Lowy Institute's Asia Power Index 2026: India retains third place

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News

Data of the Lowy Institute's 'Asia Power Index 2026' (Australia) are out: India keeps third place with 40.5 points, up 0.5 on the previous edition. The United States (78.9) and China (73.6) lead; their 5.3-point gap is the smallest since the index began in 2018. After India come Japan (38.6), Russia and Australia. The index rates 27 countries and territories on 131 indicators across eight measures. India rose two places to 9th in defence networks and two places to 7th in economic relationships; in expert ratings of regional leaders, PM Narendra Modi is second only to China's Xi Jinping. The formal launch event is on 26 November 2026 at the National Press Club, Canberra. India was also third in the 2025 (seventh) edition, when it crossed the 'major power' threshold.

Key facts for the exam

Point	Details
Index	Asia Power Index – Lowy Institute (Australia); since 2018
2026 edition	Data reported 23 Nov 2026; formal launch 26 Nov, Canberra
Scope	27 countries/territories; 131 indicators; 8 measures
Top four (2026)	US 78.9, China 73.6, India 40.5, Japan 38.6
India	3rd (2024, 2025, 2026); 'major power' threshold 40 points

Point	Details
Gains	Defence networks 9th (+2); economic relationships 7th (+2)
Power gap	−3.3 – less power than resources predict
Measures (8)	Economic capability, military capability, resilience, future resources, economic relationships, defence networks, diplomatic influence, cultural influence

Background

- Lowy Institute: An independent international-policy think tank headquartered in Sydney, founded in 2003 by businessman Frank Lowy. The Asia Power Index has been published every year since 2018.
- Method: 'Comprehensive power' is built from eight measures – four of 'resources' (economic capability, military capability, resilience, future resources) and four of 'influence' (economic relationships, defence networks, diplomatic and cultural influence). A score above 40 marks a 'major power'. If a country's influence is lower than its resources predict, its 'power gap' is negative.
- India's position: India overtook Japan for third place in 2024. In 2025 it crossed the 40-point 'major power' threshold, while slipping to 11th in defence networks. In 2026 it recovered to 9th on that measure, and the gap between its resources and influence narrowed for the first time since 2023. India's strongest measure is diplomatic influence (70.3, up three places), while economic capability fell 0.7 points to 26.4 (still 3rd) because of a weaker rupee, IMF methodology changes and lower outbound investment.
- Geopolitics: US–China rivalry in the Indo-Pacific and groupings such as the Quad (India, US, Japan, Australia) shape the index's 'defence networks' scores.

Tamil Nadu link: There is no direct Tamil Nadu link to the index. Tamil Nadu does contribute to India's military and economic capability – the 'Tamil Nadu Defence Industrial Corridor', announced in 2018, has five nodes: Chennai, Coimbatore, Hosur, Salem and Tiruchirappalli.

Frequently asked questions

What is this news about?

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What are the key facts to remember for the exam?

Index: Asia Power Index – Lowy Institute (Australia); since 2018; 2026 edition: Data reported 23 Nov 2026; formal launch 26 Nov, Canberra; Scope: 27 countries/territories; 131 indicators; 8 measures; Top four (2026): US 78.9, China 73.6, India 40.5, Japan 38.6.

What is the background to this news?

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Practice questions (with answers)

1. The Lowy Institute, which publishes the 'Asia Power Index', is headquartered in which city?

A) Canberra

B) Sydney

C) Melbourne

D) Singapore

Answer: B – Explanation: Sydney, Australia – founded by Frank Lowy in 2003. The 2026 index's formal launch event is in Canberra.

2. Above what score does the Asia Power Index treat a country as a 'major power'?

A) 30

B) 40

C) 50

D) 60

Answer: B – Explanation: 40 points – India crossed it in 2025 and has 40.5 in 2026. Above 70 is 'superpower' – the US and China.

3. In the Asia Power Index, which country did India overtake in 2024 to take third place?

A) Japan

B) Russia

C) Australia

D) South Korea

Answer: A – Explanation: Japan – India has held third place since then; Japan scored 38.6 in 2026.

4. In the Lowy index, what does India's negative 'power gap' indicate?

A) Military > economy

B) Its rank has fallen

C) Influence > resources

D) Influence < resources

Answer: D – Explanation: Its influence is lower than its resources predict; −3.3 in 2026. Defence networks remain a relative weak spot for India.

5. Which of these is NOT one of the eight measures of the Asia Power Index?

A) Defence networks

B) Future resources

C) Human development index

D) Cultural influence

Answer: C – Explanation: HDI is UNDP's separate index. Lowy's 8: economic and military capability, resilience, future resources, economic ties, defence networks, diplomacy, culture.