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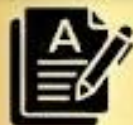
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Ranjit Sagar Dam: Legacy of grit and glory



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THE Ranjit Sagar Dam is the youngest member of the Dam Family Tree of the northern region. As per the Indus Water Treaty signed between India and Pakistan in 1960, the waters of three eastern rivers—the Sutlej, Beas and Ravi—were allotted exclusively to India. These multipurpose river valley projects, especially flood control cum storage dams, were planned and constructed. A massive concrete dam at Bhakra on the Sutlej was taken up first, followed by the earthen dams on the Beas and the Ravi. The Ranjit Sagar Dam is also known as 'Thin Dam, named after a small village in Kathua district of J&K.

The Bhakra-Nangal Complex was commissioned in 1962. ACSI team, headed by Harvey Bloom, was the consultant. It was instrumental in procuring a large force of Indian construction workers and engineers. After the completion of the Bhakra Dam, this force was transferred to the Beas project. The Beas Dam was

using indigenous resources, manpower and technology. The earthen dam on the Beas was completed in 1974.

However, the next in line, the Ranjit Sagar Dam, could not take off in time. The 1963 and 1971 wars with Pakistan created a financial strain and the project had to be deferred for a decade. This resulted in the non-utilisation of surplus and skilled manpower and the equipment spread from the Bhakra-Beas projects. Some of the staff were posted to the neighbouring projects. Some engineers were sent on assignments in Africa and South-East Asian countries.

Ultimately, Prime Minister Rajiv Gandhi laid the foundation for this project in November, 1985. The project was also included in the Seventh Five-Year Plan for adequate funding. Skilled staff and engineers from the Bhakra-Beas and other projects were recalled and engaged for the work.

Ranjit Sagar Dam is an earthen dam, similar to the Beas dam, but smaller in volume. It comprises four tunnels, an earthen dam, a spillway and a powerhouse. The construction was taken up with a departmental setup and work was done around the clock. The dam was completed by the onset and toil of a dedicated band of 15,000 workers, technicians and engineers.

Over 128 settlers and their associates laid down their lives during the construction period,



FINANCIAL CONSTRAINT: The foundation for the project was laid in 1985 after a decade-long delay. (c)

We salute these martyrs.

The dam was commissioned and dedicated to the nation by Prime Minister Atal Bihari Vajpayee on March 4, 2005. It has now completed 25 years of successful operations.

During the course of construction, the dam encountered some hurdles and natural calamities:

- At the outset, it was delayed due to financial constraints.

- During 1965-68, four tunnels were excavated and concreting work was going on. However, the September 1980 floods caused by heavy rains over the catchment area for more than three days brought unparalleled misery to this project. It resulted in heavy damages to various dam structures.

- All embankments and protection bunds along the river protecting the upstream and downstream portals (faces) of the

tunnels, the powerhouse foundation and service roads were flooded and washed away. As a result, the flood waters entered the tunnels and filled them with silt, debris, uprooted trees, animal carcasses, etc.

The hard labour was undertaken a few seconds. I was then the Executive Engineer. We stood there helpless and shocked. This was a big setback, delaying the project by two-three years. The demoralisation was such that the abandonment of the project was also considered.

Tunnelling work is the most challenging and hazardous job in civil engineering, especially when geological surprises occur. HS Gill, eminent engineer, who was also Chairman of the consultant committee, held many meetings with engineers and workers to lift their spirits.

He reminded them that some hazards had also been faced at

Bhakra and Beas dams and were overcome.

The Bhakra Dam site has the distinction of having been visited 13 times by Prime Minister Jawaharlal Nehru during the construction period. However, the Beas Dam was not lucky in this respect. The Ranjit Sagar Dam site was also visited by three PMs — Rajiv Gandhi in 1985, PV Narsimha Rao in 1996 and Atal Bihari Vajpayee in 2005 (dedication ceremony).

However, jovial moments too were a part of the process. Engineers remained busy monitoring the progress, estimates, accounts, arrears, etc. More heat than light was generated during the meetings because of work tensions. Some lighter moments are as follows:

- Once a villager visited the house of the Chief Engineer to complain about land payment on a winter morning and rang the bell. The Chief Engineer, who was in a night suit, opened the door and said, 'Bhaiya, lagt hai koi baat?' (What's the matter?) He responded, 'Yar, soone kharid kar lo. Aise Chief to bhejo. Aur fardai bahut zyada hai, ek chad ka rup aur baadai bej do.' (I don't want to talk to you, send your Chief. Also, send a cup of tea and biscuits to warm me up) He just enjoyed the moment.

- The GM decided to have a security check at the dam site. He was in a mood to get into a different car with the driver and set out for the site. At the check post, the

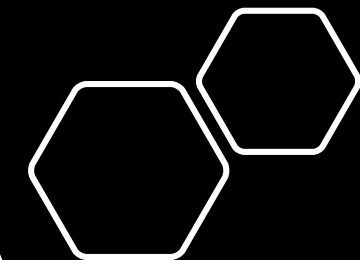
security personnel asked the driver his name and the occupant with him. The driver recorded his name and said, 'GM Sir is in the car.'

The personnel peeped in and said, 'Yar, GM Sir ki baat hai. Hain GM Sir ko koi patachaste hain, koi kharid kar lo. Aise kharid lo. We recognise GM Sir, he is always well dressed). Before the driver could object, he added, 'Mujhe lagta hai, to apne koi rikshakar to dene dilhose jo kharid kar kar sake GM Sir ko koi kharid kar lo.' (You are taking your relative or friend for a free ride and taking GM Sir's name). The driver got enraged and a verbal heat started. The GM signalled the driver to return. He asked, 'Sir, koi surprise check?' The GM smiled. 'Toh gussa hai. I am happy with the security arrangement as soon as the GM is not allowed.'

- An officer told his wife that he would return home late as the foundation of the dam was being laid that day. His wife protested, saying, 'What have you been doing at the dam for the last five years if it was to start today?'

The Ranjit Sagar Dam has completed 25 years and has been ushering prosperity in Punjab, Haryana, Pradesh and J&K. The dam's administrative control rests, by and large, with the Punjab government, as per the agreements with the states concerned. It is not under the IROD's control.

Despite repeated setbacks, geological challenges and financial delays, the collective resolve of engineers and workers ensured the dam's eventual completion.





- **Key Terms and Explanations**

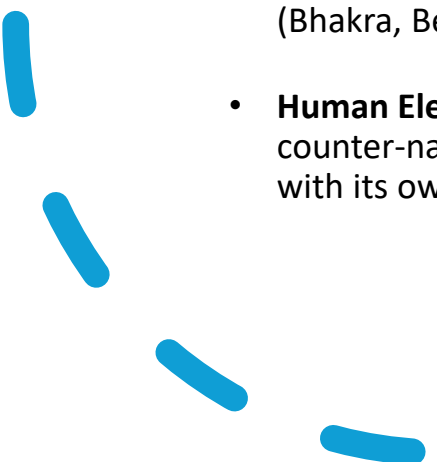
- **Earthen Dam:** A dam made from compacted earth, often a mixture of soil, clay, and rock. Unlike concrete dams, they rely on their massive weight for stability. **Example:** The Ranjit Sagar Dam and the Beas Dam mentioned in the article are earthen dams, chosen because indigenous resources and manpower were available, and the riverbed geology might have suited this type.
- **Spillway:** A structure built at a dam to safely release excess water from the reservoir downstream. It acts as a safety valve to prevent the dam from being overtopped and failing. **Example:** The article mentions the Ranjit Sagar Dam has a separate spillway, which would have been crucial during the 1988 floods to discharge the massive inflow.
- **Powerhouse:** The building that houses the turbines and generators, where the kinetic energy of flowing water is converted into electricity. **Example:** The dam's powerhouse is part of the overall project to generate hydroelectric power for Punjab, HP, and J&K.
- **Catchment Area:** The area of land where all falling rain or snow drains into a specific river or lake. The health and size of a catchment area directly affect a river's flow and the amount of water available for a dam. **Example:** The September 1988 floods were caused by "heavy rains over the catchment area" of the river, leading to an unprecedented volume of water flowing into the dam site.
- **BBMB (Bhakra Beas Management Board):** A statutory body established to manage the water and power distribution from the Bhakra Nangal and Beas projects. It's a key institution in inter-state river water governance. **Example:** The article clarifies that the Ranjit Sagar Dam's administrative control *is not* under the BBMB but largely with the Punjab government, highlighting a different governance model for a major multipurpose project.
- **Geological Surprises:** Unexpected subsurface conditions encountered during construction, such as fault lines, weak rock strata, or high water pressure. These are major risks in tunneling.



- **Main Arguments and Substantive Parts**

- **Core Thesis:** The article presents the Ranjit Sagar Dam as a monumental achievement of Indian engineering, built against overwhelming odds—not just natural and technical, but also financial and geopolitical. It argues that the dam's success is a testament to the grit, sacrifice, and problem-solving spirit of the Indian workforce.

- **Key Points & Supporting Evidence:**

- **Geopolitical & Financial Hurdles:** The project was delayed by a decade due to the financial strain of the 1965 and 1971 wars, forcing skilled manpower to seek work abroad. This highlights how national security priorities can directly impact infrastructure development.
 - **Resilience Against Natural Calamity:** The 1988 floods washed away years of work, filled tunnels with debris, and demoralized the team to the point where abandoning the project was considered. This event is presented as the ultimate test of the team's resolve.
 - **Human Cost & Sacrifice:** The loss of 126 workers is explicitly acknowledged, framing the dam not just as a structure, but as a monument built with human lives, which the article honors as "martyrs."
 - **Leadership & Morale:** The role of leadership (like RS Gill) in overcoming demoralization is emphasized. By citing past successes (Bhakra, Beas), leaders helped the team contextualize the setback as a challenge to be overcome, not a reason to quit.
 - **Human Element in Mega Projects:** The anecdotes about the villager, the security check, and the officer's wife provide a crucial counter-narrative. They show that amidst the high-stakes engineering and policy, the project was a living, breathing workplace with its own moments of humor and everyday life. This humanizes the massive scale of the endeavor.
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- **Historical Evolution of the Issue**

- **Post-Independence Dam Building Era (1940s-1960s):** The article implicitly references this period through the Bhakra-Nangal and Beas projects. These were seen as the "temples of modern India" (a phrase by Jawaharlal Nehru), symbolizing progress, self-reliance, and nation-building after the trauma of Partition. The Beas Dam's completion in 1974 using indigenous resources is a culmination of this era.
- **Geopolitical Interruption (1960s-1970s):** The 1965 and 1971 wars with Pakistan created a significant financial strain, directly stalling the Ranjit Sagar project. This phase shows how external security concerns can derail long-term domestic developmental plans. The "surplus manpower" going to Africa and Southeast Asia is a lesser-known consequence—India exporting its technical expertise due to a lack of domestic projects.
- **Revival and Planned Development (1980s):** The project's foundation by Rajiv Gandhi in 1985 and its inclusion in the Seventh Five-Year Plan signals a renewed focus on large-scale infrastructure. The Seventh Plan emphasized energy self-sufficiency and productivity, making the dam a strategically important national project. This period marks the institutional recall of the skilled diaspora of engineers.
- **Setback and Resilience (Late 1980s-1990s):** The 1988 floods represent a critical juncture. The decision to continue, against the consideration of abandonment, is a key moment in the project's history. It reflects a maturing of India's project management capabilities in the face of "acts of God."
- **Dedication and Contemporary Operations (2001-Present):** The dam's inauguration by PM Vajpayee in 2001 and its subsequent 25 years of successful operation mark its transition from a construction project to a functional asset. The mention of it ushering prosperity in three states and its unique administrative control (outside BBMB) speaks to the contemporary issues of inter-state water sharing and institutional management.

