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EDITORIALS - 10TH AUG 2026

1. A new security triangle emerges with the Makkan Pact (GS Paper II International Relations)

This editorial 'A new security triangle emerges with the Makkan Pact' was published in The Hindu on 10th Aug 2026, highlights the uncertain strategic value of the Saudi Arabia–Türkiye–Pakistan defence pact and its implications for India.

The pact's strategic context

- The Makkah Joint Defence Agreement, signed on August 7, 2026, marks the first regional realignment after the U.S.–Iran war.
- Its collective-defence clause treats an attack on one member as an attack on all, echoing NATO's Article 5.
- The pact follows Saudi Arabia's bilateral defence agreement with Pakistan and the 14-country MMDA, reflecting Riyadh's search for security alternatives.
- Saudi Arabia denies forming a military or sectarian bloc, yet the pact remains silent on nuclear ambitions, arms competition and specific threats.
- A Muslim NATO remains improbable because of divisions over Israel, Iran and U.S. influence, while existing Arab-Islamic institutions remain excluded.

Internal contradictions and uncertain utility

- Saudi memories of Ottoman rule, Erdoğan's regional ambitions and the Khashoggi dispute complicate strategic trust between Riyadh and Türkiye.
- Türkiye's support for the Muslim Brotherhood, Hamas and Syrian militias conflicts with Gulf monarchies' security preferences and political outlook.

- Pakistan's reluctance to confront Iran, Yemen or Shia forces, alongside disputes over troop command, constrains its military commitment to Saudi security.
- Pakistan's Iran border, Shia population and tensions with India and Afghanistan further restrict its ability to fulfil expansive defence obligations.
- Riyadh faces asymmetric threats to oil infrastructure, the Strait of Hormuz and Bab al-Mandeb, which even U.S. Central Command could not fully neutralise.
- The partners offer substantial defence complementarity through Saudi financing, Turkish arms production and Pakistan's large military, enabling exercises, interoperability and co-production.
- The pact may grow during prolonged regional tensions but become irrelevant under peace or ineffective during an Iran conflict if Türkiye and Pakistan avoid direct intervention.
- Saudi security diversification is not a zero-sum departure from Washington because all three partners remain substantially constrained by U.S. influence.

Implications for India

- India should monitor Pakistan's efforts to mobilise the pact against it but avoid strategic overreaction, given the partners' conflicting interests and constraints.
- India's position as a major crude importer and Saudi Arabia's key trading partner supports durable economic complementarity and a shared status-quo orientation.
- Saudi Arabia is unlikely to support Pakistani adventurism against a strategically valuable India, making Islamabad's diplomatic and military posturing largely ineffective.

Beyond Editorial

Consequences for India's Maritime Energy Security

- Chokepoint vulnerability: India's 2026 coordination with Gulf countries for oil tankers' safe passage through Hormuz demonstrated its dependence on uninterrupted regional navigation.
- Shipping disruption: Gulf of Oman tanker attacks in 2019 prompted India to launch Operation Sankalp and deploy INS Chennai and INS Sunayna.
- Escort requirement: By 2022, Operation Sankalp had deployed 36 warships and escorted 453 Indian-flagged vessels carrying about 36.1 million tonnes of cargo.
- Maritime surveillance: The Gurugram-based IFC-IOR monitored Gulf shipping during the 2019 crisis, illustrating information-sharing's importance for protecting energy routes.
- Reserve limitation: India's 5.33-MMT strategic reserves at Visakhapatnam, Mangaluru and Padur provide a limited buffer against prolonged external supply disruptions.
- Supplier diversification: India imported crude from nearly 41 countries in 2026, reducing dependence on any single supplier during geopolitical or maritime crises.
- Partner dependence: The UAE remains a major source of India's crude oil, LNG and LPG, requiring stable Gulf relations despite emerging security blocs.

2. The cost of unconditional cash transfers (GS Paper II Governance)

This editorial 'The cost of unconditional cash transfers' was published in The Hindu on 10th Aug 2026, highlights how expanding unconditional cash transfers may constrain State investment in essential public services such as health and education.

Expansion, benefits and access barriers

- Delhi launched the Lakshmi Yojana on August 1, providing eligible women a monthly ₹2,500 transfer.

- Evaluations show women spend transfers on food, health and education, demonstrating their immediate household benefits.
- However, missing documents, limited banking access and digital-record errors continue to cause beneficiary exclusion.
- Maharashtra and Madhya Pradesh reduced beneficiaries through rationalisation, while Delhi's restrictive eligibility may similarly limit fiscal exposure.

Fiscal burden and public-service trade-offs

- UCT expenditure ranges from 10.03% of total spending in Jharkhand to 0.26% in Himachal Pradesh.
- The Sixteenth Finance Commission estimates that interest, pensions and salaries already absorb nearly 44% of State expenditure.
- States' social-sector spending has remained stable since 2011–12 and declined relative to GDP since 2020–21.
- UCTs consume 78.99%, 73.59% and 54.05% of education expenditure in Jharkhand, Karnataka and West Bengal, respectively.
- UCT spending exceeds entire health budgets in Jharkhand, Karnataka, West Bengal and Maharashtra, reaching 207.3% in Jharkhand.
- Expanding transfers may therefore crowd out investment in health, education and infrastructure, worsening already underfunded public services.

