

Editorial of the Day – 17.02.2026

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- 1. India's federalism is in need of a structural reset (TH)

General Studies 2- Indian Polity

Topic- Federalism

There is a need for balanced federalism in the form of autonomous States, an efficient Union, and accountable governance. Recently, a high-level committee on Union-State relations, submitted its first report to the Government of Tamil Nadu that deals with powers and responsibilities shared between the Union and the States.

About India's Federalism

Federalism is a system of government in which power is constitutionally divided between a central authority (Union) and regional governments (States). A federal system gives both levels independent authority within their own spheres, unlike a unitary system (where all power flows from the centre). Neither level is legally subordinate to the other within those assigned domains.

India's Unique Federal Design

Constitutional Design- The Constitution (1950), influenced by the Government of India Act, 1935, created a strong Union List, a residuary power vested in Parliament, Emergency provisions (Articles 352, 356, 360), and a single Constitution and single citizenship. Indian federalism was shaped by Partition, princely state integration, and fears of fragmentation, unlike classical federations (e.g., the US).

1. India is often described as a 'Union of States', a phrase deliberately used in the Constitution to reflect unity with diversity.
2. India's federalism is often called 'quasi-federal' or 'federal with a unitary bias', as the Constitution of India gives the Union stronger authority in certain areas, especially during emergencies.
3. Union law prevails (with limited exceptions) if there is a conflict in Concurrent List subjects. It reflects both-

The need for national unity, and recognition of regional diversity.

Core Foundational Principles of Indian Federalism

Constitutional Supremacy- India does not operate on parliamentary supremacy (like the UK).

The Constitution is supreme, i.e. both the Union and States derive their authority from it, and no government, either Union or State, can act beyond constitutional limits.

Division of Legislative, Executive & Financial Powers- Federalism is not just about law-making. It also involves Legislative powers (law making), Executive powers, and financial powers. Revenue sharing is done through the Finance Commission, GST Council, and Centrally Sponsored Schemes.

Cooperative Federalism- India's model is not meant to be competitive or adversarial. The ideal vision is cooperative federalism, meaning-

1. The Union and States work together.
2. Policies are discussed collaboratively.
3. Institutions like the Inter-State Council and GST Council encourage consultation.

More recently, the phrase 'competitive federalism' has emerged, meaning States compete in performance (investment, ease of doing business, governance reforms).

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Unity with Diversity– India is linguistically, culturally, and economically diverse. Federalism accommodates different languages, development models, and governance experiments.

For example– Tamil Nadu pioneered the noon meal scheme; Kerala achieved strong public health outcomes; Maharashtra experimented with employment guarantee schemes.

Asymmetrical Federalism– India does not treat all States identically. Some States historically enjoyed special provisions like Sixth Schedule areas for tribal regions in Northeast India.

Judicial Safeguards– Federalism as Basic Structure

S.R. Bommai vs Union of India (1994)– The Supreme Court held that Federalism is part of the Basic Structure of the Constitution.

1. States are not 'mere appendages' of the Centre, and they are supreme within their constitutional sphere.
2. The term 'Basic Structure' means that even Parliament cannot amend the Constitution in a way that destroys federalism.
3. Article 356 (President's Rule) is subject to judicial review.

Commissions on Centre–State Relations

Rajamannar Committee (1971)– Established by Tamil Nadu, it argued for greater State autonomy and clearer limits on Union encroachment.

Sarkaria Commission (1983–1988)– Recommended cooperative federalism, restraint in using Article 356, and consultation with States.

Punchhi Commission (2007–2010)– Called for redefining the Governor's role and strengthening intergovernmental mechanisms.

Concerns & Issues Around India's Federalism

Centralisation of Legislative Powers– Parliament increasingly legislates on subjects where States also have authority.

1. Provisions such as Articles 249 and 250 allow Parliament to legislate on State subjects under certain conditions, raising concerns about gradual erosion of State spheres.
2. It reduces meaningful State autonomy when uniform national laws override local policy choices.

Misuse and Legacy of Article 356– Article 356 (President's Rule) was frequently invoked for political reasons before S.R. Bommai (1994). The Supreme Court restricted arbitrary use, making proclamations judicially reviewable.

Role of Governors– Major concerns include delays or refusal of assent to State Bills, discretionary powers in government formation, and reporting under Article 356.

Fiscal Federalism Imbalances

Vertical Imbalance– States bear substantial expenditure responsibilities (health, education, agriculture), yet major taxation powers are concentrated at the Union level.

Conditional Transfers– Centrally Sponsored Schemes (CSS) under Article 282 allow the Union to impose policy templates through tied grants.

Finance Commission Dynamics– The broader concern is that fiscal dependence weakens substantive autonomy.

GST and Shared Sovereignty– The introduction of the GST (2017) restructured fiscal federalism. Concerns include loss of independent taxation space for States, GST compensation disputes, voting structure within the GST Council, and increasing central coordination over tax rates. It lies between uniform market integration and fiscal autonomy.

