EDITORIAL HIGHLIGHTS

11-08-2026

1. English in India, a language that has earned its place(THE HINDU PAGE NO 8)

1. **GS I** (Indian Society / History)
2. **Topics:** Salient features of Indian Society, Diversity of India; Modern Indian history.
3. **Concepts:** Multilingualism, linguistic naturalisation, English as an aspirational Indian language.

English in India, a language that has earned its place

What makes a language Indian? A recent observation by the Supreme Court of India has revived the debate over whether English can be considered an indigenous language of India. The debate over the place of English in India has often been framed as a contest between English and Indian languages. Such a binary is both historically misleading and politically unhelpful. The promotion of Indian languages such as Hindi, Tamil, Telugu, Odia, Kannada, or Marathi need not – and should not – be predicated upon denying recognition or patronage to English. The future of India's linguistic diversity lies not in choosing one language over another but in nurturing multilingualism. English may not be an indigenous language in the same historical sense as Sanskrit or Tamil, yet, over two centuries, has acquired a legitimate claim to belong to India.

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A language transformed

The strongest objection to treating English as an Indian language is that it arrived with British colonialism. It was introduced to facilitate administration, commerce, missionary activity, and what the colonial rulers described as their civilising mission. In its early history, English undoubtedly served the interests of the Empire. Yet, languages cannot be permanently imprisoned by the circumstances of their arrival. Their identities are continually reshaped by the people who speak them. Once English entered India, Indians appropriated it, transformed it, and made it serve Indian aspirations rather than colonial objectives.

By the early 19th century, English had already become an instrument of Indian political and intellectual expression. In 1823, Raja Ram Mohan Roy and his associates submitted one of the earliest petitions in English defending the freedom of the Indian-language press in Calcutta. Later in the century, Dadabhai Naoroji marshalled his famous "Drain Theory" in English to expose the economic exploitation of India under British rule. Swami Vivekananda addressed educated India in English through his celebrated lecture, 'My Plan of Campaign', delivered in Madras in 1897. Mahatma Gandhi himself translated *Hind Swaraj* into English, recognising that the language could carry Indian ideas to both national and international audiences. To deny English a place in India is, in some measure, to overlook the contributions of generations of Indians who employed the language to articulate Indian nationalism, social reform, and cultural renaissance.

After Independence, India indeed found a place for English. The Constituent Assembly debates on the language question adopted a balanced resolution. Moved by K.M. Munshi and N. Gopalaswami Ayyangar, it recognised Hindi as the Official Language of the Union and retained English for official purposes. Over the subsequent decades, English has evolved into one of the principal languages of Indian academic and administrative domains, including but not limited to the legislature, the executive and the judiciary.

India has also recognised English as a language of Indian creativity. The Sahitya Akademi has treated English as one of the languages of Indian literature, conferring annual awards. Indian Writing in English has developed into one of the richest literary traditions in the postcolonial world. From R.K. Narayan, Mulk Raj Anand to Amitav Ghosh and Vikram Seth, Indian writers have demonstrated that English can express Indian experiences with authenticity, subtlety, and artistic distinction.

> English is no longer colonial and has evolved into a language, shaped by how Indians speak, think, and imagine themselves

Reach and scale

It is often argued that only a small section of Indians speak English. This is not exactly the case. The Census of 2011 reports that nearly 129 million Indians chose English as a first, second or third language. These numbers make India one of the largest English-speaking countries in the world. Nearly 2,60,000 people reported English to be their mother tongue. A whopping 83 million identified it as their second language. About 46 million spoke it as their third language. Scholars observe that the number of Indians who possess at least a functional knowledge of English may well have further increased to the range of 180 million to 250 million given the rapid expansion of English-medium education over the last decade. These statistics suggest that English has become the language of aspiration for a large segment of the Indian society.

As an aspirational people, Indians invest considerable effort and money in education. Nearly 31,000 schools affiliated to the Central Board of Secondary Education (CBSE) impart education primarily through English. So do the 3,000 schools which are affiliated to comparable boards such as the Council for the Indian School Certificate Examinations. Let us not forget that English is also the principal medium of education in all premier higher educational institutions of India.

In a wide range of professional fields that produce wealth and service, English has become the language through which India engages with the world. This is an advantage that India presently possesses over several other competing nations, and it would be wise for it to continue to invest its resources in further expanding the English language skills of Indians.

It also needs to be pointed out that India has Indianised English. Raja Rao spoke about it in the well-known Foreword to his novel *Kanthapura* way back in 1938. Just as Canada and Australia had fashioned their own versions of English, Rao felt, so would India. That prediction has been fully realised. Indian English today possesses its own pronunciation, vocabulary, idioms, and rhetorical conventions. It reflects Indian social realities and cultural sensibilities while remaining part of the larger global family of Englishes.

Taking root

This process of linguistic naturalisation is captured in V.K. Gokak's poem 'English Words': "O winged seeds! You crossed the furrowed seas/To nestle in the warm and silent earth./...You ripened into nectar in fruit-jars/That hung like clustered stars." Gokak's metaphor is striking. English words arrive as seeds from distant shores, but they do not remain foreign. They take root in Indian soil, acquire new life, and bear fruit that belongs as much to India as to anywhere else. A similar sensibility informs A.K. Ramanujan's 'Prayers to Lord Murugan', where an Indian poet employs English not as a borrowed medium but as a natural vehicle for expressing Indian mythology, philosophy, and devotion. Such works demonstrate that languages are ultimately shaped not by their origins but by the communities that inhabit them.

