will benefit India in expanding its scope in the Indo-Pacific.
- It is up to the members to take proactive steps to come together in these conducive times when China is also reeling under world pressure due to its involvement in the Covid-19 outbreak.
- A sustained movement to limit China's expansionist policy by the Quad will set a precedent for the European Union as well.
- Such a precedent will go a long way in undermining China's threats and policies on the international stage.

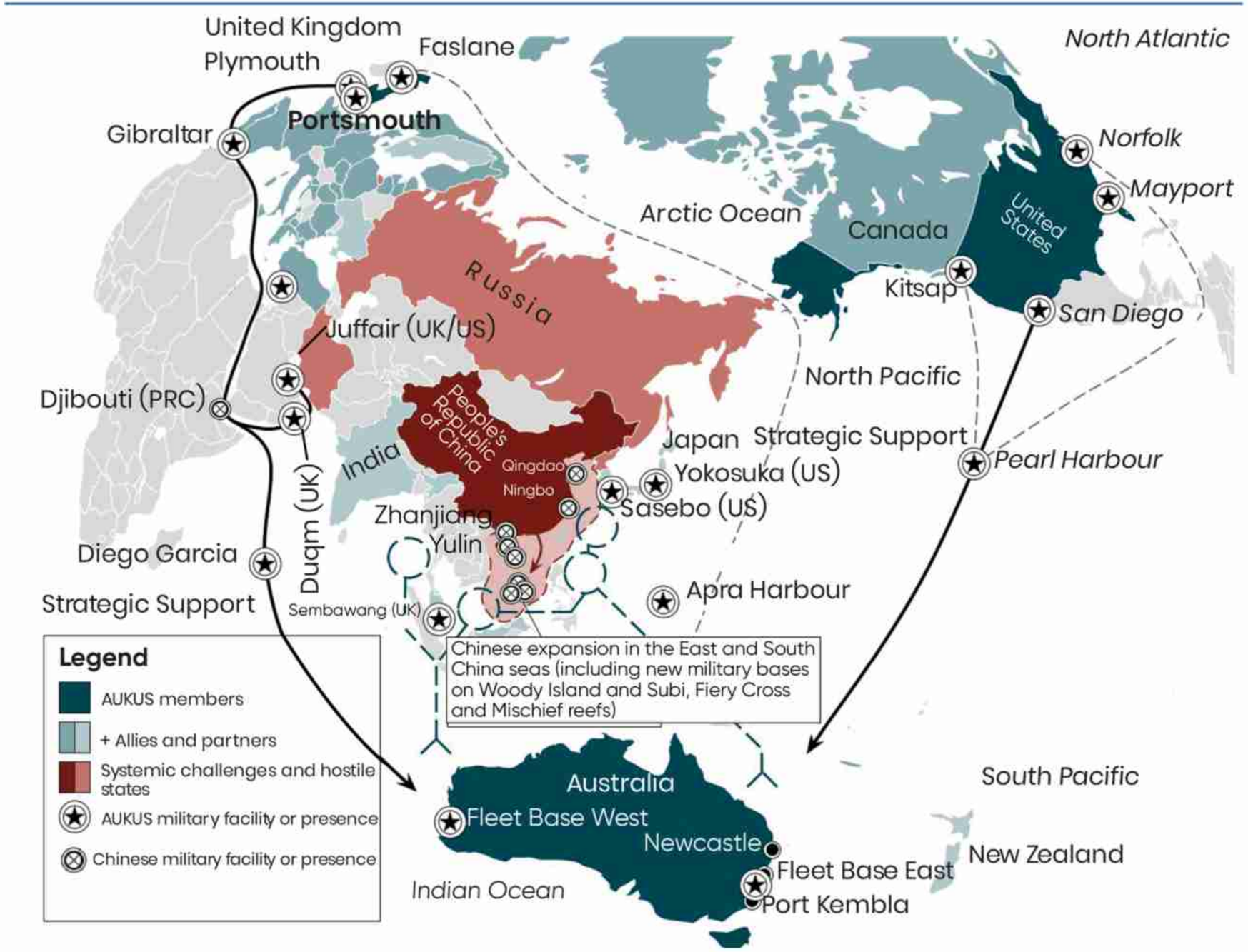
AUKUS
(Australia, the United Kingdom, and the United States)

- **Genesis**: In September 2021 as a three-way strategic defence alliance between Australia, the UK and US.
- **Aim**: To boost defense capabilities, accelerate technological integration, and expand the industrial capacity of all three nations as part of a collective effort to stabilize the Indo-Pacific region.

Composed of two pillars:

- **Pillar 1**: To support Australia in acquiring conventionally armed, nuclear-powered submarines (SSNs).
- It will make Australia the seventh nation in the world to operate nuclear-powered submarines, after the US, UK, France, China, India and Russia.
- **Pillar 2**: Focuses on expediting cooperation in intelligence sharing and critical technologies, including cyber capabilities, artificial intelligence, quantum technologies, undersea technologies, etc.

