

EDITORIAL HIGHLIGHTS

09-06-2026

GS 3: INFRASTRUCTURE THE HINDU PAGE: 06

Zojila Tunnel between Kashmir and Kargil to see final breakthrough

Peerzada Ashiq

SONAMARG (GANDERBAL)

India's ambitious, strategic, all-weather Zojila Tunnel in volatile seismic zone IV will witness the final breakthrough on June 9 as Union Road Transport and Highways Minister Nitin Gadkari will oversee the final blasting from the Kargil side. The 13.14-km-long tunnel cuts through the mighty Himalayas at an altitude of 11,578 feet and connects the Kashmir valley with Ladakh's Kargil.

Mr. Gadkari will preside over the process of final blasting of the last block, which will see the tunnel through. The tunnel is likely to allow security officials to ferry goods, machines and stocks to the high-altitude bases of Ladakh during peak winter for the first time ever in coming winters, officials said. Earlier,



The Zojila Tunnel is likely to allow security officials to ferry goods to the high-altitude bases of Ladakh during peak winter. ANI

stocks would be maintained during early autumn months to feed soldiers on the Line of Actual Control (LAC) in winters.

The Zojila Tunnel bypasses the weather-dependent Zojila Pass, which is prone to landslides and shooting stones and remains closed due to snow accumulation in winters.

A spokesman of Megha

Engineering and Infrastructures Ltd. (MEIL), which started work on the tunnel in 2020, termed the final breakthrough "a defining moment". "It demonstrates the successful execution of one of India's most complex transport infrastructure works in a hostile Himalayan environment," said senior MEIL officials.

The excavation work has been completed on the world's longest single-tube bi-directional road tunnel at an altitude of over 11,500 feet. "The project will deliver the long-envisioned objective of seamless, all-weather connectivity between Kashmir and Ladakh, bringing long-term benefits in mobility, economic integration, and strategic resilience," said MEIL officials.

Reduced travel time

The tunnel cost more than ₹6,800 crore. A 7.57-metre-high horseshoe-shaped single-tube two-lane tunnel will pass under the arduous Zojila Pass between Ganderbal district in Kashmir and Drass district of Ladakh. Officials say the travel time will come down from three hours to 20 minutes between Ganderbal and Kargil.

GS 2: HEALTH

THE HINDU PAGE:10

What is lost and gained in NFHS-6

NFHS-6 records gains in child nutrition, maternal care, institutional births and women's Internet use, while also introducing new questions on digital literacy and direct benefit transfers; but the survey's preliminary fact sheet is thinner than the last round, dropping key indicators such as anaemia, mortality, sex ratio at birth

ECONOMIC NOTES

Areena Arora

India's latest National Family Health Survey (NFHS-6) records gains in child nutrition, maternal care, institutional births and women's Internet use. But its preliminary fact sheet is also thinner than the last round, with 101 indicators compared with 131 in NFHS-5.

Which indicators were removed from NFHS-6?

Key indicators such as anaemia, mortality, sex ratio at birth, sanitation, and clean cooking fuel have been removed from the survey.

The Union Health Ministry released the fact sheets of NFHS-6 on May 29, covering 2023-24. The survey recorded data from nearly 6.8 lakh households across every State and Union Territory except Manipur.

Preliminary findings report clear gains on several measures, including mothers getting at least four antenatal check-ups, up about seven percentage points from NFHS-5, an increase in institutional births and women's Internet usage. It also points to declines in several metrics, such as exclusive breastfeeding of infants under six months, down nearly eight percentage points, and the use of modern contraception, down to 52.7% from 56.4%.

The NFHS is commissioned by the Ministry of Health and Family Welfare, which designates the International Institute for Population Sciences (IIPS) to conduct the survey. Over the years, the scope of the survey has been additive by design, retaining the previous questionnaire and adding to it.

