



CUTS International *Global Affairs*

MonthlyNews Wrap #109, August 2026

A New Security Architecture Is Emerging Around India

The Mecca Joint Defence Agreement between Saudi Arabia, Pakistan and Türkiye marks a significant shift in West Asian security. Its mutual-defence clause, under which an attack on one is treated as an attack on all, gives formal shape to what has been described as an “Islamic NATO”. While the grouping still lacks NATO-style integrated command and permanent forces, its potential expansion including Bangladesh’s stated willingness to join, deserves attention. More importantly, Pakistan’s growing defence partnerships, from Saudi Arabia and Kuwait to Somalia, are extending its strategic footprint towards the Red Sea and the Indian Ocean.

For India, therefore, the issue is not simply the Mecca pact but the emerging security geography around it. A more coordinated Pakistan–Türkiye–Saudi relationship, potentially extending into Africa, could intersect with India’s interests across the Gulf, Arabian Sea and wider Indian Ocean. Yet India is also engaging the same broad neighbourhood through economic and diplomatic partnerships. The challenge will be to ensure that its expanding presence in West Asia is matched by the strategic capacity to respond to new security alignments.

The other major story is India’s growing role in the evolving Eurasian order. The SCO’s 25th anniversary summit in Bishkek has just brought together India, China, Russia, Iran and Pakistan, among others, under a framework that seeks cooperation without becoming a conventional geopolitical bloc. The focus now shifts to New Delhi, which will host the **18th BRICS Summit on September 12–13**. Reports that Xi Jinping may attend with a Chinese delegation of around **400 officials**—more than twice the size of his 2019 delegation, make the summit particularly significant for India–China ties.

Taken together, these developments point to a world in which **new alignments are emerging even as old ones are being tested**. From the Islamic security architecture in India’s west to the SCO and BRICS platforms in its wider neighbourhood, New Delhi is increasingly operating at the intersection of competing regional groupings. India’s advantage lies in not belonging exclusively to any one camp but that strategic autonomy will matter only if it is backed by sufficient economic, diplomatic and military weight to shape these emerging arrangements.

***P.S.:** Donald Trump and Xi Jinping are scheduled to meet at the White House on **September 24**. If this is indeed their **third meeting of 2026**, what will a Trump–Xi “G2” mean for the rest of the world—and where does middle powers fit into their emerging equation?*

Message for our Readers

This is the 103rd edition of the monthly news wrap from the Centre, which carries select published news or comments on a relevant issue. There are equally important issues that may have been overlooked to keep the news wrap short and easy to read.

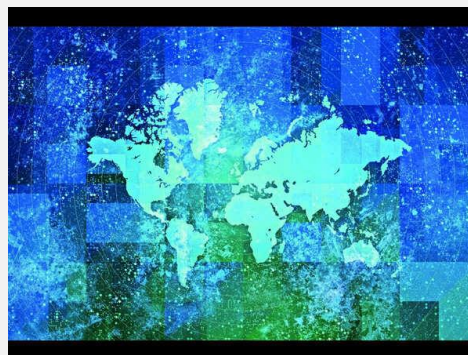
This newsletter contains copyrighted material whose use has not been specifically authorised by the copyright owners. Consumer Unity & Trust Society (CUTS) is making these articles available in our efforts to advance understanding of bilateral trade and economic issues. We believe that this constitutes a 'fair use' of the copyrighted material as provided for in Article 10 of the Berne Convention for the Protection of Literary and Artistic Works (Paris Text 1971) and Section 107 of the U.S. Copyright Law. If anybody wishes to use materials from this publication for purposes that go beyond 'fair use', s/he must obtain permission from the copyright owner. CUTS will not draw any profit from this publication, since it is solely for informative and educational purposes.

Readers are encouraged to send their views and suggestions to: cutsglobal@cuts.org



Global Business Rewires for Geopolitics, AI And Energy Shifts

Global business executives recognise a significant shift in globalisation, with a growing focus on security and resilience over mere efficiency. The impact of geopolitics and rapid technological innovations is driving changes in international strategies. India stands out as a pivotal growth centre and technology gateway for global enterprises. Organisations are valuing human expertise alongside advancements in artificial intelligence.