The Geopolitics of AUKUS



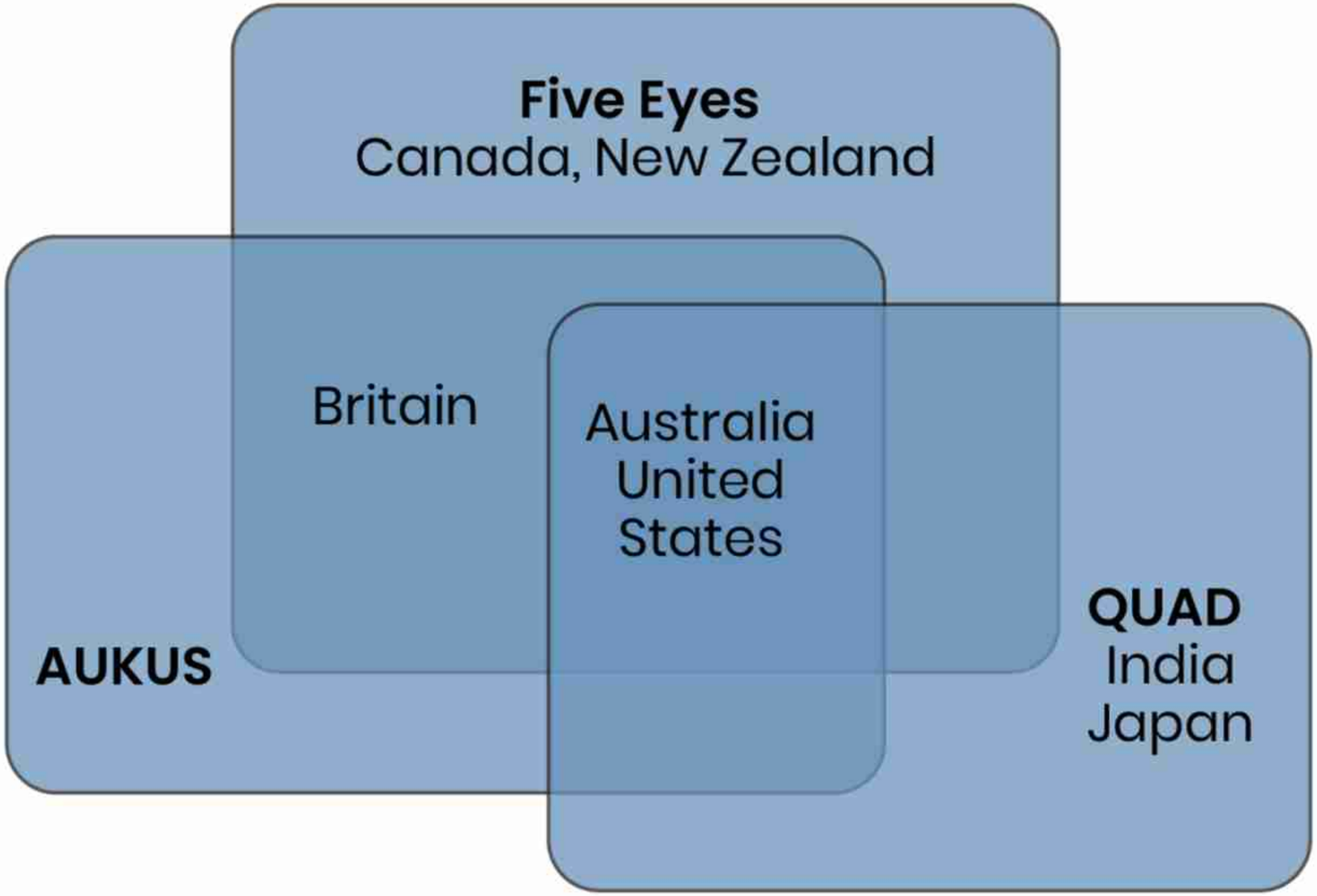
Significance of AUKUS

- **Strategic**: Strengthening of defense capabilities of Australia and ramping up defense industrial base by 2040 aligns AUKUS with the vision of free and open Indo-Pacific.
- **Complements QUAD in Indo-Pacific**: Due to India's reluctance to project the QUAD alliance as a security platform against China, AUKUS can fill the gap by emphasizing upon the defense partnerships in Indo-Pacific region.

Significance of AUKUS

- **Strategic Competition with China:** For technological dominance, particularly in emerging technologies is central to second pillar of AUKUS.
- **Alliance of Democracies:** AUKUS being projected as the alliance of liberal democracies against autocratic powers strengthens its acceptance and legitimacy as a security group.
- e.g., Japan has shown interest in joining the pact, especially the second pillar, for cooperation in critical technologies segment.

Complementary Role of AUKUS in the Indo-Pacific



Concerns related to AUKUS

- **Geopolitical**: Many South East Asian nations like Indonesia and Malaysia, raised concerns about potential arms races and nuclear proliferation in the Indo-Pacific Region.
- Australia's abrupt cancellation of a submarine deal with the France in favor of AUKUS, led to strained ties between France and the AUKUS members.

Concerns related to AUKUS

- **Weakening of QUAD's Strategic Role:** Quadrilateral Security Dialogue (QUAD), which includes the U.S., India, Japan, and Australia, might see a shift in focus as AUKUS takes center stage.
- **Nuclear Proliferation risks:** AUKUS enables Australia to acquire nuclear-powered submarines, raising concerns over the potential precedent it sets under the Nuclear Non-Proliferation Treaty (NPT).
- Concerns have been raised that this arrangement could encourage other nations to seek nuclear-powered technology under similar security justifications.