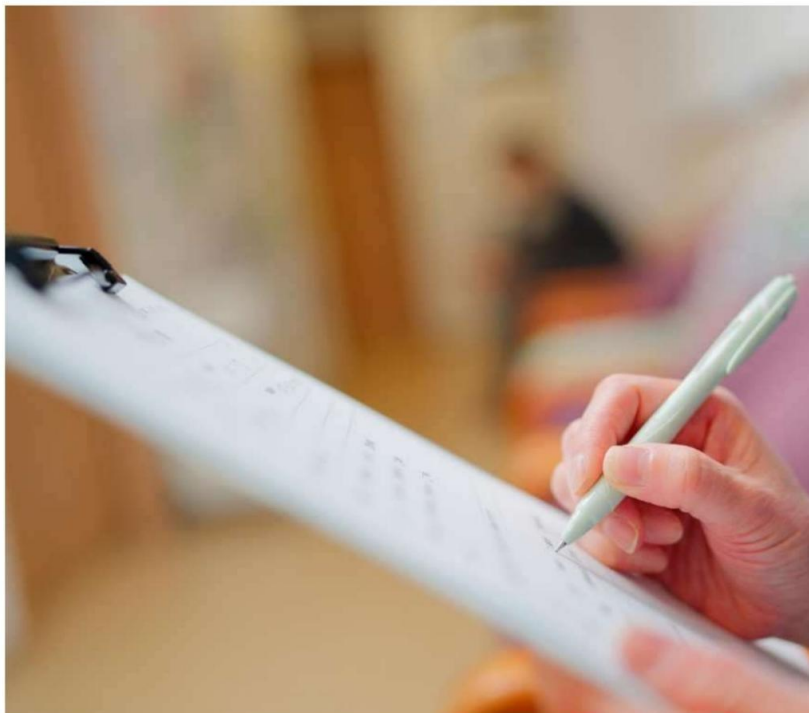
NFHS-4 in 2015-16 introduced district-level estimates and tablet-based digital interviewing for survey collection. NFHS-5 pushed the indicators further, including new topics, such as preschool education, disability, access to a toilet facility, death registration, bathing practices during menstruation and methods and reasons for abortion. It also extended blood pressure and blood sugar measurements from adults aged between 15 and 49 to all adults aged 15 and above. The survey measured 131 key indicators, up from 114 in NFHS-4.

While the HIV testing component was dropped from NFHS-5, it retained questions on HIV/AIDS knowledge, attitudes, prior testing, sexually transmitted infections, and sexual behaviour. In NFHS-6, biological HIV testing has been brought back as part of the clinical, anthropometric and biochemical testing schedule.

The NFHS-6 fact sheet does not separately spell out whether all HIV/AIDS knowledge and attitude questions were retained.

NFHS-6 also added new questions on direct benefit transfers, self-help group memberships, digital literacy and financial transactions. It also includes testing for Hepatitis-B and Hepatitis-C among women and men, as well as dried blood spot collection from children aged 4-5 for Hepatitis-B testing.

But for the first time, the survey has also subtracted overall, showing a net reduction of 30 indicators in the preliminary results. Among the dropped indicators, the most notable ones, such as anaemia, infant and child mortality, sex ratio at birth, clean cooking fuel use, and sanitation, have all appeared since at least NFHS-4.



The NFHS is commissioned by the Ministry of Health and Family Welfare, which designates the IIPS to conduct the survey. GETTY IMAGES

Why was anaemia dropped?

The case for removing anaemia is related to how it was measured. The indicator had long shown a worsening picture. Between NFHS-4 in 2015-16 and NFHS-5 in 2019-21, anaemia rose across the board. Among children, anaemia prevalence went up from 58.6% to 67.1%, among women aged 15-49, it rose from 53.1% to 57%, and among pregnant women, anaemia rose from 50.4% to 52.2%.

