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# **VIDHVATH IAS KAS ACADEMY & STUDY CENTRE**

## **DAILY CURRENT AFFAIRS**

**FOR UPSC CIVIL SERVICE EXAMINATION**

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## 1. NIXI'S Internet Governance Internship & Capacity Building Scheme (IGICBS): One-Year Milestone

The National Internet Exchange of India (NIXI) recently commemorated the first anniversary of the **Internet Governance Internship & Capacity Building Scheme (IGICBS)** in New Delhi. Launched under the aegis of the Ministry of Electronics and Information Technology (MeitY), the scheme aims to cultivate a specialized talent pool capable of navigating the complex technical and policy-driven landscapes of global internet governance.

### Core Summary of the Initiative

- **Capacity Building:** The scheme has successfully trained over **10,000 participants**, bridging the gap between technology, law, and public policy to create "future ambassadors" for India's digital interests.
- **Multistakeholder Engagement:** It facilitates a collaborative ecosystem involving academic institutions, government policymakers, and young professionals to strengthen India's representation in regional and global forums.
- **Strategic Resource Launch:** The anniversary marked the unveiling of the **IGICBS Portal** and an **Impact Report**, providing a structured platform for continued mentorship and tracking the program's progress.
- **Focus Areas:** The curriculum emphasizes creating a **safer, resilient, and trustworthy internet**, focusing on digital adoption, technical standards, and the socio-economic impact of the digital backbone.
- **Global Participation:** A primary objective is to enhance India's "voice" in international standards-setting organizations and technical forums, moving beyond mere consumption to active governance.

### Definitions of Key Terms

- **Internet Governance:** The development and application of shared principles, norms, rules, and decision-making procedures that shape the evolution and use of the Internet.
- **NIXI (National Internet Exchange of India):** A non-profit organization (Section 8 company) established to facilitate the peering of ISPs for routing domestic internet traffic within India, managing the .IN Registry and IRINN.
- **Multistakeholder Model:** A governance approach that involves all stakeholders (government, private sector, civil society, and academia) in the decision-making process.

### Constitutional & Legal Provisions

- **Article 19(1)(a):** The Right to Freedom of Speech and Expression, which in the modern era includes the right to access the internet (as per the *Anuradha Bhasin vs Union of India* judgment).
- **Information Technology Act, 2000:** The primary legal framework in India governing cyber laws, electronic commerce, and internet usage.
- **Digital Personal Data Protection (DPDP) Act, 2023:** Provides the legislative framework for processing digital personal data in a manner that recognizes the right of individuals to protect their data and the need to process it for lawful purposes.



### Additional Key Points

- **Evolution of the Internet:** From a volunteer-driven space to a critical social and economic infrastructure, necessitating formal governance structures.
- **Role of MeitY:** Acts as the nodal ministry ensuring that digital initiatives align with the vision of a "Viksit Bharat" by securing the digital ecosystem.
- **Youth Leadership:** The program specifically targets students from diverse backgrounds (IT, Law, Policy) to ensure a holistic approach to internet regulations.

### Conclusion

The successful completion of one year of IGICBS signifies a strategic shift in India's digital diplomacy. By investing in human capital today, India ensures that its burgeoning digital economy is protected and promoted by experts who understand both the technical nuances and the global geopolitical implications of internet protocols. Moving forward, the integration of these interns into global bodies like ICANN or IGF will be crucial for asserting India's digital sovereignty.

### UPSC Relevance

- **General Studies II:** Government policies and interventions for development in various sectors; Issues arising out of their design and implementation; Important aspects of governance (e-governance).
- **General Studies III:** Awareness in the fields of IT, Space, Computers, Robotics, and issues relating to intellectual property rights; Internal security challenges through communication networks.
- **Prelims:** Functions of NIXI, MeitY initiatives, and international internet governance bodies.

## 2. Indian Navy's First Training Squadron Visits Indonesia: Naval Diplomacy In Action

The Indian Navy's First Training Squadron (1TS), comprising **INS Tir**, **INS Shardul**, **INS Sujata**, and **ICGS Sarathi**, arrived at Belawan, Indonesia, on January 20, 2026. This port call is a vital component of India's maritime outreach in Southeast Asia, aimed at fostering defense cooperation and professional training exchanges.

### Key Highlights of the Port Call

- **Training Deployment:** The visit is part of a long-range training deployment designed to provide sea trainees exposure to international maritime environments and navigational challenges in the Malacca Strait.
- **Interoperability Goals:** Professional interactions, including cross-deck visits and joint training, are aimed at harmonizing standard operating procedures (SOPs) between the Indian and Indonesian Navies.
- **Soft Power Diplomacy:** The schedule includes cultural exchanges, joint yoga sessions, and community outreach, leveraging "Cultural Diplomacy" to strengthen bilateral ties.
- **Strategic Location:** The port call at Belawan (near the Malacca Strait) highlights the significance of securing vital Sea Lines of Communication (SLOCs) in the Indo-Pacific region.
- **Integrated Coast Guard Role:** The inclusion of ICGS Sarathi emphasizes India's "Whole of Government" approach toward maritime security and coastal policing.