- [Greece inks record \\$3.5 billion deal to buy comprehensive missile defense system from Israel](#) | The Times of Israel
- [US urges G20 to cut trade imbalances, focus on China](#) | CAN
- [Anthropic Signs \\$35 Billion Pact With Nvidia-Backed Lambda](#) | Bloomberg
- [Firms including Chevron, ONGC, GE Vernova on track to sign final pacts in Venezuela, sources say](#) | BOE report

Strategic Issues

US Explores AI Data Centres at Overseas Military Bases

The article explores whether the US could leverage its overseas military bases to host AI data centres, potentially combining existing strategic infrastructure with growing computing demands. Such facilities could strengthen technological and military capabilities, but face major logistical, security, sovereignty and geopolitical challenges.



- [Sweden To Bolster Finnish Airspace Surveillance](#) | Aviation Week
- [Vietnam Demands End to Activity in Paracels After Report of Chinese Construction](#) | CGSP
- [Niger says it regains control of airbase after soldiers mutiny](#) | The Business Standard
- [Indonesia, US and allies launch annual military drill](#) | The Star

Energy and Climate

World Nears 1.5°C Warming Threshold

Global temperatures are set to exceed 1.5°C, likely within the next few years, pushing climate risks and impacts to increasingly dangerous levels. However, it is still possible to bring temperatures down and achieve global goals in the Paris Agreement, according to a new UN Environment Programme (UNEP) report. This summer's scorching heat, raging wildfires and deadly floods are a warning of what lies ahead. We must make the



overshoot above 1.5 degrees as small and short as possible. That demands an overshoot of ambition” said UN Secretary-General António Guterres.

- [Wildfires hound Tunisia, Algeria and Morocco](#) | France 24
- [Brazil's Vale studies extracting rare earths, gold from mining waste](#) | Mining Weekly
- [Climate change boosted risk of devastating Himalayan flood, experts say](#) | Reuters
- [Adani Energy Solutions wins \\$493 million transmission project in Maharashtra](#) | Yahoo Finance



[Iceland Rejects EU Accession Talks](#)

Voters in Iceland have rejected a government proposal to reopen accession talks with the EU following a closely fought referendum campaign that divided the country against a backdrop of global volatility. The vote was held in the shadow of repeated threats by Donald Trump to invade or acquire neighbouring Greenland. Although Iceland is a NATO member, supporters of EU membership said European solidarity would provide greater protection if Trump ever made similar threats towards the smaller Arctic Island.



- [The Pilot #60 – India-China competition in the Indian Ocean: Stability is not reset](#) | Pacific Forum
- [The Pakistani-Saudi-Turkish Alliance Poses Problems For India, Iran, & Israel](#) | Andrew Korybko's Newsletter
- [Iran's Khamenei urges Gulf rulers in written message to confront 'real enemy'](#) | The Standard
- [Pentagon Policy Chief Tells NATO Allies U.S. Wants European-Led Defense of Continent](#) | USnews



Geo-Economics

US-Canada Tariff War: How a 1930 Law Bypasses Free Trade

Trade negotiations between the US and Canada collapsed before a midnight deadline. By Saturday morning, 50% American tariffs were taking effect on Canadian wine, dairy, cement, furniture, lumber, paper, and hockey equipment: goods worth roughly US\$20bn. What distinguishes this escalation from previous rounds is that the American tariffs bypass the trade agreement the two countries signed, and they do so lawfully under U.S. domestic law.



- [Trump says US is taking partial control of Venezuela's vast oil reserves](#) | Sky News
- [India successfully concludes the Tenth BRICS Industry Ministers' Meeting in Jaipur under its BRICS Chairship 2026](#) | PIB
- Trump administration plans \$4 million for right-wing media in Europe, sources say | The Print
- [GM plans C\\$1.1 billion Canada investment as U.S. tariff pressure mounts](#) | Investing.com



US Seeks to Restrict Internships for International Students

President Donald Trump's administration has issued a memo for universities that seeks to restrict issuance of certain internship work authorizations for international students. The federal government also warned that colleges not complying with the regulations may lose certification to enroll foreign students.