The rise in anaemia was near-universal across the country, with child anaemia increasing in 28 States and Union Territories, and in some cases by big leaps, from 35.7% to 68.4% in Assam and 19.3% to 46.4% in Mizoram. Such deterioration was reported despite the government launching the Anaemia Mukh Bharat campaign in 2018, aimed at tackling anaemia. The reason for dropping it as an indicator then boiled down to how the data were being collected.

NFHS measured haemoglobin from a finger-prick blood sample read on a portable analyser, which several nutrition researchers contend overstated anaemia compared to the venous blood drawn by other surveys. IIPS dropped the anaemia questionnaire when NFHS-6 fieldwork began in 2023. The official position is that the condition will now be tracked separately, through a dedicated Diet and Biomarkers Survey under the National Institute of Nutrition using a method its proponents consider more accurate.

The Diet and Biomarkers Survey in India was not a hurried replacement and was launched in December 2022, before NFHS-6 fieldwork began, at the ICMR-National Institute of Nutrition in Hyderabad.

The survey recorded data on individual

dietary intake across age groups, paired with blood and urine biomarkers.

It also built upon nutrition deficiencies and tracked obesity alongside anaemia, a first, according to the organisers. For anaemia, data were collected from venous blood instead of the finger-prick method that NFHS used. Data collection is complete, but hasn't been released yet.

What other changes were made?

A line-by-line comparison of the two fact sheets from NFHS-5 and NFHS-6 shows that the net fall of 30 actually combines 43 indicators dropped and 13 added. Several of the deletions were long-running series, and a few are closely related to the government's signature programmes.

Prime Minister Narendra Modi's government in 2019 had announced that India would be open defecation-free. NFHS-5 recorded 70% of the country's population living in households with access to sanitation facilities. That data point has also been dropped.

The share of households using clean fuel for cooking, 58.6% in NFHS-5, is gone — a direct measure of the success of the Pradhan Mantri Ujjwala Yojana.

The three mortality indicators — neonatal, infant and under-five — have also been cut, but these will be tracked by the Sample Registration System, whose latest bulletin put infant mortality at 24 per 1,000 live births.

The Registration System, however, does not carry district-level data and socio-economic breakdowns that are available in NFHS.

The sex ratio of the total population and the sex ratio at birth, 929 females per 1,000 males in NFHS-5, are both absent, removing a standard signal of sex-selective practices. Four

cancer-screening indicators, covering cervical, breast and oral cancer, introduced only in NFHS-5 are gone after a single round.

A few changes are redefinitions rather than cuts. Women's individual ownership of a house or land has become a household-level measure. Three-dose hepatitis B line has become a birth-dose measure, and pre-school attendance has shifted age bands, targeting a younger demographic. IIPS has not published a rationale for the wider list.

Together, the removals leave no current survey-based national figure for infant mortality, sanitation coverage, sex ratio at birth, cancer screening rates or comprehensive HIV knowledge, gaps that no other single source fills at the same scale.

How did survey results change between NFHS-5 and NFHS-6?

NFHS-6 reported a drop in the number of women who have experienced spousal violence, down to 22.3% from 29.3%. The number of children aged five or below who are stunted declined too. The drop from NFHS-4 to NFHS-5 was just under three percentage points, but NFHS-6 saw a drop of over six percentage points.

State-level changes are sharper for certain indicators.

Health insurance coverage rose the most in West Bengal, from 33.7% of households in NFHS-5 to 88.2% in NFHS-6. Women's Internet use saw its largest increase in Andhra Pradesh, from 21% to 63.6%. Haryana recorded the steepest fall in exclusive breastfeeding among infants under six months, from 69.5% to 41.2%. The share of women classified as overweight or obese increased in every State.

THE GIST

▼ NFHS-6 shows a net reduction of 30 indicators in its preliminary fact sheet, with 43 indicators dropped and 13 added compared with NFHS-5.

▼ Anaemia was dropped from NFHS-6, with the official position being that it will be tracked separately through the Diet and Biomarkers Survey.

