

EDITORIAL HIGHLIGHTS

01-07-2026

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India's 'Israel habit' meets West Asian realities

When leaders make foreign policy decisions, each may appear reasonable in isolation. However, their cumulative impact can be strikingly different from what was originally intended. As Iranian President Masoud Pezeshkian invited Prime Minister Narendra Modi to the funeral of former Supreme Leader Ayatollah Ali Khamenei, India's deepening engagement with Israel perhaps falls into that category. What was once a mutually beneficial partnership between New Delhi and Tel Aviv seems to have become more of a habit than the product of serious strategic deliberation. Yet, sound policy cannot be guided by the momentum of habit, for habit and strategy often pull in opposite directions.

A reconfigured region

For one thing, it is important to acknowledge the gains from the partnership between India and Israel. India has received considerable military technology and know-how from Israel, as well as expertise in intelligence gathering derived from their extensive counter-insurgency experience. However, the more important question is not only what this relationship provides today, but also what it forecloses over time. Judged on those terms, the picture is not particularly encouraging.

West Asia has been undergoing one of its most intense geopolitical reconfigurations in years, and this one is different in scale. For the past decade, the region's regional arithmetic has rested on the assumption that Iran was a wounded, sanctions-strangled actor whose reach could be curtailed and ambitions contained. That assumption has now been tested and found wanting. American and Israeli military strikes on Iranian facilities have not produced the strategic calm that Tel Aviv had hoped for at the outset of this costly campaign. Iran responded with retaliatory missile and drone salvos and, more importantly, demonstrated that any blockade of the Strait of Hormuz could not be easily overcome by the rhetoric of carrier groups. Once again, the geography of energy has become the geography of coercion. The terms of the final agreement quietly confirm that Iran was not broken.

The last three months have made it clear that the United States-Iran confrontation is not a distant geopolitical contest for New Delhi. It has had a direct impact on India's economy. Most of India's oil imports pass through routes vulnerable to any prolonged conflict in the Gulf. Whenever the Strait of Hormuz becomes a flashpoint, the consequences are felt directly in Indian households. It is here that the strategic canvas becomes more complicated, with every diplomatic choice carrying economic consequences. Strategic flexibility requires shunning comfortable alignments.

Many strategic analysts have long believed that Washington's policy towards Israel is fixed and



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unchanging – a constant around which all regional policy revolves. That assumption now needs to be revised. The public differences between Washington and Tel Aviv, reflected in U.S. President Donald Trump's frequent outbursts against Israeli Prime Minister Benjamin Netanyahu, are no mere diplomatic squall. They appear to be genuine, notwithstanding Mr. Trump's well-known idiosyncrasies, because Washington's strategic calculus in West Asia has changed faster than expected.

The U.S. urgently needs off-ramps, while Mr. Netanyahu, whose political survival is bound up with escalation, has little interest in de-escalation without achieving his maximalist objectives. The friction becomes evident when the patron and the client are at odds, and the once-blank cheque starts to float.

Iran cannot be ignored

Thus, the perception of a shift towards Israel, reflected in Mr. Modi's unexpected visit to Tel Aviv (February 25-26, 2026) just before the U.S. and Israel launched their coordinated attack on Iran (February 28, 2026), becomes riskier when it is made more explicit, as it could place India on the wrong side of a regional reconfiguration that neither Israel nor any third party can control.

While Mr. Modi's personal absence from Ayatollah Ali Khamenei's funeral is unsurprising, the choice of India's representatives is itself a deliberate signal. Pairing Minister of State for External Affairs Pabitra Margherita with Bihar Governor Lt. Gen. Syed Ata Hasnain (retired) – himself a soldier-scholar shaped by counter-insurgency experience – may be read as a calibrated posture of political reassurance, while also subtly reflecting India's religious pluralism.

In other words, it reflects a posture that has internalised the war's central lessons without yet being willing to say aloud that Tehran's coercive capacity, demonstrated through the Strait of Hormuz and the missile exchanges, cannot be managed through the optics of Tel Aviv alone. This choice conveys an important diplomatic message of reassurance to Iran, which has demonstrated that it remains a regional heavyweight.

Moreover, Iran is a civilisational state with deep-rooted political and ideological networks across Iraq, Lebanon, Syria, and Yemen, as well as the proven capacity to generate economic pressure that can bypass conventional military deterrence.