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Executive Federalism & Institutional Drift– Intergovernmental bodies such as NITI Aayog, GST Council, and Inter-State Council have reshaped federal practice. The decision-making increasingly occurs through executive forums rather than legislative federalism, reducing transparency and formal accountability.

Asymmetric Federalism Under Strain– India accommodates asymmetry (e.g., special provisions for certain States). However, reorganisation of states, alteration of special status arrangements, and uniform policy drives have raised questions about how asymmetry is protected within a centralising framework.

Political Centralisation– Strong single-party dominance at the Union level, particularly when the same party governs multiple States, can create ‘high command’ culture, reduced bargaining autonomy, and policy uniformity pressures. Conversely, coalition eras historically strengthened negotiated federalism.

Way Forward– Strengthening India’s Federalism

Limit Overreach in the Concurrent List– Parliament should exercise restraint in legislating on Concurrent subjects unless national uniformity is indispensable. Revitalising Article 263 institutions can institutionalise structured dialogue rather than ad hoc negotiation.

Reform the Role of Governors– Establish transparent criteria for appointment; fix timelines for assent to State Bills; and codify discretionary powers more clearly. Commissions (Sarkaria, Punchhi) have recommended insulating the office from partisan influence. Implementing these reforms would reduce recurring Centre – State conflicts.

Revisit Article 282 Practices– Clarify limits on discretionary grants to prevent fiscal centralisation. Need to ensure predictable, transparent, and rule-based devolution criteria.

Recalibrate GST Governance– The improvements are needed for greater deliberative transparency, timely compensation mechanisms, mechanisms for limited State rate flexibility in defined sectors. It would balance market integration with fiscal autonomy.

Institutionalise Cooperative & Competitive Federalism– India’s federal future lies in combining Cooperative federalism (shared decision-making), and Competitive federalism (policy innovation and benchmarking). Encouraging States to experiment, while sharing best practices horizontally, strengthens overall governance capacity.

Source– <https://www.thehindu.com/opinion/lead/indias-federalism-is-in-need-of-a-structural-reset/article70639834.ece>

2. India At the Ai Crossroads– Cooperation Vs Technological Sovereignty (ET)

General Studies 3– Science & Technology

Topic– AI Summit 2026– Investment signals, policy convergence, and India’s expanding AI ambition

As India hosts a major AI Summit in New Delhi, it stands at a strategic inflection point. The central dilemma is whether to position itself primarily as a champion of global AI cooperation or to prioritise technological sovereignty in an increasingly competitive geopolitical environment. This tension mirrors the calibrated balance between collaboration and strategic autonomy pursued by Homi J. Bhabha during India’s formative nuclear years.

The AI moment is not merely technological—it is civilisational, economic, military, and geopolitical.

The Paradox of Ai– Universal Public Good Vs Strategic Asset

AI as a Global Public Good – The Normative Narrative

1. Global forums such as the G7, G20, OECD, and UN frame AI as a universal public good requiring cooperative governance.

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2. Emphasis is placed on ethical AI, safety standards, algorithmic transparency, and inclusive access.
3. AI is compared to air, water, or climate stability—transnational by nature and requiring shared stewardship.
4. Developing countries argue for equitable access to compute, datasets, and model capabilities to avoid digital colonialism.

Backstage Reality – Strategic Rivalry

Major powers, particularly the US and China, are locked in intense competition over–

1. Advanced semiconductor manufacturing
2. Access to cutting-edge GPUs and compute clusters
3. AI talent and research dominance
4. Foundational model supremacy

Export controls, investment screening, and supply-chain decoupling signal that AI is treated as a strategic commodity, not a shared global utility. The CHIPS and Science Act in the US and China's semiconductor self-reliance push illustrate techno-nationalism.

AI as Strategic Power

AI is dual-use– it drives productivity and economic transformation while also enhancing–

1. Autonomous weapons systems
2. Cyber operations
3. Intelligence and surveillance
4. Military decision-support systems

Control over AI ecosystems determines–

1. Economic competitiveness
2. Defence superiority
3. Narrative dominance in global governance

States are therefore reluctant to share core algorithms, training data, and compute infrastructure.

Rise of Techno-Nationalism

AI has become an instrument of geopolitical leverage.

Technological superiority increasingly translates into–

1. Supply-chain coercive capacity
2. Standards-setting power
3. Economic dependency networks

The global order is shifting from globalisation to securitised interdependence.

Historical Parallel- Lessons from The Nuclear Era (1955 And beyond)

The current AI rivalry resembles the nuclear arms race of the mid-20th century.

Nuclear vs AI Rivalry

1. In 1955, the United States and the Soviet Union dominated nuclear technology.
2. Nuclear capability determined geopolitical hierarchy and strategic autonomy.
3. Today, AI—like nuclear technology then—is a system-defining technology shaping global power structures.

