

EDITORIAL

A Perilous Return to the Brink in the Gulf

The fragile illusion of peace in the volatile Middle East has shattered once again. The near-total collapse of the interim ceasefire, which briefly offered a welcome reprieve from the brutal war that erupted in February, has plunged the region back into a state of severe escalation. Over the past week, the United States and Iran have traded punishing waves of retaliatory missile and drone attacks, dragging the international community into a terrifyingly familiar cycle of violence. With U.S. Central Command executing consecutive nights of heavy airstrikes against Iranian military installations, coastal radars, and naval assets, any hope of a diplomatic breakthrough is rapidly evaporating. At the center of this dangerous relapse is the strategically vital Strait of Hormuz. Following Iranian attacks on commercial vessels, the Trump administration has chosen a path of maximum friction. By notifying Congress of resumed hostilities, President Trump has opened a new sixty-day military window, bypassing legislative oversight to enforce a stringent maritime blockade on Iranian ports. More confounding, however, is the administration's proposal to levy a twenty-percent fee on neutral cargo transiting the strait to finance the American naval presence. This represents a bizarre and hypocritical policy reversal. For decades, Washington championed the freedom of navigation as an inviolable tenet of international law. To transform the world's most critical energy choke-point into a toll booth not only alienates key global allies but also risks turning the U.S. into the very lawless actor it claims to oppose. Tehran, predictable in its defiance, has responded with decentralized aggression. Rather than backing down under the weight of precision munitions, the Islamic Revolutionary Guard Corps has expanded the geographic scope of the conflict. By launching retaliatory strikes against regional targets in Bahrain, Jordan, and civilian tankers associated with the United Arab Emirates, Iran is signaling its willingness to burn the house down. Tehran's calculus remains clear: if it cannot export its own resources due to a U.S. blockade, it will ensure that the rest of the world suffers a similar economic paralysis. Already, global financial markets are feeling the tremors, with Brent crude oil prices surging as maritime insurers recalculate the catastrophic risks of a prolonged regional war. What makes this latest flashpoint so tragic is that it occurs while both sides theoretically remain halfway through a negotiated framework meant to permanently end hostilities. Yet, the rhetoric emanating from both capitals suggests an appetite for total victory rather than mutual compromise. Washington stubbornly insists that it can bomb Iran into absolute submission and degrade its capabilities to zero, a flawed premise that ignores decades of asymmetric warfare history. Meanwhile, Iranian leadership operates under the dangerous illusion that regional destabilization will force an immediate American military retreat. Neither side can achieve its stated objectives through firepower alone. The current trajectory promises only more casualties, deeper economic shockwaves, and the complete unraveling of international maritime norms. As the sixty-day clock ticks and the blockade tightens, the international community must forcefully intervene. The U.S. must abandon its reckless maritime tariff schemes, and Iran must cease its attacks on commercial shipping. True security in the vital Gulf cannot be bought with precision bombs or secured by extortionate levies; instead, it can only be built on the hard, unglamorous work of sustained, open-minded bilateral diplomacy.

The truce between the US and Iran as well as the reduced oil prices in the global market has brought hopes to the Indian economy but the latest stand of President Trump still causes concern. The world, including India, is worried over tensions re-escalating and has called for restraint and uninterrupted flow of energy supplies.

The global economy is set to react sharply for the rest of 2026 after the war disrupted energy supplies and triggered a fresh bout of inflation, the International Monetary Fund (IMF) warned recently. The forecasts reflect the damaging toll from the war on Iran and more recently the abandoning of the declared ceasefire. Global output is poised to fall to 3 per cent from 3.5 per cent last year, according to IMF's World Economic Outlook. India's growth was pegged for the current fiscal at 6.4 per cent as against 6.5 per cent projected in April and shall remain the fastest-growing major economy, supported by strong momentum in private consumption and services activity. There are hopes for the economy if the truce remains and oil prices stay stable.

Goldman Sachs and EY had stated that the easing of the West Asia crisis and lower energy prices may be positive for the Indian economy, supporting growth, easing inflationary pressure and helping rein in fertilizer subsidy, which was seen to double the budgeted level. Though global crude prices are presently lower, one is doubtful whether the supply would remain unfettered. There is obviously a need for India to get used to this uncertainty and find new suppliers of oil and gas.

What is most important is for India to be competitive as its counterparts to avoid the next big challenge the world will face. This was very rightly stated by the CII President, R. Mukundan, while asking the government to push for reforms to create an enabling environment for industry by focusing on power, infrastructure and labour. Being challenging times, "the only solution for us is to be more competitive." According to him, only two countries, China and Vietnam, have grown consistently for 25 years at over 6 per cent. He also said that the West Asian crisis demonstrated the critical role of small and medium industries in the value chain. As the country needs to rely on resources that exist in India or at least source from friendly countries, a lot more exploration and resource



mining is needed as it is the foundation of every other cost structure, he observed, pointing out that India remained largely unexplored.