## Definitions of Key Terms

- **First Training Squadron (ITS):** Based under the Southern Naval Command, it is responsible for the foundational sea training of officers from the Indian Navy, Coast Guard, and friendly foreign countries.
- **Act East Policy:** A diplomatic initiative to promote economic, strategic, and cultural relations with the vast Asia-Pacific region at different levels.
- **MAHASAGAR:** An Indian Navy initiative standing for *Maritime Highlands for Security and Growth in the Region*, focusing on active collaboration with littoral nations in the Indian Ocean Region (IOR).

## Constitutional & Legal Provisions

- **Article 51 (Directive Principles):** Enjoins the State to promote international peace and security and maintain just and honorable relations between nations.
- **Article 73:** Extends the executive power of the Union to matters with respect to which Parliament has power to make laws, including "Entering into treaties and agreements with foreign countries."
- **UNCLOS (1982):** Both India and Indonesia are signatories to the United Nations Convention on the Law of the Sea, which provides the legal framework for maritime activities and freedom of navigation.

## Additional Key Strategic Frameworks

- **SAGAR (Security and Growth for All in the Region):** India's vision for the IOR to ensure collective peace and development.
- **IONS (Indian Ocean Naval Symposium):** A voluntary initiative that seeks to increase maritime cooperation among the navy chiefs of the littoral states of the IOR.
- **Comprehensive Strategic Partnership:** India and Indonesia upgraded their relationship in 2018, emphasizing maritime cooperation as a central pillar of their defense engagement.

## Conclusion

The port call at Belawan is more than a routine training exercise; it is a manifestation of India's "Neighborhood First" and "Act East" policies. By engaging with Indonesia—a key maritime neighbor—the Indian Navy reinforces its role as a "Preferred Security Partner" and a "First Responder" in the Indo-Pacific. Such interactions are essential for building trust and ensuring a rules-based maritime order in one of the world's most congested waterways.

## UPSC Relevance

- **General Studies II:** India and its neighborhood-relations; Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.
- **General Studies III:** Role of external state and non-state actors in creating challenges to internal security; Security challenges and their management in border areas.
- **Prelims:** Strategic locations like the Malacca Strait/Belawan; Naval exercises (e.g., SAMUDRA SHAKTI); Definitions of MAHASAGAR and IONS.



### 3. One Station One Product (Osop): Empowering Local Artisans Via Railways

The One Station One Product (OSOP) scheme, an initiative of the Ministry of Railways, has achieved a significant milestone by expanding to over 2,000 railway stations. By providing a national platform for indigenous products, the scheme aligns with the vision of 'Atmanirbhar Bharat' and 'Vocal for Local', turning railway stations into promotional hubs for regional heritage.

#### Key Highlights of the OSOP Milestone

- **Scale and Reach:** As of January 19, 2026, the scheme has successfully operationalized 2,326 outlets across 2,002 railway stations nationwide, ensuring wide geographical coverage.
- **Livelihood Impact:** The initiative has directly benefited over 1.32 lakh artisans, weavers, and craftsmen, providing them with a sustainable income stream and direct market access to millions of daily passengers.
- **Revival of Traditional Crafts:** OSOP acts as a catalyst for reviving dying arts, such as bamboo work from the Northeast, specialized handlooms, and regional culinary specialties, by bringing them into the mainstream economy.
- **Direct Market Access:** By eliminating middlemen, the scheme ensures that a larger share of the profit reaches the grassroots producers, fostering rural and semi-urban entrepreneurship.
- **Inclusive Growth:** The scheme targets marginalized groups, including Self-Help Groups (SHGs) and small-scale manufacturing units, ensuring that economic progress is socially inclusive.

#### Definitions of Key Terms

- **Vocal for Local:** A government strategy to promote local industries and reduce dependency on imports by encouraging the consumption and global branding of Indian-made products.
- **OSOP Outlets:** Dedicated stalls or kiosks at railway stations designed with a uniform aesthetic to showcase and sell products unique to that specific district or region.
- **Atmanirbhar Bharat:** The "Self-Reliant India" mission aimed at making the country a larger and more important part of the global economy through internal strength and skill development.

#### Constitutional & Legal Provisions

- **Article 39:** Directive Principles of State Policy (DPSP) mandate the State to ensure that the operation of the economic system does not result in the concentration of wealth and to promote the right to an adequate means of livelihood.
- **Article 43:** Directs the State to endeavor to promote cottage industries on an individual or co-operative basis in rural areas.
- **Schedule VII (Union List):** Railways are a Union subject (Entry 22), allowing the Central Government to implement uniform commercial policies across the national rail network.

#### Additional Strategic Key Points

- **Synergy with ODOP:** OSOP is the functional extension of the 'One District One Product' (ODOP) initiative, utilizing the vast infrastructure of Indian Railways as a physical marketplace.
- **Low Entry Barriers:** The scheme provides stalls to artisans at a nominal registration fee for a fixed duration, ensuring that even the smallest producers can participate without heavy capital investment.



- **Standardization:** While products are local, the outlets provide a standardized shopping experience for travelers, enhancing the brand value of Indian handicrafts.

## Conclusion

The OSOP scheme has successfully transformed railway stations from mere transit points into vibrant socio-economic hubs. By integrating India's rich cultural diversity with its most extensive transport network, the government has created a scalable model for rural development. The long-term success of this initiative will depend on maintaining product quality and helping local artisans transition into digital e-commerce platforms to complement their physical sales.