The Temples of Modern India:

A UPSC Analysis of Big Dams & The Ranjit Sagar Project

A multidimensional analysis of large dam projects for Civil Services aspirants, bridging engineering feats with socio-political debate, using the Ranjit Sagar Dam as a primary case study.

A Multipurpose Earthen Marvel:
Designed for irrigation, hydropower, and flood control using indigenous materials and departmental expertise.



Resilience Against 'Acts of God':
Construction overcame devastating 1988 floods and geological surprises in the fragile Himalayan foothills.

The Human Cost of Progress:
Built by 15,000 workers, honoring 126 'martyrs' who sacrificed lives for regional prosperity.

Evolving Perspectives for Mains Answer Writing

PERSPECTIVE	CORE FOCUS	KEY CONCERN
Traditional (Nehruvian) Nation-building & Self-reliance Engineering capacity & Growth	Contemporary (Critical) Sustainability & Justice Displacement & Ecological flow	Future (Strategic) Climate Resilience Basin-level integrated management

The UPSC Multidimensional Lens

STRATEGIC HYDROLOGY & THE IWT

Vital for utilizing India's exclusive rights over the Ravi River under the 1960 Treaty.

DEVELOPMENT VS. SOCIO-ECOLOGICAL ETHICS

UTILITARIAN BENEFITS

Balancing utilitarian benefits against...

SOCIO-ECOLOGICAL RISKS

...displacement, forest loss, and siltation risks.

THE WAY FORWARD: BASIN-CENTRIC PLANNING

Climate-Resilient Designs

Transparent Rehabilitation

Cooperative Federalism for Shared Rivers

- **Logical and Philosophical Base**

- **Philosophical Foundation: Nation-Building through Mega-Projects:** The logic underpinning the entire article is the post-Independence Nehruvian vision where large infrastructure projects are synonymous with national progress. The dam is not just about water and power; it is a symbol of India's technological capability, self-reliance, and ability to overcome adversity.

- **Assumption of Sacrifice for Collective Good:** There is an underlying assumption that the sacrifice of workers ("martyrdom") is a necessary, if tragic, part of building something of immense public utility. The article honors this sacrifice, thereby legitimizing the cost of progress.

- **Logic of Resilience:** The narrative is built on the logic that setbacks are inevitable in such complex endeavors, but human grit and collective effort can and must overcome them. The story of the 1988 floods is used to validate this belief in resilience as a core component of national character.

- **Humanistic Logic:** The inclusion of humorous anecdotes is philosophically important. It suggests that the grand narrative of a nation is built not just by policy and engineering, but by the everyday interactions, frustrations, and joys of ordinary people. It grounds the abstract idea of "nation-building" in tangible human experience.

- **Multidimensional Analysis**

- **Social:** The dam is a source of regional prosperity (employment, electricity, irrigation). However, it also represents a site of sacrifice (126 workers) and likely involved the displacement of local communities (not mentioned in the article but an inherent part of dam building). The anecdotes provide a micro-level view of the social interactions—between officers and villagers, security and management—that form the fabric of such a large project.

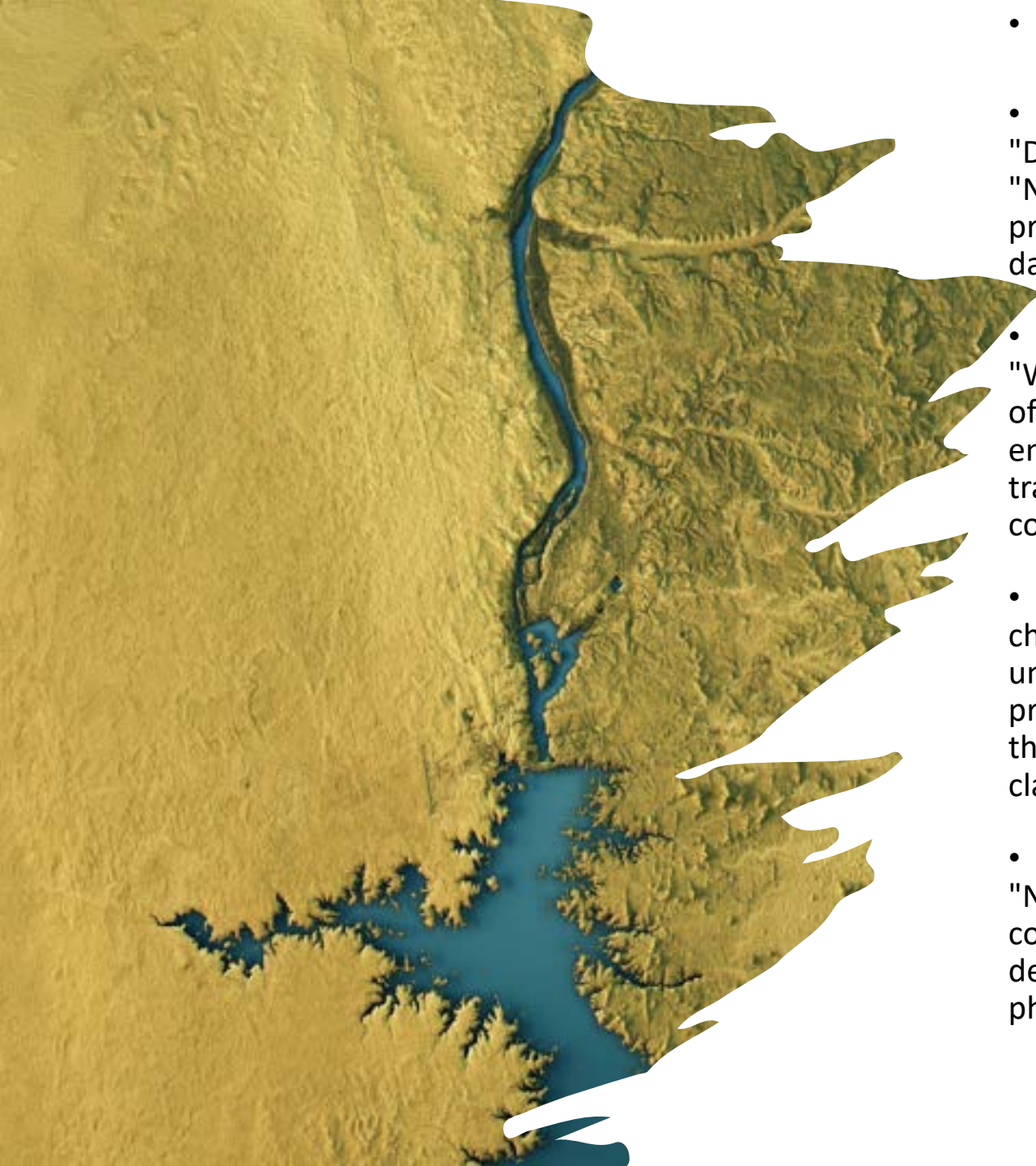
- **Political:** The project is deeply political. Its delay was due to war (foreign policy). Its revival was marked by a Prime Minister's visit and inclusion in a Five-Year Plan (central planning). Its control is shared between states (federalism). Its dedication was by another Prime Minister. The dam is a physical manifestation of political will and inter-governmental relations.

- **Legal:** The dam's existence is underpinned by a complex web of agreements between Punjab, HP, and J&K regarding water and power sharing. Its governance structure, explicitly outside the statutory framework of the BBMB, is a unique legal arrangement that could be subject to interpretation and dispute.

- **Ethical:** The article raises ethical questions about sacrifice and recognition. Is it enough to salute the 126 martyrs? What about their families? The anecdote of the villager demanding tea touches upon the ethical conduct of public servants and the gap between the bureaucracy and the common citizen they are meant to serve.

- **International:** The project is linked to the international sphere through its initial delay (wars with Pakistan) and the deployment of Indian engineers to Africa and Southeast Asia, which served as a form of technical diplomacy and showcased Indian expertise.

- **Economic:** The dam was a massive economic investment, delayed by national financial constraints. Its successful completion is now a driver of economic growth in three states by providing irrigation for agriculture and power for industries and homes. The "departmental setup" also has economic implications for public sector employment and expenditure.



- **Linkages with NCERTs**
 - **Class 9 Geography (Contemporary India-I):** The chapters on "Drainage" (understanding river systems like the Indus/Beas) and "Natural Vegetation and Wildlife" (the impact of dams on ecosystems) provide a foundational geographic context for where and why such a dam was built.
 - **Class 10 Geography (Contemporary India-II):** The chapter on "Water Resources" is directly relevant. It discusses the pros and cons of multipurpose river projects, including issues of displacement, environmental degradation, and the debate around large dams versus traditional water harvesting. This provides a balanced perspective to counter the article's largely positive narrative.
 - **Class 11 Political Science (Indian Constitution at Work):** The chapters on "Federalism" and "Centre-State Relations" are crucial for understanding the political and legal complexities of an inter-state project like this. The distribution of powers over water (State List) and the role of the central government in funding and planning create a classic federal dynamic.
 - **Class 12 History (Themes in Indian History - Part III):** The theme of "Nation-Building and Its Challenges" provides the post-Independence context. The chapter discusses the building of dams as a symbol of development and national pride, directly linking to the Nehruvian philosophy mentioned earlier.



Linkages with UPSC CSE Syllabus

GS Paper 1 (Indian Society): The social impact of globalization (indirectly, through engineers working abroad), the human dimension of development projects (sacrifice, displacement, worker conditions), and regionalism (water sharing between Punjab, HP, J&K).

GS Paper 2 (Governance, Constitution, Polity): Federalism and Centre-State relations (funding, planning, inter-state river disputes), statutory bodies (comparison with BBMB), mechanisms for dispute resolution, and the role of institutions in governance.

GS Paper 3 (Technology, Economic Development, Environment):

- **Infrastructure:** Energy, water resources, and the challenges of large infrastructure projects.
- **Environment:** Environmental impact assessment, the ecological footprint of dams, and the debate on development vs. environment.
- **Disaster Management:** The 1988 floods are a case study in a natural calamity disrupting a project and the subsequent recovery and management efforts.
- **Security:** The linkage between national security (wars) and economic development (project delays).