It would be pertinent here to refer to the CII's predicted two sets of solutions, one for large corporates and the other for MSMEs. While big firms needed a bigger plot than before as the scale of operations expanded manifold, the requirement for smaller firms is different. It is necessary for them to repurpose existing land by giving more floor space index (FSI), allowing them to expand rather than moving to a new place, which is more convenient. Drawing a lesson from the success of the GST Council, CII proposed a land council with participation from the states and the Centre to agree on certain ground rules.

Additionally, there is the news of Amazon's recent announcement of a fresh investment of \$13 billion, which will largely go towards AI and cloud businesses, taking its recent commitment to \$48 billion by 2030 and making it the largest overseas investment in the country. According to Amazon President and CEO Andy Jassy, the combination of \$40 billion since 2010

and the incremental \$48 billion through 2030 represents the company's largest absolute investment in any market business. The new emphasis is on cloud and AI businesses. Apart from Amazon, global giants from Google (\$15 billion) to AirTrunk (\$30 billion), Saint-Gobain (\$1.1 billion) and Canada Pension Plan Investment Board (\$700 million) have announced investment plans in the last few months, which cumulatively add up to \$95 billion over the next four to five years.

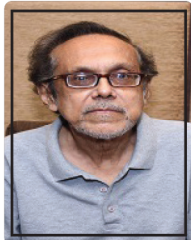
There is reason to be optimistic after months of crisis. Not just oil and gas but India's exports were affected as the country could not enter the Gulf nations. India has very close relations with most of the Gulf nations, including Iran, Israel and a few others, and no major power has its combination of relationships. As is well known, India has suffered the costs of the war without having shaped its course. As a major trading partner of Iran, and as a major beneficiary of Gulf security, India could demonstrate its willingness to engage more deeply with Iran. India's role as a leader of the Global South would make this role even more meaningful in the coming months.

While industrial development must move forward, manufacturing with appropriate technology and economies of scale has to be the core focus. India has achieved significant progress in recent years in the fields of electronics, pharmaceuticals, space and even defence production, and new innovations in these and other fields are very much needed. It has gone ahead with defence production but remains one of the largest arms importers, outpacing Saudi Arabia, Ukraine and Pakistan.

Sovereign AI is the need of the day to develop our own AI ecosystem, from chips to foundational models and applications. India has talked about it long enough, but cost is a hurdle. Where Alphabet, Amazon, Meta and Microsoft intend to spend \$650 billion on AI this year, India got just 0.6 per cent of global funding last year.

However, other areas which are labour-intensive need to be given equal attention to create jobs and cater to the increased labour force that needs employment. There are, no doubt, many incentives by the government for entrepreneurship promotion and skill development, but more encouragement is necessary for those residing in rural areas. The laggard states in the East and North-East have to come up through policy changes and development of necessary infrastructure.

While the oil crisis looms large, the entire approach of taking the economy forward has to be geared towards balanced and dispersed development of all regions of the country in a pragmatic and planned manner. This would ensure welfare for people of different regions, including the backward areas. Simultaneously, the employment potential must be kept in mind and all government posts in education and health filled up to ensure better services to the people—an essential facet of democratic functioning.



DHURJATI MUKHERJEE



THE FARMER'S FIRE SONG

For a single seed to be born,
a farmer's heart
must beat in rhythm with the soil.
Grain
is never born
from bundles of banknotes.
It never germinates
in the chambers of power.
No law,
however elegantly inscribed,
has ever awakened
a single seed.
The farmer
never asked for riches.
He asked only for water.
He entrusted the sky
with rain,
the earth
with life,
and the seed
with tomorrow.
Promises
flowed through the canals.
Water never did.
Manifestos blossomed in green.
The fields,
before they could,
turned to ash.
Deceit murdered the seed.
Drought buried the harvest.
The farmer was not killed by debt.
He was sacrificed
to a system
where debt became destiny.
What hangs
from the branch of a tree
is not merely a man.
It is the nation's
last living breath.
Every thumbprint
upon a loan document
silently signs
a death warrant.
The very hands
that fill an empty nation's bowl
cannot afford
their own bread.
No civilization
can wear
a deeper shame.
The nation hears
microphones roar in Parliament.
It never hears
the unbearable silence
of a farmer's heart
breaking in the field.
Keep your garlands.
Keep your ceremonial shawls.
Harvests
do not grow
from speeches.
Just once,
place the yoke
upon your own shoulders.
Plough a single acre
beneath a merciless sun.



When the crop fails,
read the bank's notice.
Then you will understand
Farming
is not an occupation.
It is a covenant of blood
between humanity
and the earth.
And if you still cannot keep
the food-giver alive,
write just one sentence
into every political manifesto
"We hereby abolish farming."
Before lifting
the first morsel of rice
to your lips,
ask it
"Whose sweat am I?"
It knows only one name—the
farmer.
Do not abolish farming.
Abolish
the conscience
that is destroying it.
For
seeds create wealth;
wealth has never
created a seed.
To save a seed
is to save the future.
When the seed lives,
the harvest lives.
When the harvest lives,
the people live.
When the people live,
the nation endures.
The true national anthem
of every living nation
is never sung.
It is breathed
one harvest at a time
by the farmer.



