

EDITOR'S NOTE

While the world has been witness to unforeseen and unprecedented events since the beginning of 2026, India's neighbourhood has not been left untouched. From the precise execution of power to facilitate regime change in Venezuela to the attempts at doing so in Iran, the United States of America, the sole superpower in the world, has occupied the centrestage. This special issue of *Defence and Diplomacy* (D&D) focusses on the region surrounding India and how recent events have shaped the internal dynamics and inter-state relations of countries in India's neighbourhood.

The United States and Israel launched Operations 'Epic Fury' and 'Roaring Lion' respectively on Iran on the last day of February 2026. With the purported objective of regime change and the decimation of Iran's military capability, the conflict has engulfed the entire West Asian region, along with a global energy crisis and looming inflation. **'Iran Crisis: Strategic Uncertainty, Gulf Energy Security, and India's Stakes'** carries out a detailed analysis of the ongoing conflict with its implications for India.

India-Pakistan relations, in an abyss since the 2016 Pathankot attack, only worsened with the Pahalgam terror attack in April 2025 that was followed by Operation Sindoor in May 2025. **'India-Pakistan Relations, Operation Sindoor 2.0 and Redefined Rules of Engagement'** takes a hard look at the present state of affairs, the new rules of engagement as dictated by India, and the future prognosis as 'Operation Sindoor' remains on pause.

Pakistan placed excessive reliance on its ability to influence Afghanistan and always treated the state as its strategic depth. However, post the withdrawal of the United States and the return to power of the Taliban in Afghanistan, the two states have been

locked in never-ending border skirmishes that have only escalated in the recent past. The Tehrik-e-Taliban Pakistan (TTP) insurgency has been central to the vitiating situation. **'The TTP Insurgency: Regional Security Implications'** examines this in detail as well as the dangers of the TTP collaborating with other organisations, with broader security implications for the region.

Money is the oil that lubricates terror modules more than anything else. Terror financing plays a critical and central role that has now been made easy and, at the same time, difficult to trace, with crypto-enabled micro-financing. Using the Islamic State Khorasan Province (ISKP) as a case study, **'Assessing Terrorist Micro-Financing in South Asia'** takes a critical look at how this impacts India's neighbourhood.

After more than a year of tumult and uncertainty following the fall of Sheikh Hasina in Bangladesh during the fall of 2024, peaceful elections were held earlier this year. **'Bangladesh 2026 Elections: After the Hasina Era'** examines the pivotal shift in the political and ideological landscape of the country with the rise to power of the Bangladesh Nationalist Party (BNP) and what it means for India.

The 2022 financial crisis in Sri Lanka, unprecedented in scale and effect since its independence in 1948 led to the fall of the Rajapaksa regime in the country. The economic crisis and its aftermath offered a perfect case study of how economic distress, intersecting with political legitimacy and institutional fragility, could lead to a near collapse of a state. Examined through a constructivist lens, **'Sri Lanka's Economic Crisis: From Economic Collapse to Conditional Recovery'** examines the economic crisis and the nation's path to recovery through institutional transformation and improved socio-economic outcomes.

China provides a fascinating case study of civil-military fusion and the innovation ecosystem that has made the country one of the leading military powers of the world. **'China's Military-Civil Fusion Innovation Ecosystem and Implications for India'** takes a critical look at China's model, examining the use of Artificial Intelligence (AI) and its innovation system, and its implications for India.

With central authority in China vested in the Central Military Commission (CMC), the People's Liberation Army (PLA) armed forces owe their allegiance to the Party which is the central authority.

There have, however, been many purges in the military leadership of China, citing corruption as one of the major causes. The ouster of two senior generals of the CMC in January 2026 has raised eyebrows and concerns, especially regarding the ability of Zhang Youxia, the vice chairman of the CMC, to deliver. **'Implications of PLA Top Brass Zhang Youxia's Purge on India and its Neighbourhood'** examines this issue in detail.

In the Book Review section, **'Small States' Maritime Security: The Indo-Pacific Strategy for Maldives'** by Athaulla A Rasheed has been reviewed.

This special issue of D&D, the first for 2026, is yet another attempt by us at Centre for Aerospace Power and Strategic Studies (CAPSS) to bring to our esteemed readers a 360 degree perspective on India's neighbourhood. This would not have been possible without the support of the many scholars at CAPSS and outside who have made the effort to offer their perspective that has enriched this issue. We look forward to continued support and feedback in our endeavour to bring the very best to our subscribers.

Happy Reading.



Air Vice Marshal **Anil Golani**
Director General
Centre for Aerospace Power and Strategic Studies