04/08/2023 FRIDAY

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**DAILY NEWS ANALYSIS** 

POLITY

ECONOMICS

TECHNOLOGY

ECOLOGY

### **ECONOMICS AND DEVELOPMENT**

# IMPORT CURBS ON LAPTOPS, TABLETS



FIGURE: Tree map diagram representing the share of value of imports of laptops, tablets, and all-in-one and small-factor personal computers (PCs) to India.

**CONTEXT:** The Union government restricted all imports of laptops, tablets, and all-in-one and small-factor personal computers (PCs), that require import licences.

The import restrictions would reduce the availability of laptops assembled abroad in short-term. The notification would lead to longer wait times for individual products to be cleared for import and sale in India.

The restrictions are not applicable to imports under Baggage Rules. The travellers are allowed to bring products from 'restricted list' from overseas without attracting penalties. The import duty and shipping fees make Laptops purchased online from overseas would make it expensive.

Devices imported for research and development, and those repaired abroad, are exempted from these restrictions. Electronic goods such as laptops are generally sold at lower rates than the maximum retail price (MRP), which allows manufacturers to hike prices on short notice when needed.

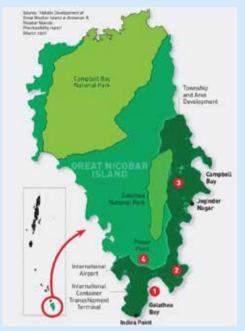
### **GEOGRAPHY**

# GREAT NICOBAR ISLAND PROJECT

- The Great Nicobar Island Project is a mega project to be implemented at the southern end of the Andaman and Nicobar islands.
- The project includes
  - o international container transshipment terminal
  - o a greenfield international airport
  - o township development
  - o a 450 MVA gas and solar based power plant

## Significance of the project

- It is positioned close to the East-West international shipping corridor, through which a very large part of the world's shipping trade passes.
- The economic significance of the project is that it will be a part of the regional and global maritime



economy by becoming a major player in cargo transshipment.

- The Strategic significance would be of its importance for national security and consolidation of the Indian Ocean Region .
- Increasing Chinese assertion in the Indian Ocean has added great urgency to this imperative in recent years.

## Criticism of the Project

- Its adverse impact on the rich biodiversity of the area and damage to the habitats of endangered species.
- The project area is part of Coastal Regulation Zones-IA and IB, and the Galathea bay which is a nesting ground for birds.
- Also, turtle nesting sites, dolphins and other species will be harmed by dredging.
- Environmentalists have also flagged the loss of tree cover and mangroves on the island as a result of the development project. It is projected that around 9 lakh tree would be cut.
- It covers over 1 lakh hectares of unique and threatened tropical evergreen forest ecosystems which will be threatened.

#### Tribes in Nicobar

- Shompen
- Nicobarese
- Project is of national and economic importance but a proper balance should be maintained between the ecological loss and the economic gain from this project.



## **ECOLOGY & ENVIRONMENT**

## **HIMALAYAN VULTURE**

**CONTEXT:** First captive breeding of Himalayan vulture recorded in India at Assam State Zoo, Guwahati.

HIGHLIGHTS: The successful captive breeding of Himalayan vultures in Assam State Zoo, Guwahati, was published in the Journal of Threatened Taxa. The nestling was shifted to an artificial brooding facility and carefully monitored. The acclimatization to the tropical environment contributed to the unique success of breeding. The Vulture Conservation Breeding Centers in India are working to protect critically endangered vulture species, including the white-rumped, slender-billed, and Indian vultures.

## Himalayan vulture (Gyps himalayensis)

- Geographic Locations: The Himalayan vulture (Gyps himalayensis) is found in the Himalayan regions of South Asia, including India, Nepal, and Bhutan.
- WPA Schedule Status: In India, the Himalayan vulture is listed under Schedule I of the Wildlife Protection Act, 1972, providing it with the highest level of protection.
- IUCN Status: The Himalayan vulture is classified as "Near Threatened" on the International Union for Conservation of Nature (IUCN) Red List.
- CITES Appendix: The Himalayan vulture is listed in Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- Food Habits: Himalayan vultures are scavengers, primarily feeding on carrion, playing a vital role in cleaning up the environment.

