

## Editorial of the Day – 08.12.2025

### Index

- 1. Balancing, not swinging- on India-Russia ties, Indian diplomacy(TH) -1
- 2. Economy beyond headline numbers – better jobs, green growth needed(IE) -2
- 1. Balancing, not swinging- on India-Russia ties, Indian diplomacy(TH)

#### General Studies 1- International Relation

**Topic-** Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

#### Introduction

India's foreign policy is currently navigating a high-stakes geopolitical landscape, best exemplified by the recent visit of Russian President Vladimir Putin to New Delhi. This visit, marking the 25th year of the India-Russia strategic partnership, serves as a testament to India's pursuit of "Strategic Autonomy." By hosting the Russian President amid the ongoing Ukraine conflict and Western sanctions, India has signaled a commitment to continuity in its historic ties while cautiously managing its burgeoning relationship with the West.

#### Significance of the Visit

**25th Anniversary-** The visit commemorated 25 years of the Strategic Partnership between the two nations.

**Timing-** This was President Putin's first visit to India since the onset of the Ukraine invasion in 2022.

**Geopolitical Pressure-** The visit occurred despite an active International Criminal Court (ICC) arrest warrant against Mr. Putin. Intensified Russian attacks in Ukraine. Russia's rejection of new U.S. peace proposals, which has heightened European security concerns.

**India's Resolve-** Proceeding with the visit under these conditions underscores India's willingness to prioritize its national interest over external diplomatic pressure.

#### Diplomatic Signals- Continuity and Trust

**Warm Reception-** The Indian Prime Minister received President Putin personally, according him a full state visit. This visual symbolism conveys that New Delhi still regards Moscow as a "trusted partner," disregarding efforts by the West to isolate Russia.

**Stance on Ukraine-** India maintained its consistent position- It reiterated a general call for peace and dialogue. Crucially, it refused to directly criticise Russia for the war in Ukraine.

**Resilience to Sanctions-** Despite the looming threat of secondary sanctions and U.S. pressure on tariffs regarding oil trade, India demonstrated a clear intent to preserve and protect its economic engagement with Russia.

#### Key Economic Takeaways

The focus of the summit was heavily tilted toward economic cooperation rather than military engagement

**Labour Mobility-** A new agreement was discussed to facilitate labour mobility between the two nations.

**Fertilizer Security-** An MoU was signed to jointly establish a urea plant in Russia, securing a vital input for India's agricultural sector.

**Economic Roadmap 2030-** Both sides adopted the roadmap announced earlier in 2024 to deepen trade and connectivity.

**Financial Infrastructure-** Plans to explore national currency payment systems to bypass Western financial sanctions. Promotion of maritime corridors (e.g., Chennai-Vladivostok or INSTC routes) to streamline logistics.

**Trade Goals-** The leaders reiterated the ambitious goal of reaching \$100 billion in bilateral trade by 2030.

## The Balancing Act- Managing Western Sensitivities

India displayed strategic caution to avoid antagonizing the U.S. and Europe, evident in what was *not* announced-

**Strategic Omissions-** There were no major announcements regarding- Defence hardware/deals. Nuclear energy projects. Space collaboration.

*Reasoning-* Avoiding these sensitive sectors signals India's awareness of Western "red lines."

**Oil Imports-** India avoided committing to *higher* volumes of oil imports. This makes the \$100 billion trade target harder to achieve but helps avoid further friction regarding the trade deficit and sanctions.

**"Dhruv Tara"**- While the PM described Russia as a "Dhruv Tara" (Guiding Star), the overall conduct of the visit showed a prioritization of ties with the U.S. and EU alongside maintaining the Russian connection.

## Defining Strategic Autonomy

**Consistency is Key-** The article argues that true strategic autonomy is about consistent engagement with all major power blocs (Russia and the West).

**Avoiding "Swinging"**- India must not "swing" back and forth based on momentary pressures but should maintain a steady equilibrium.

**The Path Ahead-** Sustaining this autonomy requires a careful blend of diplomacy where India defends its independent foreign policy without becoming a junior partner to any single bloc.

## Conclusion

India's handling of President Putin's visit reflects a sophisticated exercise in realpolitik. By stripping the visit of controversial military deals and focusing on economic essentials like fertilizers and connectivity, India safeguarded its historic partnership with Russia while minimizing fallout with the West. The visit reinforces that for New Delhi, strategic autonomy is not about isolation, but about the capacity to engage multiple conflicting powers simultaneously to serve India's National Interest.