A nation that can dictate ceasefire terms to Mr. Trump after absorbing punitive strikes from the U.S. and Israel is not a nation that can be casually discounted. China also appears poised to expand its strategic and economic footprint in Iran, making it imperative for India to exercise greater caution. Greater alignment with Israel risks pushing Tehran further into the China-Pakistan strategic embrace.

There is also the matter of Europe, an underutilised and undervalued element in India's economic planning. India must recognise that Europe's political landscape has turned against Israel's actions in Gaza and Lebanon in ways, and at a pace, that would have been unimaginable two years ago.

More than sentiment, electoral arithmetic is at work. And electoral arithmetic often shapes trade policy and, eventually, the tone of bilateral negotiations. India's status-seeking desire to be seen as a responsible international actor, rather than merely a vast market, and its economic ambitions in Europe – including the operationalisation of the India-European Union Free Trade Agreement – may come under closer scrutiny in the context of its West Asia policy than New Delhi anticipates.

What is unusual about the present moment is that India has no option but to act strategically, independently, and decisively. It has leverage because it has maintained good relations with many Arab Gulf states, from which millions of Indian workers send remittances home. Although Saudi Arabia may once again have found tactical reasons to accommodate Rawalpindi (Pakistan), India's relationship with the United Arab Emirates has grown even stronger.

New Delhi's historical ties with Tehran, though constrained by shifting regional dynamics, have not been completely severed. More fundamentally, India's sheer size combined with its geostrategic attributes makes it an indispensable stakeholder in any emerging regional order. What India needs now is the political will to wield its leverage effectively in pursuit of clearly defined national objectives.

Beyond binary choices

India needs a sufficiently ambitious strategic imagination. But that does not mean choosing between Israel and Iran, for that would be far too simplistic, and history rarely rewards such simplifications. Herein lies the distinction between an adaptive, alignment-driven foreign policy – the kind that follows and adapts to alignments forged by others – and an architectonic foreign policy, which seeks to shape its own strategic environment.

For a country that claims to be 'Vishwabandhu', it is important to recognise that the credibility of such a claim will be tested in moments such as these, when the world is watching India's words and actions. New Delhi's most valuable strategic asset in the coming multipolar decade is its authentic voice as a champion of the Global South, and every visible alignment with Israel in a conflict in which the Global South overwhelmingly sympathises with the Palestinians risks putting that precious capital in jeopardy. The defence technologies provided by Tel Aviv are undeniably valuable. But the strategic price of appearing aligned in a conflict that has reshaped West Asia is no less real.

A changing West Asia demands strategic imagination, flexibility, and diplomatic balance from India

Reimagining sovereign AI for India's strategic future

The United States government recently directed American Artificial Intelligence (AI) behemoth Anthropic to suspend access to its most advanced GPT-4 and Mythen 5 models for foreign nationals on national security grounds. A U.S. Presidential order also creates a voluntary mechanism for the U.S. federal government to access such models up to 30 days before trusted partners can. The Trump administration is simultaneously considering equity stakes in leading AI companies, ostensibly to redistribute the supernormal profits expected from technological advances.

These policy shifts are the latest and most dramatic in a series of sovereign actions demonstrating that governments are increasingly shaping AI policy around national advantage. Europe is moving away from its "regulate first, ask questions later" approach by investing in AI compute and promoting "Buy European" public procurement. Meanwhile, in keeping with President Javier Milei's swashbuckling style, even Argentina aims to attract AI investment by offering a regulatory safe harbour.

Navigating AI geopolitics

Aggressive AI policy is the new normal. As a large IT services economy that does not have its own frontier AI systems – those requiring upwards of ten septillion floating-point operations to train – India must review global developments and articulate a coherent policy response that allows it to benefit from frontier technology without letting its economic capabilities depend on policy decisions made elsewhere.

India's IT and app companies are well positioned to scale the everyday use of AI, raising domestic productivity and competitiveness. But rapid diffusion and model dependence pull in opposite directions: using foreign AI models today is the only way to build the economic surpluses needed to depend on them less in the future. Businesses must use the best AI available



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India must leverage global AI while reducing strategic technological dependence over time

to outcompete rivals. They cannot, however, manage the geopolitical risks that accompany dependence on those technologies. This is where public policy must step in. India's discourse is stuck in a false binary between globalisation and industrial policy. India's industries must benefit from both at the same time.

The lesson is already visible in another strategic industry: Indian pharma is deeply dependent on ingredients from China, and at the same time, navigates wavering policy regimes for market access in the U.S. A Production-Linked Incentive promotes domestic manufacturing of bulk drugs but NITI Aayog's latest assessment finds that India still sources 65% of critical ingredients from China. Industrial policies can create footholds, not instant resilience.