## UPSC Relevance

- **General Studies II:** Government policies and interventions for development in various sectors and issues arising out of their design and implementation.
- **General Studies III:** Inclusive growth and issues arising from it; Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment.
- **Prelims:** Specifics of OSOP vs. ODOP, Ministry associated (Railways), and the total number of operational stations/beneficiaries.

## 4. Freedom Of Press: Supreme Court Halts Coercive Action Against Punjab Kesari

The Supreme Court of India recently intervened on an urgent basis to protect the publication of the **Punjab Kesari** newspaper. Observing that "newspapers cannot be stopped," a Bench led by Chief Justice of India Surya Kant restrained the Punjab government and the State Pollution Control Board from taking coercive steps that led to the disconnection of power to the newspaper's printing presses.

### Core Summary of the Judicial Intervention

- **Protection of Publication:** The Court mandated that the printing presses must function uninterrupted, emphasizing that administrative or regulatory actions should not lead to the muzzling of the press.
- **Interim Relief:** The protection is effective until the Punjab and Haryana High Court pronounces its verdict and for one week thereafter, allowing the group time for legal recourse.
- **Distinction of Units:** While the Court protected the "newspaper" as an essential democratic tool, it allowed the *status quo* to remain for other commercial ventures (like hotels) owned by the group.
- **Allegations of Harassment:** The newspaper group alleged "coordinated harassment," including power cuts and FIRs, following the publication of reports critical of the state government.
- **Extraordinary Urgency:** The case was taken up via "oral mentioning," a procedure used for matters requiring immediate judicial attention to prevent irreparable harm.

### Definitions of Key Terms

- **Oral Mentioning:** A practice where lawyers request the court to hear an urgent matter that has not yet been listed on the daily cause list.
- **Coercive Steps:** Legal or administrative actions (like arrests, property sealing, or utility disconnection) taken by authorities to compel compliance or as a punitive measure.
- **Status Quo:** A Latin phrase meaning "the state in which," used in law to signify maintaining the existing state of affairs until a final decision is reached.



## Constitutional & Legal Provisions

- **Article 19(1)(a):** Guarantees Freedom of Speech and Expression. The Supreme Court has consistently held (e.g., in *Bennett Coleman v. Union of India*) that **Freedom of the Press** is an implicit part of this right.
- **Article 19(2):** Allows "reasonable restrictions" on free speech in the interest of sovereignty, public order, or morality; however, the Court scrutinizes if such restrictions are a "colorable" attempt to suppress dissent.
- **Water & Air (Prevention and Control of Pollution) Acts:** These provide the statutory power to Pollution Control Boards to shut down units violating environmental norms, which was the stated reason for the action against the press.
- **Article 226:** Power of High Courts to issue writs; the newspaper group had initially approached the Punjab and Haryana High Court under this provision.

## Additional Strategic Key Points

- **Doctrine of Proportionality:** The Court's decision to allow the newspaper to run while keeping the hotel shut reflects this doctrine—ensuring that regulatory action for pollution does not disproportionately kill a medium of public information.
- **Media as the Fourth Pillar:** The observation reinforces the judiciary's role as the guardian of democratic institutions against potential executive overreach or "vendetta politics."
- **Role of Pollution Control Boards:** While their mandate is environmental, this case highlights how statutory bodies' powers can sometimes be scrutinized for "malafide" intent (bad faith) if timed with political criticism.

## Conclusion

The Supreme Court's intervention underscores a vital democratic principle: while commercial activities are subject to routine regulatory oversight, the press occupies a special constitutional space. By decoupling the "commercial violations" from the "editorial function," the Court ensured that the flow of information to the public remains unhindered, even amidst a legal dispute over environmental compliance.

## UPSC Relevance

- **General Studies II:** Indian Constitution—features, significant provisions; Pressure groups and formal/informal associations and their role in the Polity; Fundamental Rights and Judicial Review.
- **General Studies IV (Ethics):** Freedom of expression vs. Administrative accountability; Ethical issues in media governance and the use of state machinery.
- **Prelims:** Article 19, Landmark cases on Press Freedom (*Sakal Papers*, *Romesh Thappar*), and the structure of Pollution Control Boards.

## 5. Transition To Viksit Bharat Guarantee For Rozgar And Ajeevika Mission (VB-GRAM G)

The Union Government is set to replace the two-decade-old Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with a revamped framework titled **Viksit Bharat Guarantee for Rozgar and Ajeevika Mission Gramin (VB-GRAM G)**. To prevent disruptions in rural employment during this transition, the upcoming Union Budget 2026-27 is expected to provide separate allocations for both schemes, covering a six-month "glide path" for states to migrate to the new system.



## Core Summary and Key Features

- **Enhanced Statutory Guarantee:** The new scheme increases the legal entitlement of wage employment from 100 days to **125 days** per rural household per financial year.
- **Shift in Funding Pattern:** Transitioning from a predominantly Centrally funded model, the VB-GRAM G will operate as a **Centrally Sponsored Scheme (CSS)** with a cost-sharing ratio of **60:40** for general states and **90:10** for North-Eastern and Himalayan states.
- **Viksit Gram Panchayat Plans (VGPP):** Employment planning will move from being purely demand-driven to a more structured **bottom-up planning** model where works are integrated into a national infrastructure stack.
- **Statutory Agricultural Pause:** States can now notify a "no-work period" totaling up to **60 days** during peak sowing and harvesting seasons to ensure the availability of farm labor and prevent artificial wage inflation.
- **Livelihood Convergence:** Unlike the standalone nature of MGNREGA, the new mission integrates wage employment with skill development, climate-resilient assets, and rural entrepreneurship (Ajeevika).