Excerpts from "The Hindu - Endangered Himalayan vulture, bred in captivity for the first time in India August 04, 2023"

## **ECOLOGY & ENVIRONMENT**

# BIOLOGICAL DIVERSITY (AMENDMENT) BILL

**CONTEXT:** The Biological Diversity Bill passed, opposing its aim of conserving biodiversity, citing "ease of doing business" and AYUSH promotion.

ABOUT THE BILL: The Biological Diversity Bill exempts AYUSH and "codified traditional knowledge" from benefit sharing, raising concerns over exploitation and lack of clear definitions. It proposes monetary penalties instead of criminalizing offenses, leading to resource exploitation worries. The Act faces implementation challenges, and local communities may not receive fair benefits.

#### **MAJOR CHANGES**

- The Bill modifies the Biological Diversity Act, 2002, easing compliance for domestic companies.
- AYUSH and "codified traditional knowledge" users exempted from sharing benefits with local communities.
- Research and bio-survey activities excluded from benefit sharing requirements.
- Benefit sharing to be determined through agreements between users and local management committees.
- All offenses under the Act decriminalized.

## How does the industry view the Act?

The proposed amendments to the Biological Diversity Act aim to ease compliance for industries, particularly the AYUSH sector. However, these changes raise concerns as they exempt users from sharing benefits with local communities and dilute environmental regulations, prioritizing "ease of doing business" over environmental protection.

Excerpts from "The Hindu - Why is the Biological Diversity Bill facing opposition? August 04, 2023"

## **ECONOMICS & DEVELPOMENT**

## **SERVICES PMI HIT 13-YEAR HIGH IN JULY**

**CONTEXT:** The S&P Global India Services Purchasing Managers' Index (PMI), rebounded sharply from June's three-month low to a 13-year high of 62.3 in July driven by the strong demand and new business gains. The pace of job creation remained "slight" and on par with the previous two months.

The food, labour and transportation costs drove up the Input costs at the fastest pace in 13 months. The output prices increased at the slowest rate in three months with firms wary of losing fresh contracts. Firms reported the second-fastest rise in export orders with rise in export orders from Bangladesh, Nepal, Sri Lanka and the UAE.

The S&P Global India Services Purchasing Managers' Index (PMI) survey, a survey of about 400 manufacturers do not take into account the contribution of MSMEs, which collectively

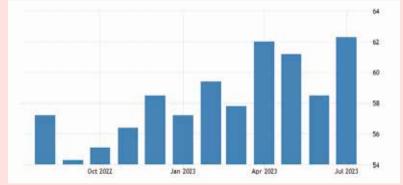


FIGURE: Column chart representation of the S&P Global India Services Purchasing Managers' Index (PMI).

contribute more than a third to the gross value added generated by the manufacturing sector as a whole.

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## **INTERNATIONAL RELATIONS**

## **NUCLEAR SIGNALLING**

CONTEXT: Concerns revive on nuclear escalation management between major powers amid Ukraine conflict and nuclear rhetoric. STORY SO FAR: In 2021-2022, U.S. and Russian leaders discussed nuclear arms control but made no progress. Russia's military operation in Ukraine led to U.S. attempts to deter aggression, including sanctions and military assistance to Ukraine through NATO. Russian efforts to deter NATO involvement failed as NATO provided increasingly sophisticated weapon systems.

In March, NATO refrained from implementing a no-fly-zone in response to Russian threats against their airfields. Russia downplayed nuclear threat, stating it would use nuclear weapons only in an existential threat. U.S. reassured European allies and aimed to support Ukraine, maintain NATO unity, and avoid direct conflict with Russia. Both countries are engaging in escalatory rhetoric, operating in a grey zone. During the Cold War, U.S. and Soviet Union had proxy wars, but the current situation involves higher stakes and closer proximity.