Conclusion

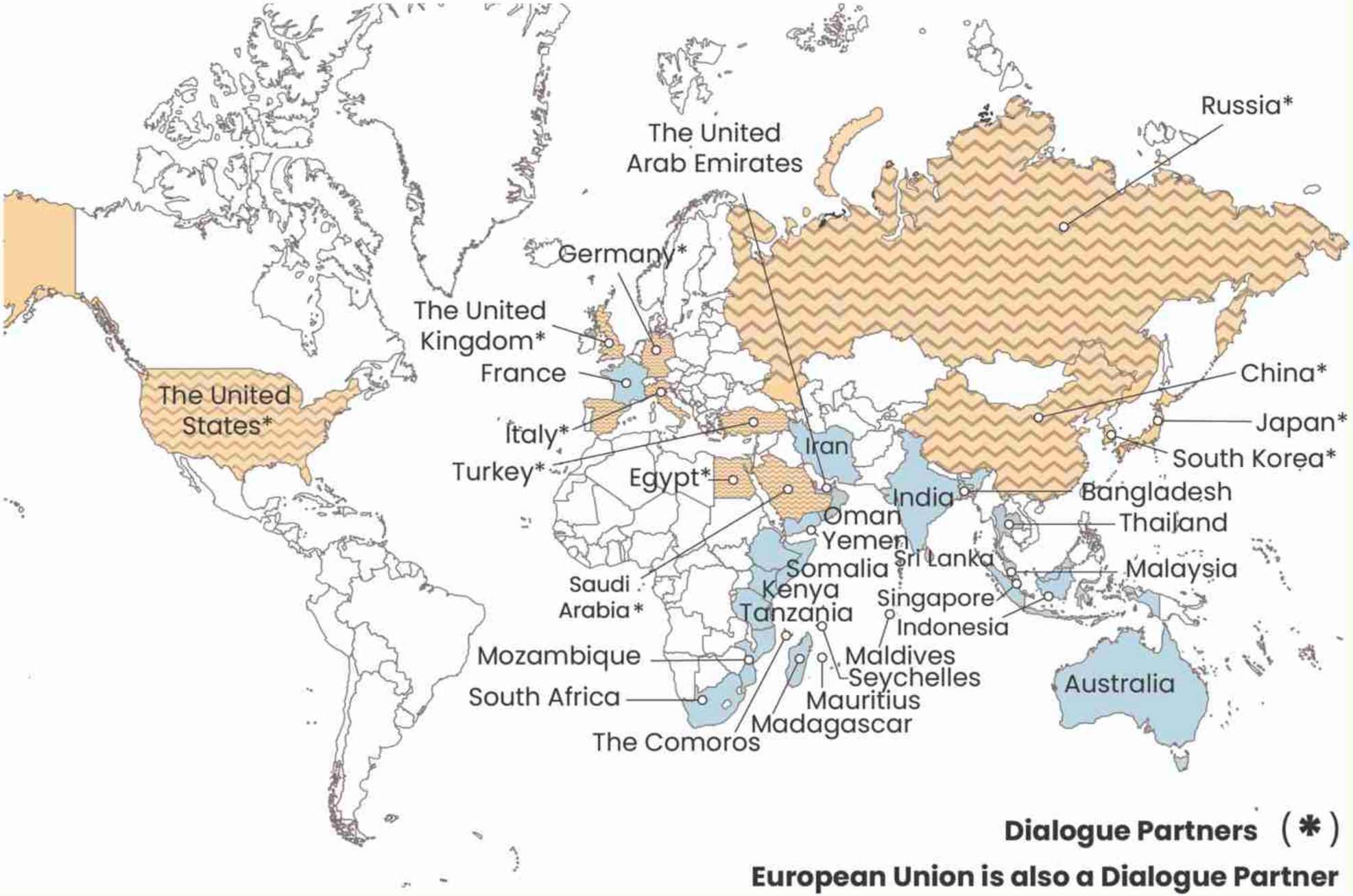
For India, AUKUS presents both challenges and opportunities—necessitating a balanced approach that upholds strategic autonomy, strengthens indigenous defense capabilities, and deepens regional partnerships. By leveraging QUAD, engaging ASEAN, and expanding its naval and technological strengths, India can navigate the evolving security landscape while maintaining stability and influence in the Indo-Pacific.

Indian Ocean Rim Association (IORA)

- **Genesis**: An inter-governmental organization established in 1997 with its vision originating during a visit by Nelson Mandela to India in 1995.
- **Objective**: Encourage regional cooperation and sustainable development within the Indian ocean region.
- **Secretariat**: Mauritius
- **Members**: 23 Members and 12 dialogue partners (see infographic)

INDIAN OCEAN RIM ASSOCIATION

Member States of IORA



IORA Governance

- **IORA Council of Ministers**: Highest decision making body comprised of the Minister of Foreign Affairs (or equivalent) of all Member States which meets annually.

- **Troika**: An institutional mechanism consisting of the current Chair, Vice-Chair, which is the future chair, and past Chair (referred to as previous chair in the Charter) of the IORA.

Significance of IORA bloc for India

- **Geostrategic and economic significance of Indian Ocean region:** Indian Ocean transports 75% of global trade and 50% of daily oil consumption and the intra IORA trade is around $800bn (2022).
- **Challenges in other regional organisations:** E.g., SAARC (South Asian Association for Regional Cooperation) and BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation), face their own challenges like political instability, stagnant negotiations etc.
- **Safe space:** IORA is a less contentious space for India and other countries of the region that wish to keep out of big-power rivalries.
- E.g., the QUAD (Quadrilateral Security Dialogue) is U.S.-led, along with military allies Australia and Japan.
- **Maritime Security:** IORA upholds the United Nations Convention on the Law of the Sea principles and organizes regular workshops on cooperation on maritime security.

Priority Areas of IORA

- Maritime safety and security
- Trade and investment facilitation
- Fisheries management
- Disaster risk management
- Academic, science and technology cooperation
- Tourism and cultural exchange
- Blue economy
- Women's economic empowerment

Flagship Projects

- **Indian Ocean Dialogue (IOD)**: A Track 1.5 forum launched in 2013, encouraging open dialogue among member states, on key strategic issues in the Indian Ocean Region.
- **IORA Sustainable Development Program (ISDP):** Introduced in 2014 for the least developed countries (LDCs) that require assistance and support to conduct projects

Issues related to functioning of IORA

- **Funding Constraints**: IORA's funds are insufficient to support its growing areas of engagement.
- Competition with other regional bodies like BIMSTEC, Indian Ocean Naval Symposium (IONS) etc. further dilutes focus and resource.
- **Institutional Weaknesses:** The Secretariat in Mauritius has limited staff and insufficient technological integration for effective governance.
- **Geopolitical Tensions:** Rivalries like India-Pakistan tensions, Russian-Ukraine war and China's involvement through the Belt and Road Initiative complicate cooperative dialogue among members and partners.
- **Other issues:** Lack of Private Sector Engagement in policy-making and funding contributions; non-transparent investments and unsustainable debt; Economic disparities among members; Maritime security Concerns in the Indian ocean region like Piracy off the horn of Africa, Houthi attacks etc