▼ Several long-running indicators, including infant and child mortality, sex ratio at birth, sanitation coverage, clean cooking fuel use and cancer-screening measures, are absent from the latest fact sheet, leaving gaps that no other single source fills at the same scale.

GS 3: ECONOMICS

INDIAN EXPRESS PAGE: 01 & 02

New bilateral investment model: 2-yr local remedy window, no MFN clause

Aanchal Magazine & Siddharth Upasani
New Delhi, June 8

A MINIMUM two-year period for local remedies before initiation of international arbitration; no most-favoured nation clause; and, an exclusion of tax-related provisions.

These are the three key principles on which the Centre is remodelling its Bilateral Investment Treaties (BITs) with countries, *The Indian Express*

has learnt. Amid the recent debate on various issues with the BIT model, the Centre is considering tailoring them according to engagement with other countries, with even a one-year cooling window for local remedies being considered for a few countries amid ongoing negotiations, a top Government source told this newspaper.

“We have to protect the sovereignty of our country, the

»CONTINUED ON PAGE 2

New BIT model

powers of our Parliament. So, local remedies cannot be done away with by heading straight away to international arbitration. That’s why we are looking at a minimum two-year timeline for local remedies within India’s legal system. Also, the ongoing discussions are leaning towards no clause for ratcheting or most-favoured nation in the investment pacts. Taxation will also be kept separate from the investment pacts,” the source said.

BITs are crucial for promotion and protection of investors as they pour money into each other’s countries. At present, the government follows the BIT model approved in December 2015 and adopted in January 2016, which mandates exhaustion of domestic remedies prior to the initiation of international arbitration proceedings.

Asked if the local remedies clause, which did not exist in the country’s pre-2016 BIT model, creates a hurdle for investors, the source said India has pushed for dedicated commercial courts — and that route has to be explored before international arbitration, which doesn’t have fair representation from all countries and can lead to discretionary decisions.

The changes in the erstwhile 1993 BIT were also prompted by several international arbitration proceedings by global majors such as Vodafone and Cairn against the Government in different tax disputes. The Budget for 2025-26 had announced the revamping of the 2016 model to make it more investor-friendly and attract sustained foreign investment.

In February 2025, speaking at the International Commercial & Investment Treaty Arbitration in Delhi, Union Finance Minister Nirmala Sitharaman said that BIT should be handled separately and negotiated standalone from the free trade agreements by specialists with expertise in elements of policy making such as taxation.

Sitharaman had underlined that before taking up international arbitration, enough time should be given to the contesting parties to go through the available local remedies because that is important for the host country.

On May 21 this year, senior economist Surjit Bhalla in his column for *The Indian Express* wrote that the “most damaging provision” in India’s BIT was the requirement that “foreign investors exhaust local remedies for five years before accessing international arbitration”.

“Finance Minister Nirmala Sitharaman announced in Parliament in February 2025 that the BIT framework would be reviewed and a new version released. The reform release is still awaited. Speculation is that the fundamental architecture has not changed — except that the five-year waiting period has been shortened to ‘just’ three years. And the requirement to exhaust Indian courts first — the

defining departure from pre-2015 BIT norms — is likely being retained,” he wrote.

Chief Economic Advisor V Anantha Nageswaran had replied to Bhalla’s piece with a column of his own on May 23 in this newspaper, stating that academic record has found weak or no effects of BITs on FDI inflows. “...a study examining India — Singh, Shreeti, and Urdhwarshie (2022), published in the *Indian Economic Review* — found that individual BIT signings do not influence FDI inflows; what matters is the cumulative stock of treaties, which signals an overall regime of investor protection,” the CEA had stated.

He also noted that the investment climate requires continuous improvement, and the BIT framework revision is incomplete.

Bhalla wrote again on June 2, comparing the situation with Indonesia’s decision to scrap its existing BITs in 2014 and restarting with a new model. He mentioned Indonesia having won cases against foreign mining companies and signing two new BITs, one of them with Singapore: a cooling-off period of just 12 months, followed by a three-judge panel and a presiding judge agreed upon by both, who must not be a national of either country.