## Definitions of Key Terms

- **Glide Path:** A planned, gradual transition period from an existing policy or economic state to a new one, ensuring minimal systemic shock.
- **Centrally Sponsored Scheme (CSS):** Schemes implemented by state governments but largely funded by the Central Government with a defined cost-sharing ratio.
- **Unskilled Manual Work:** Any physical work that does not require any specific technical skill or specialized training, traditionally the backbone of rural safety nets.

## Constitutional & Legal Provisions

- **Article 21:** The Right to Life has been interpreted by the Judiciary to include the **Right to Livelihood**.
- **Article 41 (DPSP):** Directs the State to ensure the **Right to Work**, education, and public assistance in cases of unemployment within its economic capacity.
- **VB-GRAM G Act, 2025:** The new statutory framework that repeals and replaces the MGNREG Act, 2005, modernizing the legal right to work.

**Comparison: MGNREGA vs. VB-GRAM G**

Feature	MGNREGA (2005)	VB-GRAM G (2025/26)
<b>Guaranteed Days</b>	100 days	125 days
<b>Funding Pattern</b>	100% Central (unskilled wages)	60:40 (CSS Model)
<b>Planning Basis</b>	Demand-driven	Normative & Integrated (VGPP)
<b>Agri-Season Pause</b>	No statutory provision	Up to 60 days (Optional)
<b>Monitoring</b>	Periodic Social Audits	AI-enabled & Weekly Disclosures

**Conclusion**

The introduction of VB-GRAM G marks a strategic evolution from a "poverty alleviation" mindset to a "wealth creation" and "infrastructure-led growth" model. While the increase to 125 days provides a stronger safety net, the success of the transition will depend on the states' ability to meet their 40% funding obligation and the efficiency of the new digital public infrastructure in preventing leakages.

**UPSC Relevance**

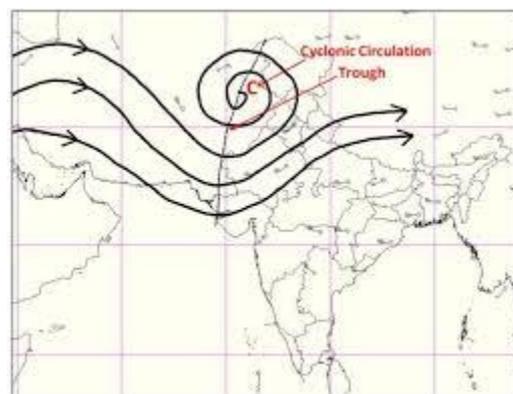
- **General Studies II:** Welfare schemes for vulnerable sections of the population; Issues relating to the development and management of Social Sector/Services.
- **General Studies III:** Indian Economy and issues relating to planning, mobilization of resources, growth, development, and employment; Inclusive growth.
- **Prelims:** Differences between MGNREGA and VB-GRAM G; Funding ratios; Role of Gram Sabhas in VGPP.

**6. WESTERN DISTURBANCES: Climatic Impact And The Himalayan Wet Spell (JANUARY 2026)**

A series of intense **Western Disturbances (WDs)** are currently impacting the Western Himalayan region, as per the India Meteorological Department (IMD). These extratropical weather systems are triggering a significant wet spell across Jammu & Kashmir, Himachal Pradesh, and Uttarakhand, which is vital for both the regional ecology and the agricultural economy of North India.

**Core Summary of the Current Weather Event**

- **Geographical Influence:** The IMD has forecast isolated heavy rainfall and snowfall over the **Kashmir Valley (Jan 22-23)**, extending to the higher reaches of **Himachal Pradesh and Uttarakhand (Jan 23)**.
- **Duration and Spread:** The current system is expected to cause a week-long wet spell, with "fairly widespread to widespread" precipitation across the Western Himalayan Region during **January 22-26, 2026**.
- **Impact on Plains:** Adjoining states including Punjab, Haryana, Rajasthan, and Delhi-NCR are likely to experience **isolated light rainfall and thunderstorms**, which help in dissipating persistent winter fog and smog.





- **Temperature Trends:** While WDs initially cause a rise in minimum (night) temperatures due to cloud cover, their withdrawal typically paves the way for a sharp drop in temperatures and **cold wave conditions**.
- **Agricultural Importance:** This January precipitation is termed as "liquid gold" for **Rabi crops** like wheat and mustard, as it provides essential moisture during the critical growth stage.

### Key Definitions

- **Western Disturbance (WD):** An extra-tropical cyclonic storm originating in the **Mediterranean region** that moves eastwards, driven by the **Subtropical Westerly Jet Stream**.
- **Subtropical Westerly Jet Stream:** A fast-moving air current in the upper troposphere (approx. 9-12 km high) that acts as a carrier for these disturbances toward the Indian subcontinent.
- **Cold Wave:** A phenomenon characterized by a significant fall in minimum temperature. In plains, it is declared when the minimum temperature is **4°C or less**, or 4.5°C below normal.