GS Paper 4 (Ethics): The ethical dilemmas of development (sacrifice for collective good), the values of resilience, grit, and dedication shown by the engineers and workers, the humanization of bureaucracy through anecdotes, and the concept of "martyrdom" in a non-combat context.

- **Way Forward**

- **Institutionalize "Lessons Learned":** Create a formal, national-level knowledge management system for mega-projects. The lessons from Ranjit Sagar—managing skilled manpower pools, recovering from natural disasters, and using departmental setups—should be documented and used to train future generations of engineers and administrators.

- **Strengthen Disaster Resilience:** Incorporate climate change projections into the design and operational protocols of all critical infrastructure. The 1988 floods were a warning; future projects must have higher safety margins for extreme weather events.

- **Enhance Worker Safety and Welfare:** The loss of 126 lives is unacceptable by modern standards. The way forward must include stricter enforcement of safety standards, better on-site medical facilities, and a comprehensive insurance and compensation mechanism for families of deceased workers, moving beyond just a symbolic salute.

- **Adopt a Participatory Approach:** Future projects must involve local communities from the planning stage itself. Transparent processes for rehabilitation and resettlement (R&R), along with mechanisms for sharing the benefits (power, water) with the affected populace, are essential for long-term social sustainability.

- **Strengthen Inter-State Mechanisms:** The unique governance of Ranjit Sagar should be studied. If it works, it offers an alternative model. If it leads to friction, it highlights the need for robust, transparent, and legal frameworks for all inter-state river projects to prevent disputes.



Prelims:

- 2018: With reference to river rejuvenation, consider the following statements: (Concept of river linking and management).
- 2016: Which of the following are the objectives of the National Water Policy? (General principles of water resource management).
- 2014: Consider the following pairs: (Matching dams with rivers/states). *Ranjit Sagar Dam (Beas River, Punjab) could be a potential question.*
- 2013: On which river is the Bhakra Nangal Dam built? (Testing knowledge of major river projects).

Mains:

- **2023:** "Inter-state water disputes are a major impediment in the federal structure of India." Discuss. (Directly relevant to the politics of projects like Ranjit Sagar).
- **2022:** "Multipurpose river valley projects are the 'temples of modern India.'" Examine the statement in the context of its merits and demerits. (Directly addresses the core philosophy behind such dams).
- **2021:** "Disaster management cannot be achieved without the active participation of the local community." Comment. (Linkable to the 1988 floods and the importance of community resilience).
- **2020:** "Infrastructure development is the key to economic growth and job creation." Discuss. (The dam as an example of infrastructure driving prosperity).
- **2018:** "The Bhakra Nangal project is a monumental example of the vision of India's first Prime Minister and the nation's resolve." Discuss. (A template question that could be adapted for the Ranjit Sagar Dam).
- **2017:** "How can the role of dams be reoriented to meet the challenges of the 21st century?" (Asks about the future sustainability of structures like Ranjit Sagar).
- **2014:** "In what ways can watershed management help in mitigating the negative impact of floods and droughts?" (Thematic linkage to catchment area management).

OPINION

An economic policy response to the West Asia crisis

Policy makers will need to act both internally and externally to deal with the crisis in the region



The West Asia crisis has emerged as a major global economic challenge. It is a crisis that has the potential to affect the entire world economy. The crisis is the result of a combination of factors, including the global financial crisis, the oil price shock, and the political instability in the region. The crisis has led to a sharp decline in economic growth in the region, and it has also led to a significant increase in unemployment and poverty. The crisis has also led to a significant increase in regional tensions, and it has the potential to lead to a full-scale regional conflict.

Policy makers in the region need to act both internally and externally to deal with the crisis. Internally, they need to focus on stabilizing the economy and reducing unemployment. Externally, they need to work with the international community to secure financial assistance and to address the root causes of the crisis. The international community has a responsibility to provide the region with the support it needs to overcome the crisis and to return to a path of sustainable economic growth.

The crisis in West Asia is a complex one, and it will require a coordinated response from all stakeholders. The region's leaders need to work together to develop a comprehensive economic policy response that addresses the needs of all countries in the region. They also need to work with the international community to secure the support and assistance that they need to overcome the crisis. Only through a coordinated and comprehensive response can the region hope to overcome the crisis and to return to a path of sustainable economic growth.



- **Key Terms and Explanations**

- **Terms of Trade (ToT) Shock:** A situation where the prices of a country's imports (like oil) rise faster than the prices of its exports. This effectively makes the country "poorer" in global terms.
- **Shadow Price:** The "true" economic cost of a resource when its market price doesn't reflect its scarcity. For example, if gas is unavailable to a factory, the "shadow price" is the massive loss in production, which is much higher than the actual bill for the gas.
- **Current Account Deficit (CAD):** The shortfall between the money flowing in for exports and the money flowing out for imports. High oil prices typically widen India's CAD.
- **Balance of Payments (BoP):** A statement of all transactions made between entities in one country and the rest of the world.
- **Real Effective Exchange Rate (REER):** An index that describes the relative value of a currency against a basket of currencies, adjusted for inflation. It measures a country's international competitiveness.
- **Fiscal Overhang/Crowding Out:** When the government spends heavily on subsidies (like fuel), it has less money for infrastructure, which "crowds out" private investment.



- **Main Arguments and Substantive Parts**

- The core thesis is that a West Asia crisis presents a "supply-side double whammy": it simultaneously triggers inflation and kills growth. The article suggests a three-phase strategy:

- **Phase 1: Supply Management (The "Covid Playbook"):** The priority is maintaining physical availability. If LPG or oil runs out, the economic damage from "non-linearities" (factories closing, workers leaving) is far worse than the damage from high prices.

- **Phase 2: Internal vs. External Absorbers:**

- **Internal:** Deciding how much of the price rise is passed to consumers vs. absorbed by the government (subsidies) or Oil Marketing Companies (OMCs).

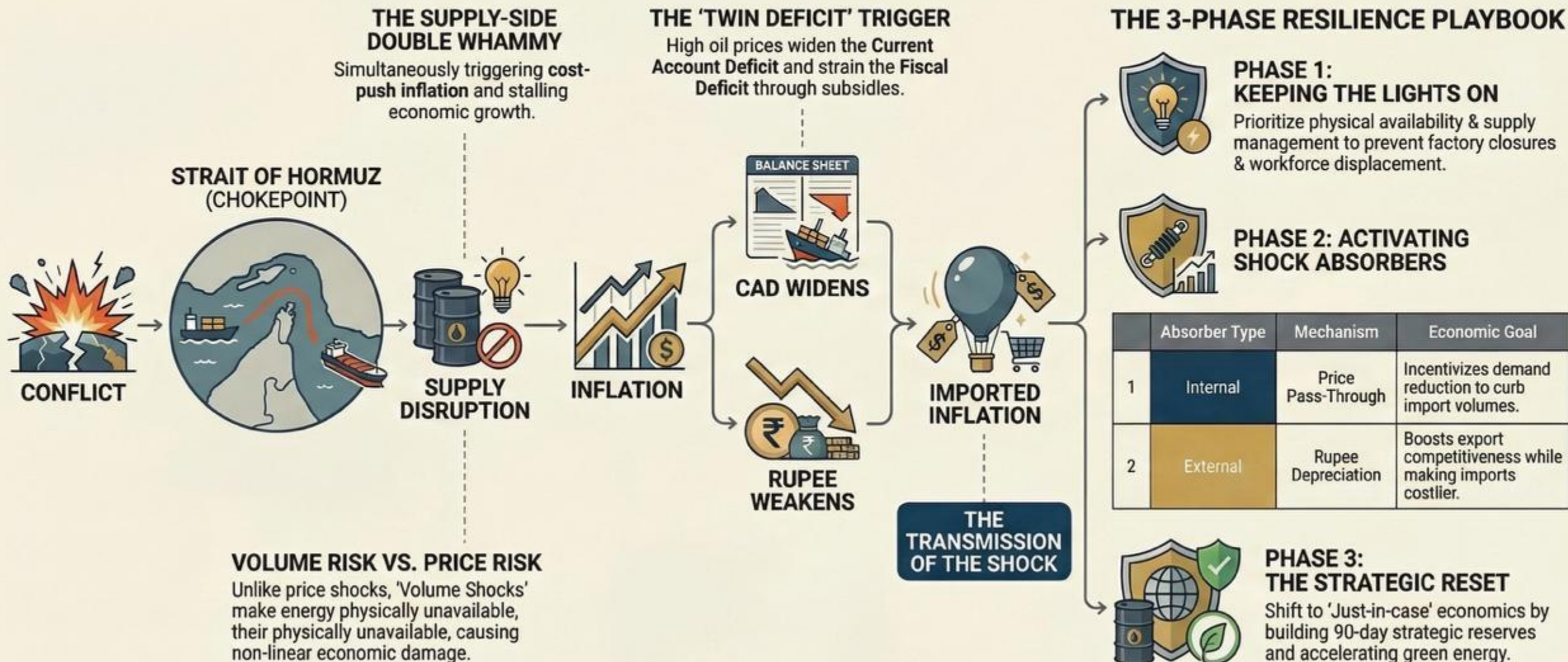
- **External:** Allowing the Rupee to depreciate naturally. A weaker Rupee acts as a "shock absorber" by making imports more expensive (reducing demand) and exports more competitive.

- **Phase 3: Strategic Reset:** Moving from "just-in-time" to "just-in-case" economics. This involves building massive physical buffers (Strategic Petroleum Reserves) and financial buffers (FX Reserves).

• **Historical Evolution of the Issue (India's Tryst with External Shocks)**

- **Pre-Independence:** The colonial economy was structured to serve British interests, with India as a supplier of raw materials and a market for manufactured goods. Vulnerability to external shocks was high but managed to the colonizer's advantage.
- **1950s-1980s:** The era of import-substitution industrialization. While aiming for self-reliance, this made the economy inefficient and insulated. The 1973 and 1979 Oil Shocks severely impacted India's BoP, as it was heavily dependent on oil imports. The response was often ad-hoc, involving controls and seeking assistance from institutions like the IMF.
- **1991 Balance of Payments Crisis:** This was the watershed moment. A combination of fiscal profligacy, political instability, and the Gulf War (which spiked oil prices and disrupted remittances from Indians in the Gulf) led to a severe BoP crisis. This forced India to pledge gold and embark on radical economic reforms—liberalization, privatization, and globalization. This event fundamentally shaped India's modern approach to external vulnerability.
- **Post-1991 to 2013:** The focus was on gradual integration with the global economy. However, the 2013 "Taper Tantrum" was another wake-up call. When the US Federal Reserve hinted at slowing its bond-buying program, foreign investors pulled out of emerging markets, including India. The rupee depreciated sharply, exposing India's "fragile five" status. This led to:
 - **Accumulation of Forex Reserves:** As a self-insurance mechanism against capital flight.
 - **Inflation Targeting Framework (2016):** To anchor inflationary expectations, partly driven by imported inflation from oil shocks.
 - **Fiscal Consolidation:** Efforts to introduce a fiscal responsibility framework (e.g., FRBM Act) to reduce the government's borrowing burden and macroeconomic vulnerability.
- **Post-2020 (COVID-19 & Russia-Ukraine War):** These crises highlighted new dimensions of vulnerability—supply chain fragility and the weaponization of trade (e.g., energy as a geopolitical tool). The policy focus has shifted towards supply chain resilience, self-reliance (Atmanirbhar Bharat), and diversifying energy sources.