“In contrast to Indonesia’s requirement of a 12-month cooling period, the Indian BIT required 60 months. Sixty months in Indian courts before any international arbitration could begin. This was not a reform — it was retrenchment,” Bhalla wrote.

Officials said many countries like Australia have moved away from the traditional model of arbitration of Investor-State Dispute Settlement (ISDS). For instance, in the Australia-UAE investment treaty the countries moved to the dispute settlement mechanism of State-to-State Dispute Settlement (SSDS) instead of ISDS.

Before the 2016 model, India had signed bilateral investment treaties with 83 countries based on the model BIT of 1993, and as amended in 2003. Out of these, 74 were ratified. Among these 74 bilateral investment treaties, notice of termination was issued to 68 countries with request to renegotiate based on the 2016 model, according to Government data shared in Parliament in March 2023.

Since the revised 2016 model, India has signed BITs with Belarus, Kyrgyz Republic, Investment Cooperation and Facilitation Treaty (ICFT) with Brazil, UAE and Uzbekistan, a Lok Sabha reply from April 2025 showed. In the BIT with the UAE, the window for exhaustion of local remedies was reduced to three years from five years. A Bilateral Investment Agreement has also been signed between India Taipei Association and Taipei Economic and Cultural Centre, it said.

GS 3: SPACE

INDIAN EXPRESS PAGE: 8

UP may send satellite to space for weather warning: CM

Express News Service
Lucknow, June 8

EMPHASISING THE importance of accurate and timely forecasts in managing the impacts of weather-related disasters, Uttar Pradesh CM Yogi Adityanath on Monday said his administration was committed to improving the observation and monitoring network in the state to enable more efficient early warning systems.

The CM was speaking at the inauguration of the Regional Meteorological Centre here, which has been created by upgrading the existing Lucknow Meteorological Centre.

Union Science and Technology Minister Jitendra Singh was



Union Science & Technology Minister Jitendra Singh and UP CM Yogi Adityanath in Lucknow on Monday. ANI

also present on the occasion.

The CM said the weather observation network in Uttar Pradesh had expanded significantly in the last few years, and the state government was making efforts

to fill the gaps that remain. He said the state government was even considering sending a satellite into space dedicated to monitoring weather-related parameters specific to UP.

He said his government had initiated discussions with the ISRO for this purpose. The CM said the establishment of the regional meteorological centre would also help the state in this endeavour.

“During meetings on excessive rainfall, drought, lightning, and other seasonal issues, discussions with meteorological and related departments have often highlighted how timely and accurate information helps in formulating the right strategy,” Adityanath said.

“This year, on May 13, storms caused significant loss of life and property in several districts of the state. During a review meeting, I asked why the early warning system was not functioning effectively. It was found that the system was working, but there was a lack of responsiveness at the local administrative level. Later, during a video conference with officials, I instructed them to ensure that when alerts are received, local residents and institutions should also be informed promptly. Four to five days after that meeting, another disaster situation arose, but this time mobile alerts started reaching everyone three hours in advance,” he said.

The CM said Uttar Pradesh now had 450 Automatic Weather Stations and 2,000 Automatic Rain Gauges installed at the block level. These systems provide farmers with accurate rainfall information. The equipment collects real-time data on rainfall, temperature, wind speed, and wind direction, helping in weather analysis and studies.

Speaking at the event, Jitendra Singh said the progress achieved in weather forecasting and observation systems in the last decade has transformed the manner in which weather services are delivered to citizens, disaster management agencies, farmers, tourists, and the aviation sector.

GS 2 & 3: INTERNATIONAL RELATIONS AND ECONOMY INDIAN EXPRESS PAGE:

Fifteen FTAs, 27 countries, four challenges

WITH THE India-Oman agreement taking effect on June 1, India now has 15 FTAs covering 27 countries. Another nine agreements with 42 countries are nearing completion. Once finalised, India's FTA partners will total 69 countries and could account for nearly 75 per cent of the country's exports.

