VeKommunicate

POLICY PULSE

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IN THIS ISSUE

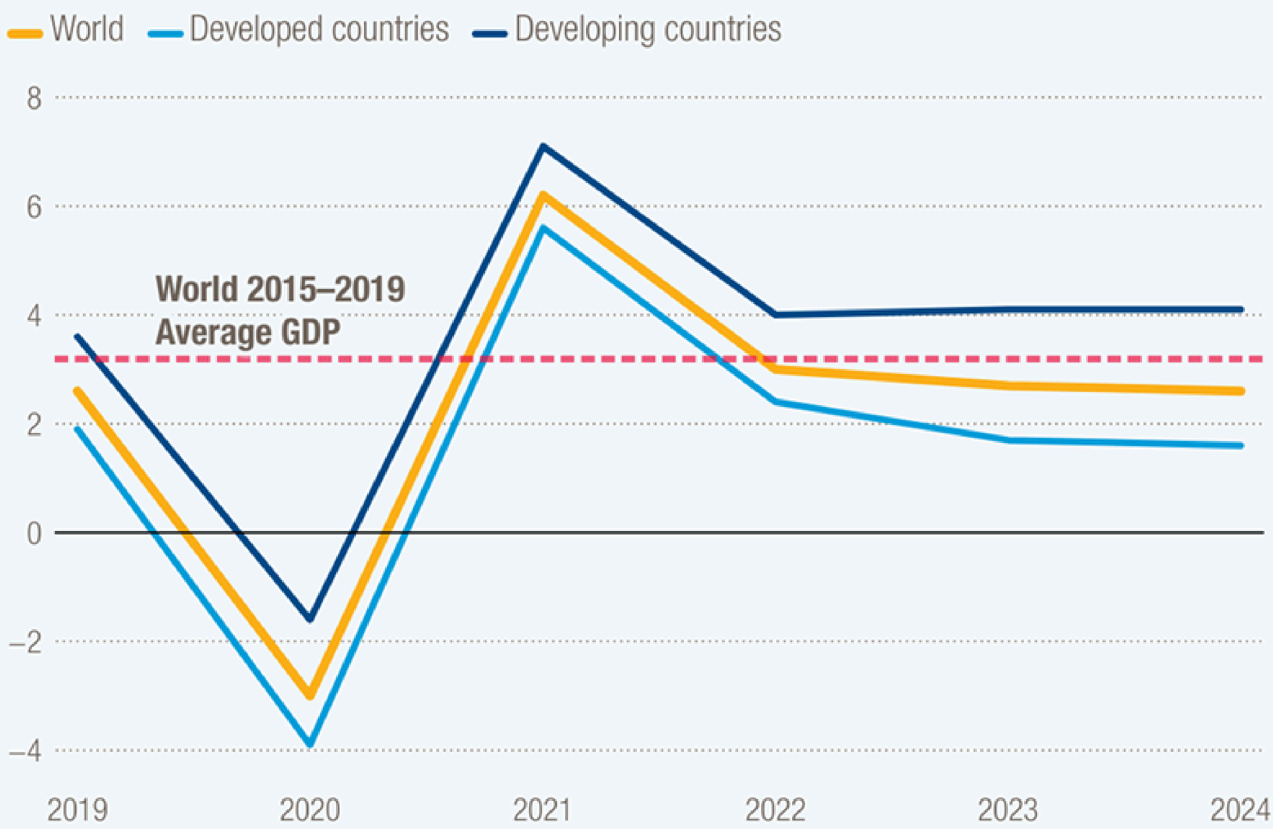
ECONOMY
GLOBAL ECONOMY

Navigating the Global Economy in April 2024: Challenges and Opportunities

In April 2024, the global economy found itself in a state of steady but slow recovery, albeit with varying trajectories across different regions. Analyzing key data points and forecasts, it becomes evident that while certain economies are showing resilience and growth, others are facing challenges.