... Dr. Peruka Raju ...
National Poet
7810032847

| Special on World Youth Skills Day (15th July)

YOUTH SKILL REVOLUTION IS THE STRONGEST FOUNDATION FOR A SHARED FUTURE

World Youth Skills Day is celebrated every year on 15th July with the aim of spreading awareness about the development of technical and vocational education and training (TVET), as well as other skills relevant to local and global economies. Since this day is dedicated to equipping young people worldwide with the necessary skills for employment, work, and entrepreneurship, celebrating it holds great significance. In fact, the entire world is facing several serious challenges today, many of which particularly impact the youth. This day provides a crucial opportunity for dialogue between youth, technical and vocational education and training (TVET) institutions, firms, employers, labor organizations, policymakers, and development partners. This day is also considered special for promoting the elimination of gender inequality and ensuring access to resources for vulnerable populations.

According to various reports, more than 200 million young people worldwide are either unemployed or have jobs but live in poverty. Between 1997 and 2017 alone, while the youth population increased by 139 million, the youth labor force decreased by 58.7 million. Following the COVID-19 pandemic, the situation concerning the youth labor force worsened significantly. According to the United Nations, two out of five young workers in emerging and developing economies live on less than 3.1 US dollars per day, and globally, three out of four young employees are working in the informal economy, which is not decent work.

Globally, most young people still wait an average of 13.8 months to secure a stable or satisfactory job, reflecting a difficult transition from education to employment. Since there is a massive army of unemployed youth across the globe, it is essential for them to be equipped with skills to successfully manage upcoming challenges and have the resilience to withstand future disruptions. Globally, rising youth unemployment is the biggest problem facing today's economies and societies in both developed and developing countries. Therefore, the primary objective of World



Youth Skills Day is to achieve better socio-economic conditions for today's youth in the context of the challenges of unemployment and underemployment.

To recognize the strategic importance of providing youth with the necessary skills for employment, decent work, and entrepreneurship, as well as to address global challenges and advance sustainable development, the United Nations General Assembly declared 15th July as World Youth Skills Day in 2014. Since then, this day has been celebrated on 15th July with a special theme. This year, the theme designated for this day is 'Skills for a Shared Future', which underlines the idea that the future will be built not just by technical proficiency, but by balanced skills that incorporate digital literacy, artificial intelligence, green technology, social-emotional understanding, collaboration, innovation, and responsible citizenship.

In India, on this very day, 15th July, in 2015, the 'Pradhan Mantri Kaushal Vikas Yojana' (PMKVY) was launched to promote skill development. Under this scheme, short-term industrial skill training is provided to youth free of cost to help them gain employment. Youth aged between 14 and 35 years can receive training under this mission. For training, one has to register for three months, six months, or one year. Upon completion of the course, a certificate is awarded, which

is valid across the country, making it easy to secure employment based on this skill certificate. As young people demand more equitable, equal, and progressive opportunities and solutions in society, addressing the multi-faceted challenges they face—such as access to education, health, employment, and gender equality—has become more critical than ever. To achieve this, along with providing skills, serious initiatives are needed to make youth more employable and productive in their work environments.

A similarly significant initiative of the Central Government in India is 'Skill India', through which efforts are made to equip youth with the essential skills required for success. Under 'Skill India', the 'Ministry of Skill Development and Entrepreneurship' focuses on initiatives and schemes to develop skills among Indians so they can increase their contribution to nation-building. Since the youth are indeed the biggest stakeholders in both nation-building and image-building, the government's focus is on providing skills to young people to ensure their bright future and to provide a vast, skilled workforce to the country and the world. Various schemes run for youth also include the 'National Apprenticeship Promotion Scheme', 'Startup India' (aimed at encouraging youth to start startups, promoting innovative ideas, and fostering a startup

culture in the country), and the 'Pradhan Mantri Rozgar Yojana' (to provide loans to unemployed youth and women to start new businesses), among other initiatives.

According to the United Nations, violent conflicts disrupt education and stability, while a polarized environment online that fosters negativity and persistent economic inequality limits opportunities. These issues threaten not only individual futures but also the overall stability of societies. Equipping youth with the necessary skills is crucial to foster a culture of peace, nurture responsible global citizens, and promote sustainable development to create a more just, inclusive, and sustainable future for all. World Youth Skills Day emphasizes the commitment to recognizing the potential of youth, providing them with skills and opportunities to face challenges, and contributing to a peaceful, prosperous, and sustainable future.

Indeed, given the rapid pace of technological advancement and the constantly evolving nature of the job market, empowering young people with an adaptable and versatile skill set has become highly critical. United Nations Secretary-General António Guterres states that while working to transform education not just today but every day, efforts must also be made to ensure that youth have everything they need to shape a more peaceful, sustainable future and to develop their skills. Now, as the rapid application of Artificial Intelligence technologies across various industries changes the work landscape, equipping youth with essential AI skills to prepare them for future jobs has become extremely important.



YOGESH KUMAR GOVAL
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