As India expands its network of FTAs, four recurring challenges demand attention: **Rising trade deficits, low utilisation of FTA benefits by Indian exporters, worsening inverted duty structures, and the relocation of manufacturing to FTA partner countries.**

Let's examine how these challenges are shaping India's trade patterns, industrial competitiveness, and economic outcomes.

First, a rising trade deficit. Between 2007-09 (before the FTAs took effect) and 202-25, India's trade deficit with ASEAN grew by 381 per cent, that with Japan by 318 per cent and that with South Korea by 268 per cent. In comparison, its trade deficit with the rest of the world increased by 142 per cent. Over the past three years, India's average annual trade deficit with ASEAN, Japan and South Korea has reached about \$62 billion.

The newer FTAs are also associated with large trade deficits. In FY2025, India exported \$48.6 billion to the UAE, Australia, Mauritius and EFTA countries, but imported nearly \$100 billion, resulting in a trade deficit of over \$50 billion. As tariff cuts under these agreements deepen, the deficit may increase further. South Asia remains the major exception, where India's trade surplus expanded from \$6.7 billion to \$20 billion during the same period.

The difference between India's tariff structure and those of its FTA partners helps explain why imports often grow faster than exports after FTAs. Most of its FTA partners are already open economies with low tariffs. Average MFN tariffs are close to zero in Sin-

gapore and below 4 per cent in Japan, Australia, Malaysia and the UAE. In contrast, India's trade-weighted MFN tariff is about 12.6 per cent, with rates ranging from zero to 150 per cent. As a result, when India cuts tariffs under an FTA, exporters from partner countries gain a significant price advantage in the Indian market. A 50 per cent tariff reduction, for example, can translate into a major cost advantage over competing suppliers. Indian exporters, however, often gain little additional market access because tariffs in partner countries were already low or zero before the agreement.

The difference becomes even clearer when actual trade flows are examined. Almost all imports into Singapore enter duty-free under MFN rules, while more than 80 per cent do so in Japan and Malaysia. In the EU and the UK, more than half of imports face zero customs duty. In India, however, only about 6 per cent of imports enter duty-free under MFN treatment. As a result, FTAs often give foreign exporters a much bigger advantage in the Indian market than Indian exporters receive abroad.

Second, low utilisation of FTA benefits. The same tariff asymmetry also helps explain why Indian exporters make limited use of FTAs. When MFN tariffs in partner countries are already zero, there is little benefit in exporting under an FTA. Even where MFN tariffs are low — say 1 to 3 per cent — the savings are often too small to justify the costs of complying with rules of origin, certification requirements, and paperwork. As a result, only an estimated 20-30 per cent of India's eligible exports take advantage of FTA preferences. Many small firms prefer to avoid the compliance burden for modest tariff savings.

The incentives are very different for exporters selling to India. Since India's MFN tariffs remain



AJAY SRIVASTAVA

relatively high, tariff reductions under FTAs can generate substantial savings. As a result, **import-side utilisation rates are estimated at 60-70 per cent.** Thus, rising imports and low export-side utilisation are not separate issues. Both stem from the same tariff asymmetry between India and its FTA partners.

Third, worsening inverted duty structures. An inverted duty structure arises when duties on raw materials and industrial inputs are higher than those on finished products. While this problem has existed for years, FTAs have made it harder to fix because many finished goods now enter India at low or zero duty from partners such as ASEAN, Japan, South Korea, the UAE and Australia. As a result, Indian manufacturers often pay high duties on imported inputs, especially those sourced from non-FTA countries, while competing against finished products imported duty-free under FTAs.

For example, steel and aluminium attract MFN duties of 7.5-10 per cent, but machinery, industrial equipment and engineering products made from these materials can enter India duty-free under several FTAs. Indian manufacturers, therefore, face higher input costs when competing with tariff-free imported machinery produced with globally priced inputs.