Global GDP growth slows to 2.6% in 2024, continuing post-pandemic slowdown

Annual percentage change of gross domestic product (GDP), 2019–2024



Source: UNCTAD calculations, based on United Nations Global Policy Model; United Nations, Department of Economic and Social Affairs, National Accounts Main Aggregates database, and World Economic Situation and Prospects (WESP) 2024; ECLAC, 2024; Organisation for Economic Co-operation and Development (OECD), 2024; International Monetary Fund (IMF), World Economic Outlook; Economist Intelligence Unit, EIU CountryData database; JP Morgan, Global Data Watch; and national sources.
Note: The distinction between developed and developing countries is based on the updated M49 classification of May 2022. Data for 2024 is a forecast.

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Global Growth Trends

The baseline forecast for the world economy indicates a growth rate of 3.2% throughout 2024 and 2025, maintaining the pace set in 2023. Advanced economies are expected to experience a modest uptick in growth, while emerging markets and developing economies may witness a slight slowdown. This scenario reflects a delicate balance influenced by factors such as inflation, structural frictions, and geopolitical dynamics.

Inflation and Monetary Policy

Global inflation is on a declining trajectory, forecasted to drop from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025. Advanced economies are anticipated to reach their inflation targets sooner than their emerging counterparts, indicating a varied pace of recovery and policy responses. Central banks have played a significant role through interest rate hikes aimed at restoring price stability, although the impact has been moderated by shifts in mortgage and housing markets.

International Trade Challenges

The realm of international trade presents its own set of challenges. In 2023, global merchandise trade experienced a 1% contraction, diverging from overall economic growth trends. Trade tensions among major economies, subdued global demand, and disruptions in key shipping routes have all contributed to this scenario. The high base effect from pandemic-induced consumption shifts has also played a role in the decline of merchandise trade.

Debt Dynamics and Developing Countries

Developing countries are facing escalating debt payment obligations, exacerbated by high global interest rates and currency depreciation. By 2023, several low-income countries had already fallen into debt distress, with more on the brink, signalling a concerning trend in the global debt landscape. These challenges highlight the need for sustainable debt management strategies and international cooperation.

Commodity Market Volatility

Commodity markets remain volatile, with prices higher than pre-pandemic levels despite a 6.8% drop in 2023. This volatility impacts both exporters and net commodity-importing developing countries, with the energy sector experiencing significant price fluctuations. Navigating this volatility requires resilience and adaptive strategies from economies reliant on commodity exports.

ECONOMY
GLOBAL ECONOMY

Regional Economic Outlook

Across regions, diverse economic outlooks emerge:

- Africa is projected to experience modest growth, although challenges from armed conflicts and climate impacts persist.
- In the Americas, Argentina grapples with severe inflation, while Brazil faces external pressures and reliance on commodities.
- Asia showcases China's targeted growth and India's buoyancy driven by public investment and service sector expansion.
- Europe struggles with economic slowdowns in countries like Germany and Italy, emphasizing the need for revitalization measures.
- Oceania, particularly Australia, foresees subdued growth extending into 2024, signalling ongoing economic challenges.

April 2024 reflected a global economy in transition, navigating a landscape of recovery, challenges, and opportunities. As policymakers, businesses, and communities adapt to evolving dynamics, strategic decision-making, sustainable practices, and international collaboration will be key pillars in fostering resilient and inclusive growth moving forward.

ECONOMY

INDIAN ECONOMY

As April 2024 unfolds, India finds itself in a mixed bag of economic optimism and societal concerns. The National Council of Applied Economic Research (NCAER) has projected a robust growth rate of over 7% for the Indian economy in the current fiscal year, citing a favourable global economic landscape and expectations of an above-normal monsoon. This positive outlook is reinforced by a slew of high-frequency indicators showcasing the resilience of India's economic machinery.

One of the standout indicators is the Purchasing Managers' Index (PMI) for manufacturing, which has surged to a 16-year high. This surge is indicative of heightened economic activity and production levels in the manufacturing sector, a vital component of India's economic engine. Similarly, the Unified Payments Interface (UPI), a cornerstone of India's digital payments revolution, has witnessed its highest transaction volume since its inception in 2016, signalling a robust digital economy.