### Constitutional & Legal Framework

- **Article 51A (g):** Part of the Fundamental Duties, it mandates citizens to protect and improve the natural environment, including forests and lakes, which are directly sustained by Himalayan snowfall.
- **Disaster Management Act, 2005:** Provides the legal basis for state responses to extreme weather events (landslides/avalanches) triggered by intense WDs.
- **National Action Plan on Climate Change (NAPCC):** Includes the **National Mission for Sustaining the Himalayan Ecosystem**, which monitors how changing WD patterns affect glacial health.

### Strategic Importance of Western Disturbances

- **Glacial Recharge:** Snowfall from WDs is the primary source of nourishment for Himalayan glaciers, ensuring the **perennial flow** of North Indian rivers like the Ganga, Yamuna, and Indus.
- **Pollution Control:** Winter rains act as a natural "scrubber," washing away suspended particulate matter (PM2.5/PM10) and improving the **Air Quality Index (AQI)** in the Indo-Gangetic plains.
- **Climate Change Marker:** Scientists have noted that WDs are becoming more **erratic and intense** due to global warming, sometimes occurring in pre-monsoon months (May-June), leading to flash floods and crop damage.

### Conclusion

Western Disturbances remain a dual-edged sword for the Indian subcontinent. While they are indispensable for food security (Rabi harvest) and water resources, their increasing unpredictability poses a severe risk to Himalayan infrastructure and life. Strengthening **Early Warning Systems (EWS)** and climate-resilient agricultural practices are essential for India to adapt to these evolving atmospheric patterns.

### UPSC Relevance

- **General Studies I:** Important Geophysical phenomena (Cyclones, Jet Streams); Distribution of key natural resources.
- **General Studies III:** Disaster and disaster management; Issues related to direct and indirect farm subsidies and minimum support prices (impact of weather on crop yield).



- **Prelims:** Origin of WDs (Mediterranean), Jet Streams, impact on Rabi crops, and IMD terminology (Cold Wave/Cold Day).

## 7. The 'Donroe Doctrine' And The Erosion Of Global Order in 2026

The beginning of 2026 has witnessed a seismic shift in international relations with the emergence of the 'Donroe Doctrine'—a 21st-century recalibration of the 1823 Monroe Doctrine under U.S. President Donald Trump. Marked by the dramatic abduction of Venezuelan President Nicolás Maduro by U.S. forces (Operation Absolute Resolve) in January 2026, this doctrine asserts absolute U.S. hegemony over the Western Hemisphere, signaling a departure from the post-1945 rules-based international order toward a "spheres of influence" model.

### Key Dimensions of the 'Donroe Doctrine'

- **Hemispheric Pre-eminence:** Reasserting the U.S. as the "sole guarantor" of security in the Americas, the doctrine aims to deny non-hemispheric competitors (specifically China and Russia) any military or strategic foothold in the region.
- **Unilateral Enforcement:** The capture of President Maduro from Caracas demonstrates a shift toward "shock and awe" tactics and "performance-based" foreign policy that prioritizes decisive, unilateral military actions over traditional diplomacy.
- **Strategic Expansionism:** Beyond Latin America, the doctrine includes a renewed U.S. focus on acquiring control over **Greenland**, viewed as a vital security necessity for Arctic dominance.
- **Economic Sovereignty:** As per the 2025 National Security Strategy (NSS), the U.S. now treats trade, tariffs, and supply chain "near-shoring" as primary national security tools rather than mere economic policies.
- **Global Precedent:** The lack of international outcry suggests a weakening of the United Nations framework, potentially emboldening other powers like China (regarding Taiwan) or Russia to assert similar "absolute control" within their respective zones.



### Definitions of Key Terms

- **Monroe Doctrine (1823):** A foundational U.S. policy stating that any intervention by external powers in the politics of the Americas is a potentially hostile act against the U.S.
- **Donroe Doctrine:** A portmanteau of "Donald Trump" and "Monroe," referring to the current administration's aggressive, transactional, and unilateral enforcement of U.S. interests in the Western Hemisphere.
- **Sotto Voce:** A term used here to describe the "quiet" or "hushed" international concerns that the U.S. actions have set a dangerous precedent for global territorial claims.
- **Curate's Egg:** A phrase used to describe something that is "good in parts" (referring to the mixed geopolitical situation in West Asia).

### Constitutional & Legal Context

- **Article 51 of the UN Charter:** Recognizes the inherent right of individual or collective self-defense; however, critics argue the U.S. abduction of a sovereign head of state lacks legal sanctification under this provision.



- **U.S. National Security Strategy (2025):** The statutory document that now explicitly de-emphasizes "democracy promotion" in favor of "transactional realism" and "America First" re-industrialization.
- **International Law on Sovereignty:** The principle of *Par in parem non habet imperium* (equals have no jurisdiction over each other) is severely challenged by the current U.S. stance on foreign leadership.

### Strategic Implications for India

- **The "Oil" Dilemma:** Continued U.S. pressure (including threats of 500% tariffs) on countries importing Russian oil creates a friction point for India's energy security.
- **Isolation Risks:** India stands at a crossroads, facing a "coldness" in bilateral ties due to its strategic autonomy, even as initiatives like I2U2 and the **India-Middle East-Europe Economic Corridor (IMEC)** show slow progress.
- **Regional Security:** The U.S. pivot back to Pakistan—granting it 'Major Non-NATO Ally' status and new weapon tranches—threatens the regional balance of power and India's security calculus.
- **The China Factor:** China's resilience against U.S. tariffs and its control over **Rare Earth** exports (reaching record levels in 2025 despite restrictions) gives Beijing a tactical advantage that India is currently struggling to hedge against.