Similar distortions exist in chemicals, plastics, rubber and textiles. **Duties on inputs such as caustic soda, soda ash, polypropylene, PVC and SBR raise production costs.** At the same time, many finished products in these sectors can be imported at low or zero duty. **The result is a tariff structure that protects producers of basic materials but disadvantages downstream manufacturing, making it harder to achieve higher domestic value addition and the goals of Make in India.**

Fourth, make in ASEAN, sell in

India. An equally significant consequence of FTAs and resulting inverted duty structures is the **growing incentive for firms to manufacture outside India rather than within it.** When raw materials and components attract duties in India, but finished products can be imported duty-free from FTA partners, companies may find it more profitable to locate production abroad and export back to the Indian market. In such cases, FTAs effectively encourage offshore manufacturing at the expense of domestic value addition.

ASEAN countries are increasingly becoming manufacturing hubs for supplying the Indian market. Chinese companies have invested heavily in countries such as Vietnam, Thailand and Indonesia. At the same time, some Indian firms have also set up factories and joint ventures there to benefit from lower production costs and duty-free access to India under FTAs. Similar trends can be seen in electronics, steel, chemicals, plastics, consumer goods and engineering products.

When it becomes cheaper to manufacture in an ASEAN country and export duty-free to India than to produce in India, investment and jobs tend to move abroad. As a result, FTAs can encourage firms to "Make in ASEAN, Sell in India" rather than "Make in India".

Unless India's tariffs on industrial inputs are better aligned with its FTA commitments, these agreements may encourage firms to produce abroad rather than in India, weakening domestic manufacturing and supply chains.

The government and industry must work together to address these four challenges so that FTAs strengthen India's manufacturing base instead of encouraging higher imports, overseas production, and loss of industrial capacity.

The writer is founder, GTRI

When it becomes cheaper to manufacture in an ASEAN country and export duty-free to India than to produce in India, investment and jobs tend to move abroad. As a result, FTAs can encourage firms to 'Make in ASEAN, Sell in India'

GS 2 : INTERNATIONAL RELATIONS

NDIAN EXPRESS PAGE: 12

US-India special relationship is now cold-eyed transactionalism



KANTI BAJPAI

US SECRETARY of State Marco Rubio's recent visit to India, Secretary of War Peter Hegseth's speech at the Shangri-La Dialogue that briefly referenced India, and US Ambassador to India Sergio Gorr's energetic diplomacy have raised a central question: **What does India want from the US, and what does the US want from India?** The answer is that India's wants have remained stable. America's have changed. As a result, the special relationship with the US is over. Looking ahead, the India-US agenda will be far more modest and transactional.

For 30 years, India looked to the US for strategic balance against China, for cooperation against terrorism, for its market and investments, for the "export" of skilled Indian professionals, and for military equipment. Broadly, the US would help make India more secure and powerful.

US interest in India was a mirror image. India was a balance against China, a partner against terrorism, a market for exports and a destination for investments, a source of human talent, and a client for American arms. India was not seen as an ally but instead would be strengthened as a "strategic partner" in Asia.

The special relationship has withered because America has changed its view of India. **The economic wants are much the same — India as a destination for US products (now including energy), investments, and arms.** Against this, American worries about immigration have overridden the demand for talented Indians. More importantly, cooperating with India against terrorism, and crucially, partnering with it in Asia, have diminished in importance.