**Source-** <https://www.thehindu.com/opinion/editorial/balancing-not-swinging-on-india-russia-ties-indian-diplomacy/article70368877.ece>

## 2. Economy beyond headline numbers – better jobs, green growth needed(IE)

### General Studies 3- Economy

**Topic-** Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

### Introduction

India's economy has demonstrated resilience and strength, recording a robust headline GDP growth of 8.2% in Q2FY26. While this signals strong macroeconomic performance on the surface, beneath these figures lie significant structural challenges. Concerns raised by international bodies like the IMF regarding data quality, coupled with domestic issues of jobless growth and severe environmental degradation in North India, suggest that high growth rates alone are insufficient. True development requires a shift towards inclusivity, data transparency, and environmental sustainability.

### The Paradox- High Growth vs. Data Credibility

While the growth numbers are impressive, the credibility of the data underpinning them is under scrutiny.

**Strong Headline Numbers-** The 8.2% growth rate in Q2FY26 positions India as a fast-growing major economy.

**IMF's "C" Rating-** The International Monetary Fund (IMF) has reportedly graded India's national accounts with a "C" rating for the quality of underlying data.

## Building Bureaucrats Since 2006

**Outdated Base Year**– A primary criticism is the continued reliance on the 2011-12 base year for GDP calculations. This old base fails to capture new economic activities, digital shifts, and modern consumption patterns.

**The Invisible Informal Sector**– With approximately 90% of the economy operating in the informal sector, current data collection methods chronically undercount this segment. This leads to a significant mismeasurement of– Actual GDP. Employment levels. True welfare standards of the population.

## The Challenge of Jobless Growth & Structural Transformation

Economic expansion has not translated proportionately into formal employment, creating a phenomenon of "jobless growth."

**Over-reliance on Agriculture**– Despite the service sector boom, about 46% of India's workforce remains dependent on agriculture.

**Contrast**– The agriculture sector grew by only 3.5% in Q2FY26, indicating a disparity between where the growth is (Services/Industry) and where the people are (Agriculture).

**Informality Trap**– Government schemes and welfare transfers are providing relief but are not a substitute for high-quality, formal-sector jobs.

**Stalled Structural Transformation**– A healthy developing economy typically moves labor from low-productivity agriculture to high-productivity manufacturing. In India, this transition is slow, impeding sustainable structural transformation.

## The Environmental Cost of Growth

The current growth model appears to be environmentally expensive, particularly in North India, undermining the quality of life.

**Air Pollution Crisis**– Cities like Delhi consistently rank among the most polluted globally. AQI levels frequently exceed 400, which severely impacts life expectancy and public health.

**Water Toxicity**– Groundwater contamination, particularly with heavy metals, poses long-term health risks that are not factored into GDP calculations.

**"Defensive Consumption" Paradox**– A portion of the GDP growth is fueled by people spending money to protect themselves from pollution (e.g., buying air purifiers, water filters, medical treatments). While this increases economic activity figures, it actually represents a decline in human welfare.

## Recommendations for Meaningful Growth

**To bridge the gap between GDP figures and ground reality, the following interventions are recommended**

| Area of Reform       | Specific Actions                                                                                                                                         |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Job Creation         | Accelerate private investment, improve Ease of Doing Business, and align Skill India programs with actual market demands to move workers to formal jobs. |
| Data Modernization   | Immediately update the GDP Base Year (ideally every 5 years). Institutionalize high-frequency data collection to better capture the informal economy.    |
| Environmental Action | Implement coordinated policies on Crop Residue Management, urban transport overhaul, and strict industrial emission norms.                               |

## Way Forward

**Strengthen Employment Generation**– Focus on MSME growth as they are labor-intensive. Encourage start-ups and industries that can absorb labor migrating out of agriculture.

**Modernize National Accounts**– Move towards real-time data tracking to build confidence among domestic and global investors. Transparency in data is crucial for effective policy formulation.

**Building Bureaucrats Since 2006**

**Promote Green and Sustainable Growth**– Green GDP– Integrate environmental indicators into GDP measurement to get a "Holistic View" of growth. Invest heavily in urban public transport to reduce reliance on private vehicles.

**Policy Integration**– Economic, labor, and environmental policies must not work in silos. PMO-level coordination is suggested to ensure strictly implemented monitoring across states.

## Conclusion

India's growth story remains impressive on paper, but for it to be truly "developed" (Viksit) by 2047, the focus must shift from *quantity* of growth to *quality* of growth. Addressing the "Jobless" nature of expansion, fixing the "Data Deficit," and reversing "Environmental Degradation" are the three pillars required to make India's rise sustainable and inclusive.

**Source**– [https://indianexpress.com/article/opinion/columns/economy-beyond-headline-numbers-better-jobs-green-growth-needed-10408015/?ref=opinion\\_pg](https://indianexpress.com/article/opinion/columns/economy-beyond-headline-numbers-better-jobs-green-growth-needed-10408015/?ref=opinion_pg)