ECONOMY

INDIAN ECONOMY

The buoyancy extends to tax collections as well, with Goods and Services Tax (GST) collections reaching an impressive Rs 1.8 lakh crore in March, marking the second-best performance since its rollout in 2017. This financial buoyancy, coupled with an uptick in global growth and trade volumes, sets an optimistic tone for India's economic trajectory in the coming months, according to NCAER Director General Poonam Gupta.

However, amidst this economic optimism, there are certain concerns that loom large in the minds of urban Indians. The Monthly Economic Review highlights that 73% of urban Indians believe that the country is moving in the right direction, although this represents a slight dip from the previous month. The concerns revolve around key societal and economic issues, with inflation and unemployment taking the forefront.

Inflation, which stood at 4.9% in March, is a pressing concern for 41% of urban Indians. The rise in prices of essential commodities can significantly impact households, especially those in lower-income brackets. Unemployment, another critical issue, worries 37% of urban Indians, highlighting the persistent challenges in job creation and skill development.

On the global stage, India stands out as one of the top three most optimistic markets, driven primarily by sentiments from the global south. This positive outlook contrasts sharply with the global average, where only 38% of citizens believe their country is on the right track.

Looking ahead, India's economic momentum seems promising, with institutions like the Asian Development Bank (ADB) and Fitch Ratings estimating a 7% growth rate. The Reserve Bank of India (RBI) has maintained its GDP growth projection at 7% for FY2024-25, indicating a stable economic outlook.

However, addressing the concerns of inflation, unemployment, and governance will be crucial in ensuring inclusive and sustainable growth. Collaborative efforts between the government, private sector, and civil society are imperative to navigate these challenges and steer India towards a prosperous and equitable future.

WORLD TRADE ORGANISATION

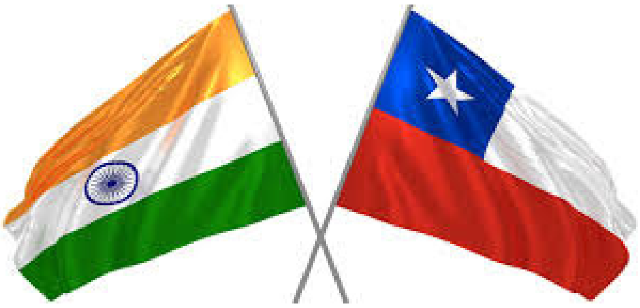
South Africa challenges EU prohibition on citrus fruit

South Africa's dispute with the European Union over citrus fruit revolves around the EU's phytosanitary requirements related to the false codling moth, specifically Thaumatotibia leucotreta. In July 2022, South Africa initiated a WTO dispute against the EU's import limitations on South African citrus fruits. These restrictions mandate certain cold treatment procedures and precooling measures for designated durations prior to import.

South Africa has initiated a second dispute complaint against the European Union regarding the importation of South African citrus fruit affected by the fungus "citrus black spot." This challenge is based on the EU's phytosanitary requirements related to the false codling moth, which imposes import restrictions on South African citrus fruit. South Africa claims that the EU's measures are inconsistent with various provisions of the WTO's Agreement on Sanitary and Phytosanitary Measures.

FREE TRADE AGREEMENT/ BILATERAL DISCUSSIONS

India may expand its PTA with Chile to secure critical minerals



Ministry of Mines, Government of India has recently suggested that the India-Chile FTA discussions should cover securing critical minerals for India. The Ministry has also suggested that the discussions should revolve around the acquisition of copper and lithium mines and commercial off-take agreements at the government-to-government level.

Currently, both countries have a preferential trade agreement (PTA), which is a limited trade arrangement and not an FTA.

Globally, governments are taking steps to secure critical mineral supplies, such as establishing strategic reserves, providing financing for critical mineral projects, and forming international partnerships and alliances. In this context, India is likely pursuing a similar strategy through the FTA negotiations with Chile. This is to ensure reliable access to critical minerals like copper and lithium through the FTA.