Ironically, many of the strongest advocates of Indian languages have themselves turned to English when addressing a pan-Indian or international audience. Kannada scholar and Jnanpith awardee V.K. Gokak argued for the unity of Indian literature through English in works such as *The Concept of Indian Literature* and *Pathways to the Unity of Indian Literature*.

Monolingualism has never been the historical reality of Indian society. India has always deeply cherished languages that Indians speak in their homes and among kith and kin. At the same time, they have spoken in other languages with considerable facility and comfort. English is not in competition with Hindi or Tamil. Rather it is a language that provides Indians with an already historically familiar bridge to connect with other language-speaking communities both within and beyond India.

It is not an important question, therefore, whether English is an indigenous language. It is not. More important is the realisation that through history and literature, constitutional practice and governance, and through everyday usage, English has earned the right to be regarded as one of modern India's own languages. It is useful to remember that English has long ceased to be the language of colonial rulers. It has evolved into one of the several languages in which Indians imagine themselves. Indian English belongs to India.

2. Do not write the obituary of international law yet(THE HINDU PAGE NO 8)

1. **GS II** (International Relations)
2. **Topics:** Important International institutions, agencies and fora - their structure, mandate; Effect of policies and politics of developed and developing countries.
3. **Concepts:** Rules-based international order, High Seas Treaty, United Nations Convention against Cybercrime, compliance vs. structural limitations in international law.

Do not write the obituary of international law yet

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Is international law really dying? The question has become increasingly difficult to ignore. The ongoing conflicts in Ukraine and Gaza, instability in West Asia, violence against civilians, and the inability of international institutions to respond effectively, have led many to conclude that international law is no longer relevant.

International law was premised on the idea that relations between states should be governed not merely by power, but by rules and legal principles built on consensus. When wars still take place, the effectiveness of the system is naturally exposed to scrutiny. However, it would be too early to write an obituary for international law.

'It will prevail'

In July 2026, while addressing the International Law Commission recently, United Nations Secretary-General António Guterres remarked that "international law is under pressure – but it will prevail". The second half of the statement deserves as much attention as the first. International law undoubtedly faces serious challenges, but it continues to shape the conduct of states and remains the language through which international disputes are contested.

Paradoxically, wars actually demonstrate why international law still matters. Had it really become irrelevant, the states concerned would not bother to justify their actions by referring to international law. They invoke the UN Charter, sovereignty, territorial integrity, self-defence and international humanitarian law. Even states accused of violating international law rarely argue that the law itself is meaningless. Rather, they claim that their actions are consistent with it. A legal system under which states continue to justify their conduct cannot simply be described as dead.

International law scholars Abram Chayes and Antonia Handler Chayes argued that states often comply with international law not because they are threatened with sanctions, but because they are influenced by the dynamics created within the treaty regimes to which they belong. It is a pertinent observation even today. The significance of international law cannot be determined only by instances of violation; it also lies in providing a framework through which state conduct is assessed, disputes are addressed and cooperation is sustained. The difficulty is that compliance goes unnoticed whereas violations dominate headlines.

The quiet power of international law

The quiet accomplishments of international law are visible every day. Aircraft fly across international boundaries because states comply with international aviation regulations. Ships sail across seas because of international maritime law. Diplomacy functions because governments observe established legal norms. International trade, communications and travel continue because states honour thousands of international obligations. Even as armed conflicts continue to dominate headlines, states still negotiate multilateral legal agreements. Recent endeavours such as the High Seas Treaty, international efforts towards pandemic preparedness, and the United Nations Convention against Cybercrime demonstrate that states continue to rely on international law. International law also affects individuals. The moment a person crosses an international border, international law begins to matter. The recognition of passports, consular assistance, international air travel and the protection of refugees all depend upon international legal rules. We often notice international law only when it fails, but millions of people rely on it every day.

The continued relevance of international law is perhaps most evident in the way states seek peace, which is built through negotiations, commitments and legal arrangements. Whether these are described as peace agreements, ceasefire arrangements, diplomatic understandings or negotiated settlements, even adversarial states recognise the need for legal commitments that establish expectations and obligations for the future. India provides a good example in this respect. India's experience with the Indus Waters Treaty demonstrates that even during periods of political discord, legal frameworks continue to provide a basis for engagement between states. That is precisely why international law remains indispensable for India and the wider Global South. The problems of climate change, pandemics, cyber-attacks, and economic instability cannot be addressed unilaterally by any state. They require cooperation, which in turn depends on agreed rules of conduct. A rules-based international order provides an opportunity to developing states to protect and advance their interests through negotiations rather than power alone.

There are imperfections

The reality is that international law has never been perfect. It has always coexisted with political realities and has frequently been condemned for reflecting unequal power structures. Recent conflicts have reinforced these criticisms, revealing the structural limitations within the UN Security Council and the broader international legal order. However, these are not reasons enough for the abandonment of the system altogether. No legal system can guarantee perfect compliance. Its significance lies in establishing the standards against which conduct can be judged. History suggests that crises have rarely marked the end of international law. More often, they have prompted its adaptation and renewal.

