

● POLITY

● ECONOMICS

● TECHNOLOGY

● ECOLOGY

ECONOMICS AND DEVELOPMENT

GOODS EXPORTS DIPPED, BUT AUGUST TALLY LIFTS OUTLOOK



FIGURE: Column chart representation of Year on Year (Y-o-Y)merchandise export growth rates.

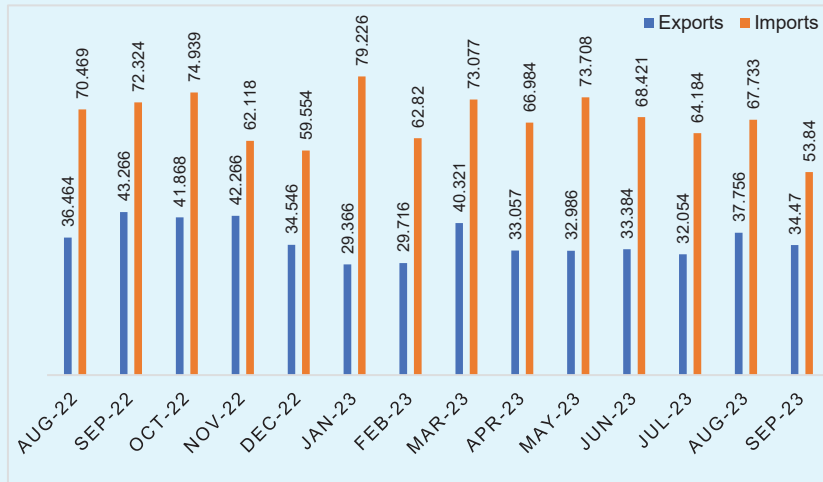


FIGURE: Column chart representation of monthly value of merchandise exports and imports.

CONTEXT: Even though goods exports declined for the seventh time in eight months in September, August’s goods exports were ramped up by a record \$ 4 billion to \$ 38.45 billion, the highest in five months and reflecting a 3.88 % growth over last August.

On a year-on-year basis, September’s goods trade deficit was 31 % lower and narrowed the tally for the first half of the year to \$ 115.9 billion, 17.7 % lower than a year ago. This is because of a steeper 12.2% decline in imports between April and September 2023, in comparison to exports which are now down 8.8%.

Estimates for exports of services in September also indicated a mild 0.5% uptick, compared to a 0.4% decline in August. The final services exports numbers for these two months will be released by the Reserve Bank of India later.

Oil exports have declined 17.5%, but non-oil exports have held up better and dropped only 6.3%. However, non-oil and non-gold imports, a proxy for domestic demand, have remained weak and declined by 10% over the last year.

The volumes of inbound shipments remained stable even as the year-on-year decline in prices of commodities, especially petroleum and edible oils, caused the import bill to dip in September. Lower prices also pared the value of petroleum exports, though shipment volumes were 22.1 % higher between April and August. Among major sectors, the exports of gems and jewellery, down 24.3% so far in 2023-24, were the worst hit, followed by chemicals (-15.8%) and textiles (-8.6%). Imports of gold, whose prices have risen 8% this year, are up 9.8%.

INTERNATIONAL RELATIONS

BALANCING POLICY

CONTEXT: PM Modi expresses solidarity with Israel after Hamas attack, citing shared experiences with terrorism and condemning it.

BACKGROUND: India, which has experienced its share of terror attacks, empathizes with Israel following a series of deadly Hamas attacks targeting civilians, including children and the elderly. Indian Prime Minister Narendra Modi expressed solidarity with Israel, condemning terrorism, while also being concerned about the safety of Indian citizens in the region as Israel launched retaliatory strikes on Gaza.

News Highlights

- **Modi-Netanyahu Call:** Indian Prime Minister Narendra Modi spoke with Israeli Prime Minister Benjamin Netanyahu, condemning terrorism and expressing concern for Indian citizens amid the conflict.

- **Citizen Safety:** India has taken measures to ensure the safety of its 18,000 citizens in Israel and reminded Israel of its global responsibility to combat terrorism while adhering to international humanitarian law.
- **Balancing Act:** India has maintained a delicate balance between supporting the Palestinian cause and strengthening ties with Israel, reflecting shifts in bilateral relations, trade, technology, and security cooperation.
- **Policy Stance:** India abhors terrorism but refrains from endorsing indiscriminate reprisals, as seen in its consistent position on Palestine, including past UN votes.
- **Complex Challenge:** Israel's demand for Gaza residents to evacuate complicates India's task of balancing its policy, especially in light of the ongoing conflict.