Chile is the second-largest producer of lithium globally and has the largest known lithium reserves. As such, it is a key potential partner for India in securing lithium supplies to support its growing electric vehicle and renewable energy sectors.

Bangladesh and Thailand sign LoI to commence FTA negotiation

Dhaka and Bangkok recently signed five bilateral documents covering various areas of cooperation. These documents focus on visa exemption, energy cooperation, tourism, and customs matters. The agreement signifies strengthening ties between Bangladesh and Thailand in these key areas.

The agreement aims to enhance cooperation in the energy sector, leading to increased collaboration in economic, industrial, and social aspects. The focus will be on areas such as deep-sea oil and gas exploration, LNG supply, and various forms of investment in the energy sector. Bangladesh welcomes Thailand's interest in energy cooperation, particularly highlighting the involvement of Thailand's PTT Global LNG Company Ltd. The cooperation is expected to facilitate energy trade, production, and investment between the two countries, fostering a stronger partnership in the energy domain.

The Letter of Intent (LoI) was signed to commence FTA negotiation by 2024. The FTA aims to enhance trade and economic

FREE TRADE AGREEMENT/ BILATERAL DISCUSSIONS

cooperation between Bangladesh and Thailand, potentially covering various sectors such as blue economy, electronic vehicle assembly, ecosystem management, technical textiles, data-driven modern agriculture, light engineering, halal industry, and value-added food processing. Additionally, the FTA may include policy support for SME industries in Bangladesh and compliance with Environmental, Social, and Governance (ESG) standards. The agreement is expected to create more significant business opportunities and promote closer collaboration in trade and investment.

New Zealand and the European Union FTA enters into force from May 1

The signing of the free trade agreement between New Zealand and the European Union on July 9, 2023, in Brussels marked a significant milestone in their economic relationship. With both parties completing the necessary domestic legal processes, the agreement officially came into force on May 1, 2024.

This FTA not only creates new avenues for trade but also reduces costs by providing New Zealand with more favourable access to the EU market. By facilitating trade diversification, it contributes to New Zealand's economic resilience, offering stability and opportunities for growth.

The historical, cultural, political, and economic ties between New Zealand and Europe are deep-rooted, underscoring the significance of this agreement. With the EU being New Zealand's fourth-largest trading partner, with two-way trade valued at US$20.2 billion in 2022, this FTA sets a strong foundation for further enhancing their bilateral trade and economic cooperation.

The agreement will eliminate tariffs on 91% of New Zealand's goods exports to the EU, rising to 97% after seven years. Key benefits include:

- Immediate tariff elimination for New Zealand exports of kiwi fruit, wine, onions, apples, manuka honey, and most fish and seafood. This is expected to save the kiwifruit industry US$47 million per year in tariffs.
- New quota opportunities worth over US$600 million in annual export earnings for New Zealand, including an eight-fold increase in the amount of beef that can be sold to the EU.
- Expanded duty-free access for New Zealand sheep meat by 38,000 tonnes per year.
- Up to US$120 million worth of new annual export revenue for New Zealand's red meat and dairy sectors on day one, with estimates of over US$600 million within seven years.
- High protein whey products will have duty-free quota access reaching 3,500

tonnes over 7 years after entry into force, representing up to US$46 million of trade once fully implemented.

Other Highlights:

- The New Zealand-EU FTA's **Trade and Sustainable Development chapter** marks a significant milestone by introducing enforceable commitments on trade and gender equality. This aspect is crucial for advancing women's participation in trade, a pivotal step towards inclusive economic growth. Moreover, the agreement underscores the importance of conservation efforts by combatting illegal wildlife trade and logging, preventing overfishing, and addressing illegal, unreported, and unregulated fishing practices.
- A notable inclusion is the recognition of the **Treaty of Waitangi's** special status, ensuring that New Zealand can fulfil its obligations to Māori. The dedicated "Māori Trade and Economic Cooperation" chapter provides a unique platform for promoting Māori trade interests in the EU market, a first for the EU in an FTA.
- The agreement also sets high standards for **trade in services**, particularly in the education sector. New Zealand has secured improved access for education providers, including English language education services, marking the first time the EU has committed to such measures in this sector.
- Furthermore, the agreement features a dedicated **"Sustainable Food Systems"** chapter, fostering cooperation between the EU and New Zealand to transition towards sustainable food systems. This collaboration encompasses various areas such as organic and regenerative farming, reducing chemical use, enhancing food supply chain resilience, and integrating Indigenous knowledge—a comprehensive approach to addressing sustainability challenges in the food sector.

POLICY/ REGULATORY UPDATES

WORLD

National Council of Provinces, South Africa, approves the Climate Change Bill

The Climate Change Bill, approved by the National Assembly on October 24, 2023, represents a significant legislative milestone in South Africa's efforts to combat climate change. This legislation is the first of its kind in the country, specifically designed to address the challenges posed by climate change. It establishes a comprehensive legal framework to coordinate South Africa's response to climate change, incorporating various measures such as setting emission targets for different sectors and developing adaptation strategies.

Moreover, the bill underscores the importance of ensuring a fair energy transition and includes detailed provisions on adaptation objectives and planning mechanisms. Additionally, it outlines ambitious greenhouse gas emission reduction targets and seeks to align departmental policies and objectives to achieve these goals.

In April 2024, the National Council of Provinces (NCOP) approved the Climate Change Bill.

According to the Forestry, Fisheries and Environment Minister South Africa, “The Climate Change Bill will provide the much-needed legal framework to regulate activities that contribute to climate change; ensure an effective response in all spheres of government and by society at large; ensure a just transition; and maximise the opportunities afforded to our economy by the global shift to a green economy,”.

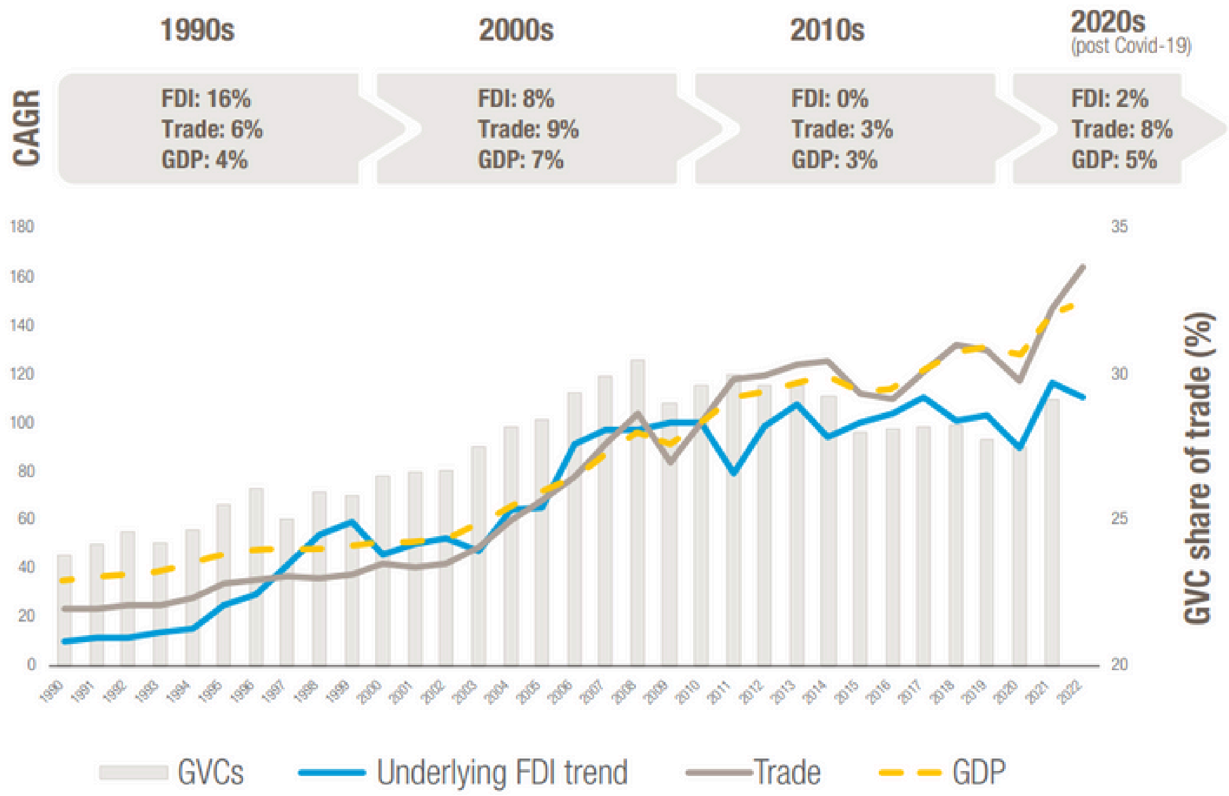
Global crises are causing fractures in foreign investment, with ramifications for developing economies