International law is under pressure, but it is far from dead. The greater danger is the growing belief that its violations prove its irrelevance, a conclusion that serves only those who prefer a world in which might makes right. As long as states continue to invoke, interpret and rely on international law, its obituary is being written far too soon.

International law remains relevant in a troubled world

3. How personality cults derail democracy(THE HINDU PAGE NO 9)

1. **GS II** (Polity) & **GS IV** (Ethics)
2. **Topics:** Indian Constitution—historical underpinnings, evolution; Probity in Governance.
3. **Concepts:** Personality cults, constitutional morality, hero-worship/Bhakti in politics, institutional accountability.

How personality cults derail democracy

In 1937, as the country stood poised between colonial subjugation and the uncertain promise of freedom, an essay appeared in *The Modern Review*, titled 'The Rashtrapati' and was signed, cryptically, "Chanakya." Its author, as we know now, was Jawaharlal Nehru, but the reader at that time, was unaware of this. The piece remains one of the strangest acts of political self-examination in modern history: a leader at the height of his popularity writing anonymously about the dangers that his own popularity posed to the country.

Nehru was, by then, much more than a politician. To millions, he symbolised India's aspirations and was the embodiment of its longing for freedom. The adulation for him overflowed and, as the writer of the essay recognised, it was also unsettling. "Therein lies danger for Jawaharlal and for India," he wrote. "For it is not through Caesarism that India will attain freedom, and though she may prosper a little under a benevolent and efficient despotism, she will remain stunted and the day of the emancipation of her people will be delayed."

Nehru wrote in the shadow of Mussolini's Italy and Hitler's Germany, but the anxiety around despotism transcended his own age. The gravest threat to democracy as he understood it, is not always tyranny imposed from above. Sometimes it emerges from below, from the yearning of ordinary people to surrender the burdens of citizenship to a figure who appears larger than life.

Leave devotion out of politics

Politics is a fertile field for mythmaking. Nations tell stories about themselves; stories that crystallise around individuals – Washington crossing the Delaware, Mao's famous crossing of the Yangtze in 1966 and the like. A society pours its hopes and fears into what is perceived as a messianic figure. But democracy rarely survives the elevation of leaders into objects of worship.

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The tragedy of personality cults is that they encourage us to outsource our judgment and to mistake admiration for patriotism

Nehru understood this. The phrase that leaps out from 'The Rashtrapati' is not "despotism" but "stunted." It was not that India might become authoritarian. It was that India might cease to grow. A people habituated to looking for salvation in a single individual would lose habits that sustain republican life: scepticism, argument, participation and responsibility. Freedom was never simply the transfer of power from British hands to Indian hands. It was the emancipation of the citizen's mind.

A dozen years later, on the eve of the Republic's birth, B. R. Ambedkar returned to the same theme, though in a much more severe language. Addressing the Constituent Assembly on November 25, 1949, he offered what remains one of the most profound warnings in Indian political thought. "Bhakti in religion may be a road to the salvation of the soul. But in politics, Bhakti or hero-worship is a sure road to degradation and to eventual dictatorship."

A profound understanding of Indian civilisation inspired these words. Devotion occupies a sacred place in our spiritual traditions. But politics, Ambedkar insisted, belongs to another realm. Scrutiny supplants devotion, and accountability rejects surrender.

More than dictatorship in its classical form, Ambedkar feared the slow erosion of democratic culture. Constitutions can be drafted and elections will be held. But republics depend, ultimately, on habits of the mind. They depend upon citizens who are willing to ask difficult questions, to distrust concentrations of power, and to distinguish between loyalty to a nation and loyalty to a leader.

This age-old anxiety defines our century. Recently, Ezra Klein, reflecting on Christopher Nolan's adaptation of *The Odyssey* and the age of Elon Musk and Donald Trump, suggested that we are witnessing a clash between two visions of human greatness. One prizes restraint, reciprocity and the difficult art of belonging to a community larger than oneself. The other celebrates disruption, conquest, and the charismatic individual who breaks rules and bends institutions to his will.

Making a messiah

The attraction of the modern strongman, whether political or technological, lies in the promise of transcendence. The entrepreneur who will colonise Mars; the outsider who promises to sweep away corruption and inefficiency. In an age of social media, these narratives acquire an almost epic quality. Politics becomes theatre and citizens become spectators.

Homer would have appreciated this irony. Odysseus, after all, is not merely a conqueror. He is flawed, cunning, restless and often consumed by his own legend. The greatness of *The Odyssey* lies not in its celebration of heroic power but in its recognition of heroic limits. The epic ends not with conquest but with homecoming. Its lesson is that no individual, however gifted, can exist apart from the obligations of community.

That is the lesson Nehru and Ambedkar were trying to teach India in their own way. The Republic is an argument against the idea of the indispensable man. It argues that institutions matter more than personalities and that power must remain accountable to something larger than itself. Democracies require visionaries, but they also require sceptics.

The tragedy of personality cults is that they encourage us to outsource our judgment and to mistake admiration for patriotism. They tempt us into believing that history is made by singular heroes rather than by the often invisible labour of millions of ordinary men and women. The true measure of a republic is not whether it can produce extraordinary leaders. It is whether it can renew itself without becoming dependent on them.

