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EDITORIAL ANALYSIS

Minerals of the Future: India's Resource Diplomacy and the Global South

 **BUSINESS STANDARD**4 July 2026 · **ECONOMY** · **GS3**

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Minerals of the Future: India's Resource Diplomacy and the Global South

Business Standard 4 July 2026 **GS3**

Source: ujyari.com — researched, fact-checked & UPSC-mapped



INTERVIEW ANGLE

"India wants critical minerals but does not want to repeat the extractive playbook it criticised in others. How does India secure lithium and rare earths from Africa while genuinely offering the Global South a fairer partnership?"

Source: [Original editorial](#) [Business Standard](#)

✓ Every fact web-verified against primary sources (<https://ujyari.com/how-we-verify/>)

THE LIFT LINE

"In the energy transition, whoever controls the minerals controls the future, and India is learning that securing them abroad is now as much diplomacy as it is mining."

Lithium, cobalt and rare earths are the strategic commodities of the technology and clean-energy transition. India, a big consumer with thin domestic supply, has fused **industrial policy with foreign policy**: the **National Critical Mineral Mission** (<https://ujyari.com/schemes/national-critical-mineral-mission/>) at home and **KABIL** abroad, wrapped inside its Global South and Africa outreach. This editorial argues that resource diplomacy, done fairly, secures both minerals and partners.

WHY THIS EDITORIAL MATTERS FOR YOUR EXAM

GS Paper 3: Infrastructure and energy; effects of liberalisation; science and technology; indigenisation (<https://ujyari.com/vocab/indigenisation/>) of technology; and the economics of resource security. It also links to GS Paper 2 through India's foreign policy and Global South leadership.

This theme lets you connect the energy transition, defence and electronics self-reliance, China dependence, and India's Africa and Voice of the Global South diplomacy into one strategic argument, ideal for both a resource-security and an IR-flavoured Mains answer.

BACKGROUND AND CONTEXT

Critical minerals (<https://ujiyari.com/terms/critical-minerals/>) are metals essential to modern industry but vulnerable to supply disruption: **lithium** and **cobalt** for batteries, **rare earth elements** for permanent magnets in EV motors, wind turbines, electronics and defence systems.

The strategic problem is concentration. **China refines over 60 per cent** of the world's critical minerals and dominates rare-earth processing, giving it a chokehold (<https://ujiyari.com/vocab/chokehold/>) over clean-energy and high-technology supply chains.

India's response has two tracks:

- **Domestic:** the **National Critical Mineral Mission (NCMM)**, approved in January 2025 with an outlay of about **Rs 34,300 crore over seven years**, plus a **Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnets** (approved November 2025) and a magnet plant at **Visakhapatnam**.
- **Overseas:** **Khanij Bidesh India Ltd (KABIL)**, a Ministry of Mines joint venture, which acquired lithium exploration acreage in **Catamarca, Argentina**, and is pursuing lithium and cobalt off-take in **Australia**. India is also part of the **Minerals Security Partnership (MSP)**.

THE CORE ARGUMENT / ISSUE

The central claim is that critical-mineral security has made **industrial policy and foreign policy inseparable**, and that India's Global South and Africa outreach is the diplomatic arm of that security strategy.

The China Chokehold

Any Indian ambition in clean energy, electric mobility, electronics or defence runs through minerals that China largely controls at the processing stage. Diversification is not a preference; it is a strategic necessity.

The Two-Track Answer

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| TRACK | INSTRUMENT | WHAT IT DOES |
|------------------------------|---|--|
| Domestic capability | National Critical Mineral Mission (~Rs 34,300 cr/7 yrs) | Exploration, recycling, magnet manufacturing |
| Overseas assets | KABIL (Argentina lithium, Australia off-take) | Secures imports at source |
| Plurilateral | Minerals Security Partnership | Aligns with partners to counter concentration |
| Global South / Africa | PM Modi's Africa outreach | Access to cobalt, lithium, rare-earth reserves |

Africa and the Global South

Africa holds vast reserves of cobalt, lithium and rare earths. India's Africa and **Voice of the Global South** outreach is therefore both solidarity diplomacy and a concrete supply-chain instrument. The two goals can reinforce each other, if India offers a genuinely fairer bargain.

The Honest Counter

Real leverage (<https://ujijari.com/vocab/leverage/>) lies in **processing, not just extraction**, and China's edge is in refining. Overseas assets take years to yield metal. And India must avoid an extractive relationship with Africa that would hollow out its Global South credibility. Securing minerals cannot come at the cost of the moral capital India claims to lead with.

HOW TO THINK ABOUT THIS (ANALYTICAL FRAME)

A country's mineral security is not decided at the mine but at the refinery and the magnet factory. Ask where in the chain, extraction, processing, component manufacturing, recycling, the real dependence sits. India's vulnerability (<https://ujijari.com/vocab/vulnerability/>) is less about ore and more about processing and magnets, which is why domestic capability and recycling matter as much as overseas acquisition. Map the chokepoint before you map the solution.