Building strategic AI linkages

Frontier AI presents the same strategic dilemma, but on a much larger scale. India's spends 0.6% of GDP on research and development, and the private sector accounts for a third of this. OpenAI alone projects its compute spending at \$50 billion this year, over six times India's annual private R&D spend. The implication is straightforward.

India cannot outspend frontier AI investment, so it must instead deepen its backward linkages to frontier AI through government action while strengthening its forward linkages to global markets for its products and services. This starts with a whole-of-government approach, in which ministries such as external affairs coordinate closely with commerce and it, and perhaps even defence, energy, and telecom, to better serve the technology industry.

Coordination alone, however, is insufficient. Firms can manage commercial risk through contracts and diversified supply chains. They cannot insure themselves against geopolitical risk or concentrated technological dependence; that is the sovereign's role. Like export credit and hybrid-annuity infrastructure models, the

government should help underwrite risks that private firms cannot efficiently bear alone. Export credit recognises that firms cannot shoulder geopolitical risks on their own and insures them against disruption. Hybrid-annuity contracts do the same for long-gestation infrastructure by having the state fund part of a project and make fixed payments over time, rather than leaving private capital to bear the full risk.

Industry must step up

And while the government can create the conditions for success, competitiveness must ultimately come from firms themselves. For its part, the Indian tech ecosystem needs to pay attention to quality and innovation that makes services and products valuable to the world.

There is less room for complacency than India's technology industry often assumes. The Philippines generates \$40 billion in IT exports – already nearly a sixth of India's IT exports – and is growing faster than the global industry.

Similarly, Indian app companies have barely made a dent abroad. No Indian app features among the top 10 by downloads, in-app purchase revenue, or monthly active users. This calls for greater ambition from the industry itself.

Indian technology also needs a more coherent strategic voice. Incumbent IT firms remain preoccupied with visas and market access, while start-ups are consumed by regulatory frictions and fundraising. Yet, both ultimately share the same interest: ensuring that India remains deeply connected to the world's leading AI ecosystems while steadily building greater domestic capability.

The real contest in AI is not simply over who builds the best models. It is about who captures the economic and strategic advantages they create. India's objective should be clear: remain deeply integrated with global AI ecosystems while steadily reducing the strategic vulnerabilities that such integration creates.

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The fiscal tightrope for State govts.

Most State government expenditure is on social sectors, such as health and education, and economic sectors, such as agriculture and irrigation. In Kerala, such spending has driven social progress since the 1960s. The gap between expenditure and receipts is usually financed through market borrowings.

ECONOMIC NOTES

Jayan Jose Thomas

Kerala and Tamil Nadu are among the most socially and economically advanced States in India. Yet, the finances of both governments, like those of most other States, are under stress. The White Papers recently released by the two governments described their outstanding debt as alarming. State government debt is often vilified as the result of fiscal mismanagement. But it may, in fact, reflect a mismatch between development aspirations and the limited fiscal capacity of State governments.

The fiscal dilemma

Debts build up over the years with deficits, which arise when the government's expenditure overshoots its tax and other receipts. In India, while the power to raise taxes rests largely with the Union government, a larger share of overall government spending is borne by the State governments. A majority of the State government expenditure is on social sectors, such as health and education, and economic sectors, such as agriculture and irrigation, all of which have a direct impact on people's lives and livelihoods. In Kerala, the high levels of State government spending on social sectors since the 1960s have been a central constituent of the public action driving social progress. Compared with the corresponding average for all Indian States, per capita State government social expenditure was higher in Kerala and Tamil Nadu (by 30% and 20%, respectively). In contrast, it was markedly lower in Bihar and Uttar Pradesh (by 35% and 40%) for the period 2020-23, according to an analysis based on State Finances: A Study of Budgets, Reserve Bank of India.

States meet their expenditures partly through their own revenues – which mainly include State Goods and Services Tax (SGST) and sales tax – and through fiscal transfers, grants, and loans from the Union government. Kerala has a sufficiently good record of mobilising own-tax revenues, which, on a per capita basis, are 1.5 times the average for all Indian States and Union Territories. However, its share in the Union government's tax devolution to States was 1.92%, lower than its 2.6% share of India's population in 2023-24.

The excess of expenditures over receipts has been met through market borrowings by the States, on which the States pay interest (Charts 1 and 2).