4. UPI and the cost of policy reversal(THE HINDU PAGE NO 10)

1. **GS III** (Economy)
2. **Topics:** Indian Economy and issues relating to planning, mobilization of resources, growth, development.
3. **Concepts:** Merchant Discount Rate (MDR), digital payment network effects, zero-MDR regime, financial inclusion vs. taxation.

UPI and the cost of policy reversal

The government's proposal to allow an MDR of 0.25-0.5% on UPI transactions above ₹2,000 reverses a decade-long policy; taxing the payment rail could weaken incentives for banks and fintechs to invest in UPI while undermining its role in financial inclusion, formalisation and wider digital adoption

ECONOMIC NOTES

Parag Waknis

The government has just given itself the legal room to tax the very payment habit it spent a decade building. Tucked into the Taxation and Other Laws (Amendment) Bill, 2026, is an amendment to Section 10A of the Payment and Settlement Systems Act, 2007, which would allow the government to notify charges on specified electronic payment modes. The number being proposed is a Merchant Discount Rate (MDR) of 0.25-0.5% on UPI transactions above ₹2,000. The official stand is that this threshold would touch only about five per cent of transactions by volume, sparing the milk-and-vegetable payments that make up the bulk of UPI's use. But it would cover roughly 65% of transaction value, which is precisely why it matters.

This is not a small, technical fix. It runs counter to a decade-long policy commitment and deserves more scrutiny than it has received.

The policy reversal

Consider the arc. Demonetisation in November 2016 was justified, among other things, as a push towards a less-cash economy. UPI, launched earlier that year, became the vehicle for that push, and its zero-MDR regime was a deliberate subsidy to get merchants and consumers off cash. It worked spectacularly. UPI now processes more transactions each month than most of the world's card networks combined. Having successfully weaned the country away from cash and towards electronic payments, the government now wants to undercut the very success it engineered.

There seems to be a continued pattern of privileging one payment mode over others via policy. India has long taxed even credit cards. Credit card interest and fees attract 18% GST, making the use of credit cards unnecessarily costly. Taxing interest on revolving credit is unusual by international standards; most jurisdictions treat consumer credit interest as a private financial cost, not a taxable service. India taxes it as if using a credit card itself is a luxury.

Now UPI, the payment rail the government spent political capital promoting, is in line for similar treatment. The pattern suggests a need for a more coherent payments policy than giving in to the temptation to tax every transaction that can be observed.

There are at least two problems with this specific move beyond the optics.

Who really pays?

First, basic economic theory tells us that the person on whom a tax is levied and the person who actually bears its cost are not always the same. Moreover, UPI or any payments interface is a two-sided market, and taxing two-sided markets is genuinely tricky.

The MDR would nominally fall on merchants, as argued by the government, collected via banks and the National Payments Corporation of India's ecosystem. But whether that cost gets passed through to merchants, on to consumers, or absorbed by banks and payment service providers depends on competitive intensity on each side of the market. Banks and fintechs compete for merchant relationships and cannot easily raise prices without losing volume to a rival offering free UPI acceptance.

The more likely outcome is that intermediaries – the banks and PSPs that built and maintain the plumbing – absorb the cost, which erodes their incentive to invest in reliability, fraud prevention and expansion into underserved segments. A tax that cannot be reliably passed through does not disappear; it most likely shows up later as degraded service or slower innovation. This is completely counterintuitive if government is proposing this tax as necessary to fund the next stage of UPI growth.

Cost to inclusion

Second, UPI has done real work on financial inclusion at the margin. It has pulled informal transactions into a recorded, traceable digital trail – the very outcome that formalisation and tax-compliance advocates have wanted for years. There have also been attempts to provide credit based on the digital trail created by electronic payments. Every rupee that moves through UPI instead of cash is a rupee the financial institutions can eventually see and use to build a spending profile.

Charging the rail directly could undercut the incentive to use it, cutting against long-standing financial inclusion goals. The government does not need to raise revenue from every rupee that moves electronically; it needs those rupees to keep moving electronically, because that is what delivers the inclusion and compliance dividends it has been chasing since 2016.

Ideally, which payment mode to adopt should be an economic decision for participating actors. Factors such as the size of the business, consumer preferences, and relative cost of using alternative payment systems should determine their usage. Deliberate policy intervention and the current government's war on cash tilted the scales in favour of UPI. Taxing it now – however nominal or small – could change its usage patterns, and policymakers should not be surprised if one outcome is reduced UPI usage.

The proposal is being dressed up as a modest, targeted measure affecting only large-value transactions. But modest measures on payment rails have a way of expanding once the legal architecture exists. Section 10A, once amended, does not expire when this particular MDR proposal is shelved. The better outcome is for the government to leave the payments system alone, let UPI's network effects keep compounding, and find its revenue elsewhere.

(Parag Waknis, Professor & Head, Economics Department, SRM University AP)

The official stand is that this threshold would touch only about five per cent of transactions by volume, sparing the milk-and-vegetable payments that make up the bulk of UPI's use. ⊥ ALLEN EGENUSE

THE GIST

- The proposed framework could allow payment charges to expand beyond the current MDR plan, creating a broader revenue lever once the legal architecture is in place.
- UPI's network effects depend on keeping digital payments cheaper and more convenient than cash, making any new cost a potential distortion in how businesses and consumers choose payment modes.