INTERNATIONAL RELATIONS

ISRAEL TELLS PALESTINIANS TO LEAVE NORTHERN GAZA

CONTEXT: Mass Palestinian exodus from northern Gaza as Israel orders evacuation before expected ground invasion against Hamas.

BACKGROUND: In the ongoing Israel-Palestine conflict, escalating tensions have led to Israel issuing an unprecedented evacuation order for one million Palestinians in northern Gaza, anticipating a ground invasion against Hamas. The United Nations has expressed concerns over this mass exodus. Meanwhile, Hamas, responsible for recent attacks on Israel, urges residents to remain in their homes.

News Highlights

- Hamas dismissed an evacuation order in Gaza City, despite ongoing Israeli airstrikes and a total siege, causing panic among civilians and aid workers.
- Israel's blockade has led to a blackout and shortages of essential supplies, making survival the primary concern for Gazans.
- The conflict has resulted in over 3,000 casualties on both sides and heightened tensions across the region.
- Israel has been bombarding Gaza following Hamas' attack, which included hostage-taking and airstrikes that Hamas claimed killed 13 of the hostages.
- Israel demanded the release of hostages before allowing supplies into Gaza, while Hamas and Israel exchanged accusations about the situation.
- Second 'Ajay' mission brings 235 Indians home from conflict-ridden Israel
- Operation Ajay: India initiated Operation Ajay to repatriate its citizens stranded in Israel due to the ongoing war, utilizing special charter flights for evacuation.
- Second Repatriation Flight: The second charter flight under Operation Ajay brought back 235 Indian nationals, including two infants, from Tel Aviv to New Delhi.
- First Repatriation: A day prior, 212 Indians were flown out from Israel in the first repatriation exercise, following a 'first come first serve' basis for passenger selection.
- Commercial Operations Suspension: Airlines, including Air India, had suspended commercial operations to and from Israel since the war started on October 7, necessitating government intervention.
- Potential Navy Deployment: Reports suggest that Indian Navy ships might be deployed if needed, indicating a multi-pronged approach to ensure the safe return of stranded citizens.

ECONOMICS AND DEVELOPMENT

GOVT. MULLS PARTNERSHIPS TO MAKE SEMICONDUCTOR CHIPS

CONTEXT: Six working groups, which had been formed to mull the Indian government's artificial intelligence (AI) roadmap, have submitted the first edition of their report, adding that the report's recommendations included public-private partnerships to make semiconductors for AI applications.

In addition to this, the PPP model would be leveraged to build so-called "GPU clusters", masses of resource-intensive graphics processors that are used by AI applications. These clusters would be made available to Indian start-ups and researchers.

Diverse collections

The use cases for AI that the India AI initiative would look at spanned "agriculture, healthcare, education, fintech, security, and governance". The India Dataset Platform, a planned "collection which will be among the largest and most diverse collections of anonymised datasets for Indian researchers and startups to train their multi-parameter models", referring to learning models that AI technology is 'trained' on, or programmed to learn from.

Robotics strategy

The draft National Strategy on Robotics, circulated for public input in September called for competitiveness, cost-efficiency and computer vision, these are important in manufacturing". While robotics is a multidisciplinary technology that has the potential to transform and disrupt a wide range of sectors and industries, its adoption to date has been primarily driven by economic motivations, arguing that robotics technologies used in manufacturing and other areas could have a significant impact by "reaping the benefits of deploying robotics at scale".

The draft strategy recommends fiscal interventions to facilitate local manufacturing of robotics hardware, building of 'demonstration facilities' to test and show off technologies, and building capacity in the robotics sector. The job losses due to manufacturing automation was an erroneous way of looking at robotics, arguing that quality assessment through computer vision, and efficiency were among the benefits of robotics in the sector.

POLITY AND GOVERNANCE

INDIA'S ABORTION LAW IS PRO-CHOICE, LIBERAL, AHEAD OF OTHER NATIONS: CJI

CONTEXT: Chief Justice of India (CJI) D.Y. Chandrachud noted India's abortion law as liberal, pro-choice and far ahead of other countries while hearing the case of a married woman who wants to medically terminate her 26-week pregnancy.

The remarks by Chief Justice Chandrachud was in reference to submissions led by Additional Solicitor-General Aishwarya Bhati that the provisions in the Medical Termination of Pregnancy Act allowed women to opt for abortion even after the 24-week limit if a board of doctors agree that the continuation of pregnancy was a risk to her life or if a substantial anonymity was medically detected in the foetus.



