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MP-IDSA
Commentary

# India to Join Pax Silica

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## Summary

India, as part of the US-led Pax Silica, will become a reliable player in the global critical-materials ecosystem.

The politics and management of rare earth resources and critical minerals have entered a phase of intense global competition, as states increasingly recognise their strategic importance for clean energy transitions, advanced manufacturing ecosystems, and the overall maintenance of national security.

Control over critical minerals now extends much beyond physical access. It is about protecting access (in some form or other) to global geological reserves. Also, some states are ensuring dominance across processing, technology development, manufacturing and supply chains. States are advancing in policy, investment and diplomacy to secure reliable supplies and reduce vulnerabilities to geopolitical disruptions.

On 4–5 February 2026, External Affairs Minister S. Jaishankar, in a ministerial meeting on critical minerals convened by the US Secretary of State, Marco Rubio, discussed the issue in detail, and, according to reports, India is slated to join (Pax Silica) by the end of February 2026.[1]

Pax Silica is the US Department of State's flagship effort on Artificial Intelligence (AI) and supply chain security, advancing a new economic security consensus among allies and trusted partners. It reflects a shared commitment to a reliable and resilient supply chain and a common belief that AI is a transformative force for long-term prosperity. It advances a shared vision to deepen economic partnership through coordinated efforts on investment security practices, infrastructure development and targeted incentives, while partnering across strategic segments of the global technology supply chain.[2]

On 11 December 2025, the US State Department announced the inaugural Pax Silica Summit/ Declaration as its flagship AI and supply-chain security effort. The first summit was held on 12 December 2025. The countries that have joined this US-led accord include Greece, Australia, Japan, South Korea, the United Kingdom, Singapore, Israel, the Netherlands, the United Arab Emirates (UAE) and Qatar. The US government has invited Canada, the European Union, Taiwan and India to join this grouping.

The US is pushing Pax Silica to support its strategic goals regarding Big Tech and to reduce reliance on China for critical minerals. For the US, China is the primary strategic competitor in AI, computing and data-driven technologies. It appears the US is seeking to fuse a non-China strategy for strategic minerals and AI technology development. Via this pact, they are engaging key partners to help them dominate

[1] **"US Says India Key to Pax Silica, Critical Minerals"**, *The Economic Times*, 30 January 2026.

[2] **"Pax Silica"**, US Department of State.

the extraction, processing and commercialisation of strategic minerals. They want to protect sensitive technologies and materials from hostile (overt or covert) control.

Both the US and China are keen to dominate the future of AI. They are eager to shape global norms for AI and data management. Pax Silica would help the US shape global AI rules and norms that align with its industry's interests. They know that it would be easy to coordinate with trusted partners on standards, rule-making, investments and infrastructure development. In the case of critical minerals, they could exert greater control over the supply chains that support AI systems.

From a minerals and AI perspective, it is essential to contextualise the advantages and limitations of India's participation in Pax Silica. Being part of this evolving US-led system could help India play an important role in shaping global AI policy perspectives, resource supply chains, and strategies. India could gain access to advanced AI ecosystems. India could be part of the worldwide supply chain for critical mineral exploration, processing and manufacturing. Additionally, India could ensure its critical minerals requirements are met without disruption by securing reliable access to global supply chains.

More importantly, in the Union Budget 2026–27, Finance Minister Nirmala Sitharaman announced dedicated Rare Earth Corridors in Odisha, Kerala, Andhra Pradesh and Tamil Nadu to anchor mining, processing, R&D and manufacturing in mineral-rich regions. For some time now, India has been accelerating its push for self-reliance in critical materials through a comprehensive Rare Earth Permanent Magnet (REPM) strategy spanning mining, processing, research and manufacturing. In November 2025, the government approved the Rs 7,280 crore REPM Manufacturing Scheme to create 6,000 MTPA (Metric Tonnes Per Annum) of integrated magnet capacity.

The corridors are built on the existing capabilities of IREL (India) Limited, the erstwhile Indian Rare Earths Limited, which already operates rare earth extraction and refining facilities in Odisha and Kerala, enabling faster scale-up of domestic capacity and stronger integration into global advanced-materials value chains.

Together, these initiatives align rare-earth development with India's Net Zero 2070 national priority. India pledged to achieve net-zero carbon emissions by 2070 at the COP26 Summit in 2021. By combining domestic resource strength, corridor-based industrialisation, targeted fiscal support and international cooperation (Pax Silica),

India is positioning itself as a competitive and reliable player in the global critical-materials ecosystem.[3]

India currently imports nearly 80–90 per cent of its magnets and related materials from China, which accounts for over 90 per cent of global rare-earth processing. This heavy dependence was exposed recently when China tightened export controls amid a trade dispute, disrupting Indian automakers and electronics manufacturers and prompting the electric vehicle industry to explore alternatives to rare-earth based magnets.[4] India recognises the need to reduce its overdependence on China in critical minerals. Obviously, Pax Silica becomes an attractive option for India to mitigate this dependence.

The arena India should be more concerned about is potential arm-twisting by technologically advanced states in AI. For India, maintaining strategic autonomy in AI (and critical minerals) is essential. India needs to ensure that joining Pax Silica would not limit its ability to engage with China and other partners, such as Russia. India needs to ensure it is not caught in the mesh of tighter export controls and standards set by the US, which favour its own industry.

One likely consequence of Pax Silica could be a reduced dependence on non-aligned nations, but India needs to ensure that this shift does not come at the expense of its engagement with the Global South. In particular, conflict-ridden regions of Africa should not be exploited for their critical mineral deposits. As a leader in the Global South, India is expected to play a constructive role in any such crisis. Being a member of Pax Silica, India would be required to perform a careful balancing act in this regard.

It could be said that Pax Silica supports the logic of 'Friend shoring', a growing trade practice in which supply chain networks are focused on countries regarded as political and economic allies.[5] This should be a concern for India for several reasons. India needs to avoid over-reliance on politically aligned partners, as this could undermine its strategic autonomy. Friend shoring also risks marginalising the Global South. Additionally, such an approach may establish supply chains dominated by a few countries.

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[3] **"India's Rare Earth Strategy: Manufacturing, Corridors, and Global Integration"**, Press Information Bureau, Infrastructure, Government of India, 2 February 2026.

[4] Anahita Sachdev, **"How Realistic is India's Quest for Magnets Made of Rare Earths"**, *BBC*, 16 January 2026.

[5] **"What's the Difference between 'Friendshoring' and Other Global Trade Buzzwords?"**, World Economic Forum, 17 February 2023.

During Trump 2.0, the US has exited from a record number of global agreements, including the India-led International Solar Alliance. All this raises fundamental questions about the US's multilateral commitments. It appears the US is ready to make commitments only when it suits its interests, and even more so when it is in a leadership role. Pax Silica also seems to reflect a pattern of selective multilateralism, similar to the Artemis Accords on lunar exploration, in which the US has built coalitions that primarily advance its strategic and commercial interests. This marks a clear departure from universal, rules-based frameworks, particularly in the governance of outer space.

Overall, India needs to approach Pax Silica with open eyes, recognising its structural limitations. Today, in both the critical minerals and AI sectors, India has already begun establishing domestic structures. India needs to ensure that these structures get maximum benefit from joining Pax Silica. For India, it is essential to safeguard strategic autonomy while maintaining policy flexibility, economic resilience, and its leadership aspirations in the Global South.

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