5. Why does handloom remain a key part of India's economy?(THE HINDU PAGE NO 10)

1. **GS III** (Economy) & **GS I** (Art & Culture)
2. **Topics:** Indian Economy (employment, manufacturing); Indian Culture (heritage).
3. **Concepts:** Geographical Indication (GI) tags, National Handloom Development Programme, non-farm rural employment, Swadeshi Movement.

Why does handloom remain a key part of India's economy?

The sector supports millions of livelihoods, but declining returns and fragmented markets threaten its future

Priyambada Jayakumar

The story so far:

From the Swadeshi Movement's boycott of British textiles to Mahatma Gandhi's adoption of the spinning wheel as a symbol of self-reliance, weaving became an instrument of economic resistance and national identity. National Handloom Day, marked on August 7, commemorates the launch of the Swadeshi Movement in 1905 and honours generations of Indian weavers.

A legacy beyond craft

Today's handloom sector is often viewed as a small artisanal activity – important culturally but peripheral economically. Long before the Industrial Revolution transformed manufacturing in Europe, India's handlooms were among the world's greatest industrial enterprises. Indian textiles travelled across continents, powered global trade and established India's reputation as one of history's foremost manufacturing economies. Handloom was the backbone of India's manufacturing strength and one of the foundations of its global influence.

The sector remains far more significant than it is generally acknowledged. It provides livelihoods to more than 35 lakh weavers and allied workers across over 31 lakh households, with women constituting nearly 70% of the workforce. It remains one of rural India's largest sources of non-farm employment while producing nearly 15% of the country's cloth despite relying largely on manual technology. Few manufacturing sectors create as many jobs with such modest capital investment.

While celebrated traditions continue to enjoy strong recognition, hundreds of lesser-known weaving traditions face gradual extinction. Younger generations are leaving the profession as returns diminish, markets remain fragmented and traditional skills are no longer transferred within families. Every disappearing weave represents not merely the loss of a product but the disappearance of centuries of accumulated knowledge, distinctive design vocabulary, and cultural identity. Therefore, protecting handloom heritage is not only an economic necessity but also our civilisational duty.

The government's recent policy and programme support seems to be making a difference. The National Handloom Development Programme has focused on skill development, design innovation, technology adoption, branding, and improved market access. Greater integration with e-commerce platforms and expanding export opportunities have enabled many artisan clusters to reach consumers who were previously inaccessible.

Several success stories illustrate what targeted intervention can achieve. The revival of *Tangaliya* weaving in Gujarat, the transformation of Badturang village in Odisha's Sambalpur district and the growing popularity of Siddipet *Gollabhama* sarees demonstrate that traditional crafts can thrive when design, market access and institutional support converge. It was more than just a fashion statement when Brad Pitt wore a handcrafted shirt in the traditional *Tangaliya* weave in the *F1* film.

The Office of the Development Commissioner for Handlooms, in collaboration with UNESCO, has initiated the identification and documentation of India's languishing and endangered weaves. This should be extended to every nook and corner of the country. This aligns with Textiles Secretary Neelam Shami Rao's focus on promoting India's rich, Geographical Indication (GI)-tagged handloom and handicraft products and strengthening their presence in domestic and international markets.

Making handloom aspirational

The next phase of policy must shift from preservation to aspiration. For younger consumers, especially Gen Z, handloom must become contemporary, fashionable, and aspirational rather than merely traditional. Celebrity ambassadors, collaborations with leading designers, limited-edition collections, digital storytelling, and partnerships with influencers can reposition India's weaves as premium lifestyle products. The objective should not be to celebrate handloom because it is old, but because it represents craftsmanship, sustainability, and exclusivity. Limited production should become a premium feature.

India must also think beyond domestic markets. The world increasingly values authenticity, sustainability, and handcrafted luxury – all areas where Indian handlooms enjoy a natural competitive advantage. Expanding exports, however, will require consistent quality standards, stronger branding, better GI protection, and vigilant action against cultural misappropriation.

Measuring the contribution

India should leverage its traditional weaves, which for some global markets are ancient imports, to build its soft power. Unlike most manufacturing sectors, India's handloom economy is inadequately measured. Policymakers need reliable data on its contribution to GDP, exports, tax revenues, employment and household incomes. Better measurement will enable better policy and allow the sector to be recognised for the economic value it already creates.

Similarly, establishing a national platform through which States, producer organisations and cooperatives can exchange successful practices would accelerate innovation across the sector.

Handloom is not a relic of India's past; it is a strategic asset for its future. Few sectors simultaneously generate rural employment, empower women, preserve cultural heritage, promote sustainability, and strengthen India's global brand. As the country pursues the vision of Viksit Bharat, handloom deserves to be viewed as a serious economic sector. The measure of success will be how many looms remain active, profitable, and capable of attracting the next generation of weavers.

(Priyambada Jayakumar is a historian, public speaker, handloom advocate, and the author of 'The Man Who Fed India')

6. A triangular hedge in the West Asia tinderbox(INDIAN EXPRESS PAGE NO 10)

1. **GS II** (International Relations)
2. **Topics:** Effect of policies and politics of developed and developing countries on India's interests.
3. **Concepts:** Saudi-Pakistani-Turkish collective defence pact, Middle East geopolitics, strategic hedging against Iran, civil nuclear agreements.