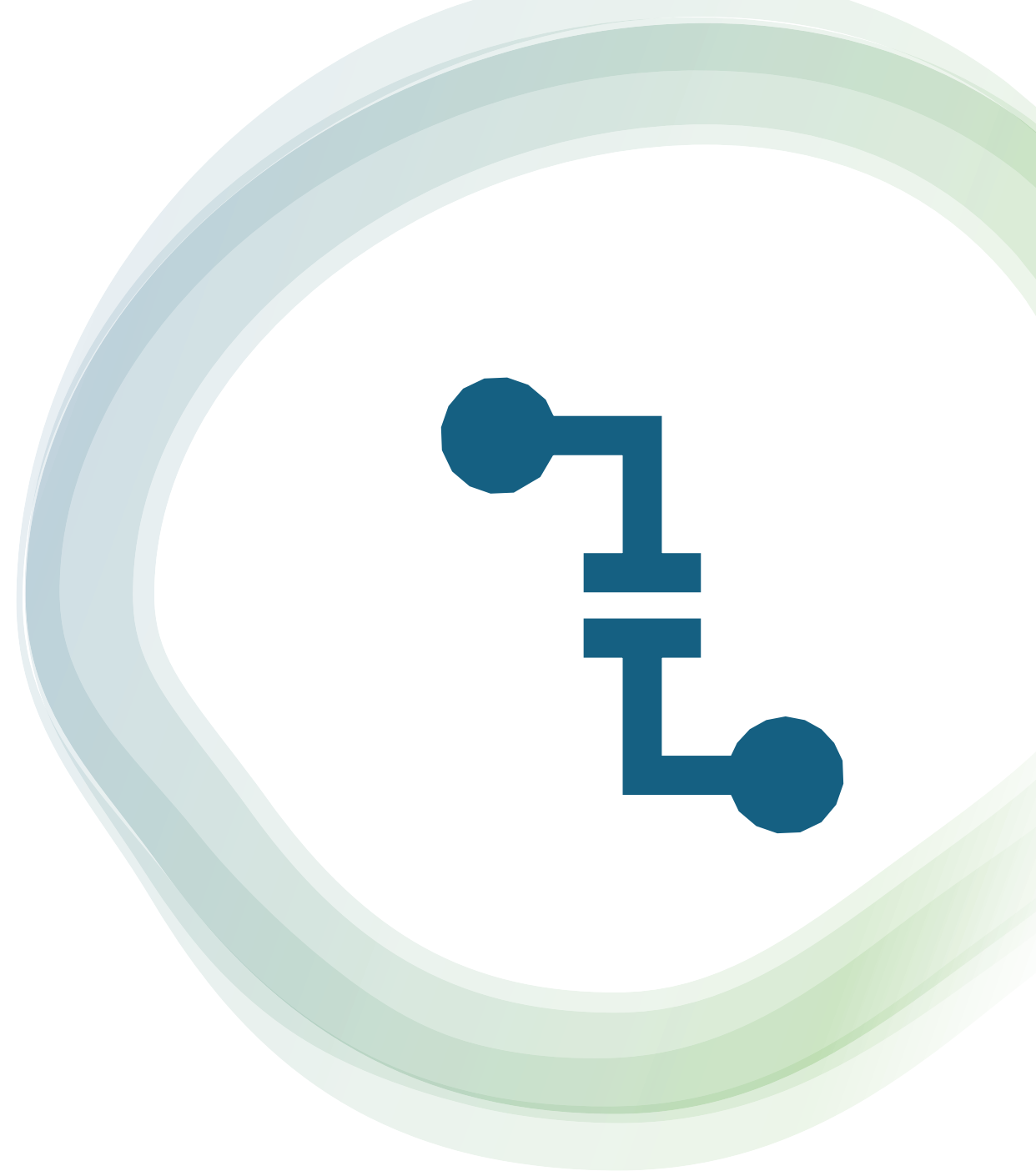
The West Asia Crisis: India's Macroeconomic Resilience Strategy



- **Logical and Philosophical Base**
- **Logic of the Argument:** The article's logic is grounded in **pragmatic macroeconomics**. It moves from immediate crisis management to long-term structural reform. The core logic is:
 - **Identify the specific nature of the shock** (price + volume).
 - **Prioritize objectives** (prevent economic shutdown first, then manage price and BoP impact).
 - **Assign appropriate policy instruments** (rationing for volume, exchange rate for BoP, fiscal for demand management).
 - **Learn and adapt for the future** (building buffers).
- **Philosophical Underpinnings:**
 - **Economic Liberalism with a Safety Net:** It advocates for market mechanisms (like price discovery via pass-through and exchange rate flexibility) to efficiently allocate resources and absorb shocks. However, it also acknowledges the need for state intervention (rationing, subsidies, strategic reserves) to prevent catastrophic market failures and protect the most vulnerable from non-linear impacts. This is a form of **embedded liberalism**—supporting markets but embedding them in a framework of social and economic safeguards.
 - **Risk Aversion & Prudence:** The philosophy shifts from a "growth-at-all-costs" model to one of "**resilience-first**." It accepts that building buffers (forex, strategic reserves) has an opportunity cost, but argues this cost is worth paying to avoid catastrophic and irreversible losses in growth and employment. This is akin to a "precautionary principle" in economic policy.
 - **Strategic Autonomy:** The call for a "strategic reset" reflects a desire for greater strategic autonomy. By diversifying energy sources and building physical buffers, India aims to reduce its vulnerability to geopolitical coercion and external shocks, thereby preserving its policy space to pursue national objectives.

- 
- Multidimensional analysis
 - Social dimension
 - Fuel and food inflation erode real incomes, especially for the poor and lower middle class.
 - Transport-linked inflation hits access to education, health and jobs.
 - Well-designed safety nets and public services become crucial to maintain social stability.
 - Political dimension
 - Governments are judged on their ability to control inflation and ensure stable employment.
 - Policy choices during crises feed into narratives of “pro-poor vs pro-market”, nationalism (energy self-reliance), and federal tensions (Centre–State tax issues).
 - Opposition uses price rise and unemployment as major electoral issues.
 - Legal dimension
 - Subsidy design, price controls and welfare schemes must respect budgetary laws, FRBM provisions, and regulatory autonomy of RBI and other institutions.
 - Contracts in energy and infrastructure may need renegotiation; arbitration and sanctity of contracts become relevant.
 - Ethical dimension
 - Inter-generational equity: excessive borrowing today loads future taxpayers with debt.
 - Intra-generational equity: who bears the burden—poor consumers, middle class, large corporates, or fossil-fuel giants?
 - Transparency and honesty in communication about the true nature of the crisis.
 - International dimension
 - Energy diplomacy with West Asian producers, Russia, US, and others.
 - Balancing strategic autonomy with global pressure (e.g., sanctions regimes).
 - Participation in climate negotiations, green finance, and multilateral safety nets (IMF, swap arrangements, BRICS institutions).
 - Economic dimension
 - Growth-inflation trade-off during supply shocks; protecting investment climate while avoiding overheating.
 - Exchange rate management, capital flows, and domestic financial-sector stability.
 - Structural transformation: shifting towards less energy-intensive growth paths and higher value-added exports.

- Linkages with NCERTs
- **Economics – Class 11, “Indian Economy Since Independence”**
 - BoP crisis 1991, oil shocks, external sector reforms, LPG policies.
 - Helps trace how external shocks shaped policy.
- **Economics – Class 12, “Macroeconomics”**
 - Chapters on government budget, money and banking, balance of payments, open economy.
 - Gives conceptual tools to understand CAD, fiscal deficit, and policy mix.
- **Economics – Class 12, “Indian Economic Development”**
 - Infrastructure, environment, sustainable development.
 - Relevant for energy transition and environmental aspects of policy.
- **Political Science – Class 11/12, “Constitution at Work”, “Politics in India Since Independence”**
 - Role of state in development, planning vs market, social justice.
 - Useful for normative and institutional dimensions.
- **Geography – Class 11/12, “India: Physical Environment” and “Resources and Development”**
 - Energy resources, mineral oil distribution, and India’s resource limitations.
 - Connects geography of West Asia and energy routes to economic vulnerability.



- Linkages with UPSC CSE syllabus
- GS Paper I
- Impact of globalization on Indian society.
- Post-independence consolidation and reorganisation (economic crises shaping policy choices).
- Distribution of key natural resources across the world (oil in West Asia).
- GS Paper II
- Functions and responsibilities of Union and States; devolution and fiscal federalism (fuel taxes, subsidies).
- Government policies for development in various sectors, and issues in their implementation.
- Role of finance commissions, RBI autonomy, and governance of public institutions.
- GS Paper III
- Indian Economy: growth, development, and planning; inclusive growth and issues arising from it.
- Mobilization of resources, budgeting, major crops, PDS, buffer stocks.
- Effects of liberalisation and globalisation on the economy.
- Infrastructure, energy, ports, roads, airports; investment models.
- Disaster and crisis management (economic angle) and environmental conservation.
- GS Paper IV (Ethics)
- Ethical dimensions of public policy: equity, justice, compassion, inter-generational equity.
- Moral dilemmas in resource allocation during crisis.
- Role of empathy and impartiality in designing welfare schemes.



- Way forward – policy recommendations
- **Build robust buffers in normal times**
 - Maintain prudent fiscal deficits and debt levels, allowing room for counter-cyclical support.
 - Strengthen forex reserves, strategic petroleum reserves, and food buffers.
- **Design automatic stabilisers**
 - Rules-based adjustments to fuel excise, welfare transfers, and interest-rate corridors that kick in when certain thresholds are crossed.
 - Reduces ad-hocism and political delays.
- **Accelerate energy transition with just-transition principles**
 - Scale up renewables, storage, and grid modernisation; incentivise electric mobility and public transport.
 - Provide skilling and support for workers and regions dependent on fossil-fuel industries.
- **Enhance external resilience**
 - Diversify energy import sources and routes; invest in alternative corridors (e.g., multimodal connectivity, new ports).
 - Strengthen regional cooperation and long-term supply contracts.
- **Improve state capacity and data systems**
 - Better targeting through updated socio-economic databases and digital delivery (Aadhaar-linked DBT with safeguards).
 - Transparent, timely data on inflation, employment, and sectoral stress to support evidence-based decisions.