Conclusion

- While aligning IORA's goals with India's SAGAR (Security and Growth for All in the Region) vision, India can utilize its chairmanship to promote regional stability and development.
- To ensure IORA's long-term viability, sustainable funding can be secured through seed funding, PPPs, and industry engagement.
- Further, institutional capacity can be enhanced through visibility, high-level summits, and member-state alignment, along with strengthening maritime security through reinforced security frameworks and naval cooperation

Indian Ocean Rim Association

An inter-governmental organisation of States on the Rim of the Indian Ocean

formed in 1997 to foster regional economic cooperation

Council of Foreign Ministers (COM):
It is IORA's apex body which meets annually.

The Council of Ministers will elect a **Chair of the Association**, on voluntary offer by Member States, for a period of 2 years.

	2023-2025	2025-2027
Chair	Sri Lanka	India
Vice Chair	India	-

The incoming Chair will serve as the **Vice-Chair** of IORA during the full term of office of the incumbent Chair.

Decisions:
Decisions are reached by → **Consensus**
Commitments are undertaken → **Voluntarily**

Indian Ocean Dialogue (IOD)

A flagship initiative of the IORA

It is a forum for open and free flowing dialogue by key representatives of IORA Member States such as scholars, experts, analysts, and policy makers from governments, think tanks and civil societies on several crucial strategic issues of the Indian Ocean Region.

World Trade Organization (WTO)

- WTO is an international organization set up in 1995 by replacing the General Agreement on Trade and Tariffs (GATT) under the Marrakesh Agreement.
- It is the only global international organization dealing with the international Trade between nations.
- Its HQ is located in Geneva, Switzerland.
- Currently, WTO has 164 members and India is a founding member of WTO.
- Currently, the head (Director-General) of WTO is Roberto Azevedo.

OBJECTIVES OF WTO

- To formulate and implement rules for international trade.
- To provide a platform for negotiating and monitoring further trade liberalization.
- To provide a platform for the settlement of disputes.
- Providing assistance to the developing, least-developed and low-income countries in transition to adjust to WTO rules and disciplines through technical cooperation and training.
- To cooperate with the other major economic institutions (like UN, World Bank, IMF etc.) involved in global economic management

WHY WTO REPLACED GATT?

There were certain limitations of GATT, like

- It lacked institutional structure. GATT by itself was only the set of rules and multilateral agreements.
- It didn’t cover trade in services, Intellectual Property Rights etc. Its main focus was on Textiles and agriculture sector.
- A strong Dispute Resolution Mechanism was absent.
- By developing countries it was seen as a body meant for promoting interests of wests. This was because Geneva Treaty of 1946, where GATT was signed had no representation from newly independent states and socialist states.
- Under GATT countries failed to curb quantitative restrictions on trade. (Non-Tariff barriers)

PRINCIPLES OF WTO

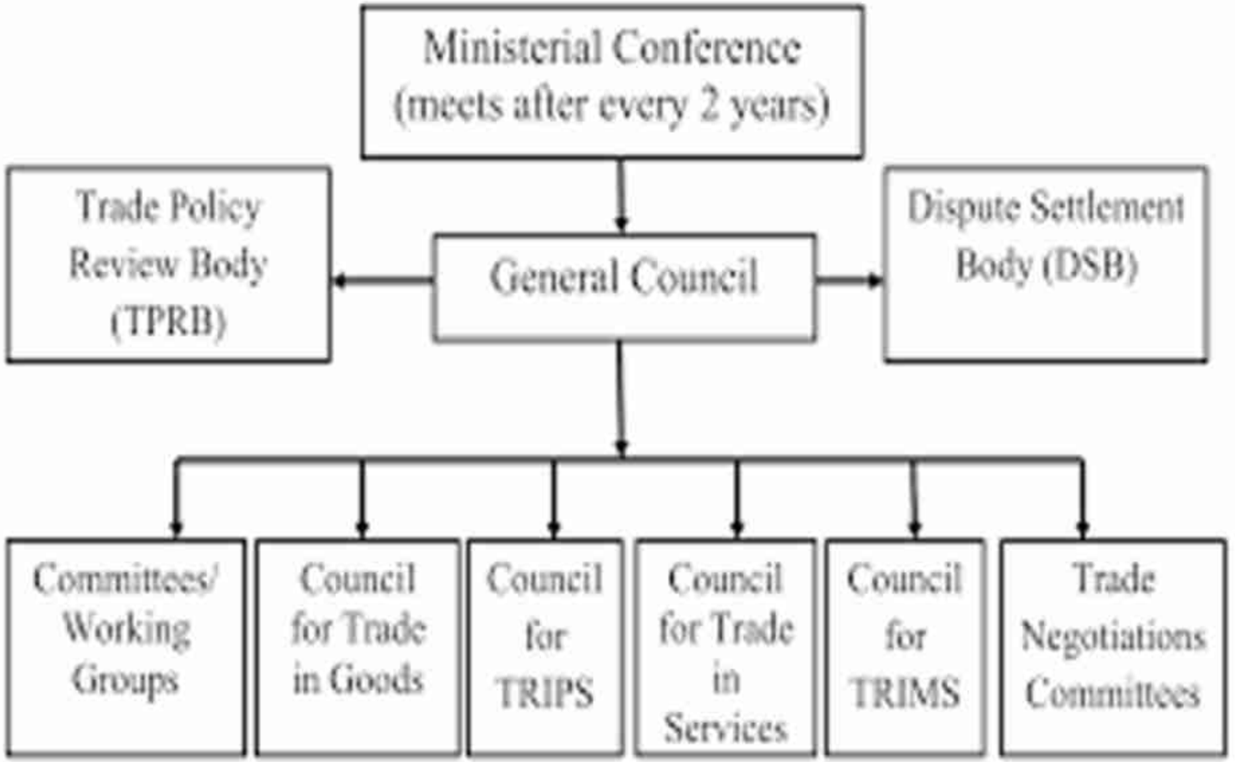
- **Non-Discrimination**
- **Most Favored Nation**- All nations should be treated equally. No one country can grant any other member country any special favour. For example, if one country lower tariff to one country then it has to be lowered to all other member countries.
- **National Treatment**- Same treatment to all products, either local or foreigners. Fair and equal treatment is given to local as well as the products imported from other countries.
- **Reciprocity**- Lowering of import duties and other trade barriers in return for similar concessions from another country