Of the limited financial resources at its disposal, Kerala has been able to direct only 10% towards capital expenditure to enhance future production capabilities. The rest was spent on revenue, or day-to-day expenditure. Approximately a fifth of the State's budget expenditure was on the salaries of government employees, mainly teachers, nurses, doctors, and police personnel. Pensions accounted for 15.3%, while interest on market borrowings accounted for 16.5% of the total budget expenditure (Chart 2).

The investment challenge faced by Kerala

Kerala is thus caught in a fiscal dilemma. If it tries to create more fiscal space by reducing revenue expenditures – cutting pensions, retrenching employees – it risks eroding its strengths in the social sector. At the same time, Kerala urgently requires large-scale, State-directed investments in infrastructure, higher education and research, and public transport, if it is to realise its potential in modern, knowledge-intensive economic sectors. Educated young people are leaving Kerala in large numbers because the State is unable to create educational and employment opportunities that meet their aspirations.

In Kerala, the government's weak fiscal capacity contrasts with unmistakable signs of private affluence (lavishly built houses, expensive cars, and a high density of gold shops), threatening to exacerbate inequalities.

The ratio of credit to deposits of scheduled commercial banks in Kerala is only around 66%, compared with the national average of 76% and ratios exceeding 100% in Maharashtra and Tamil Nadu (2023). The excess of bank deposits over bank credit is one indicator of the volume of unutilised savings in Kerala. Between 2016 and 2026, the State government's capital expenditure could have been at least doubled if Kerala had been able to channel at least part of its surplus savings into investment (Charts 3 and 4).

The borrowing opportunity for China's local governments

In China, the bigger chunk of the massive investments that have boosted economic growth has been undertaken by provinces and lower-level local governments. Local governments borrow heavily to finance these investments, drawing on the large pool of domestic savings held by Chinese banks, while their efforts are coordinated through central government planning. China's local governments raise resources through the sale of local government bonds (LGBs), land sales, and off-budget

The fiscal dilemma

While the power to raise taxes rests largely with the Union government, States bear much of the spending on key social and economic sectors. The debt burden of States may reflect the gap between development needs and limited fiscal capacity.

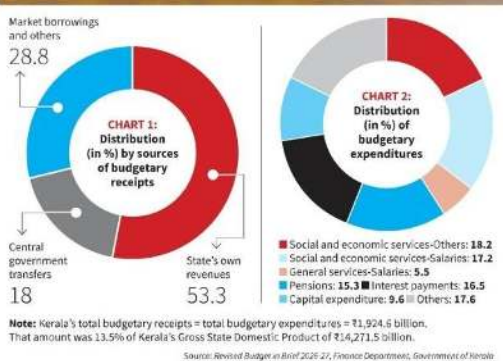


CHART 3: Deposits mobilised in excess of credit disbursed in Kerala by scheduled commercial banks

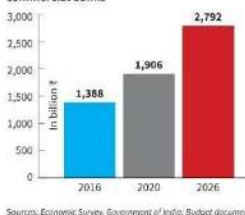
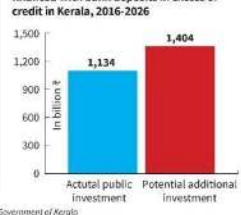


CHART 4: Actual investment and potential additional investment that could have been financed with bank deposits in excess of credit in Kerala, 2016-2026



borrowing via local government financing vehicles (LGFVs), supplementing fiscal transfers by the central government.

In India, not only have there been limits on borrowing by State governments, but the cost of their debt has also been markedly high. State governments pay interest of 6.5% to 7.5% on the securities they issue, known as State Development Loans (SDLs), to borrow from the market. This is 0.25 to 0.75 percentage points higher than the rate at which the Union government borrows and significantly more expensive than the cost of borrowing by Chinese local governments from their banking system (around 2%).

The high interest burden further tightens the debt noose around State governments.

The State and Union government bonds issued in India are largely purchased by domestic financial institutions, including commercial banks

and insurance companies, which deploy the savings they mobilise from the public to support government finances. In effect, the debt the government owes is a debt to its own people. A government that borrows to fund projects that expand welfare and opportunities is serving a far greater cause than a tight-fisted government.

A family would prefer that its savings, rather than being wiped out to send their child to study in a distant land, be used to establish a public university in their district.

We need fiscal structures that enable State governments to access domestic savings more easily and at a lower cost to fund meticulously planned development projects.

