Asia Power Index

Why in News?

India has overtaken Japan to become the third most powerful country in Asia.

What is Asia Power Index (API)?

> *Power is the capacity of a state or territory to direct or influence the behaviour of other states, non-state actors, and the course of international events.*

- **API** – The Index seeks to measure the ability of countries to shape and respond to their external environment and evaluates the power dynamics of countries across Asia.
- **Compiled by** - Lowy Institute, Australian think tank.
- **Index Components** - It measures the comprehensive power of 27 countries using a weighted average across eight thematic measures.

Asia Power Index Components	
Resources	**Influence**
Economic Capability	Economic Relationship
Military Capability	Defence Networks
Resilience	Diplomatic Influence
Future Resources	Cultural Influence

Asia Power Index - India
• India is a ***middle power*** in Asia. • It ranked ***3rd,*** with an overall score of 39.1 out of 100. • In 2024, India overtook Japan to become the third-most powerful country in Asia, increasing its score by 2.8 points. • India performs best in the future resources measure, placing 3rd behind only the United States and China. • India's lowest-ranked measure is economic relationships, a result of the country sitting outside the regional economic integration agenda. • India exerts less influence in the region than expected given its available resources.

COMPREHENSIVE POWER

GROUPING		RANK	COUNTRY/TERRITORY	SCORE
Superpowers ≥ 70 points		1	United States	81.7
		2	China	72.7
Middle powers ≥ 10 points	+1	3	India	39.1
	−1	4	Japan	38.9
	+1	5	Australia	31.9
	−1	6	Russia	31.1
		7	South Korea	31.0
		8	Singapore	26.4
		9	Indonesia	22.3
		10	Thailand	19.8
		11	Malaysia	19.6
		12	Vietnam	18.7
		13	New Zealand	16.3
		14	Taiwan	16.0
	+1	15	Philippines	14.7
	−1	16	Pakistan	14.6
		17	North Korea	11.3
Minor powers < 10 points	+1	19	Cambodia	9.5
	−1	20	Bangladesh	9.4
		21	Sri Lanka	7.7
	+1	22	Laos	7.0
	−1	23	Myanmar	6.7
		24	Mongolia	5.2
		25	Nepal	4.8
		26	Timor-Leste	4.3
	−1	27	Papua New Guinea	4.2

What are the driving factors of India?

- India’s rise to the third position reflects its expanding capabilities in several key areas, including defence, diplomacy, and economic growth.
- **Economic Growth -** India is one of the world’s fastest-growing major economies, driven by youthful workforce positioning India as a hub for innovation and investment.
- Programmes like “Make in India” and the push towards “Atmanirbhar Bharat” have enhanced its industrial and economic base.
- **Military Modernisation -** India's significant investment in modernising its military has elevated its strategic importance.
- Advanced missile systems, nuclear capabilities, and an expanding naval presence, particularly in the Indian Ocean, have made India a central figure in regional security.
- **Diplomatic influence –** India’s Participation in multilateral organisations such as the United Nations, G20, BRICS, and Quad has amplified its influence.
- India’s strategic partnerships with the United States, Australia, Japan, and the European Union are also enhancing its presence in global affairs.
- **Technological and scientific advancements -** India's progress in space exploration, renewable energy, and information technology has cemented its position as a leader in emerging sectors.
- Initiatives like Digital India, a booming start-up ecosystem, and advances in renewable energy capacity have enhanced India’s standing as a technological powerhouse.
- **Cultural soft power -** India’s rich cultural heritage, including Bollywood, yoga, and a vast diaspora, has contributed to its rising soft power globally.

What is India's potential to become Superpower?

- India's rise in the Asia Power Index highlights it's potential to emerge as a global superpower in the coming decades.
- **Demographic dividend -** By 2030, India is projected to have the world's largest working-age population that will serve as a key engine for global development.
- **Strategic position in global politics –** India's role in regional security alliances, such as Quad, and its expanding partnerships with key global players underline its importance in maintaining stability in the Indo-Pacific.
- **Economic development -** India's emphasis on economic self-reliance, combined with ongoing reforms in infrastructure, manufacturing, and technology would enhancing its global standing.
- **Leadership in climate change –** India's efforts in climate change mitigation is positioning India as a leader among emerging economies in setting environmental standards and contributing to global climate goals.

What are the challenges for India becoming Super Power?

- Despite its impressive rise, India faces several significant challenges that could impact its global ambitions.
- **Income disparities -** While the economy continues to grow, significant income inequality persists, particularly in rural areas.
- **Infrastructure deficiency -** India will need to invest $840 billion over the next 15 years to meet the needs of its fast-growing economy.
- **Geopolitical tensions -** India's complex neighbourhood, with ongoing tensions along its borders with China and Pakistan, poses a challenge to its regional stability.
- **Internal disturbances –** India's internal security issues like naxalism, insurgency affects India's position as global military power.
- **UN Security Council** - Permanent membership to UN security council is an important element of super power status and China will be a big challenge in attaining it.

What lies ahead?

- While challenges remain, the country's potential to shape the future of Asia and beyond is stronger than ever.
- To fully realise its potential, India must continue investing in its physical infrastructure, including transportation, healthcare, and education.
- Strengthen the neighbourhood relationships though regional organization and prevent the influence of China in the region.
- Utilize the vast diaspora of India across the globe to strengthen it soft power and diplomatic prowess.

References

1. Business Standard | Asia Power Index
2. LoweyInstitue | API India



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