PRINCIPLES OF WTO

- **Predictability through Binding and enforceable commitments**- To make the business environment stable and predictable.
- **Transparency**- The WTO members need to publish their trade regulations and to notify changes in trade policies to the WTO.
- **Encouraging Development and Economic Reforms**– All efforts are made by the WTOsystemto contribute to development

STRUCTURE OF WTO:

- Ministerial Conference – top decision-making body (meets every 2 years)
- General Council – handles day-to-day work
- Dispute Settlement Body (DSB)
- Trade Policy Review Body
- Secretariat: Geneva, Switzerland



WTO AGREEMENTS

01 AGREEMENT ON AGRICULTURE

02 AGREEMENT ON TRADE IN TEXTILE & CLOTHING (Multi Fiber Arrangement)

03 AGREEMENT ON TRIMs

04 AGREEMENT ON TRIPs

05 GENERAL AGREEMENT ON TRADE IN SERVICES (GATS)

MAJOR AGREEMENTS

General Agreement on Trade and Tariffs (GATT)

- Its main goal is to consolidate and reduce members' tariffs on goods.
- Each WTO member has a schedule of commitments where they bind their tariff rates and agree not to increase them beyond that established limit. This is to promote greater market access.

General Agreement on Trade in Services (GATS)

- It was negotiated during the Uruguay Round as the result of the increasing role played by services in the world economy.
- Article I.2 of the GATS establishes that the agreement applies to four modes of supply of services:
- Mode 1: Cross-border, when only the service crosses the border as the consumer and the supplier remain in their respective countries. For e.g., call centre services and remote training

MAJOR AGREEMENTS

- **Mode 2:** Consumption abroad, when the consumer benefits from the service abroad, for e.g., when travelling as a tourist or to receive medical care.
- **Mode 3:** Commercial presence, when the provider – a commercial entity – establishes a physical presence in another country, such as when companies set up a branch or subsidiary abroad.
- **Mode 4**: Presence of natural persons, when the supplier – a natural person – migrates to the country where they will provide the service. E.g. consultants working on a project or artists on tour.
- **GATS does not include, however, governmental services and certain air transport services.**
- **Technical Barriers to Trade Agreement and Sanitary and Phytosanitary Measures Agreement**
- The TBT Agreement and the SPS Agreement aim at preventing governments from using domestic standards to pursue protectionism, that is, discriminate in favour of domestic producers and suppliers.
- It allows countries to protect their consumers, environment, and national security, considering the regulations and standards drawn on scientific evidence and, preferably, international guidelines

Trade-Related Aspects of Intellectual Property Rights (TRIPS)

- The TRIPS was negotiated separately to address how IP rights should be treated in trade relations.
- TRIPS rules confer to the IP holder the exclusive right to exploit their creations for a certain period.
- The agreement covers:
- Copyrights
- Trademarks
- Geographical indications
- Industrial designs
- Patents
- Layout-designs (topographies) of integrated circuits
- Industrial secrets
- The goal is to balance the need for encouraging innovation and enabling public welfare in a way that society can enjoy the advantages brought by such innovation.
- TheTRIPS Council is responsible for administering & monitoring the operation of the TRIPS Agreement.

Agreement on Subsidies and Countervailing Measures (SCM)

- It regulates the use of subsidies and the actions countries can take to protect themselves from the effects of another country's subsidies.
- The WTO SCM Agreement defines the term "subsidy". The definition contains three basic elements:
- a financial contribution
- by a government or any public body within the territory of a Member
- which confers a benefit.
- All three elements must be satisfied for a subsidy to exist.
- For a financial contribution to be a subsidy, it must be made by or at the direction of a government or any public body within the territory of a Member.
- The SCM Agreement, thus, applies not only to measures of national governments but also to measures of subnational governments and of public bodies such as state-owned companies.
- A financial contribution by a government is not a subsidy unless it confers a "benefit."

Important MC and their outcomes

- **MC4, 2004 in Doha, Qatar:** Doha Development Agenda was launched.
- **MC9, 2013 in Bali, Indonesia:** Facilitation Agreement. 'Bali Package' was adopted accompanied by Trade
- **MC10, 2015 in Nairobi, Kenya**: 'Nairobi Package' was adopted accompanied by abolition of agricultural subsidies.
- The 13th Ministerial Conference of the WTO took place in Abu Dhabi, United Arab Emirates.

13th Ministerial Conference (MC13)

13th WTO MINISTERIAL CONFERENCE
ABU DHABI - UAE
2024

- **Key Decisions**
- Renewed commitment to have a fully and **well-functioning dispute settlement system by 2024**;
- To improve the use of **special and differential treatment (S&DT)** for developing and least developed countries (LDCs) to make them more precise, effective and operational.