VEDHIK
IAS ACADEMY
The New Learning Mantra

START YOUR
JOURNEY WITH THE
BEST

INTERNATIONAL RELATIONS

A WAR THAT ENDS THE SAUDI-ISRAEL 'NORMALISATION' PROCESS

CONTEXT: Hamas attacks on Israel disrupt efforts to normalise relations with Arab states, impacting Saudi-Israel ties.

BACKGROUND: In a speech at the United Nations General Assembly, Israeli Prime Minister Benjamin Netanyahu emphasized Israel's growing diplomatic ties with Arab nations, showcased through maps. He highlighted normalization agreements with countries like Egypt, Sudan, the UAE, Saudi Arabia, Bahrain, and Jordan, while asserting Israeli sovereignty over occupied Palestinian territories, including the West Bank, Gaza, and East Jerusalem, drawing attention to a shifting geopolitical landscape in the Middle East.

News Highlights

- **Diplomatic Push:** Recent months saw intense diplomatic efforts involving Washington, Tel Aviv, and Riyadh as U.S. officials aimed for diplomatic relations between Israel and Saudi Arabia, with public affirmation of progress.
- **Conditions for Normalization:** Saudi Arabia had three key conditions for normalizing relations with Israel, including U.S. approval for a civilian nuclear program, a strong U.S. security guarantee, and the sale of advanced weapons.
- **Challenges and Opposition:** These conditions faced opposition in Israel and the U.S., with concerns over security guarantees, nuclear proliferation, human rights, and technology transfer for arms production.
- **Palestinian Neglect:** The normalization discussions largely overlooked Palestinian interests, with Israel, led by Mr. Netanyahu, showing no commitment to addressing Palestinian aspirations or concerns.
- **Regional Tensions:** The Gaza conflict brought the Palestinian issue to the forefront, and Saudi Arabia recognized the need to address Palestinian interests for regional peace and stability.
- **Saudi-Iran Relations:** Saudi-Iran relations have been normalized through Chinese mediation, as embassies reopened, high-level visits occurred, and economic cooperation expanded.
- **Focus on Palestinian Interests:** Saudi Arabia has shifted from verbal assurances to seeking concrete actions to support Palestinian interests, emphasizing the importance of a two-state solution.
- **Saudi Strategic Autonomy:** Saudi Arabia has asserted its strategic autonomy, distancing itself from U.S. interests in

forming global anti-China coalitions and regional anti-Iran alliances while prioritizing diverse ties across Asia.



Saudi-Israel 'Normalisation' Process

- **Key Saudi Asks:** A potential Saudi-Israel normalization deal centers on Saudi requests for U.S. security guarantees and support for a civilian nuclear program, along with Israeli concessions that benefit Palestinians and support a two-state solution.
- **Complex Challenges:** Challenges abound as these interests don't perfectly align. Security guarantees may face resistance in the U.S., Israeli concessions toward Palestinians pose difficulties, and allowing Saudi uranium enrichment raises concerns.
- **Emerging Solutions:** Parties are exploring security arrangements similar to those with South Korea and Japan, addressing oversight concerns in the nuclear program, and seeking progress on the Israeli-Palestinian conflict through a two-state solution.
- **Israeli Politics:** The viability of the deal may hinge on Israeli politics, as some right-wing factions resist territorial concessions, while the Saudis may require them for full normalization.
- **Incremental Steps:** Parties are taking gradual steps to build confidence, signal intent, and reduce opposition, with recent diplomatic developments and gestures indicating ongoing engagement in the normalization process.



VEDHIK
IAS ACADEMY
The New Learning Mantra

INDIA'S TOP MOST CIVIL SERVANTS FOR COACHING

START YOUR JOURNEY WITH THE
BEST



VEDHIK

IAS ACADEMY

The New Learning Mantra

START YOUR JOURNEY WITH THE BEST

**INDIA'S
TOP MOST
CIVIL SERVANTS
FOR COACHING**

www.vedhikiasacademy.org

Head Office:
Vedhik IAS Academy
Mercy Estate,
MG Road, Ravipuram,
Ernakulam-682 015,

Corporate office:
Vedhik IAS Academy
Samkalp Bhawan, Plot No.15,
Sector 4, Rama Krishna Puram,
New Delhi, Delhi-110022

Regional office
Vedhik IAS Academy
202, Raheja Chambers, 12,
Museum Road. Bangalore -
560001. Karnataka, India.

GCC Office:
Bobscoedu,
Bobsco Trading & Contracting Co. W. L . L
Office 22, Dream Tower 1,
Road: 2701, Adliya, Kingdom of Bahrain
www.bobscoedu.com