A triangular hedge in the West Asia tinderbox

KULDIP SINGH

THE SAUDI-Pakistani-Turkish collective defence pact's operative sentence, "an armed attack on one signatory shall be regarded as an attack against them all", immediately triggered talk of an "Islamic NATO", albeit a Sunni one, as it appeared to combine Turkish defence technology, Pakistani military prowess and strategic arsenal, and Saudi oil-financial power. Last year, shortly after the Israeli strike on Hamas in Doha, Saudi Arabia and Pakistan had signed a "Strategic Mutual Defence Agreement" at Riyadh. That, too, had contained a NATO Article 5-type declaration, "an attack on one will be treated as an attack on both," though that wasn't invoked when Iran and its assets attacked Riyadh and its energy infrastructure.

The US, prioritising Israel, failed to protect Saudi Arabia and other Gulf states from strikes by Iran and its allies, with the latter disrupting energy shipments. Turkey, a NATO ally with a large military, has often criticised Israel over Gaza, hosted Hamas political figures, and drifted from NATO and the US. Given Israel's increasingly aggressive military stance, for Saudi Arabia and Turkey, this trilateral collective-defence pact is a hedge against Israel. The US-Israeli war, allegedly waged to "prevent Iran from obtaining nuclear weapons," may end up providing the imperative for Iran to "go nuclear". Pakistan, dependent on Gulf remittances and Saudi funds, is the only Muslim country with nuclear weapons.

There are multiple layers to this new pact.

Pakistan and Turkey label their relationship as historic and fraternal, rooted in shared religion, culture, and strategic interests. Their defence relationship started from foundational military training, joint exercises and dialogues in the 1990s, and evolved into co-development and upgrading of vital platforms. Facing US-European arms restrictions and shifting regional security dynamics, both countries have forged strategic alliances. Ankara has also supported Islamabad on Kashmir.

The Pakistan-Saudi relationship, too, is close. While the Saudis have enough money to buy the latest weaponry, the institutional weaknesses typical in authoritarian monarchies (not national armies, but armies of ruling families) led to Pakistan stepping in. Beginning with the 1951 Treaty of Friendship, their defence relationship gained incremental traction, from Pakistan providing training and advisory support to the Royal Saudi Air Force, to regular deployment of military personnel in Saudi Arabia. Post-9/11, both nations reinforced military and intelligence cooperation.

From 2021, the Biden administration pursued a tripartite framework linking the civil nuclear deal to the Saudis normalising relations with Israel via the Abraham Accords. But with Israel dramatically shifting the regional security paradigm, Saudi Arabia, which has traditionally tied its recognition of Israel to Palestinian statehood, hardened its stance. On July 22, the US-Saudi civil nuclear agreement, a 30-year bilateral pact allowing US firms to build and support civilian nuclear reactors in Saudi Arabia, was signed. The next day, in an abrupt turnabout, President Donald Trump declared the Saudis would have to normalise relations with Israel first. Saudi Arabia, which is a party to the Non-Proliferation Treaty but has yet to sign the additional protocol to its 2009 safeguards agreement with the IAEA, has long been linked, indirectly, to Pakistan's nuclear weapons programme.

Pakistan must also be looking at this pact to check India militarily. India's MEA has stated that it is "closely following" the development. As of now, neither the treaty nor its protocols have been published; there is no clarity on the joint command of forces, rules of engagement, intelligence-sharing architecture, and importantly, the procedure for invoking that operative clause. Yet, India cannot be complacent. New Delhi needs to engage Saudi Arabia and Turkey more, while deepening ties with other Gulf states (which may join this pact) and resuscitating its own groupings like the Quad.

New Delhi needs to engage Saudi Arabia and Turkey more, while deepening ties with other Gulf states (which may join this pact) and resuscitating its own groupings like the Quad

The writer, a retired Army officer, was the principal director in the National Security Council Secretariat

7. A pact, divided within, with no single threat(INDIAN EXPRESS PAGE NO 10)

1. **GS II** (International Relations)
2. **Topics:** Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.
3. **Concepts:** Mecca Joint Defence Agreement, collective defence alliances, regional rivalries and security architecture.

A pact, divided within, with no single threat

THE MECCA Joint Defence Agreement signed between Saudi Arabia, Pakistan and Turkey — between an oil-rich economic powerhouse, the only Islamic country with a nuclear weapon and a NATO member with the second-largest military — is significant. The agreement proclaims a NATO-like principle of collective defence: "Any armed attack against any one of the three states shall be regarded as an attack against them all." But it lacks the one thing that makes collective defence alliances work: A shared threat. Saudi Arabia and Israel (which has called Turkey the new Iran) may not have official diplomatic relations with each other but they engage in security cooperation, while both Pakistan and Turkey's relationships with Iran — which has pummelled Saudi Arabia with ballistic missiles — are complicated. Consider, also, the fact that Pakistan, despite its mutual defence pact with Saudi Arabia last year, has not responded militarily to Iran's attacks on the kingdom. The Saudis did not help Pakistan, either, when the latter country went to war with Taliban-ruled Afghanistan.