- **UPSC CSE Prelims:**

- **2023:** With reference to the Indian economy, consider the following statements: (Questions on Current Account Deficit, Forex Reserves, Inflation).
- **2022:** Consider the following statements: (Statement on the effect of crude oil price increase on Indian economy).
- **2021:** With reference to India, consider the following statements: (Questions on concepts like REER, NEER).
- **2019:** Consider the following about the 'Current Account Deficit'...
- **2018:** Consider the following statements about the 'Real Effective Exchange Rate'...
- **2017:** With reference to the 'Balance of Payments', which of the following constitutes its current account?
- **2014:** The term 'externalities' in economics refers to...

- **UPSC CSE Mains:**

- **2023 (GS Paper III):** Explain the concept of 'Externalities' in the context of economic development. How do they affect the market outcomes?
- **2022 (GS Paper III):** What are the major challenges facing the Indian economy in the context of the current global economic scenario?
- **2021 (GS Paper III):** Explain the concept of 'Balance of Payments' and bring out the distinction between current account and capital account. Discuss the recent trends in India's BoP.

New GDP series, charting the path ahead

A much-awaited new GDP series with the base year as 2022-23 is now available in the public domain. On February 27, 2025, the Ministry of Statistics and Programme Implementation came out with a press note on a new series of GDP estimates and related aggregates for the financial years 2022-23, 2023-24 and 2024-25. This addresses the long-standing demand for a more accurate and realistic picture of the size of the Indian economy by updating the base year. It overcomes the limitations of earlier estimates, which relied on the outdated 2011-12 base year.

The overall size of the Indian economy in terms of GDP as per the new series at current prices (in rupees lakh crore) is estimated to be 261.18 (financial year 2022-23), 289.84 (FY 2023-24) and 318.07 (2024-25), respectively (first revised estimate). These aggregates are marginally (between 3% and 4%) lower than what were released earlier based on the previous series. The relative shares of primary, secondary and tertiary sectors in total Gross Value Added (GVA) at current prices during 2024-25 remained at 21.4%, 25.8% and 52.9%, respectively. The manufacturing sector depicts a high growth rate (more than 9%) in real GVA for both the years: 12.7% in 2023-24 and 9.3% in 2024-25. As regards the expenditure side estimates, the share of private financial consumption expenditure in GDP is around 56%, both at current and constant prices during the years 2023-24 and 2024-25.

Major refinements in the new series

Some of the most significant refinements in the methodology adopted in the new series include: first, segregation of activities of multi-activity enterprises belonging to non-financial private corporate sector by apportioning the total GVA of the enterprise across its business activities using the corresponding revenue share information of the company available in the form of MGT 77A data (as against entire GVA being allocated to the major activity of the enterprise in 2011-12 series); second, use of a separate blown up factor at the industry x size class level, based on paid-up capital, for scaling up the GVA of the reported active companies to account for the contribution of the active companies which did not file returns; third, a comprehensive coverage of Limited Liability Partnerships (LLPs) using Ministry of Corporate Affairs (MCA) data; and fourth, the use of high-frequency (annual) data on GVA per worker (GVAPW) as per the Annual Survey of Unincorporated Sector Enterprises



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Updating the ASI sampling frame and refining the ASUSE survey methodology can further enhance the accuracy and reliability of GDP and GSDP estimates

(ASUSE) in conjunction with the estimates of the number of workers utilising the information available through Periodic Labour Force Survey (PLFS) to estimate the GVA contribution of the Household Sector. In this context, it is worthwhile to mention that in the 2011-12 series, base year (2011-12) GVA estimates at the activity level for the Household Sector were extrapolated using suitable indicators to derive GVA for subsequent years.

The new series also introduces significant improvements in the estimation of real GVA through the expanded application of 'double deflation' and 'volume extrapolation' methods, bringing the estimates more in line with international guidelines. In addition, the benchmark estimates for 2022-23 private final consumption expenditure (PFCE) are now derived more directly by utilising data from the Household Consumption Expenditure Survey (HCES 2022-23), especially for items that are widely consumed across household groups and tend to exhibit low income elasticity.

The challenges ahead

Among the four institutional sectors, namely, general government, public corporations, private corporations and households for which GVA estimates are separately computed and then aggregated, the database of the first two sectors is quite robust. Coming to the private corporate sector, particularly the private non-financial corporate segment, for which GVA is compiled using the MCA database – a critical issue lies in allocating the national-level total GVA of companies across States to derive the corresponding Gross State Value Added (GSVA), given that the primary data are available only at the enterprise level.

In the 2011-12 series, total manufacturing GVA at the national level was allocated proportionately over States by using their shares in GVA as per the Annual Survey of Industries (ASI). In the new series, apart from ASI data (confining to manufacturing sector), the GST data is also available for this purpose. A major limitation with the ASI data is the inadequacy of the ASI frame. To illustrate, the number of companies in 2011-12, as on December 15, 2014, as per the MCA database classified under 'Manufacturing' was 135,802 (source: Changes in Methodology and Data Sources in the New Series of National Accounts, Base Year 2011-12, Central Statistics Office, 2015) as against only 67,649 factories covered under the corporate sector in ASI, 2011-12

(Table 7, Principal Characteristics by Type of Organisation in ASI 2011-2012 (Revised)). Accordingly, the proportionate shares of different States in the total GVA derived from the ASI based on a truncated frame may not reflect the reality and hence affect the State GDP figure. Remedial measures to improve the sampling frame of ASI by utilising the MCA and GST databases can be a step in the right direction. In parallel, a properly designed sample survey of active companies could be worth exploring to derive the percentage shares of different States in total GVA by the companies.

Resolving fluctuations

As regards the Household Sector, its GVA at the activity, i.e., 'compilation category' level in the new series is derived as the product of GVAPW as per the ASUSE and number of workers based on the Periodic Labour Force Survey (PLFS). This necessitates that the corresponding estimates from the surveys are fairly reliable. However, available results from the ASUSE indicate a certain volatility in the estimates across the years for some industries and States.

For example, the all-India annual estimates of GVAPW (rural and urban combined) as per the ASUSE (covering both household sector and 'quasi-corporate' units) for the years 2021-22, 2022-23 and 2023-24 were found to be ₹163,078; ₹255,447; and ₹204,930, respectively, for the 'manufacture of rubber and plastic products' which is a distinct compilation category in GDP calculations.

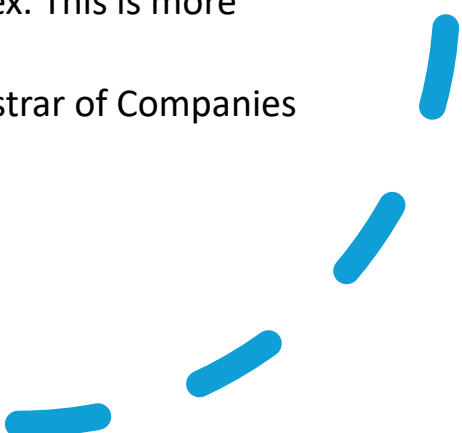
Similarly, the annual estimates of GVAPW pertaining to the manufacturing industry in respect of Bihar were found to be ₹89,638; ₹17,021; and ₹100,101, respectively, for the three years. To address this problem, the methodology in the new series recommends the use of three years' moving average, wherever necessary, except for the base year. However, in resolving the issue of such fluctuations in the annual estimates of GVAPW, it may be worth exploring whether a rotating panel design in the ASUSE with a substantial overlap in the samples between any two consecutive years – similar to the procedure adopted in the PLFS – can yield better estimates.

Finally, to conclude, updating the ASI frame and refinements in the survey methodology of ASUSE can be effective in further improvement of the GDP and GSDP estimates.

The views expressed are personal



- **Key Terms and Explanations**

- **Gross Domestic Product (GDP):** The total monetary value of all finished goods and services produced within a country's borders in a specific time period.
 - **Gross Value Added (GVA):** Defined as $GVA = GDP + \text{Subsidies on products} - \text{Taxes on products}$. It provides a picture of supply-side activity by looking at the value added in various sectors like agriculture, industry, and services.
 - **Base Year:** A benchmark year used for comparison to calculate real GDP, neutralizing the effect of inflation. The shift from 2011-12 to 2022-23 reflects more recent consumption and production patterns.
 - **Annual Survey of Industries (ASI):** The main source of industrial statistics in India, covering factories registered under the Factories Act.
 - **ASUSE (Annual Survey of Unincorporated Sector Enterprises):** A survey focusing on the economic and operational characteristics of unincorporated non-agricultural enterprises (the "informal" or "household" sector).
 - **Double Deflation:** A method where nominal outputs are deflated by an output price index and intermediate inputs are deflated by an input price index. This is more accurate than "single deflation."
 - **MGT 7/7A:** Electronic forms filed by companies with the Registrar of Companies (ROC) containing annual return details, including revenue.
- 

- **Main Arguments and Substantive Parts**

- The core thesis posits that while the new GDP series (Base Year 2022-23) significantly improves the realism of Indian economic data, further refinements in sub-sectoral sampling (ASI and ASUSE) are necessary for absolute reliability.

- **Updating the Base:** Moving to 2022-23 captures the post-pandemic economic structure, which the 2011-12 series could not reflect.

- **Correction of "Over-Estimation" Fears:** The new series shows the economy is 3-4% smaller than previously estimated under the old base, suggesting the old series might have slightly over-projected growth.

- **Granular Data Usage:** Using MGT 7/7A data allows the government to stop treating multi-activity companies as single-activity entities. For example, if a company does both manufacturing and software, its GVA is now split based on actual revenue rather than being dumped entirely into "Manufacturing."

- **Household Sector Accuracy:** By linking PLFS (employment data) with ASUSE (value added per worker), the series attempts to bridge the data gap in the informal economy.



- **Historical Evolution of the Issue**
- **Pre-Independence:** Early estimates by Dadabhai Naoroji (Poverty and Un-British Rule in India) focused on "drain of wealth" rather than systematic GDP.
- **Post-Independence (1950s):** The establishment of the Central Statistical Organization (CSO) and National Sample Survey (NSS) under PC Mahalanobis.
- **The 2011-12 Shift:** In 2015, India moved from Factor Cost to Market Prices and introduced the MCA-21 database. This was controversial as it showed high growth during years perceived as a slowdown.
- **2026 Milestone:** The current shift to the 2022-23 base year represents the first major overhaul in over a decade, aiming to align with the System of National Accounts (SNA) 2008 and 2025 standards.

'Decoding India's New GDP Series: Base Year 2022-23'

A Shift Towards Real-Time Digital Data for a Formalized, Post-Pandemic Economy

THE METHODOLOGICAL LEAP: FROM PROXIES TO PRECISION

Evolution from 2011-12 Series

ACTIVITY-WISE SEGREGATION (MGT 7/7A)

MULTI-ACTIVITY FIRM
(OLO: DOMINANT CATEGORY)



MULTI-ACTIVITY FIRM
(NEW: ACTUAL REVENUE STREAMS)



Multi-activity firms now split by actual revenue streams, not just one dominant category.