THE DIAGRAM IN WORDS

Energy + tech + defence transition needs lithium/cobalt/rare earths -> China refines 60%+ (chokehold) -> India two-track answer: domestic NCMM (~Rs 34,300 cr, magnet plant Visakhapatnam) + overseas KABIL (Argentina lithium, Australia off-take) + MSP -> Global South/Africa outreach = access to reserves + diplomacy -> risk: leverage is in

processing, assets are slow, must be fair not extractive -> fix: build processing + recycling + fair Africa partnerships + Voice of Global South → mineral security and diplomatic credibility reinforce each other

WAY FORWARD

- 1 **Build processing and recycling at home.** Move up the value chain from ore to refined metal and magnets, since that is where China's leverage and the real security lie.
- 2 **Make Africa a fair partnership.** Offer value-addition, skills and infrastructure rather than pure extraction, keeping India's Global South credibility intact.
- 3 **Deepen plurilateral cooperation.** Use the Minerals Security Partnership and Quad critical-minerals cooperation to diversify secure supply.
- 4 **Sustain domestic exploration and skills.** Fund geological surveys, exploration technology and a skilled mining workforce so the NCMM delivers on the ground.

PYQ LINKAGE AND PRACTICE

- **UPSC GS3 (2023):** “Explain the concept of a circular economy (<https://ujiyari.com/terms/circular-economy/>)... how would it be beneficial...” (recycling of critical minerals)
- **UPSC GS2 (2019):** “Indian diaspora (<https://ujiyari.com/vocab/diaspora/>) has a decisive role to play in the politics and economy of America and European countries.” (economic diplomacy framing)
- **UPSC GS3 (2016):** Questions on energy security (<https://ujiyari.com/terms/energy-security/>) and India's energy needs.

Practice Mains question (250 words, 15 marks): “India's critical-mineral security has fused industrial policy with foreign policy. Examine how the National Critical Mineral Mission, KABIL and India's Africa and Global South outreach together address the risk of import dependence, and assess whether the strategy can avoid an extractive relationship with resource-rich partners.”

Sources: Business Standard (<https://www.business-standard.com/opinion>), *Ministry of Mines* (<https://mines.gov.in>), *PIB* (<https://pib.gov.in>)

Source: Minerals of the Future: India's Resource Diplomacy and the Global South — Ujiyari.com | Free UPSC & State PCS Editorial Analysis

KEY ARGUMENTS AT A GLANCE

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Critical minerals such as lithium, cobalt and rare earths are the strategic commodities of the energy and technology transition, and India's attempt to secure them, through the National Critical Mineral Mission at home and KABIL abroad, has fused industrial policy with foreign policy, making resource diplomacy in Africa and the wider Global South central to reducing a dangerous dependence on China.

 **SUPPORTING**

- China refines over 60 per cent of the world's critical minerals and dominates rare-earth processing, so any Indian clean-energy, defence or electronics ambition is hostage to that chokehold unless supply is diversified.
- The National Critical Mineral Mission (outlay about Rs 34,300 crore over seven years) and KABIL's overseas acquisitions, including lithium exploration acreage in Argentina, build a two-track strategy of domestic capability and secure imports.
- Africa holds large reserves of cobalt, lithium and rare earths, so India's Global South and Africa outreach is not only solidarity diplomacy but a concrete supply-chain-security instrument.

 **COUNTER**

Sceptics note that mineral processing, not just extraction, is where value and leverage lie, that overseas assets take years to yield metal, and that India must avoid an extractive relationship with Africa that would undercut its own Global South credibility.

 **WAY FORWARD**

Pair overseas acquisition with domestic processing and recycling capacity, deepen the Minerals Security Partnership and bilateral Africa deals on fair value-addition terms, invest in exploration and skills, and align resource diplomacy with Voice of the Global South commitments.


MAINS ANSWER FRAMEWORK

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QUESTION

"India's critical-mineral security is now inseparable from its Global South diplomacy." Examine with reference to the National Critical Mineral Mission, KABIL and India's Africa outreach. (250 words)

INTRODUCTION

The commodities that will decide the twenty-first century's economy are not coal or oil but lithium, cobalt and rare earths, the inputs for batteries, magnets, electronics and defence. India, a large consumer with small domestic reserves and processing, has made securing them a national mission, and that mission has become foreign policy.

BODY

China's dominance is the strategic backdrop: it refines over 60 per cent of the world's critical minerals and controls most rare-earth processing, giving it a chokehold over clean-energy and high-tech supply chains. India's answer runs on two tracks.

Domestically, the National Critical Mineral Mission, approved with an outlay of about Rs 34,300 crore over seven years, funds exploration, a rare-earth permanent-magnet scheme and a magnet plant at Visakhapatnam. Abroad, Khanij Bidesh India Ltd (KABIL), a public-sector joint venture, acquires assets, including lithium exploration acreage in Catamarca, Argentina, and pursues lithium and cobalt off-take in Australia, while India joins the Minerals Security Partnership.

This is where the Global South enters. Africa holds vast cobalt, lithium and rare-earth reserves, so PM Modi's Africa and Global South outreach is simultaneously solidarity diplomacy and supply-chain strategy. The challenge is credibility and value: leverage lies in processing, not just mining; overseas assets take years to deliver metal; and India must offer Africa fair value-addition and skills, not a new extraction, if its Voice of the Global South claim is to hold. Resource diplomacy done right secures both minerals and partners.

CONCLUSION

Critical minerals have turned industrial policy into foreign policy. India's task is to secure lithium, cobalt and rare earths while building processing at home and offering Africa a genuinely fairer partnership, so that supply-chain security and Global South leadership reinforce, rather than contradict, each other.


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