Main outcomes of conference

- During MC13, the WTO formally welcomed **two new countries**. Comoros and Timor-Leste.
- About LDCs, WTO members agreed on rules to support a smooth transition for countries graduating from that category into that of a developing country.
- Formal entry into force of the rules agreed upon by the Services Domestic Regulation (SDR) joint initiative.
- WTO members also agreed to extend the moratorium on applying import duties on e commerce until the next ministerial conference or 31 March 2026, whichever comes first.
- As the moratorium expires, members will have to reach a consensus on a permanent solution for e-commerce tariffs, or each Member can unilaterally and nonreciprocally choose to apply the moratorium.

Shortcomings

- WTO members could not agree on:
- Permanent solution in agriculture for public stock holding
- New rules on fisheries, although 11 members formally accepted the AFS during MC13.
- Reforming the dispute settlement system (DSS)
- Integrating the investment facilitation for development agreement into the WTO

WTO's Core Functions and Current Crisis

Function	Status
Negotiation Function	Dysfunctional since the **Doha Round** (2001). Only one multilateral deal, the **Fisheries Subsidy Agreement**, has emerged, and even that is incomplete.
Dispute Settlement Mechanism (DSM)	The Appellate Body has been **non-functional** since **2019** because the U.S. blocked appointments.
Trade Monitoring Function	Largely **ineffective** due to a lack of transparency, particularly from major economies like China.

India’s trade concerns and WTO

1. Export Subsidy Issue

- **USA Complaint:** Raised in WTO against India's export subsidies (SEZ, MEIS, EPCG, etc.).
- **Basis:** Under Agreement on Subsidies and Countervailing Measures (ASCM), countries with per capita income above $1,000 are not allowed to offer such subsidies.
- **India’s Concern:** Challenges US interpretation; seeks policy flexibility.

2. Agricultural Subsidies

- **Current Regime**: Based on 1986-88 price levels under WTO rules.
- **India’s Demand:** Update base year prices; abolish ‘Amber Box’ categorization.

India's trade concerns and WTO

- **Peace Clause:** Secured at Bali Conference allows continuation of PDS and MSP schemes temporarily.
- **Issue**: No progress on a permanent solution by developed nations.

3. Special and Differential Treatment (SDT)

- **Provision**: Preferential treatment to developing countries agreed in Doha Round.
- **Problem**: Developed nations (especially USA) oppose its continuation for emerging economies like India and China.

4. Intellectual Property Rights (IPR)

- **Current Framework:** Compulsory licensing protected under TRIPS.
- **Challenge**: Developed countries pushing for stricter TRIPS+ provisions beyond WTO commitments.

Challenges

- **Undemocratic Governance:** Decision-making processes lack transparency; for instance, “Green Room” negotiations often exclude over two-thirds of member states, undermining inclusivity.
- **Bias Towards Developed Nations:** Despite the MFN principle, developed countries maintain higher agricultural tariffs, disadvantaging exports from developing nations.
- **Labour Rights Overlooked:** WTO has ruled against bans based on production methods, such as child labour, and no binding labour standards are included in core agreements.
- **Environmental Concerns:** WTO rulings have sometimes overridden environmental standards, raising concerns about the organisation’s commitment to sustainable development.
- **Slow Dispute Resolution:** Disputes average over 2.5 years to resolve; the Appellate Body crisis since 2019 has paralysed the final settlement stage, further delaying outcomes.

Way Forward: Reforming the WTO for Global Trade Resilience

- **Restoring the Appellate Body**: Revive its functionality, expand membership, and enforce timely, transparent rulings.
- **De-politicising Dispute Appointments:** Ensure the judge selection process is free from national vetoes and political interference.
- **Interim Dispute Resolution Mechanisms:** Introduce mediation and alternative solutions .
- **Strengthening the Dispute Settlement System:** Make judges full-time and allocate more resources for faster and more efficient case resolution.
- **Reforming Special and Differential Treatment (SDT):** Establish objective criteria like GDP and trade share for eligibility instead of self-declaration.
- **Introducing SDT Graduation:** SDT benefits for emerging economies will be gradually phased out while safeguarding Least Developed Countries (LDCs).
- **Implementing India's "30 for 30" Proposal:** By 2025, the WTO should implement at least 30 operational improvements to enhance efficiency and accessibility

WORLD TRADE ORGANIZATION

Only international organization dealing with **global rules of trade.**

Not a UN member but maintains strong relations with the UN.

Establishment

- **Intergovernmental organization** that manages and encourages **international trade**.
- Outcome of the **1986- 94 Uruguay Round negotiations**.
- **Successor to General Agreement on Tariffs and Trade (GATT) of 1948.**
- Established on **January 1, 1995** under **1994 Marrakesh Agreement**.

Mandate of the WTO

- Facilitates trade in **goods, services,** and **intellectual property**.
- Provides a framework for **reducing trade restrictions** (tariffs, quotas).
- Oversees **independent mechanisms** for resolving trade disputes.
- **Prohibits discriminatory practices** among trading partners.

Key Principles of WTO

GOVERNANCE

Ministerial Conference

- The WTO's **main decision-making body** consists of trade ministers and senior officials from 164 nations.
- It meets **every two years** to address global trade developments.
- Last MC, i.e. 13th, was held in **Abu Dhabi** in 2024.

WTO General Council

Highest-level decision-making body

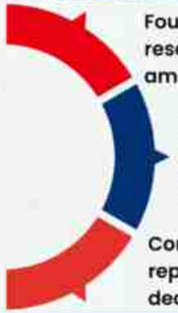
Also meets as the **Dispute Settlement Body (DSB)** and **Trade Policy Review Body**.

Secretariat

Provides **administrative and technical support** to WTO bodies.

- It also manages the WTO budget.