IMPLEMENTATION OF "DOUBLE DEFLATION"



Separately deflates outputs and intermediate inputs for a more precise Real GVA.

HOUSEHOLD SECTOR DYNAMIC ESTIMATION



Links ASUSE with PLFS data to accurately estimate the informal economy.

FLOW OF ECONOMIC DATA



TERTIARY (SERVICES)



52.9% GVA Share (Approx.)

Key Data Source:
MCA-21 / MGT 7

SECONDARY (INDUSTRY)



25.8% GVA Share (Approx.)

Key Data Source:
ASI / GST

PRIMARY (AGRICULTURE)

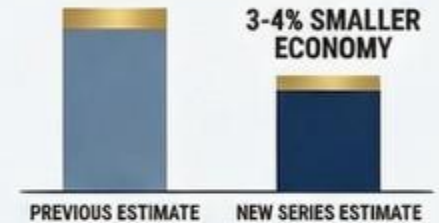


21.4% GVA Share (Approx.)

Key Data Source:
ASUSE / Agriculture Census

STRATEGIC SIGNIFICANCE & CRITICAL CHALLENGES

REALISTIC ECONOMIC SCALING



New series shows the economy is 3-4% smaller than previously estimated.

THE "MISSING MIDDLE" IN MANUFACTURING

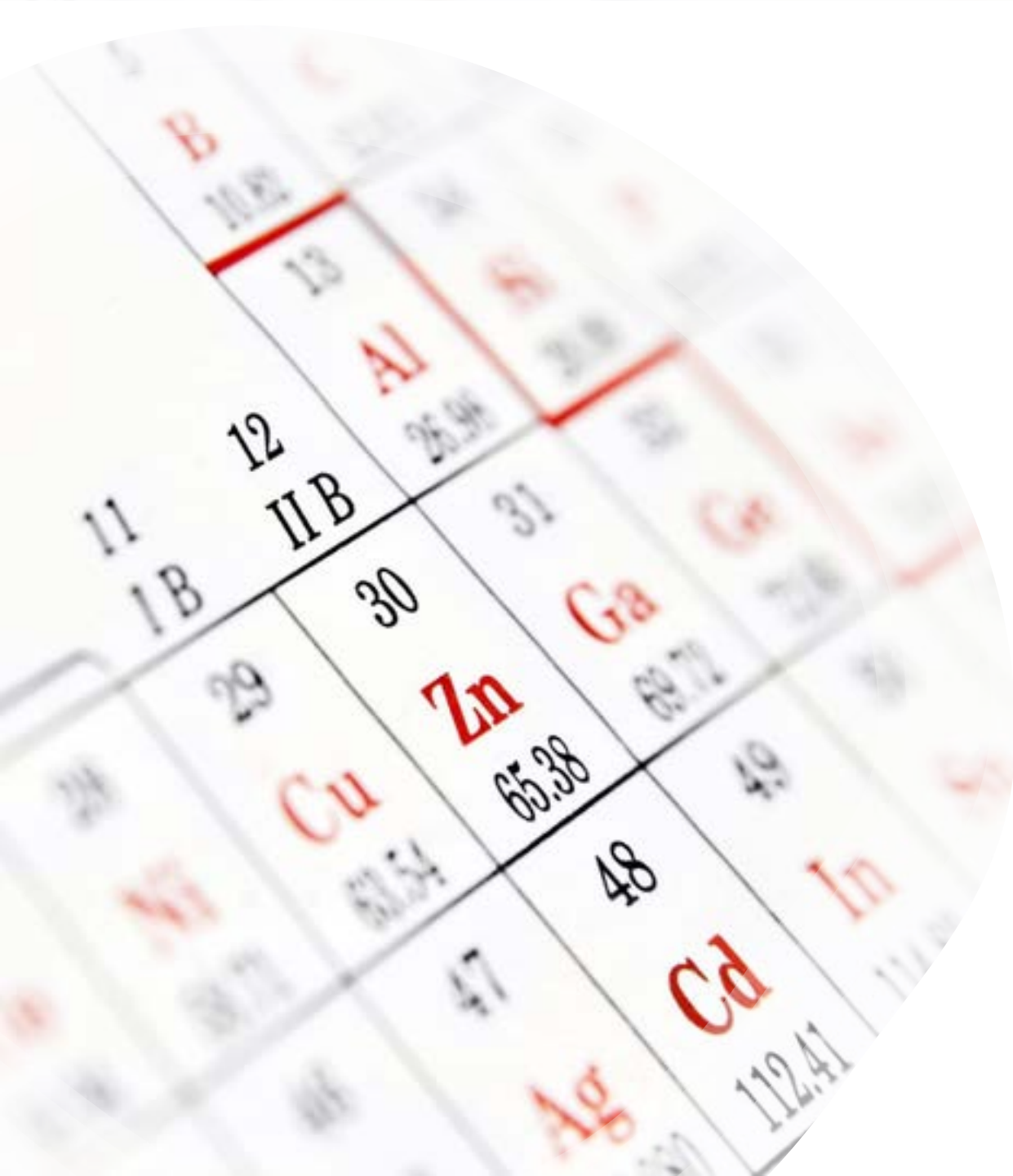


Only 50% of manufacturing companies in corporate databases are currently captured by ASI surveys.

VITAL FOR FISCAL FEDERALISM



Accurate GSDP is essential for fair tax devolution under Article 200.



- **Logical and Philosophical Base**
- **Empiricism vs. Extrapolation:** The new series moves away from "extrapolation" (using old ratios to guess new numbers) toward "direct estimation" using real-time data like GST and MCA-21.
- **Ontological Accuracy:** The shift acknowledges that the "nature" of a company is no longer singular. In a modern economy, a firm is a "bundle of activities." Capturing this bundle accurately is a philosophical shift toward representing the economy as it *is*, not as it is *classified*.
- **Transparency:** By releasing revised estimates that are lower than previous ones, the state demonstrates a commitment to "data integrity" over "narrative management."
- **New Features and Unique Ideas**
- **Inclusion of LLPs:** Limited Liability Partnerships were previously under-represented. Their comprehensive coverage captures a booming segment of professional services and startups.
- **Scaling via Paid-Up Capital:** Using a "blown-up factor" based on industry-specific paid-up capital helps account for active companies that haven't filed returns yet, reducing the "missing data" bias.
- **Proposed Rotating Panel for ASUSE:** The article suggests a design where some households are surveyed repeatedly over time (like PLFS). This would smooth out the "volatility" seen in current estimates (e.g., the massive swing in rubber/plastic GVA).

- **Multidimensional Analysis**
- **Social:** Accurate data helps in better targeting of social welfare schemes by identifying which sectors (and workers) are actually lagging.
- **Political:** GDP figures are often "political footballs." A robust, transparent methodology reduces the scope for allegations of data manipulation.
- **Legal:** Better integration of GST and MCA databases reinforces the "formalization" of the economy.
- **Ethical:** There is an ethical imperative for the state to provide "True and Fair" accounts to its citizens, as these numbers influence investment and livelihoods.
- **Economic:** Crucial for the RBI's monetary policy; if GDP is over-estimated, interest rate decisions might be flawed.



- **Linkages with NCERTs**

- **Class 11 Economics - Statistics for Economics:**

- *Chapter 2: Collection of Data* - ASUSE and ASI methodologies exemplify primary data collection through surveys and secondary data from MCA records. The sampling frame issues directly connect to sampling error and non-sampling error concepts.

- *Chapter 3: Organisation of Data* - Classification of economic activities into primary, secondary, tertiary sectors illustrates data organization principles. MGT-7 based activity apportionment demonstrates data classification challenges.

- *Chapter 8: Index Numbers* - Double deflation method uses index numbers for price adjustment. Understanding base year selection, index construction, and limitations directly applies to GDP estimation.

- **Class 12 Economics - Macroeconomics:**

- *Chapter 2: National Income Accounting* - The entire article is applied national income accounting. Concepts of GDP, GVA, NDP, factor cost versus market prices, and measurement methods (value added, income, expenditure) come alive through practical examples.

- *Chapter 3: Money and Banking* - PFCE estimates connect to consumption functions and propensity to consume concepts from Keynesian economics.

- *Chapter 4: Determination of Income and Employment* - Accurate GDP measurement enables better understanding of aggregate demand components and their fluctuations.

- **Class 10 Economics - Understanding Economic Development:**

- *Chapter 2: Sectors of Indian Economy* - Primary, secondary, tertiary sector classification and their interlinkages. The informal sector discussion connects to organized-unorganized sector distinctions.

- *Chapter 4: Globalisation and Indian Economy* - International comparability of GDP matters for globalization analysis. MNC operations across states connect to GSDP allocation challenges.

- **Linkages with UPSC CSE Syllabus**

- **GS Paper 1 (Indian Society):**

- *Regional variations and disparities* - GSDP estimates reveal regional economic inequalities. Methodological limitations affecting state-level accuracy have implications for understanding social disparities.

- *Urbanization and informal sector* - ASUSE's coverage of unincorporated enterprises links to informal economy and urban livelihood studies.

- **GS Paper 2 (Governance, Constitution, Polity):**

- *Issues relating to federalism* - Centre-state statistical relations, Finance Commission devolution based on GSDP, and state-level estimation challenges directly connect to federal issues.

- *Statutory, regulatory and various quasi-judicial bodies* - Role of NSO, CSO, and statistical machinery in governance.

- *Government policies and interventions* - Evidence-based policy making depends on accurate GDP data. Industrial policies, poverty alleviation programs rely on economic statistics.

- **GS Paper 3 (Economic Development):**

- *Indian Economy and issues relating to planning, growth, development* - Core linkage. GDP measurement is fundamental to economic analysis, growth assessment, and development planning.

- *Growth and employment* - PLFS integration with ASUSE connects to employment-unemployment estimation.

- *Inclusive growth* - Sectoral composition of GVA (primary at 21.4%, secondary 25.8%, tertiary 52.9%) reveals inclusive growth challenges—services growth may not create enough jobs for agricultural workers.

- *Industrial policy and industrial development* - Manufacturing growth estimates (12.7%, 9.3%) inform industrial policy effectiveness assessment.

- *Infrastructure development* - State-level estimates guide infrastructure prioritization.

- *Investment models* - PFCE versus investment shares reveal consumption-investment balance.