### Conclusion

The year 2026 represents a "broken international order" where the "Donroe Doctrine" has replaced multilateralism with raw power projection. For India, the challenge lies in navigating a world where traditional alliances are fraying and transactionalism is the new norm. India's ability to maintain its "Strategic Autonomy" while managing a hostile neighborhood and an unpredictable superpower will be the ultimate test of its diplomacy in this decade.

### UPSC Relevance

- **General Studies II:** Effect of policies and politics of developed and developing countries on India's interests; Indian Diaspora; International institutions, agencies, and fora.
- **General Studies III:** Security challenges and their management in border areas; Linkages between development and spread of extremism.
- **Prelims:** Origin and evolution of the Monroe Doctrine; I2U2 and IMEC members; Concepts of Rare Earth elements and supply chain resilience.

## 8. The Impending Copper Crunch: A Bottleneck For The Electric Vehicle Revolution

The global transition toward Electric Vehicles (EVs), while essential for decarbonization, is facing a critical resource constraint: a structural supply deficit of copper. Often called the "hidden backbone" of electrification, copper is indispensable for batteries, high-speed motors, charging infrastructure, and grid upgrades. As EV adoption accelerates, the widening "jaw-opening deficit" between soaring demand and stagnant supply threatens to reshape global trade and delay climate targets.

### Core Summary of the Copper Challenge

- **Exponential Demand Growth:** Global EV-related copper consumption surged from approximately 27,500 tonnes in 2015 to over 1.28 million tonnes by 2025, driven by the fact that EVs require 4 to 5 times more copper than internal combustion engine (ICE) vehicles.



- **Structural Supply Deficit:** A significant gap is projected by 2026, with global demand reaching 30 million tonnes while supply lags at 28 million tonnes. This deficit could widen to nearly 8 million tonnes by 2030.
- **Copper-EV Elasticity:** Despite efficiency gains, the elasticity of copper demand remains near 1.0, meaning copper use grows in lockstep with EV sales due to larger battery packs and rapid-charging requirements.
- **Chinese Dominance:** China controls nearly 60% of global EV-based copper consumption and 70% of battery cell production, providing it with significant pricing power and strategic leverage over copper-rich regions.
- **Bottlenecks in Mining:** Supply growth is hindered by declining ore grades, environmental opposition, and a long 10-15 year development cycle required to bring new mines into production.



### Definitions of Key Terms

- **Copper Intensity:** The amount of copper required per unit of a product; for a Battery Electric Vehicle (BEV), this is approximately **83 kg**, compared to just **23 kg** for a conventional ICE vehicle.
- **Jaw-Opening Deficit:** A graphical representation of a widening gap where the demand curve rises sharply while the supply curve plateaus or declines.
- **Near-Shoring:** A trade strategy of bringing supply chains closer to the home country to reduce geopolitical risks and transportation costs.

### Constitutional & Legal Provisions

- **Entry 54, List I (Union List):** Empowers the Union Government to regulate mines and mineral development to the extent declared by Parliament to be expedient in the public interest.
- **Mines and Minerals (Development and Regulation) Amendment Act, 2025:** A landmark reform that empowers the Central Government to exclusively auction 24 critical minerals (including copper) and establishes the **National Mineral Exploration and Development Trust (NMEDT)**.
- **National Critical Mineral Mission (2025):** India's strategic blueprint to secure domestic and global supply chains for 30 identified critical minerals essential for the green transition.

### Additional Key Points for Strategy

- **Recycling (Urban Mining):** With secondary supply potentially meeting only one-third of demand by 2040, India has launched an **Incentive Scheme for Recycling** to build a 270 kilo-ton annual capacity.
- **Technological Innovation:** Research into **sodium-ion batteries** and **graphene-coated wiring** aims to reduce copper dependency, though lithium-copper remains the industry standard for high-performance EVs.
- **India's Status:** While India's current EV-copper demand is modest (~7,200 tonnes), its target of 10 million EV sales by 2030 necessitates aggressive international mineral diplomacy (e.g., through **KABIL**).



## Conclusion

The EV revolution is shifting from a battle of software and battery chemistry to a battle of geology. Without bold actions in recycling, deep-sea mining, and international supply pacts, the pace of global electrification will be dictated by mineral availability rather than environmental ambition. For India, securing a "copper-clad" future is not just an economic necessity but a prerequisite for digital and energy sovereignty.

## UPSC Relevance

- **General Studies I:** Distribution of key natural resources (Copper mines in Chile, Peru, Zambia, and India's Malanjkhand).
- **General Studies II:** Government policies and interventions (MMDR Amendment 2025, National Critical Mineral Mission).
- **General Studies III:** Infrastructure (Energy, EV charging stations); Science & Technology (Battery tech, metallurgy); Environmental impact of mining.
- **Prelims:** Critical mineral list, MMDR Act features, and the role of NIXI or MeitY in the broader digital-green transition.

## 9. Strategic Recalibration: India's Rethink On Chinese FDI Curbs

In a significant policy shift, the Government of India is considering the relaxation of investment and procurement restrictions on Chinese firms, which were strictly imposed in 2020 following the Galwan Valley clash. The upcoming Union Budget 2026 is expected to provide a formal "glide path" for these relaxations, driven by the pragmatic realization that integrating into global supply chains—specifically the "China Plus One" strategy—requires a nuanced engagement with Chinese capital and technology.

