

# SPECTRUM

## *Tracking Strategic Shifts Worldwide and Their Impact on India*

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*26<sup>th</sup> July to 16<sup>th</sup> August 2026*

- 1. The U.S.-Iran confrontation remained the biggest geopolitical risk during this period.** On 27 July, President Donald Trump threatened a response after Iran's latest attack, while Washington and Tehran remained locked in an unstable confrontation. The conflict continued to have consequences well beyond the Gulf, particularly for energy markets and maritime security. For India, the immediate concerns are crude prices, the security of Indian nationals in the Gulf, shipping through the Strait of Hormuz and the future of India's Chabahar connectivity project.
- 2. Gaza diplomacy entered another uncertain phase.** On 16 August, U.S. envoys Jared Kushner and Nickolay Mladenov met Egyptian, Qatari and Turkish mediators in Cairo to advance President Trump's Gaza peace plan, while Hamas representatives also engaged with the mediators. Israel, however, continued airstrikes and Prime Minister Benjamin Netanyahu had rejected key elements of the American proposal. For India, the Gaza crisis remains important because it requires New Delhi to balance its strategic relationship with Israel with its traditional political support for Palestine and its wider relationships with the Arab world.
- 3. The Israel-Lebanon front remained another unresolved element of the West Asian crisis.** Israel announced that it would not withdraw from southern Lebanon until Hezbollah was disarmed, effectively creating a stalemate because Hezbollah has rejected disarmament while Israeli forces remain in Lebanese territory. The development threatens to keep another front of the wider Iran-linked conflict active. For India, any expansion of the conflict threatens regional stability, energy security and the safety of the substantial Indian community across Lebanon and the Gulf.
- 4. Russia-Ukraine peace diplomacy remained largely stalled.** On 27 July, the Kremlin said it had seen nothing substantive in new Ukrainian peace proposals, while by 14 August Russian Foreign Minister Sergei Lavrov was accusing Washington of supporting Ukrainian attacks inside Russia. For India, the continued diplomatic deadlock means that the Russia-Ukraine war will remain a major factor in India's strategic balancing between Moscow, Washington and Europe, particularly in defence, energy and food security.
- 5. The Black Sea is emerging as a new pressure point in the Ukraine war.** On 13 August, Ukraine proposed a mutual halt to attacks on civilian targets and shipping in the Black Sea amid growing disruption to grain exports. Ukrainian grain exports had reportedly fallen sharply as Russian and Ukrainian attacks affected ports and shipping. For India, disruption of Black Sea grain flows can affect global food prices, while the wider militarisation of the Black Sea has implications for India's relationship with Russia and its interests in the wider Eurasian region.

6. **China used the distraction created by the Middle East and Ukraine conflicts to strengthen its position in the Indo-Pacific.** A Reuters assessment on 14 August pointed to increased Chinese cyber activity against Taiwan, naval manoeuvres and the discovery of suspected Chinese underwater drones, alongside increasing pressure on Japan, the Philippines and other regional states. For India, this reinforces the argument that China's strategic activity cannot be viewed only through the Himalayan border; the Indo-Pacific and the continental theatre are increasingly interconnected.
7. **China's military exercise with Indonesia east of Taiwan generated a new regional controversy.** On 12 August, Indonesia defended a joint naval exercise with China east of Taiwan as a routine activity, while Taiwan called it a provocative development. The exercise was significant because it represented China's first joint operation with a foreign military in those waters. For India, the episode demonstrates how Beijing is expanding its maritime partnerships and presence beyond the South China Sea, reinforcing the importance of India's naval engagement with ASEAN and the wider Indo-Pacific.
8. **India-China relations again came under pressure over the Himalayan border.** On 12 August, New Delhi reiterated that peace and tranquillity along the disputed border were essential for broader bilateral relations following reports of renewed military activity near Taksing in Arunachal Pradesh. China described the situation as generally stable, while Indian officials disputed some of the reports of Chinese incursions. For India, the episode demonstrates that the border remains the fundamental variable determining the pace and depth of India-China normalisation, even as both sides prepare for greater engagement through BRICS and other multilateral platforms.
9. **Nepal began a notable diplomatic recalibration under Prime Minister Balendra Shah.** On 10 August, Shah ended months of avoiding direct one-to-one meetings with foreign ambassadors by meeting India's ambassador first and China's ambassador later the same day, followed by planned engagement with the United States. The sequence suggested an attempt to recalibrate Kathmandu's foreign policy rather than align exclusively with either neighbour. For India, this is significant because Nepal's strategic balancing between India, China and the West will directly influence Himalayan connectivity, border management, hydropower and China's regional footprint.
10. **Nepal's foreign-policy posture is therefore becoming an important regional story in its own right.** Shah's government appears to be pursuing a more transactional approach to relations with both India and China, seeking economic benefits from each while resisting the traditional pattern of Kathmandu being perceived as closer to one side. For India, the appropriate response is sustained political and economic engagement rather than treating Nepal primarily through a security lens; hydropower, connectivity, tourism and people-to-people relations remain India's strongest strategic advantages.
11. **Bangladesh-India relations deteriorated further after Sheikh Hasina's intervention from India.** On 5 August, former Prime Minister Sheikh Hasina called for the ban on her Awami League to be lifted and said she intended to return to Bangladesh by December. Dhaka condemned the statement and criticised India for allowing her to address the media, while New Delhi continued to examine Bangladesh's extradition request through its legal procedures. For India, Hasina has become both a diplomatic and legal complication: New Delhi must manage Dhaka's demands without allowing one individual to determine the entire strategic relationship with Bangladesh.