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THE GIST

- State government debt builds up over the years when expenditure exceeds tax and other receipts. While the Union government raises most taxes, States bear a large share of public spending.
- States meet their expenditures partly through their own revenues, including State Goods and Services Tax (SGST) and sales tax, and through fiscal transfers, grants, and loans from the Union government.
- The excess of expenditures over receipts has been met through market borrowings by the States, on which the States pay interest.



The Indo-Pacific is here to stay, with or without Washington



RAJA MANDALA
BY C RAJA MOHAN

JAPANESE PRIME Minister Sanae Takaichi's visit to India this week highlights one important fact — the Indo-Pacific as a geopolitical construct will live on. Whatever Washington's reasons are for restoring the name Pacific Command, the logic of the Indo-Pacific will continue to drive key regional actors like India and Japan.

Prime Minister Narendra Modi's visit later this month to Indonesia, Australia and New Zealand will reinforce the proposition. In sum, the Indo-Pacific will remain a critical theatre of India's national economic and security strategy.

It was the Trump administration that officially adopted the Indo-Pacific lexicon in 2017, during its first term. At the time, many in India's strategic community viewed the concept with deep suspicion. Was Washington trying to lure India into an anti-China alliance? Was this another attempt to compromise India's strategic autonomy? Today, the anxiety has simply reversed. If Washington no longer emphasises the Indo-Pacific, does it mean America is abandoning Asia? Is it preparing to build a condominium with China?

Both reactions overestimate Washington's power to define India's strategic environment. What they reveal is a self-generated anxiety in Indian strategic discourse that swings wildly between concerns about

American "entrapment" and fears of American "abandonment".

The Indo-Pacific construct, when it emerged in the early 2000s, reflected the changing distribution of economic and military power in Asia driven by China's rise and assertion. What Americans call that reality matters less than the fact that Beijing's neighbours have no option but to deal with it — with or without American support.

In any case, the Indo-Pacific was not an American invention. Its modern political articulation came from Japan. In August 2007, during his historic address to the Indian Parliament, the late Shinzo Abe spoke of the "Confluence of the Two Seas". His argument was both simple and profound: The destinies of the Indian and Pacific Oceans had become inseparable, and the democracies along their littorals needed to work together to preserve an open regional order.

For Abe, this was not diplomatic rhetoric. It reflected Japan's assessment that China's rise had fundamentally altered Asia's strategic balance. The old Cold War alliance system centred exclusively on northeast Asia would no longer suffice. Japan needed stronger partnerships with India, Australia, Southeast Asia and Europe while reinforcing its alliance with the United States. The Indo-Pacific became the organising principle for that broader strategy.

Nearly two decades later, Prime Minister Takaichi has become the principal custodian of Abe's vision. Rather than retreating in the face of Washington's change of emphasis, Tokyo has doubled down. Speaking at Vietnam National University in Hanoi in May, Takaichi unveiled an updated "Free and Open Indo-Pacific" strategy, reaffirming the concept's validity despite shifts in American policy. Her updated

framework places new emphasis on resilient supply chains, critical minerals, economic security, maritime cooperation and stronger partnerships across the region.

Japan's credibility rests not merely on its diplomacy but on the transformation underway at home. Under Takaichi, Tokyo has accelerated the most ambitious expansion of Japanese defence capabilities since World War II. Defence spending crossed the 2 per cent of GDP threshold ahead of schedule. Long-range strike capabilities — including Tomahawk cruise missiles and extended-range indigenous missiles — are being deployed. Japan is reorganising its maritime forces, expanding its space capabilities, strengthening defence-industrial cooperation with partners, and building new security networks with Australia, South Korea, the Philippines and India. Tokyo's message is clear: Preserving a stable Indo-Pacific requires Japan to become a stronger strategic actor in its own right, not merely a dependent ally of the US.

The outcomes from Takaichi's visit will reflect that strategy. Tokyo and Delhi are preparing a joint declaration on economic security that, according to Japanese officials, will register their shared opposition to economic coercion. The two sides are expected to identify priority sectors, from semiconductors and critical minerals to clean energy, and to commit to coordinating their response when coercion is used.

Ironically, perhaps the strongest validation of the Indo-Pacific idea comes from China itself. Beijing dismisses the Indo-Pacific as an artificial construct. Yet, its own policies increasingly integrate the two oceans into a single strategic theatre. Over the past two decades, China's dependence on Middle Eastern energy and African re-

sources has steadily grown.