- Way forward
- **Strengthen statistical capacity and institutional autonomy**
 - Invest in NSO and state DES manpower, training, and IT systems.
 - Ensure professional autonomy and transparent oversight to insulate statistical processes from political interference.
- **Integrate administrative datasets more systematically**
 - Use MCA, GST, income tax, and other administrative records to expand ASI frames and refine corporate sector estimates.
 - Develop clear legal frameworks for data-sharing with strong anonymization and privacy safeguards.
- **Improve survey design and frequency**
 - Introduce a rotating panel in ASUSE with sufficient overlap between years, drawing on PLFS experience.
 - Calibrate sample sizes at state-industry level to reduce GVAPW volatility while maintaining cost effectiveness.
- **Enhance transparency and documentation**
 - Publish detailed methodology notes, with worked examples and robustness checks, in accessible formats.
 - Facilitate independent academic scrutiny and peer review of methods and results.
- **Build state-level capacities for GSDP**
 - Support states in integrating corporate, GST, and ASI data into GSDP estimation.
 - Standardize methodologies across states to ensure comparability and fairness.



Why Pak-Afghan rift is rooted in distrust



VYBER KATZ
FORMER AMBASSADOR
TO AFGHANISTAN

BEYOND the outrage in Afghanistan on the bombing of the Omad Addiction Treatment Hospital in Kabul on March 16 lies an abiding Afghan grievance rooted in Pakistan's duplicity, interference and exploitation of its country.

In Pakistan, the reverse is true — disappointment, anger and hostility against Afghanistan. Pakistan considers Afghans, especially the Taliban, whom *furushah* (ungrateful), Pakistanis help enabled the group to recapture power in Afghanistan in 2022. The Pakistani military establishment had hoped that that would help reduce feelings of antipathy towards it amongst Afghans.

And that the Taliban would be more sensitive to Pakistan's concerns, particularly with groups like the Tehreek-e-Taliban-e-Pakistan (TTP) and the Balochistan Liberation Army (BLA) which carry out attacks within Pakistan and whose escape lack into Afghan territory.

Four years after its return to power in Kabul, however, the Afghan Taliban has belied Pakistan's hopes. It's refusal to play second fiddle to the Pakistani

military establishment has fanned the mood sour in Rawalpindi. The desire to hurt Afghanistan has led to an erosion of democracy and corruption. There is independent evidence that hundreds were killed at the Omad facility.

However, Pakistan has insisted that it struck an ammunition dump. It has conceded that a containerised structure next to the drug facility could have been damaged, but it has maintained that if the structure housed drug addicts, then they were being trained to become suicide bombers!

The pain of the Afghans has been compounded by Pakistan's refusal to acknowledge the act. Moreover, the bombing took place in the holy month of Ramadan. Pakistan's temporary pause of the Ghazni La Haq operation against Afghanistan, in the wake of this bombing, will do little to assuage Afghan sentiments. This pause is also unlikely to become permanent because of fundamental Afghan-Pakistan contradictions.

These contradictions are located in history, both recent and remote. The British-imposed Durand Line of 1893, which divided the Pashtun tribes, is one manifestation of these differences. It is a running sore among the Afghan Pashtun, even if many of their tribal brothers on the other side of the Durand in Pakistan, the Pakistani Pashtun, have been co-opted by the Punjabi-dominated state.

Another source of Afghan unhappiness flows from Pakistan wanting to extract its



OUTRAGEOUS: Pakistan allegedly bombed an addiction treatment hospital in Kabul on March 16, 2022.

portion of flesh for hosting Afghan refugees since 1979, when the Soviets invaded Afghanistan. Both times the Taliban took power, in 1992 and in 2022, the Pakistanis alienated the Afghans by trying to intervene in the political arrangements being made in Afghanistan.

In 2022, the photo of then DG of Pakistan's intelligence agency ISI, Lt Gen Riaz Haneez's smugly drinking tea in Kabul's Serena Hotel within days of the Taliban taking Kabul will not fade from memory.

Nor has the Pakistani military establishment hidden the fact that it also wants to control Afghan foreign policy. The Afghan, however, whether Taliban or secular, has not allowed any country to impose its will on its external choices, at least since 1919, when Amrullah Khan took power and declared Afghanistan's independence from the British.

The Pakistani military establishment has not hidden the fact that it wants to control Afghan foreign policy.

help it to revive the economy. But when Pakistan-Taliban relations went down the tube over Pakistani accusations that the Taliban was protecting the TTP and BLA and giving it shelter, Pakistan's advocacy of the Taliban ceased.

In a media briefing last month, the spokesman of Pakistan's defence forces asserted: 'Afghanistan is not a state per se; it is a territory captured by the Afghan Taliban which is a terrorist organisation.'

If this characterisation is taken to its logical conclusion, Pakistan should neither have an embassy in Kabul nor permit any Afghan representation in Islamabad.

Interestingly, Pakistan is seeking to play the anti-Taliban card by promoting links with elements who were once part of the Afghan Republic. This is unlikely to threaten the Taliban's hold over the country. There is no internal uprising, despite all the human rights violations that occur inside Afghanistan on a daily basis. The international community has accepted that the Taliban is here to stay.

China is keen that Afghanistan becomes stable so that it can begin a serious economic engagement with it. The resources of the Hindu Kush are undeniable and China is keen to exploit them. It has been trying to mediate between Kabul and Islamabad exactly for this purpose for some time.

The big focus of the big powers, meanwhile, is to prevent the country from once again becoming a haven for global

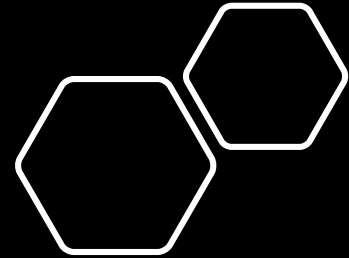
terrorist groups. The Islamic State of Khorasan Province (ISKP) has a presence in Afghanistan and often carries out terrorist attacks, but it is not a threat to the Taliban, nor does it yet have the potential to cause serious concern to the major powers.

Another area of perpetual global concern is the continuing cultivation of opium poppy and, in the past few years, of ephedrine production. However, opium production has fallen dramatically since 2022. Afghanistan is no longer the world's highest producer of illicit opium, but significant stocks with traders remain.

These have a function in an economy which continues to be under great stress. With synthetic opioids such as fentanyl coming to the fore, the extent of Afghan opium requirement is not fully known. Ephedrine is now a focus of the drug export scene in Afghanistan. It has the potential of replacing opium poppy in time.

After the withdrawal of Soviet troops in February 1989, Afghanistan fell off the radar of the West — they remained largely indifferent as Afghanistan descended into civil war. It was aware that terrorism was being nurtured in its belly, but simply did not comprehend that it could lead to 9/11.

In today's world, the danger of a repeat of that terrible terrorist act is practically non-existent, but global indifference to the Heart of Asia is shortsighted. It is good that India now has a growing engagement with a country in which it has vital interests.



- **Key Terms and Explanations**

- **Taliban:** A predominantly Pashtun, Islamist militant group that originated in Afghanistan during the Soviet-Afghan War. The term "Taliban" means "students" in Pashto, as the movement initially emerged from Islamic religious schools. Their core ideology is to enforce their strict interpretation of Sharia law.
 - **Example:** The Taliban's rule is characterized by the imposition of severe restrictions, such as banning girls' education beyond the primary level and excluding women from public life, which is a practical application of their ideology.
- **TTP (Tehrik-i-Taliban Pakistan):** Also known as the Pakistani Taliban, it is a separate but allied militant group. While ideologically similar to the Afghan Taliban, its primary objective is to overthrow the government of Pakistan and impose its own brand of Sharia law. The TTP seeks sanctuary in Afghanistan, which is a major source of friction between Kabul and Islamabad.
- **BLA (Baloch Liberation Army):** An ethnic separatist militant group active in the Balochistan province of Pakistan. It seeks independence for a greater Balochistan, which includes parts of Iran and Afghanistan. Pakistan accuses Afghanistan of providing shelter to BLA leaders and fighters.
- **ISPK (Islamic State of Khorasan Province):** The Afghanistan-Pakistan regional affiliate of the Islamic State (IS). It is a rival of the Taliban and considers them too moderate. ISPK is a global terror group that aims to establish a caliphate and is known for its brutal attacks on civilians, particularly minority groups like the Shia Hazaras.
- **Diplomatic Recognition:** The formal act by which a state acknowledges another entity as a sovereign state, granting it legitimacy in the international system. Recognition allows for the exchange of ambassadors, bilateral treaties, and participation in international forums.

- **Main Arguments and Substantive Parts**

- **Core Thesis:** The central theme is the deep-seated and evolving distrust between Pakistan and the Taliban-led Afghanistan, which is rooted in conflicting national interests, particularly over cross-border terrorism. The article argues that this rift has led to a policy reversal by Pakistan.

- **Key Arguments and Evidence:**

- **Pakistan's Shifting Stance:** Initially, Pakistan advocated for engaging with the Taliban post-2021 takeover, even reopening its embassy. This was driven by a desire for a "friendly" government in Kabul that would provide "strategic depth" against India.
- **The Breaking Point:** The relationship collapsed due to Pakistan's accusation that the Afghan Taliban is harboring and supporting anti-Pakistan militant groups like the TTP and BLA. This is the core of the distrust.
- **Contradiction in Pakistan's Policy:** By publicly branding the Afghan government as a "territory captured by a terrorist organisation," Pakistan has undermined its own diplomatic presence in Kabul. This highlights the incoherence and fragility of its foreign policy.
- **Afghan Taliban's Resilience:** Despite internal issues (human rights) and external pressure, the Taliban's hold on power is stable. There is no significant internal uprising, and major powers, including China and India, are engaging with them pragmatically, accepting their *de facto* rule.
- **Global and Regional Interests:** The article outlines that major powers are primarily concerned with preventing Afghanistan from becoming a global terror hub again (focus on ISPK) and tackling the drug trade, which is evolving from opium to synthetic drugs. China's interest is particularly economic, focusing on resource extraction (uranium).





- **Historical Evolution of the Issue**

- **Pre-1979:** Afghanistan is a monarchy and then a republic, maintaining a neutral and balanced foreign policy. Pashtunistan issue creates occasional friction with Pakistan.

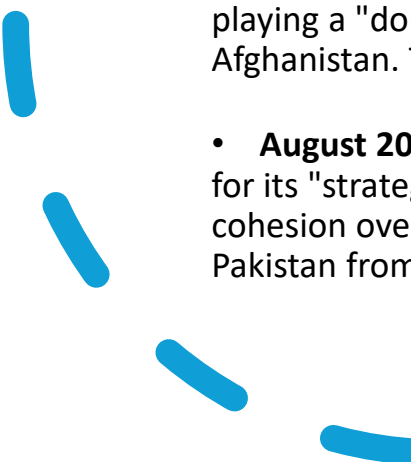
- **1979-1989: Soviet-Afghan War:** Pakistan (with US and Saudi backing) becomes the frontline state supporting the *Mujahideen* (including factions that later form the Taliban) against the Soviet Union. This period militarizes Afghan society and creates a network of radical madrasas in Pakistan.