Homi J. Bhabha's Strategic Insight

At the 1955 Geneva Conference on the Peaceful Uses of Atomic Energy, Bhabha argued–

1. Developing nations must not remain passive recipients.
2. Access to strategic technology is essential for development and energy security.

He recognised a core principle–

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Rule-making authority flows from technological capability.

Without indigenous capability–

1. A country cannot influence governance frameworks.
2. It becomes dependent on technology suppliers.
3. It risks strategic vulnerability.

Power Precedes Influence

Bhabha understood that

1. Moral arguments alone do not secure technological access.
2. Influence in global governance emerges from demonstrated capability.
3. Domestic scientific strength is the foundation of external bargaining power.

This principle is directly applicable to AI governance today.

The “Bridge Builder” Strategy– Partnerships for Capability

External Collaboration with Strategic Intent

Bhabha

1. Engaged scientists from the US, UK, and Canada.
2. Leveraged the “Atoms for Peace” moment.
3. Used partnerships to accelerate indigenous capability rather than create permanent dependence.

This is instructive for AI.

India’s Current AI Ecosystem

1. Deep integration with Silicon Valley.
2. Strong R&D clusters in Bengaluru and Hyderabad.
3. A vibrant start-up ecosystem.
4. Leadership in digital public infrastructure (DPI) such as UPI and Aadhaar.

However

1. Compute capacity is limited relative to global leaders.
2. India lacks cutting-edge semiconductor fabrication.
3. Foundational model development remains nascent compared to US and China.

Partnership-Led Internal Growth

India must

1. Secure access to advanced chips through strategic partnerships.
2. Invest in sovereign compute clusters.
3. Build national foundational models tailored to Indian languages and governance contexts.
4. Expand public–private research consortia.

Partnerships should be used to accelerate domestic capacity, not substitute for it.

THE “LOST DECADES” WARNING

Post-1960s Slowdown in Nuclear Momentum

1. After the deaths of Nehru and Bhabha, policy momentum fragmented.
2. International isolation following nuclear tests slowed collaboration.
3. India’s early advantage diminished over time.

Competitors Scaling Rapidly

1. China and South Korea, late entrants in nuclear technology, scaled aggressively.
2. They transitioned into exporters and global suppliers.
3. Strategic clarity and sustained investment drove long-term gains.

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Risk of Repetition in AI

Emerging economies such as Vietnam and Indonesia are rapidly digitising.

Policy indecision, regulatory overreach, or underinvestment could–

1. Stall AI innovation.
2. Lead to talent flight.
3. Create dependency on foreign platforms.

AI is a first-mover advantage domain. Delays compound exponentially.

Way Forward- A Strategic Framework For India

Build Tangible National Assets

Prioritise

1. Sovereign high-performance computing infrastructure.
2. Semiconductor design and gradual manufacturing capability.
3. National AI research labs.
4. Public datasets governed under secure frameworks.
5. Massive skilling programmes in AI, data science, and chip design.

Capability must be measurable and scalable.

Move from Moralism to Rule-Shaping

1. Participate actively in drafting AI safety norms.
2. Lead Global South coalitions on equitable access.
3. Advocate open standards while protecting core technologies.
4. Influence ISO, ITU, and OECD technical committees.

Norm entrepreneurship must be backed by technological credibility.

Strategic Realism in Partnerships

Deepen cooperation with the US and like-minded democracies.

Leverage US–China rivalry for–

1. Access to advanced compute
2. Joint R&D programmes
3. Semiconductor ecosystem participation

Preserve strategic autonomy by avoiding overdependence on any single bloc.

Capability First, Leadership Later

Aspirations to lead the Global South in AI governance will be credible only if India–

1. Develops world-class foundational models.
2. Demonstrates scalable AI use cases in agriculture, health, education, and governance.

Just as Unified Payments Interface enhanced India's global standing, AI-enabled digital public goods can become exportable models.

Strategic Synthesis- Cooperative Autonomy

India does not face a binary choice between cooperation and sovereignty.

The optimal strategy is calibrated cooperative autonomy

1. Open to partnerships.
2. Protective of core strategic assets.
3. Assertive in governance forums.
4. Relentless in domestic capacity-building.

This mirrors Bhabha's nuclear doctrine–

1. Engage globally.
2. Build internally.
3. Shape rules from a position of strength.

Conclusion

India's AI strategy must transcend rhetorical leadership and focus on structural capability. The AI summit in Delhi symbolises ambition—but ambition without infrastructure risks hollow influence.

The lesson from the nuclear era is clear—

Technological sovereignty and global cooperation are not opposites. They are complementary—provided cooperation is used to build national strength.

In the AI century, credibility will not come from speeches about ethical AI alone. It will come from sovereign compute, indigenous models, skilled human capital, and the strategic discipline to convert partnerships into power.

Source- <https://economictimes.indiatimes.com/ai/ai-insights/ai-summit-2026-investment-signals-policy-convergence-and-indias-expanding-ai-ambition/articleshow/128496462.cms?from=mdr>