12. **By 16 August, Bangladesh had effectively linked Prime Minister Tarique Rahman's proposed India visit to the broader Hasina dispute.** Dhaka said that a sufficiently favourable diplomatic environment was necessary before the visit could take place and reiterated that it was awaiting India's response to the extradition request. For India, this indicates that rebuilding the bilateral relationship will require a carefully sequenced diplomatic reset covering Hasina, border security, trade, water-sharing, connectivity and minority-related concerns rather than a single high-level visit.
13. **The Rohingya crisis remained a significant India-Bangladesh-Myanmar security concern.** During this period, the continuing inability to repatriate Rohingya refugees from Bangladesh to Myanmar remained closely tied to instability in Rakhine State. Myanmar subsequently acknowledged that hundreds of thousands of refugees in Bangladesh originated from Rakhine, but maintained that security conditions prevented their return. For India, the crisis matters directly because prolonged instability in Rakhine can affect Bangladesh, India's Northeast, the Bay of Bengal and India's relations with both Dhaka and Naypyidaw.
14. **Pakistan-administered Kashmir witnessed a serious political and electoral crisis.** Elections during the period were marred by violence, protests and an internet blackout, with the Joint Awami Action Committee opposing the allocation of 12 legislative seats for refugees from Indian-administered Jammu and Kashmir. By 12 August, Pakistan's ruling PML-N appeared poised to secure a majority, although voting in several constituencies had been postponed because of violence. For India, the significance lies in the fact that the unrest is rooted in questions of representation and governance within territory administered by Pakistan, creating space for New Delhi to highlight the political grievances of people in PoK.
15. **The PoK protests increasingly became an international narrative rather than simply a local electoral dispute.** The Joint Awami Action Committee's campaign against the electoral arrangements, combined with deadly clashes and accusations of political manipulation, exposed tensions between Islamabad and sections of the population in Pakistan-administered Kashmir. For India, this offers an opportunity to challenge Pakistan's attempt to reduce the Kashmir question to developments in Indian-administered J&K and instead draw attention to governance, representation and political rights in territory under Pakistani control.
16. **Pakistan's internal security crisis continued to deepen, particularly in Balochistan.** On 12 August, Pakistani forces said they had killed 10 militants in an operation in Balochistan, while a premature car-bomb explosion killed civilians and insurgents. The episode underscored the persistence of separatist militancy and the growing security burden on the Pakistani state. For India, instability in Balochistan matters because it adds another internal pressure point for Pakistan, intersects with China's investments and security interests around CPEC, and potentially affects Islamabad's strategic calculations towards India.

17. **Afghanistan marked five years of Taliban rule on 15 August.** The fifth anniversary highlighted the Taliban's continued international isolation, severe restrictions on women and unresolved questions about Afghanistan's political and security future. At the same time, Pakistan-Afghanistan tensions remain a major source of regional instability, with cross-border militancy continuing to complicate relations. For India, Afghanistan remains important because of terrorism, Pakistan's western flank, Central Asian connectivity and China's growing interest in the country's strategic geography.
18. **Sudan's civil war continued to move towards deeper territorial fragmentation.** On 12 August, the Rapid Support Forces renewed attacks on al-Obeid and launched drone attacks on Khartoum and other areas, while the RSF continued to control much of Darfur and pursue a parallel governmental structure. For India, Sudan's importance extends beyond humanitarian concerns: instability threatens Red Sea security, maritime routes, India's commercial interests in Africa and the broader security environment connecting the Horn of Africa to West Asia.
19. **The Korean Peninsula saw renewed military signalling.** North Korea launched a ballistic missile on 11 August ahead of the annual U.S.-South Korean Ulchi Freedom Shield exercises and subsequently warned that it would strengthen its nuclear deterrence. On 16 August, Trump ordered the Pentagon to substantially reduce the scale of future joint exercises with South Korea, citing their cost and Seoul's refusal to support U.S. action against Iran. For India, any weakening of the U.S.-South Korea security architecture could alter the Indo-Pacific balance and indirectly create additional strategic space for China and North Korea.
20. **Sri Lanka-India economic ties are gaining fresh momentum.** In the last fortnight, Colombo placed greater emphasis on deepening economic integration with India, including the "India Calling" business forum on 6 August, which focused on reducing trade and investment barriers and expanding cross-border private-sector cooperation. The initiative comes as Sri Lanka continues its post-crisis economic recovery and looks to diversify investment and strengthen regional economic linkages. For India, this is strategically significant because stronger economic integration with Sri Lanka can reinforce New Delhi's position in the Indian Ocean, create opportunities in infrastructure, energy and trade, and provide a counterweight to China's growing economic and port footprint in Sri Lanka.