The UN Conference on Trade and Development (UNCTAD) released a report titled "Global Economic Fracturing and Shifting Investment Patterns," which delves into the intricate realm of global foreign direct investment (FDI).

The trajectory of FDI and global value chains (GVCs) diverges from GDP and trade, marking a notable transformation in the global economic landscape. Despite ongoing global GDP and trade growth since 2010, FDI expansion has halted, hovering close to zero per cent, amidst escalating protectionism, geopolitical strains, and heightened investor prudence.

POLICY/ REGULATORY UPDATES

WORLD



Source:UNCTAD

A widening disparity exists between the manufacturing and services industries, with investment increasingly favouring services. Between 2004 and 2023, the proportion of cross-border greenfield projects in the services sector surged from 66% to 81%, while FDI in manufacturing plateaued and subsequently plummeted following the onset of the COVID-19 pandemic.

The geography of global FDI has been significantly reshaped by China's reduced role as a recipient country. Multinational corporations have shown diminishing enthusiasm for launching new investments in China, though the country still holds a dominant global manufacturing and trade position.

Recent global conflicts and crises have disrupted usual investment patterns, leading to unstable investment relationships and limited chances to benefit from strategic diversification. Investment decisions are now more frequently influenced by geopolitical factors, at times overriding economic determinants.

The growing trend of FDI to environmental technologies offers new opportunities. Still, it fails to fully address the slowdown in other industries, especially affecting developing and least developed countries, increasing the vulnerability of their economies.

The expansion of the services sector mainly benefits larger developing economies that can effectively compete, creating an imbalance that leaves smaller ones at a disadvantage, accentuating disparities and underscoring the need for policies that provide all developing countries equal opportunities.

Getting Inside Economics

Aditya Sinha

The Interplay Between Economy and Evidence-Backed Public Policy

In the intricate web of governance and societal progress, the relationship between the economy and evidence-backed public policy is not just interlinked but often symbiotic. The decisions made in the corridors of power have a profound impact on economic dynamics, and in turn, the state of the economy shapes the efficacy and direction of public policies. This interplay forms the backbone of sustainable development and inclusive growth in any nation.

The Foundation of Evidence-Backed Public Policy

At the heart of any effective public policy lies robust evidence. Policies formulated without a solid understanding of the underlying issues, their causes, and potential solutions are akin to shooting in the dark. Evidence-backed public policies, on the other hand, are grounded in data, research, and a thorough analysis of the problem at hand.

For instance, when addressing issues like unemployment, inflation, or environmental degradation, policymakers rely on economic indicators, social surveys, and scientific research to craft informed policies. This evidence-based approach not only enhances the credibility of policy interventions but also increases their likelihood of success.

Driving Economic Progress through Policy

Public policies play a pivotal role in shaping economic outcomes. Policies related to fiscal management, trade, investment, taxation, and regulatory frameworks directly impact economic growth, employment generation, income distribution, and overall prosperity. A well-crafted policy framework can stimulate investment, foster innovation, create jobs, and improve living standards for the populace.