To appreciate the US's changed strategic outlook towards India, we must

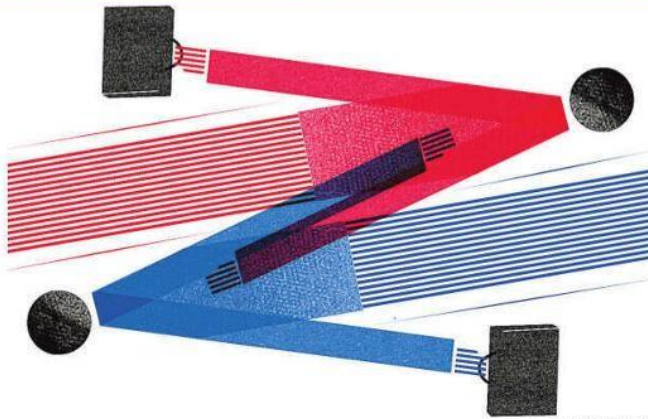


ILLUSTRATION: C.R. SASIKUMAR

understand its geopolitical view of Eurasia — **from Europe, at one end of the supercontinent, to Japan, at the other end.** Over the last 30 years (indeed, going back earlier), America has wanted to contain three challenges in Eurasia: **Russia in Europe; Islamic radicalism in the energy-rich Gulf, and China in Asia.**

For the US, India potentially had a role in all three theatres. **With its close Russia relationship, it might act as a diplomatic brake against Russian adventurism in Europe.** Given its proximity to the Gulf, its energy dependence on the oil powers, and its military power, it might be a force for stability in the region. And given Delhi's quarrel with Beijing, its growing economic strength, and its naval forces, it was a putative balancer against rapidly rising Chinese power in Asia.

The war in Ukraine demonstrated to the US that India would be no brake on Russia. Indeed, with its neutrality in the conflict and its purchases of Russian oil,

it seemed to play the opposite role even if that was not New Delhi's intention. **In the Gulf, India embarked on a larger strategic role, particularly in the past 10 years.** Prime Minister Narendra Modi built deeper diplomatic, economic, energy, and even defence ties with the Gulf including Saudi Arabia, and was positioning India as a security provider.

However, when the US's war with Iran moved towards termination and a deal had to be struck on Iran's enriched uranium and the reopening of the Strait of Hormuz, the Trump administration saw Pakistan and not India as the intermediary.

Pakistani influence with the Iranians and with the Saudis (culminating in the defence agreement of September 2025) was a key asset for Pakistan. Its military power, its long-held relationship with the US defence establishment, and even its closeness to China were additional factors in the turn to Pakistan.

The third Eurasian theatre is centred around China. The US

To appreciate the US's changed strategic outlook towards India, we must understand its geopolitical view of Eurasia — from Europe, at one end of the supercontinent, to Japan, at the other end

had hoped that India would begin to catch up with China and play a larger balancing role against it. **But despite India's economic growth of roughly 6-7 per cent per annum over 30 years and China's economic slowdown, the absolute GDP gap between the two countries was growing, not reducing.**

In addition, in the Indo-Pacific, **India's contributions were uncertain.** India had underlined that it was averse to a common front against China in the Quad. Australia, Japan, and the US, therefore, gradually thickened strategic ties amongst themselves and with Korea and the Philippines. In addition, **India's military was not geared to project force into the South China Sea and East China Sea in the foreseeable future.** At best, in a US-China confrontation, the US-India foundational defence accords such as LEMOA might be triggered, but this was by no means a given.

More fundamentally for India-US ties, under both Joe Biden and Donald Trump, **America's China challenge has changed.** It is less about Taiwan and the security of Asia against China and more about economic and technological competition in commerce (the trade deficit), chips, computer software (AI), and critical minerals. **In the US view, India is not a crucial player in any of these four Cs.** It cannot replace China as an exporter to the US (indeed, India is now a trade worry). Nor is it a big player in chips, AI computer software, or critical minerals.

Whether the US is right or wrong in its view, India is no longer seen as a power to be strengthened. It is instead a destination for US products, investments, and arms. Despite Rubio and Gorr's and most recently Hegseth's attempts to inject some spark into the erstwhile special relationship, **the future is cold-eyed transactionalism.** Opportunities but also stern challenges are ahead of us as the special relationship founders. **Indian diplomats will have their hands full.**

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