### **COLD WAR LESSONS**

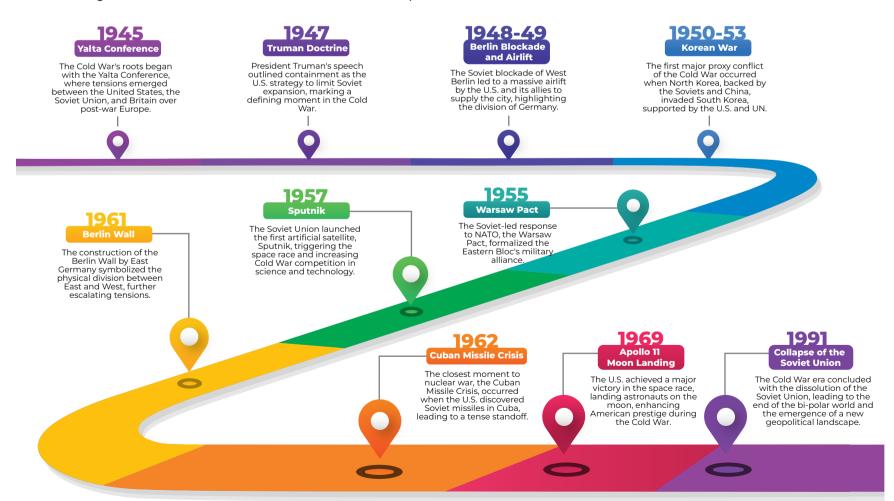
- Deterrence relies on rational assessment of costs and benefits, but nuclear deterrence introduces uncertainty due to assured second strike capability.
- Thomas Schelling's work shaped nuclear deterrence theory, emphasizing that nuclear weapons are not usable but have political utility in preventing war with other nuclear powers.
- Schelling believed that a credible nuclear threat required

uncertainty and risk to induce rationality in adversaries.

- The Cuban missile crisis and the absence of a direct territorial dispute between the U.S. and the Soviet Union contributed to restrained rhetoric during the Cold War.
- The dissolution of the Warsaw Pact and NATO's expansion have changed the security dynamics in Europe.
- The Ukraine conflict influenced Sweden and Finland to abandon neutrality and seek security under NATO's nuclear umbrella.
- The concept of deterrence continues to play a significant role in international relations, especially in managing nuclear capabilities and geopolitical tensions.

#### PROBING FOR RED LINES

Russia's nuclear doctrine permits nuclear use in response to WMD threats or aggression against it or allies. Putin's view on Ukrainians and Russians hinders Ukraine's sovereignty. The escalate-to-deescalate approach aims to use tactical nuclear weapons for favourable terms, but the U.S. rejects it due to the risk of uncontrolled escalation. The U.S. probes Russian red lines carefully, while Russia seeks ambiguity. Russia's military objectives remain unfulfilled, possibly causing evolving thresholds. Nuclear signaling operates in uncertain political territory. With changed dynamics, the Cold War's escalation management may no longer apply, and new rules are necessary to maintain the nuclear taboo.



\* Excerpts from "The Hindu - Nuclear signalling, the need for new guard rails, Editorial August 04, 2023"

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## **ECONOMICS & DEVELPOMENT**

## **GOVT. CAUTIOUS OVER PRICES**

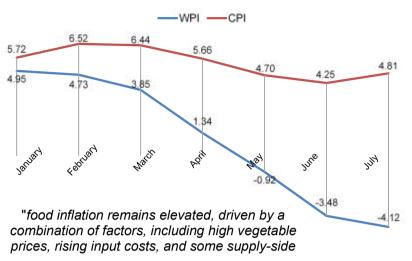


FIGURE: Line chart representation of wholesale price index-based inflation and consumer price index based inflation rates.