### Core Summary and Key Pillars

- **Policy Reversal:** The Ministry of Finance is set to scrap curbs on Chinese firms bidding for government contracts, which had previously resulted in an estimated loss of **\$700-750 billion** in potential project value.
- **Economic Survey Recommendation:** The **Economic Survey 2023-24** pioneered this shift, arguing that promoting Chinese FDI is more beneficial than simple trade imports, as it encourages local manufacturing and technology transfer.
- **Supply Chain Diversification:** India aims to emulate East Asian "Tiger" economies by using Chinese investments to boost its own exports to the U.S. and Europe, effectively replacing China as a direct supplier.
- **Sectoral Demand:** Industries like **textiles, electronics, and engineering** have reported rising input costs and supply uncertainties, advocating for the return of Chinese speed and scale in non-sensitive sectors.
- **Strategic Balancing:** While relaxations are expected, the government maintains a "whole-of-government" approach, keeping a firm grip on sensitive domains like **telecom, defense, and critical infrastructure**.

### Definitions of Key Terms

- **Press Note 3 (PN3):** A 2020 amendment to India's FDI policy making prior government approval mandatory for any investment from countries sharing a land border with India.



- **China Plus One:** A global business strategy to diversify supply chains by avoiding investing only in China and branching out into other countries like India or Vietnam.
- **Beneficial Owner:** The individual or entity that ultimately owns or controls an investment, used to prevent "round-tripping" or indirect Chinese investments via tax havens.

### Constitutional & Legal Provisions

- **Article 298:** Grants the Union and State governments the power to carry on any trade or business and make contracts, which forms the basis for government procurement rules.
- **FEMA (Foreign Exchange Management Act), 1999:** The primary legislation regulating foreign exchange and FDI; PN3 was notified as an amendment to the **Non-Debt Instrument (NDI) Rules** under this Act.
- **Section 69A (IT Act):** Used to ban over **320 Chinese apps** citing sovereignty and integrity; this legal lever remains active despite potential FDI relaxations.

### Key Strategic Trends (2020-2026)

- **Historical Lows:** Chinese FDI has historically been less than 1% of India's total inflows (\$2.5 billion between 2000-2025), ranking 23rd among foreign investors.
- **Smartphone Success:** India successfully reduced China's share in the U.S. smartphone import market from 60% in 2016 to 22% in 2026, largely through the PLI scheme and targeted manufacturing.
- **NITI Aayog Proposal:** The government think-tank has suggested dropping mandatory approval for Chinese equity holdings up to **24%** in non-strategic sectors to speed up project execution.

### Conclusion

India's shift from a nationality-based restriction to an **outcome-oriented approach** reflects a maturing trade policy. While security remains paramount, the "absolutist" impulse to block all Chinese capital is being replaced by a strategy of "de-risking." The goal is to harness Chinese expertise in manufacturing to build domestic capacity, eventually turning India into a global export hub that can compete with China on its own terms.

### UPSC Relevance

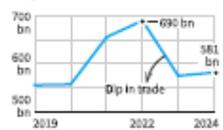
- **General Studies II:** India and its neighborhood-relations; Effect of policies and politics of developed and developing countries on India's interests.

### Pragmatism over protectionism

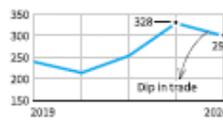
The data were sourced from DPIIT, UN Comtrade, Eurostat, U.S. Census and China's Ministry of Commerce



**Chart 2A:** The U.S.'s total trade (sum of imports and exports) with China over the years (in \$ bn = billion)



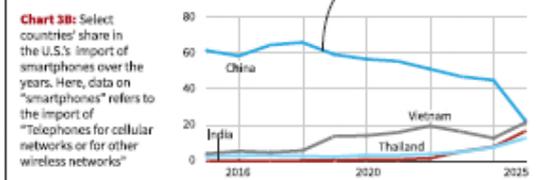
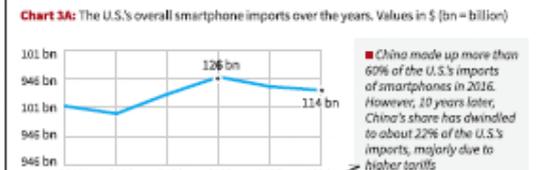
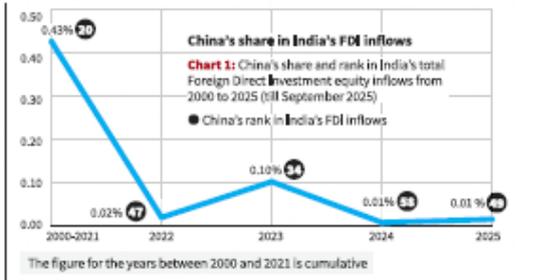
**Chart 2B:** The European Union's total trade (sum of imports and exports) with China over the years (in \$)



The figures in chart 2B for the EU's trade were sourced from Eurostat data wherein exports and imports are indexed at 100 each, with 2013 as the starting year. Using this method, EU's total trade in 2023, which includes imports and exports, is represented as 200. In 2019 the index had increased to 239