- **1989-1994: Civil War:** After the Soviet withdrawal, Afghanistan descends into a bloody civil war among *Mujahideen* factions. Pakistan, seeking a stable, pro-Pakistan government to ensure trade access to Central Asia, begins to support the emerging Taliban movement.

- **1996-2001: First Taliban Rule:** The Taliban capture Kabul. Pakistan is one of only three countries to formally recognize them. They provide military and political support. This ends after the 9/11 attacks when Pakistan, under US pressure, joins the "War on Terror."

- **2001-2021: US-led Intervention & Hamid Karzai/Ghani Governments:** A new Afghan government is formed. Pakistan is accused of playing a "double game"—publicly supporting the US while covertly aiding the Taliban (its "proxies") to counter Indian influence in Afghanistan. This is the period where the "strategic depth" doctrine becomes most pronounced.

- **August 2021-Present: Second Taliban Rule:** The US withdraws, and the Taliban retake Kabul. Pakistan initially celebrates a victory for its "strategic depth" policy. However, the Afghan Taliban, now governing a nation, prioritizes its own legitimacy and internal cohesion over Pakistan's demands. It refuses to crack down on the TTP, leading to the current rift. The TTP has intensified attacks on Pakistan from Afghan soil, bringing the two countries to the brink of a serious conflict.



The Pakistan-Afghanistan Rift: From Strategic Depth to Mutual Distrust

From Patron to Pariah

THE FOUNDATION OF FRICTION



The Durand Line Dispute

A 2,640 km colonial-era border which Afghanistan refuses to formally recognize as permanent.



Failed "Strategic Depth" Doctrine

Pakistan's failed attempt to install a subordinate Afghan government to secure its western flank.



The TTP Security Dilemma

The Tehrik-i-Taliban Pakistan uses Afghan soil to launch attacks, causing severe bilateral tension.



EXPECTATION VS. REALITY (POST-2021)

PAKISTAN'S GOAL



A compliant proxy government



Recognition of the Durand Line



Restraint of TTP militants

ACTUAL REALITY



An assertive, sovereign Taliban regime



Continued border skirmishes and fencing disputes



Surge in TTP attacks from Afghan sanctuaries

Economic & Humanitarian Fallout



Forced refugee deportations and trade blocks have created massive human rights challenges.

The Shift to Multi-Alignment



CHINA



INDIA

The Taliban now engages non-traditional partners like India and China to balance Pakistan.

INDIA'S STRATEGIC "CAUTIOUS PRAGMATISM"



Technical Mission in Kabul

India maintains a non-diplomatic presence to oversee aid without granting formal recognition.



WHEAT



WHEAT



SCHOLARSHIPS

People-Centric Humanitarian Aid

Focusing on wheat, vaccines, and scholarships to maintain long-term goodwill with Afghans.



Activating Chabahar Port

Utilizing Iranian routes to bypass Pakistan for direct access to Central Asian markets.

- **Logical and Philosophical Base**

- **Realpolitik:** The core logic is based on national interest, power, and security, rather than ideology or morality. Pakistan's support for the Taliban (historically and initially in 2021) was a realpolitik move to counter India's influence. The Taliban's harboring of the TTP is also a realpolitik decision to maintain unity within its ranks and not alienate factions loyal to the TTP.

- **Westphalian Sovereignty vs. Transnational Ideology:** The conflict is philosophical. Pakistan expects the Taliban to act as a Westphalian state, controlling its territory and preventing its use to harm a neighbor. The Taliban, however, is a product of transnational Islamist ideology, which may prioritize solidarity with a fellow jihadist group (TTP) over the norms of international relations.

- **The Principle of Non-Interference:** Pakistan's accusations against the Taliban are based on the fundamental principle of non-interference in the internal affairs of another state. The Taliban's alleged support for the TTP is a clear violation of this principle. Conversely, Pakistan's airstrikes on Afghan soil (mentioned in the caption) would also constitute a violation.

- **Distrust as a Foundational Element:** The entire relationship is built on a foundation of deep historical distrust. Pakistan views Afghanistan through the lens of its rivalry with India. Afghanistan views Pakistan through the lens of decades of interference in its internal affairs. This mutual suspicion makes any cooperative framework fragile.

- **Multidimensional Analysis**

- **Social:** The issue has a strong ethnic dimension, with Pashtun nationalism straddling the Durand Line. The Taliban's draconian social policies, particularly against women, create a humanitarian crisis and a societal structure at odds with modern norms. The social fabric of Afghanistan is under immense strain due to war, poverty, and displacement.

- **Political:** The core of the issue is political. It's about the legitimacy of the Taliban regime, the political will of Pakistan to address its own militant problem, and the power struggle between various factions. The shifting allegiances (Pakistan engaging with ex-Republic officials) show the fluid and opportunistic nature of the politics involved.

- **Legal:** The issue raises complex legal questions. Is the Taliban the *de jure* government? What is the legal status of the Durand Line, the disputed border between Pakistan and Afghanistan? Pakistan's potential cross-border strikes raise questions under international law regarding sovereignty and self-defence. The freezing of Afghan assets also has legal dimensions.

- **Ethical:** The ethical dilemmas are profound. Is it ethical for countries to engage with a regime that perpetuates human rights abuses for the sake of regional stability? Is Pakistan's "my terrorist vs. your terrorist" approach ethically bankrupt? The international community faces the ethical challenge of balancing humanitarian engagement with not legitimizing oppression.

- **International:** The issue is a major challenge for global powers. It tests the credibility of the UN and international norms. It is a central issue in regional geopolitics, involving the interests of China (Belt and Road Initiative security), Russia (containing extremism spillover), Iran (water rights and Shia minorities), and India (security and connectivity to Central Asia). The US's "over-the-horizon" counter-terrorism capability is also being tested.

- **Economic:** Afghanistan's vast, untapped mineral resources (lithium, copper, rare earths) represent a potential economic prize, but also a source of future conflict. For Pakistan, instability on its border deters investment and increases security spending. For India, it blocks direct land access to Central Asia, undermining its economic and strategic interests.



- **Linkages with NCERTs**
- **History Textbook (Class XII): Contemporary World Politics: Chapter 1 (The Cold War Era), Chapter 5 (Contemporary South Asia), Chapter 7 (Globalisation):** These chapters provide context on how Afghanistan became a Cold War battleground, the nature of conflicts in South Asia, and how globalisation interacts with regional conflicts.
- **Political Science Textbook (Class XII): Contemporary World Politics: Chapter 2 (The End of Bipolarity), Chapter 4 (Alternative Centres of Power), Chapter 6 (International Organisations):** These help understand the collapse of the USSR's influence, the rise of new players like China in Afghanistan's neighbourhood, and the role (and limitations) of the UN in dealing with non-recognized regimes.
- **Geography Textbook (Class XII): India - People and Economy: Chapter 1 (Population: Distribution, Density, Growth and Composition):** This is relevant for understanding the migration patterns of Afghans into India and the implications of the refugee crisis.
- **Geography Textbook (Class XI): Fundamentals of Physical Geography: Chapter on Landforms:** To understand the significance of the Hindu Kush mountains and the Khyber Pass as geographical features that have shaped the history and conflict in the region.

- **Linkages with UPSC CSE Syllabus**
- **GS Paper I:** Society (Refugee movements and their social impact), Geography (Geopolitics of the region, resource distribution).
- **GS Paper II: This is the most direct linkage.**
 - **International Relations:** India's neighbours (Pakistan, Afghanistan), Bilateral groupings, Effect of foreign policies of major powers on India's interests (China, US, Russia), Indian diaspora.
 - **Governance/Polity:** Issues with respect to human rights, mechanisms for consultation with think tanks for policy formulation.
- **GS Paper III:**
 - **Internal Security:** Role of external state and non-state actors in creating challenges to internal security, challenges to internal security through communication networks, links between organized crime and terrorism (drug trade).
 - **Economic Development:** Issues of resource mobilization, growth, and development in a conflict-affected neighbourhood.
- **GS Paper IV:** Ethics in international relations, ethical dilemmas in engaging with non-democratic regimes, human rights vs. national interest.
- **Essay:** Candidates can draw upon this case study for essays on topics like "Terrorism is a threat to global peace," "Regional cooperation is the key to development," or "History is a graveyard of empires" (referencing Afghanistan).

Way Forward

For India:

- **Pragmatic Engagement:** Continue humanitarian aid (wheat, medicines, medical visas) to build goodwill with the Afghan people, while keeping diplomatic channels open with the Taliban without granting formal recognition.
- **Focus on Chabahar:** Activate the Chabahar port as a strategic alternative to land routes through Pakistan, providing Afghanistan access to the sea and India access to Central Asia.
- **Capacity Building:** Continue small-scale development projects and educational scholarships for Afghans, focusing on long-term human capital development.
- **Security Cooperation:** Work with regional partners (Iran, Russia, Central Asian states) to monitor and counter the ISPK threat. Maintain robust intelligence gathering on anti-India groups operating in the region.

For Pakistan and the Region:

- **Internal Reconciliation:** Pakistan must address its own internal militant problem (TTP) through a comprehensive strategy that includes counter-terrorism operations and addressing the political grievances that fuel extremism.
- **Dialogue over Confrontation:** Pakistan must move away from hostile rhetoric and engage in quiet, sustained diplomacy with the Taliban, focusing on shared interests like border management and trade. Unilateral actions are counterproductive.
- **Regional Framework:** A regional platform (like the Moscow Format or a revived SAARC-like initiative) is needed to forge a common approach on recognition, counter-terrorism, and economic cooperation, rather than leaving it to bilateral conflicts.

- **UPSC CSE Mains - General Studies Paper II (International Relations)**

- **2023:** The issue of terrorism poses a serious threat to global peace and security. Critically examine the role of the UN in combating international terrorism.
- **2022:** 'India's relations with its neighbours have been a mix of cooperation and confrontation.' Discuss this statement in the context of India-Pakistan relations.
- **2021:** Discuss the regional implications of the Taliban's takeover of Afghanistan. How should India recalibrate its policy towards Afghanistan?
- **2020:** 'India's foreign policy has been oscillating between the ideals of Non-Alignment and the realities of a multipolar world.' Elaborate.
- **2019:** The US withdrawal from Afghanistan has brought to the fore the importance of regional cooperation for the stability of Afghanistan. Examine India's role in this context.
- **2018:** India's relations with Pakistan have never been free from tension. Analyze the causes and suggest a roadmap for better relations.
- **2017:** China's growing economic and military cooperation with Pakistan has significant implications for the security and stability of the South Asian region. Discuss.
- **2016:** 'Cross-border terrorism' has emerged as the single biggest challenge to India's security. Do you agree? Substantiate your answer.
- **2015:** Discuss the importance of the Chabahar port project for India's connectivity with Afghanistan and Central Asia.
- **2014:** With respect to the South Asian region, analyse the reasons for the failure of SAARC as an effective regional organization.



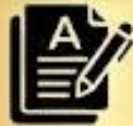
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