

Ladies and gentlemen,

Welcome to Ideas of India 2026.

Last year, we saw humanity's next frontier.

Since then, mankind has been mired in conflict.

[War](#) has visited the subcontinent; the White House has disrupted global trade with [tariffs](#); the US Supreme Court has since [struck down](#) the decision; India has negotiated a [free trade agreement](#) with the European Union; farm unions in India are [opposing](#) a deal [with the United States](#); Gaza still [burns](#); Venezuela has seen [regime change](#); there have been [tensions in Iran](#); and several [attempts](#) to resolve the war in Ukraine are yet to bring peace.

Peace is not automatic in global politics.

In 2014, Henry Kissinger [argued](#) that the world needed an agreed-upon order, "a set of rules setting limits to permissible action", sustained by legitimacy among nations and enforced by a balance of power. The alternative was a descent into chaos.

The international system that emerged in Europe from the Peace of Westphalia in 1648 was based on the sovereignty of states, non-interference, and the balance of power. This subsequently governed much of international relations around the world.

The Westphalian system has been challenged by technological change, a more interconnected world and the rise of states that had different ideas of order, Kissinger said. Europe itself had discarded the system to the point where a continental bureaucracy controlled its currency and borders.

Russia remained an enigma to Europe, having started more wars than any other power but having also prevented dominance of the continent by any single state. The American tradition was torn between idealists, who looked to spread democratic values around the world, and realists, who sought to protect the national interest and maintain the balance of power. The Chinese conception of order assumed a hierarchy of states paying tribute to the Middle Kingdom.

Kissinger felt that the world needed to forge a new, stable order that had legitimacy and power. He saw “a modernisation of the Westphalian system informed by contemporary realities”.

What would such a system entail today?

Monica Duffy Toft has [said](#) that, in a geopolitical situation like that prevailing at the end of World War II, the world would devolve into spheres of influence – areas that states control but over which they do not necessarily exercise sovereignty. The United States, Russia and China may well choose to carve up the world among themselves.

John Mearsheimer thinks that the rise of China, a nation with a large economy and population and a strong military, [cannot be peaceful](#), for the United States would never accept Chinese dominance in Asia. “The inescapable outcome is competition and conflict,” Mearsheimer [writes](#).

Yan Xuetong [has predicted](#) a world with the United States and China as its two superpowers as China continues to close the gap in economic, military and cultural domains using what, he argues, is its more capable political leadership.

Michael Beckley [argues](#) that the world order is stagnant. Expansion in demography, productivity and territory have reached their limit the world over, the result being that “no country is rising fast enough to overturn the global balance”. The United States leads productivity growth while increasing its economic output relative to most peers’.

Amid uncertainty, Indian policymakers have their task cut out. A major ally in the United States seems to [turn inward](#); neighbours in the subcontinent are [restive](#); a thaw with China [belies much ice](#); and trade deals with the US and the EU would bring about an urgent [need for domestic reform](#).

India must focus steadfastly on its national interest. The Prime Minister has [defined](#) it: to become a developed nation by 2047. No easy task – the world economy [remains slow](#), households are [saving less](#) since the pandemic, and Indian businesses other than [Adani](#) and [Reliance](#) are [not investing much](#). Jobs are [still hard to come by](#) for a young workforce that remains [short on skills](#).

In these circumstances, development, not status, is the national interest.

Indian policymakers must look to manage an environment in which the country is to deliver material progress over the next two decades. This means placing India’s economic interest above all else while protecting its sovereignty.

Wars are not in India's interest; we must increase trade with those who buy our goods and services and lay out the red carpet to those ready to create jobs here. It would be unwise to ignore national security in a volatile subcontinent. So investment from strategic rivals should be screened in sensitive industries. In all others, instead of the question "why are you here?", the government of India should ask "how can we help you set up?"

The trade agreement with the EU is an opportunity to attract capital and knowhow, and create jobs. As for the deal with the US, India should first let the [uncertainty](#) clear in Washington.

India must deal with neighbouring countries fairly, firmly, calmly. And what of the great powers? We should deal with all and threaten none. As Chinese leaders once [told](#) their diplomats, "Keep a low profile while trying to accomplish something."

As the world order transits, India must deliver material progress while protecting its sovereignty. For that, do we really need to be a great power?

Thank you.