**Table 4:** China's country-wise Outward Direct Investment (ODI) stock in 2014 and 2024. The countries are ranked in descending order of China's ODI stock with them. Stock corresponds to cumulative FDI flows over the years

2014 rank	Country	Stock at end-2014 (\$ million)	2024 rank	Country	Stock at end-2024 (\$ million)
1	Hong Kong	509,919.83	1	Hong Kong	1,920,809.36
2	British Virgin Islands	49,320.41	2	British Virgin Is.	331,910.47
3	Cayman Islands	44,236.72	3	Cayman Islands	214,933.81
4	United States	38,010.97	4	Singapore	102,641.42
5	Australia	23,882.26	5	United States	89,959.17
6	Singapore	20,639.95	6	Netherlands	38,422.28
7	Luxembourg	15,666.77	7	Australia	34,011.22
8	United Kingdom	12,804.65	8	United Kingdom	30,575.22
9	Russia	8,694.63	9	Indonesia	25,482.34
10	Canada	7,789.08	10	Luxembourg	25,153.62
...15	India	3,407.21	...34	India	2,449.77



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- **General Studies III:** Indian Economy (FDI trends); Mobilization of resources; Supply chain resilience and manufacturing (PLI schemes).
- **Prelims:** Press Note 3, FDI routes (Automatic vs. Government), and names of border-sharing countries affected by investment curbs.

## 10. PAX SILICA SUMMIT 2025: Redefining Global Tech Security and India's Role

The inaugural **Pax Silica Summit**, convened by the United States on December 12, 2025, marks a pivotal shift in the global order. Aimed at securing the supply chains for semiconductors and Artificial Intelligence (AI), the initiative seeks to foster "peace and prosperity" through a trusted digital infrastructure. By addressing the strategic dominance of China in Rare Earth Elements (REEs), the Pax Silica Declaration represents a "New Economic Security Consensus" among technologically advanced nations.

### Key Highlights of the Pax Silica Initiative

- **Supply Chain Sovereignty:** The initiative focuses on reducing "coercive dependencies" on a single source (China) by building resilient stacks from critical minerals to advanced chip manufacturing.
- **Core Technological Focus:** It prioritizes the "foundational layers" of the 21st-century economy—semiconductors, AI infrastructure, advanced lithography, and reliable energy grids.
- **Diverse Membership:** Initial signatories include the U.S., Japan, South Korea, Australia, the UK, Singapore, Israel, Qatar, and the UAE, each bringing unique strengths (e.g., Australia's Lithium, Netherlands' ASML lithography, Israel's AI software).
- **Countering Resource Weaponization:** A direct response to recent suspensions of REE exports by China, which severely impacted global automobile and defense industries.
- **Economic Security Framework:** Unlike traditional trade pacts, Pax Silica aligns national security with economic policy, emphasizing "friend-shoring" over cost-based efficiency.



### Definitions of Key Terms

- **Pax Silica:** A term derived from "Pax" (Peace) and "Silica" (the base for silicon), symbolizing a stable and secure global ecosystem for the silicon-based digital age.
- **Rare Earth Elements (REEs):** A group of 17 chemical elements (like Neodymium and Dysprosium) essential for high-tech applications, including EV motors, permanent magnets, and missile guidance systems.
- **Coercive Dependency:** A strategic vulnerability where a nation's reliance on a single supplier for critical resources allows that supplier to use exports as political leverage.

### Constitutional & Legal Provisions

- **Article 51 (Directive Principles):** Encourages the State to promote international peace and security and maintain just and honorable relations between nations, providing a basis for India's participation in global high-tech blocs.



- **Mines and Minerals (Development and Regulation) Act (Amendment) 2023/25:** Provides the legal framework for the exploration and auctioning of critical minerals like Lithium in India, vital for meeting Pax Silica's objectives.
- **The Shanti Act (2025):** Recent Indian legislation opening the nuclear sector to private participation to meet the massive power demands of AI data centers and micro-reactors.

### India's Challenges and Strategic Outlook

- **Participation Status:** While not an inaugural member, the U.S. has signaled an imminent invitation to India, recognizing its vast digital infrastructure and talent pool.
- **Domestic Missions:** India has allocated significant capital to the **India Semiconductor Mission (ISM)** and **IndiaAI Mission**, targeting \$150 billion in AI infrastructure by 2026.
- **Human Capital:** A "highly trained pool" of engineers, many returning from the U.S. due to visa policy shifts, provides the "brain power" necessary for high-end R&D.
- **Strategic Autonomy:** India faces the challenge of aligning with the U.S.-led bloc without diluting its sovereign decision-making or its policy of providing preferential treatment to domestic firms.

### Conclusion

Pax Silica represents the fragmentation of the global economy into "trusted" and "non-trusted" supply chains. For India, joining this initiative offers a historic opportunity to leapfrog in the semiconductor and AI domains. However, navigating this new "Resource War" requires balancing its strategic partnership with the West against its internal developmental needs and the imperative of maintaining strategic autonomy.

### UPSC Relevance

- **General Studies II:** Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests; Effect of policies and politics of developed and developing countries.
- **General Studies III:** Science and Technology- developments and their applications; Infrastructure: Energy, Ports, Roads, Airports, Railways etc.; Security challenges and their management.
- **Prelims:** Critical minerals list, members of Pax Silica, ASML and lithography, and India's recent AI infrastructure targets.