Beijing has built overland economic corridors linking western China to the Indian Ocean, established its first overseas military base in Djibouti, maintained a continuous naval presence across the Indian Ocean and developed an expanding network of dual-use commercial facilities stretching from Southeast Asia to the east coast of Africa. Chinese strategy increasingly treats the Indian and Pacific Oceans as one connected maritime space — which is precisely the logic underlying the Indo-Pacific concept.

India recognised this transformation nearly a decade ago when it formally embraced the Indo-Pacific as the widening arena of its strategic interests. There is little reason to abandon that framework simply because Washington has altered its vocabulary.

Delhi need not become captive to American enthusiasm or American indifference.

The Indo-Pacific ultimately rests not on American terminology but on Asian geography and Asian power politics. As China expands simultaneously into the Pacific and the Indian Ocean, and as Japan emerges as an increasingly capable strategic actor, the integration of the two oceans will only deepen.

The Indo-Pacific, then, is a structural reality of Asian politics, not a shifting American narrative. India should focus on building its own capabilities and deepening partnerships with like-minded Indo-Pacific countries to strengthen the regional balance of power.

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Delhi need not become captive to American enthusiasm or indifference. The Indo-Pacific ultimately rests not on terminology but on Asian geography and Asian power politics

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Before AI window closes, build sovereign compute

WE ARE in the midst of a civilisational transition. The last of this magnitude was the Industrial Revolution, which took two centuries to play out. This one will take two decades. According to the Stanford AI Index, the cost of querying a model at GPT-3.5 level performance fell from \$20 per million tokens in November 2022 to just \$0.07 by October 2024. Generative AI has reached 53 per cent population adoption in only three years, faster than the PC and the internet at comparable stages of their lifecycles. India contributes a vast share of the world's digital exhaust, linguistic diversity and human context to global AI systems, yet the frontier model layer remains heavily concentrated elsewhere, like the US. Yet India has four advantages few countries can match.

First, talent. India ranks first globally in AI skill penetration at 2.8 times the global average, ahead of both the US and Germany, and its AI talent concentration has risen sharply over the past decade. India is no longer simply exporting engineers to the world. It is increasingly absorbing talent domestically as global capability centres, start-ups and major firms build AI teams inside the country.

Second, regulation. While many jurisdictions are moving toward heavy *ex ante* controls, we have chosen feather-touch regulation. The RBI Regulatory Sandbox, the IFSCA innovation frameworks, and the IndiaAI Mission's guidelines are all designed

Winners are usually those who build durable ecosystems at the moment when technology becomes broadly usable. India still has that window, but it will not stay open forever

for the same objective: Build first. Govern what emerges.

Third, infrastructure. India is seeing a major build-out of the physical foundations of the AI economy in the form of data centres, semiconductors, cloud capacity and high-performance computing. In data centres alone, nearly \$70 billion of investment is already underway, with an additional \$90 billion in announced projects. The total committed investment from the private sector has crossed \$160 billion.

Fourth, energy. Data centres require reliable, round-the-clock power, making energy policy central to AI competitiveness. India added 55.3 GW of non-fossil capacity in 2025-26, taking non-fossil installed capacity to 283.46 GW by March 2026. Data centres can also be the anchor demand for renewable energy, storage and grid modernisation.

Today, no country controls the entire AI value chain. Advanced lithography comes from the Netherlands. Key chip fabrication is concentrated in Taiwan and South Korea.

In several domains, India is indispensable because of its scale, linguistic diversity and lived complexity. The idea that one nation will monopolise AI is false. What will matter instead is which countries become indispensable nodes in a deeply interdependent system.

Aadhaar, UPI, Account Aggregator, and ONDC have shown that India can build interoperable, popu-

lation-scale digital rails and then let private innovation flourish on top. The next logical step is to apply the same philosophy to AI through shared sovereign compute, high-quality public datasets, multilingual models and open infrastructure on which start-ups and researchers can compete.

An AI system that works only in English, only in metros and only for formally documented consumers is not an Indian AI system. India's opportunity lies in building models that work in Tamil and Marathi, Bengali and Bhojpur; for farmers as much as for financial analysts; for primary health centres as much as for global corporations.

First movers do not always win. ARPANET laid the foundations of the internet (1969), but Tim Berners-Lee and CERN made it world-accessible through the World Wide Web (1989); Clive Sinclair built the first mass-market home computer (1980), but IBM, Apple and Microsoft defined the personal computing era. Winners are usually those who build durable ecosystems at the moment when technology becomes broadly usable. India still has that window, but it will not stay open forever. It must build sovereign compute, widen access to intelligence, align AI with clean energy, and design for the bottom of the pyramid rather than the top.

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