**CONTEXT:** The higher prices for vegetables, fruit and pulses fuelled food inflation in June even as overall price stability has likely been restored with core inflation softening to a three-year low in the first quarter of 2023-24. The fall in international prices of several commodities has contributed to the softening of inflation levels in India.

The Reserve Bank of India (RBI) has shed off its "accommodative policy stance" and has started raising policy rates to rein in on inflation. The existence of threats of supply-side shocks, including El Nino requires the Reserve Bank of India and the government to be cautious of inflation. The inflation levels for the advanced economies are still higher than their respective target levels, as core inflation remains at elevated levels, contrasting with India's softening price gains in non-food, non-energy items.

Negative cross-border spill overs and adverse global developments anytime act deterrent to achieving the potential high growth path current financial year Nirmala

Sitharaman,

Union Ministry of Finance





## **SOCIAL JUSTICE**

## ETHICS-DRIVEN MEDICINE

**CONTEXT:** Push to integrate 'AYUSH' in mainstream health care for universal coverage raises concerns about homoeopathy's efficacy.

**BACKGROUND:** Multiple systematic reviews meta-analyses find homoeopathic treatments lack clinically significant effects across ailments, populations, and study types. Evidence quality is low, and unregistered trials show more efficacy than registered ones, raising doubt about validity. WHO warns against homoeopathy for serious diseases. Evidence suggests it doesn't work for cancers and may cause adverse effects, delaying evidence-based clinical care and causing injuries, and sometimes death.

## ON STANDARDS:

- Homoeopathy supporters claim evidence-based medicine standards are unsuitable for judging its "holistic effects," but this claim is debunked.
- Evidence-based medicine standards are collaboratively set and updated by a global community of experts, not just allopathic practitioners.
- Homoeopathy advocates have failed to provide valid alternative evidence synthesis frameworks for testing efficacy and safety.
- Evidence-based medicine includes biopsychosocial approaches, and it seeks to discover and explain mechanisms underlying evidence.
- In the last century, no concrete evidence supports proposed mechanisms of action for homoeopathy, unlike modern medicine practices.

Double-Blind Randomised Controlled Trial (RCT): An experimental research design where participants are randomly assigned to either the treatment or control group, or both researchers and participants are unaware of the group assignments.

Placebo-Controlled Trials: In clinical research, participants are randomly assigned to receive either the experimental treatment or a placebo (inert substance with no therapeutic effect).

Excerpts from "The Hindu - India needs evidence-based, ethics-driven medicine, Editorial August 04, 2023"

## **INTERNATIONAL RELATIONS**

# **COUPS IN NIGER; CAUSES AND CONCERNS**

- President Mohamed Bazoum is removed from power by the head of Niger's presidential guard, Abdourahmane Tchiani proclaimed himself as the head of the transitional government.
- Reason for the coup is due to the deteriorating security situation and bad governance.
- As a consequence of this coup, The constitution is dismissed, all institutions suspended, and the national borders closed
- The global response to the coup has been largely negative, with condemnations and suspensions of cooperation from the UN, U.S., EU, and France.
- Groups linked to al-Qaeda, the Islamic State and Boko Haram operate in the south-west near Malian and southeast near the Nigerian borders.
- France called for an immediate reinstation of "constitutional order and democratically elected civilian government."

### Importance of Niger

- While insurgency in Mali and Burkina Faso led to military coups, Niger managed a democratic transfer of power in 2021, an odd one in the region.
- This had kept smooth relations with the West. Niger has been a key partner in USA's fight against insurgency; nearly 1,100



U.S. troops are here.

- The country, which is rich in Uranium produces seven per cent of global supplies and has been exporting a quarter of it to France.
- Russia has also urged all sides to show restraint and restore calm while calling for Mr. Bazoum's release.

+91-9383 432 123 | +91-7777 875 588 | 0484-452 77 77

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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