Dispute Settlement Body (DSB)



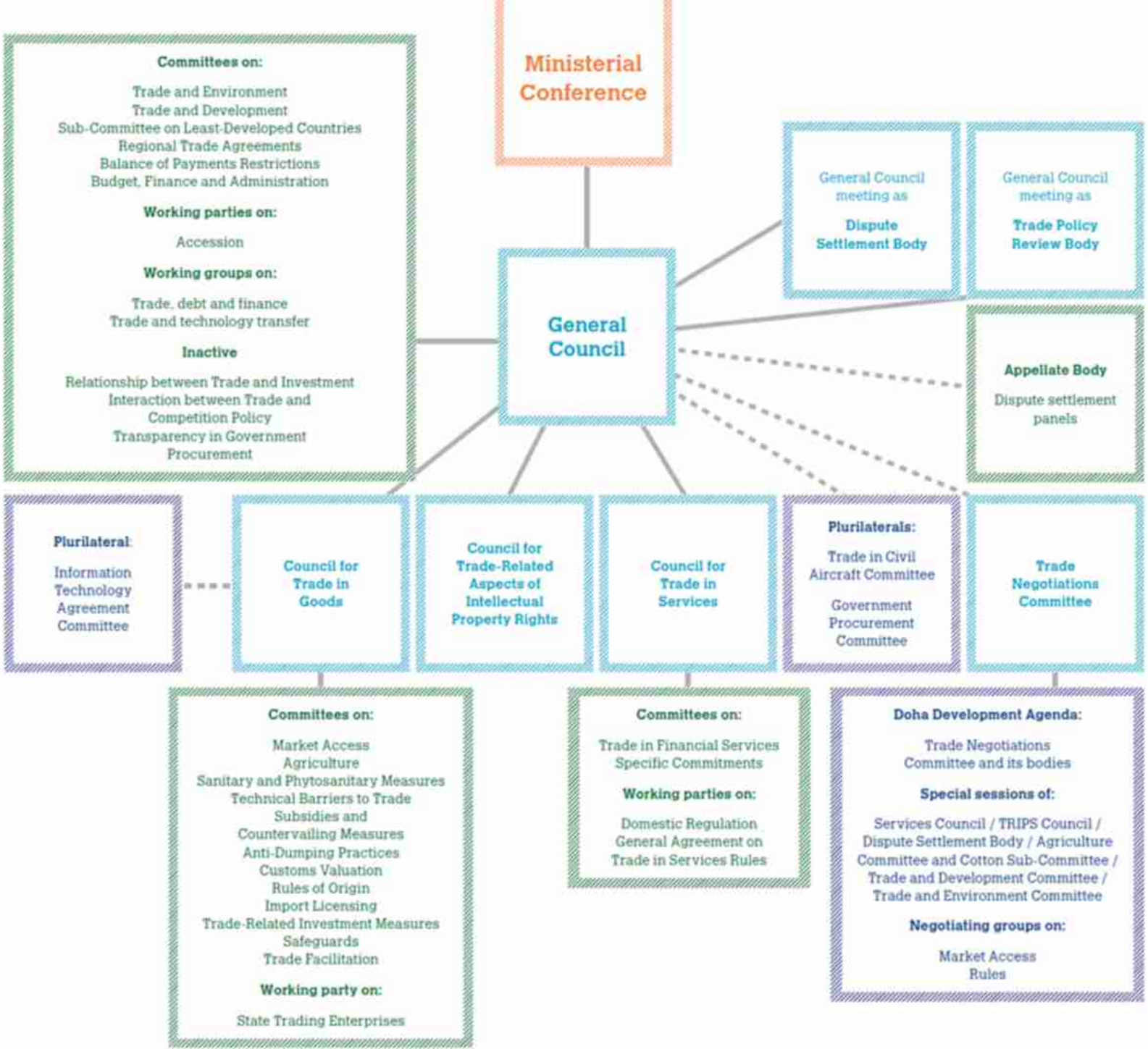
Founded in **1995** to resolve disputes among WTO members.

Establish dispute settlement panels and act on their recommendations.

Consider **Appellate Body** reports that review panel decisions.

Major WTO Agreements

1. Agreement on Agriculture (AoA)
2. General Agreement on Trade in Services
3. Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)
4. Agreement on Technical Barriers to Trade
5. Agreement on Trade-Related Investment Measures (TRIMS)


Ministerial Conference
General Council
Committees on:
Trade and Environment
Trade and Development
Sub-Committee on Least-Developed Countries
Regional Trade Agreements
Balance of Payments Restrictions
Budget, Finance and Administration
Working parties on:
Accession
Working groups on:
Trade, debt and finance
Trade and technology transfer
Inactive
Relationship between Trade and Investment
Interaction between Trade and Competition Policy
Transparency in Government Procurement
General Council meeting as
Dispute Settlement Body
General Council meeting as
Trade Policy Review Body
Appellate Body
Dispute settlement panels
Plurilateral:
Information Technology Agreement Committee
Council for Trade in Goods
Council for Trade-Related Aspects of Intellectual Property Rights
Council for Trade in Services
Plurilaterals:
Trade in Civil Aircraft Committee
Government Procurement Committee
Trade Negotiations Committee
Committees on:
Market Access
Agriculture
Sanitary and Phytosanitary Measures
Technical Barriers to Trade
Subsidies and Countervailing Measures
Anti-Dumping Practices
Customs Valuation
Rules of Origin
Import Licensing
Trade-Related Investment Measures
Safeguards
Trade Facilitation
Working party on:
State Trading Enterprises
Committees on:
Trade in Financial Services
Specific Commitments
Working parties on:
Domestic Regulation
General Agreement on Trade in Services Rules
Doha Development Agenda:
Trade Negotiations Committee and its bodies
Special sessions of:
Services Council / TRIPS Council / Dispute Settlement Body / Agriculture Committee and Cotton Sub-Committee / Trade and Development Committee / Trade and Environment Committee
Negotiating groups on:
Market Access
Rules

In a nutshell

The basic structure of the WTO agreements: how the six main areas fit together — the umbrella WTO Agreement, goods, services, intellectual property, disputes and trade policy reviews.