The pact will boost defence cooperation, intelligence-sharing and joint production of weaponry. But the tangled web of regional relationships and rivalries in a changing West Asia characterised by growing American unpredictability means that it is a far cry from a NATO-style alliance. For now, it is better understood as a hedge against a changing regional order and a response to Iranian and Israeli military manoeuvres, as well as the failure of the Donald Trump administration in assuring the security of the Gulf states against either actor. Each of the three signatories has its own calculus in the region: Riyadh, which recently signed a civil nuclear deal with Washington, is trying to assert its leadership; the pact embeds Islamabad more deeply in the emerging security architecture; and it advances Ankara's long-standing ambition to play a larger security role in West Asia.

India should not be overly concerned. It should cultivate stronger ties with the countries of the region, deepen its economic and strategic engagement with the Gulf and maintain working relationships across the regional rivalries.

8. For energy security, way forward is not public or private, but both(INDIAN EXPRESS PAGE NO 11)

1. **GS III** (Economy/Energy)
2. **Topics:** Infrastructure: Energy; Indian Economy.
3. **Concepts:** Strategic petroleum reserves (SPR), energy security, PSU presence in upstream oil and gas, ethanol blending, privatisation vs. sovereign capacity.

For energy security, way forward is not public or private, but both

SUBHASH KUMAR

ILLUSTRATION: C R SASIKUMAR

THE ARTICLE, 'Privatisation and petroleum: Let's resurrect an old question' by Vikram S Mehta (*IE*, August 3) asks whether India should privatise the Oil and Natural Gas Corporation (ONGC) and Oil India Limited amid the recent geopolitical uncertainties. It also brings out the need for strategic petroleum reserves (SPR). These are two important and independent questions, but the column treats the continuity of ONGC and OIL as state-owned entities and SPR as an either-or question. There appears to be a misplaced underlying assumption that government ownership of these Maharatnas stands between India's energy security and the need to create a resilient energy supply ecosystem. I argue for both a strong PSU presence in India's upstream oil and gas sector and the expansion of strategic petroleum reserves to withstand potential supply disruptions.

The column argues that finding costs in ONGC's focus areas in the Godavari, Mahanadi and Andaman basins could be as high as $60-80 a barrel. With forward Brent near $70, even a discovery may not be commercially viable, it states. A barrel in the Andaman deep water that's not commercially viable at $70 for PSU oil companies will not be viable for the same amount for a private entity. Geology and the forward curve are indifferent to the shareholding pattern. In fact, a nation may be better placed to withstand such crises when strategic assets are controlled by PSUs. Governments can use them to pursue broader national objectives, whereas private companies are ultimately guided by shareholder interests and the bottom line.

Finding cost links two variables: Expenditure on exploration and the size of the discovery. But once exploration is complete, investment decisions are based on the discovery's size, expected future capex and opex, and anticipated revenues. Past exploration costs matter for calculating finding costs, but not necessarily for deciding whether to develop a discovery. Finding costs can even be effectively infinite where exploration fails; such sunk costs do not determine future investment decisions, though they remain relevant for assessing exploration performance and under cost-recovery regimes, where operators can recover eligible costs.

Privatising an entity such as ONGC would mean more than transferring ownership of one company; it would dismantle an ecosystem of institutions and strategic assets built around it. ONGC holds about an eighth of Petronet LNG and a seventh of IOC. The government would also lose OTPC, the Northeast's only large gas-based power producer, which serves an important strategic role in regional power supply. Two lesser-known jewels — Dahej SEZ and Mangalore SEZ, among the country's best-performing SEZs, with which the author was associated as their first company secretary — would also pass out of public ownership. These entities operate at arm's length from government, but remain available as strategic levers in a crisis. Privatisation would therefore weaken the government's influence over roughly 40 MMtoe of domestic oil and gas production — far outweighing the proposed strategic reserve capacity.

Strategic reserves and domestic production serve different but complementary purposes. A cavern stores a fixed volume and must be refilled, often at prevailing market prices. Strategic reserves may generate revenue, but their primary purpose is insurance against supply disruptions. A producing field serves a different, longer-term function: It reduces India's import requirement every year over the field's life and provides additional resilience during disruptions. As a major energy importer, India could also require long-term suppliers to maintain strategic stocks earmarked for Indian markets, either in their home countries or at suitable overseas locations. This could be a soft obligation or a contractual condition for long-term offtake agreements. Such an arrangement could reduce the cost of building storage capacity in India while strengthening supply resilience and providing greater certainty during global energy disruptions.

> If geopolitics can disrupt maritime routes, weaponise chokepoints and sharply reduce shipping through the Bab el-Mandeb, energy security cannot be left entirely to market incentives

India's oil and gas exploration was constrained less by geology or technology and more by limited access to prospective areas. That constraint has now eased substantially, with 99 per cent of the offshore no-go areas cleared and nearly 1 million sq km opened for exploration. Seismic surveys can identify prospects that may yield discoveries over several years, while advances in technology can improve recovery from existing fields. Where specialised expertise is needed, PSUs such as ONGC can partner with global firms, as demonstrated by its 2025 Mumbai High technical services agreement reportedly helping moderate production decline.