Wider developmental concerns

- Cash transfers may provide compensation for the State's failure to create opportunities but cannot replace strong public-service provision.
- Their timing before elections encourages the "dole" perception, although households primarily use transfers for essential needs, not wasteful consumption.
- Recent public protests seeking better facilities, accountability and a fair resource share show that cash assistance cannot substitute structural development.

Beyond Editorial

Principles for Fiscally Sustainable Cash Transfers

- Fiscal discipline: Brazil's Bolsa Família experience shows that fragmented and overlapping benefits can create duplication, coverage gaps and growing budgetary pressure.
- Unified targeting: Brazil's Cadastro Único provides a common household registry for welfare programmes, improving coordination and reducing multiple benefits reaching identical recipients.
- Beneficiary verification: PM-KISAN uses land-record seeding, Aadhaar-based payments and e-KYC to identify eligible farmers and remove ineligible claimants.
- Accessible enrolment: PM-KISAN uses over five lakh Common Service Centres and facial-authentication e-KYC to assist digitally excluded and remote beneficiaries.
- Error correction: The PM-KISAN portal returns inaccurate records to States for correction and reprocesses failed payments, preventing permanent exclusion through technical mistakes.
- Independent evaluation: Mexico embedded rigorous evaluation into PROGRESA from its early implementation, enabling evidence-based assessment of poverty, education and health outcomes.
- Service integration: Chile Solidario combined income assistance with personalised family support and access to public services, treating cash as complementary welfare rather than substitution.

3. Proof of a deep-tech fund is in its outcomes. That's the audit worth doing (GS Paper III Economy)

This editorial 'Proof of a deep-tech fund is in its outcomes. That's the audit worth doing' was published in The Indian Express on 10th Aug 2026, highlights why India's deep-tech funding must be assessed through outcomes and institutional safeguards rather than isolated conflict-of-interest allegations.

Funding controversy and institutional structure

- India's initial deep-tech committee received ₹2,000 crore to identify scarce but promising domestic ventures quickly.
- An investigation found that 62% of first-round funding reached firms linked to panel members, raising legitimate conflict-of-interest concerns.
- However, the first round represented only one component of a ₹1 lakh crore fund intended for disbursal through multiple managers over five years.
- Only two managers have been appointed, while the Technology Development Board's first cohort followed a first-come, first-served process.
- Early applicants naturally came from the known ecosystem, while only one of 13 second-cohort firms had a panel connection, weakening claims of systematic favouritism.

Safeguards and appropriate audit

- A small expert community creates unavoidable professional overlap, making domain expertise and potential conflicts difficult to separate completely.
- Firms founded, owned or managed by members cannot apply, while ownership exceeding a 10% stake automatically triggers disqualification.
- Members must disclose interests in their own and competing firms, with recusals declared and recorded before deliberations.
- A supermajority requirement, government exposure capped at half the project cost and secretarial review create multiple institutional safeguards.
- The proper performance audit should examine whether deserving ventures were funded, underserved firms supported and worthy applicants wrongly rejected.

- Decisions should be judged using contemporaneous information, not later outcomes unavailable to selectors, balancing accountability with decision-making uncertainty.

Media scrutiny and strategic stakes

- Investigative journalism remains essential, but sensational conflict narratives can create a governance chill, discouraging experts from serving on public committees.
- Scrutiny should also examine follow-on capital, larger funds and a possible sovereign fund, which determine whether deep-tech ventures survive.
- Democratic accountability requires distinguishing legitimate oversight from reflexive suspicion, which can produce institutional caution and policy paralysis.
- India's political class, bureaucracy, media and watchdogs must understand strategic trade-offs, or mutual distrust may obstruct technological progress during a decade of global disruption.

Beyond Editorial

Global Models for Deep-Tech Financing

- Phased financing: America's SBIR programme funds proof of concept, technological development and commercialisation sequentially, releasing larger support only after demonstrated progress.
- Patient capital: The European Innovation Council Fund provides seven-to-ten-year financing, extendable to 15 years, for technologies requiring prolonged development and commercialisation.
- Catalytic investment: Israel's Yozma programme uses public incentives to attract private venture funds into domestic deep-tech companies facing early-stage financing constraints.
- Scale-up support: British Patient Capital was extended to 2033–34 with at least £3 billion for research-intensive sectors, including life sciences and deep technology.

- Mission-oriented funding: Germany's SPRIND finances breakthrough innovations through flexible instruments, long-term guidance and specialised support outside conventional grant-based administration.
- Dual-use ecosystem: The €1-billion NATO Innovation Fund, backed by 24 allies, invests in start-ups and venture funds developing security and resilience technologies.
- Research translation: America's STTR programme requires collaboration between small businesses and research institutions, helping convert publicly generated knowledge into commercial technologies.