Umbrella	AGREEMENT ESTABLISHING WTO		
	Goods	Services	Intellectual property
Basic principles	GATT	GATS	TRIPS
Additional details	Other goods agreements and annexes	Services annexes	
Market access commitments	Countries' schedules of commitments	Countries' schedules of commitments(and MFN exemptions)	
Dispute settlement	DISPUTE SETTLEMENT		
Transparency	TRADE POLICY REVIEWS		

Iran Israel Conflict

- The historical background of the Israel Iran conflict can be traced back to the Islamic Revolution that took place in Iran 1979.
- This revolution adopted an anti-Israel, theocratic posture.
- Iran has been exerting pressure on Israel with the help of allies, like Hezbollah, Hamas, Houthis and Iraqi militias, avoiding a direct war with Israel.
- Israel has a history of striking nuclear sites in Iraq and Syria, but Iran poses a tougher and more sensitive challenge.
- Its growing threat has also pushed many Sunni Arab countries to improve ties with Israel through the Abraham Accords, putting the Palestine issue on the back burner

Iran-Israel Current War Escalation

- Israel launched a full-scale military strike on Iran named “Operation Rising Lion” targeting missile and nuclear infrastructure. This strike has taken place after IAEA declared Iran in violation of its nuclear safeguard agreement

- According to the IAEA Resolution, Iran can be declared non-compliant with the 1974 safeguards Agreement.
- This was due to the enriched uranium that was found at undeclared sites.
- There are various trigger factors that have led to the present escalations in between Iran and Israel:

1. **Nuclear Talks Break Down**: The breakdown of US-Iran negotiations, led Israel to view this as Tehran exploiting diplomatic gaps.
2. **Direct Action:** Considering indirect attacks to be ineffective, Israel opted for striking Iranian targets directly instead of going with proxies.
3. **Israel Internal Politics:** PM Netanyahu, misused the security tensions to delay elections and consolidate power

IAEA's Latest Assessment on Iran's Nuclear Activities

- **Evidence of Non-Compliance**:The IAEA has detected unexplained traces of uranium and continued lack of transparency at key Iranian sites—Lavisan-Shian, Varamin, and Turquzabad.
- **Significant Legal Breach:** This marks the seventh recorded violation under Article XII.C of the IAEA Statute, potentially triggering further scrutiny and referral to the UN Security Council.
- **Implications for Sanctions:** European parties to the JCPOA may consider activating the snapback mechanism, reinstating previous UN sanctions against Iran.
- **Iran's Rebuttal and Escalation:** In response, Iran has rejected the IAEA's conclusions, threatened withdrawal from the Non-Proliferation Treaty (NPT), and initiated new underground uranium enrichment projects.
- **Critical Upcoming Report:** The next IAEA report, expected in August, will be pivotal. Continued non-cooperation by Iran could significantly heighten diplomatic strain and escalate regional security concerns

U.S. Joins Israel-Iran Conflict Direct Strikes on Iranian Nuclear Facilities

- The United States has formally entered the Israel-Iran conflict with precision airstrikes targeting three of Iran's key nuclear sites—Fordow, Natanz, and Isfahan. Conducted using B-2 stealth bombers equipped with bunker-busting bombs, the attack included a successful hit on the heavily fortified Fordow Uranium Enrichment Plant, a facility previously beyond Israel's operational reach.

Key Developments include:

- **Strategic Escalation:** This marks the first direct U.S. military action in the ongoing conflict, signaling a significant shift from prior support roles to active engagement.
- **Strengthening the U.S.-Israel Alliance:** The strikes underscore an "iron-clad" U.S. commitment to Israel's security, reinforcing its stance that Iran's nuclear program poses an existential threat

U.S. Joins Israel-Iran Conflict Direct Strikes on Iranian Nuclear Facilities

- **Policy Reversal:** The operation reflects a departure from former President Trump's stated doctrine of avoiding foreign military entanglements, contradicting his past promises of restraint and swift conflict resolution.

- **Operational Impact:** The U.S. successfully targeted deeply buried nuclear infrastructure, providing Israel with a tactical edge it previously lacked, and advancing its long-standing goal of curbing Iran's nuclear ambitions.

Iran-Israel War Global Ramifications

1. **Energy Market Volatility:** Rising tensions in the Strait of Hormuz—through which approximately 20% of the world's oil supply transits—pose a serious threat of global oil price escalation and market instability.
2. **Strategic Dilemma for the United States:** Washington faces the challenge of supporting Israel while avoiding direct military entanglement and safeguarding its regional bases and assets.
3. **Nuclear Proliferation Risks**: Iran's possible withdrawal from the Nuclear Non-Proliferation Treaty (NPT) could trigger a regional arms race, undermining global non-proliferation norms

Iran-Israel War Regional Dynamics

1. **Escalation Across the Middle East:** Conflict spillovers may intensify drone warfare and proxy engagements in countries such as Iraq, Syria, and Lebanon, destabilizing an already fragile region.
2. **Setbacks to Diplomacy:** Ongoing diplomatic initiatives—including the revival of the US-Iran nuclear deal and efforts toward a two-state solution—risk collapse amidst heightened hostilities.
3. **Militant Mobilisation:** Iran-aligned groups such as the Popular Mobilization Forces (PMF) and the Houthis could escalate strikes on Israeli and American targets, increasing the threat of a wider regional war

Iran-Israel War Implications for India

1. **Diaspora Vulnerability:** With nearly 8 million Indian nationals residing in West Asia, their safety becomes a critical concern, especially if evacuation becomes necessary.
2. **Energy Security Risks:** Over 60% of India's crude oil imports transit through the Strait of Hormuz; any disruption may lead to significant supply shocks and inflationary pressure.
3. **Diplomatic Balancing Act:** India must tread carefully, preserving its strategic partnerships with both Israel and Iran, while navigating a complex landscape of rising sanctions and geopolitical alignments

THANK
YOU