The column's own diagnosis goes against its remedy. If geopolitics can disrupt maritime routes, weaponise chokepoints and sharply reduce shipping through the Bab el-Mandeb, energy security cannot be left entirely to market incentives. State-owned producers give governments strategic room to act — maintaining output despite weak prices, redirecting supplies or absorbing temporary losses. In such an uncertain world, sovereign capacity is not a liability but an asset.

Renewable energy and domestic fuel alternatives must be central to India's energy security strategy. Ethanol blending, which has reached 20 per cent well ahead of the 2030 target, has already displaced 310 lakh tonnes of imported crude, saved over Rs 1.90 lakh crore in foreign exchange, transferred more than Rs 1.6 lakh crore to farmers and avoided over 930 lakh tonnes of CO_2 emissions. Unlike strategic storage, which provides a buffer against disruption, domestic blending reduces dependence on imported barrels altogether. These initiatives can underpin a more secure, low-emission energy transition, provided they are expanded through careful planning, stakeholder coordination and calibrated implementation.

India must pursue a two-pronged strategy: Strengthen domestic production while expanding strategic reserves. This makes it essential to reinforce proven producers such as ONGC and OIL, rather than privatise them in ways that could dilute their strategic focus. However, even under optimistic scenarios, India will remain dependent on imported energy for years and must build adequate storage capacity to withstand prolonged disruptions. The government need not interfere in day-to-day operations, but it must retain the instruments needed to guide the energy value chain in the national interest. The way forward is not either public or private, but both: Back institutions that have delivered over decades while creating space for new players in exploration, production and storage. The recent crisis only underscores this dual imperative: Strengthen strategic institutions and build reserves capable of absorbing shocks larger or longer than those India has faced before.

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9. The MSME opportunity lies in clustering them(INDIAN EXPRESS PAGE NO 11)

1. **GS III** (Economy)
2. **Topics:** Indian Economy (manufacturing, employment, MSME sector).
3. **Concepts:** MSME clustering, knowledge spillovers, cluster-based lending, MSME Cluster Development Programme, PM MITRA textile parks.

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The MSME opportunity lies in clustering them

THE RECENT protests at Jantar Mantar reflected a deeper problem than the paper leak controversy: Youth unemployment. A large share of unemployed Indians are young and educated, while underemployment remains widespread. With AI-driven disruption threatening existing jobs, India needs strong job creation engines, and the MSME sector is one of the best candidates. The Micro, Small and Medium Enterprises Development (Amendment) Bill, 2026, can help by addressing delayed payments, easing dispute resolution, and reducing some compliance burdens. But more needs to be done. India's 63 million MSMEs employ more than 320 million people, contribute about 31 per cent of GDP, 35 per cent of manufacturing output, and 49 per cent of exports. Yet the sector remains largely informal, fragmented, and concentrated in low-value activities. Smaller firms face major obstacles, especially limited access to affordable credit and the burden of GST, labour, environmental, and tax compliance.

The US and China did not create industrial strength by supporting isolated firms; they built clusters — dense ecosystems where suppliers, labour, research institutions, and capital are located close together and reinforce one another. The US experience shows how universities can anchor clusters. In North Carolina's Research Triangle, institutions such as Duke, UNC-Chapel Hill, and NC State helped build biotechnology and pharmaceutical ecosystems by connecting research with industry. China's Guangdong shows how industrial zones with land, tax incentives, and infrastructure can create thick supplier networks, allowing firms to design, fabricate, and prototype quickly. China's "Little Giant" programme also supports technically strong small firms in narrow niches through financing, tax support, and R&D assistance.

Clusters create knowledge spillovers. Technical know-how spreads quickly through worker mobility, informal interaction, and shared service providers. Clusters also attract and retain talent. An isolated MSME struggles to hire specialised workers, but a cluster creates a real labour market and makes the location more attractive. Third, clusters lower fixed costs by sharing infrastructure such as testing labs, effluent-treatment plants, cold storage and logistics hubs.

> Clusters create knowledge spillovers. Technical know-how spreads quickly through worker mobility, informal interaction, and shared service providers. Clusters also attract and retain talent

India already has cluster-based initiatives such as the MSME Cluster Development Programme and PM MITRA textile parks. However, many of these function more like infrastructure grants than true ecosystem builders. The following policies may help. First, India should move from generic industrial estates to specialised clusters. Resources should be concentrated in sector-specific hubs such as auto components in Pune and electronics in Sriperumbudur. Second, India should create its own version of the Little Giant programme. Policy should identify "hidden champions" already performing well in specialised fields like precision castings or defence components. These firms could receive dedicated credit lines, faster patent processing, R&D support, and priority procurement.

Third, financing should be addressed at the cluster level. The MSME credit gap is large, but banks still assess firms individually. Cluster-based lending, which evaluates shared collateral, buyer-supplier ties, and collective performance, can reduce information asymmetry and lower risk. The Tiruppur textile cluster offers a useful model that could be expanded through SIDBI and cluster-focused NBFCs. Fourth, universities must be brought to the centre of the MSME ecosystem. In India, top universities often remain disconnected from nearby industry. In contrast, Chinese and US cluster models rely on universities as suppliers of talent, lab infrastructure, and innovation. In short, India's MSME strategy should shift from isolated support to ecosystem-building. Strong clusters, better finance, and closer university-industry links can help MSMEs become engines of jobs, productivity, and exports.

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