Take, for instance, infrastructure development policies. Investments in infrastructure such as transportation networks, communication systems, and energy grids not only boost economic activity in the short term but also lay down the foundations for long-term growth by reducing logistics costs, improving connectivity, and enhancing productivity.

Mitigating Economic Challenges

Moreover, evidence-backed public policies are instrumental in mitigating economic challenges and crises. During periods of economic downturns or external shocks, policymakers rely on empirical data and analysis to design stimulus packages, monetary policies, and social safety nets that can stabilize the economy, protect vulnerable segments of society, and facilitate a speedy recovery.

For example, during the global financial crisis of 2008, evidence-based policies such as fiscal stimulus measures, monetary easing, and targeted interventions in key sectors played a crucial role in navigating the challenges and restoring economic stability.

The Feedback Loop: Economy and Policy Iteration

Importantly, the relationship between the economy and evidence-backed public policy is iterative and dynamic. Economic outcomes often provide feedback to policymakers, indicating the effectiveness or shortcomings of existing policies. This feedback loop enables policymakers to fine-tune policies, make necessary adjustments, and adopt new strategies based on real-world outcomes and evolving circumstances.

For instance, if a policy aimed at reducing unemployment does not yield the expected results, policymakers can analyze economic data, identify bottlenecks, reassess policy parameters, and redesign interventions for better outcomes.

In conclusion, the synergy between the economy and evidence-backed public policy is indispensable for sustainable development, social welfare, and economic progress. By leveraging data, research, and evidence-driven insights, policymakers can craft targeted, efficient, and impactful policies that address societal challenges, drive economic growth, and improve the overall well-being of citizens. As we navigate complex global challenges and chart a course for the future, the integration of evidence-based policymaking with economic considerations will remain a cornerstone of effective governance and inclusive prosperity.

(The writer is an Senior Research Analyst at VeKommunicate)

Environment Equity

Saloni Goyal

Energy Transition Importance in Various Policy Dialogues

As the world continues to face the challenges of climate change, the need for an energy transition has become more important than ever. Governments and professionals across the world have recognized the need for a shift towards renewable energy sources and energy efficiency measures, in order to reduce greenhouse gas emissions and mitigate the impact of climate change.

Energy transition refers to the process of shifting from non-renewable energy sources like fossil fuels to renewable energy sources like solar, wind, and geothermal. This transition is necessary because non-renewable sources are finite and produce harmful emissions that contribute to climate change. The energy transition involves a shift towards cleaner and more sustainable energy sources that are renewable, abundant, and emit no or minimal greenhouse gases.

One of the most important policy dialogues that emphasizes the importance of energy transition is the Paris Agreement. The Paris Agreement is a global agreement that aims to limit global warming to below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degrees Celsius. The agreement recognizes the need for a global energy transition towards renewable energy sources and energy efficiency measures, in order to achieve these goals.

Another important policy dialogue that highlights the importance of energy transition is the United Nations Sustainable Development Goals (SDGs). The SDGs are a set of 17 goals adopted by all United Nations Member States in 2015, with the aim of achieving a more sustainable and equitable world by 2030. Goal 7 of the SDGs focuses on ensuring access to affordable, reliable, sustainable, and modern energy for all. This goal recognizes the need for an energy transition towards renewable energy sources and energy efficiency measures in order to achieve sustainable development.

In addition to these global policy dialogues, many governments and organizations have recognized the importance of energy transition in their own policy frameworks. For example, the European Union has set a target of achieving at least 32% to a 42.5% share of renewables in the EU energy consumption, with the aim of achieving 45% by 2030.

The importance of energy transition in policy dialogues is not limited to environmental concerns. But also plays a crucial role in economic development and social progress. Renewable energy sources like solar and wind have become increasingly cost-competitive with fossil fuels and have the potential to create new jobs and stimulate economic growth.

OPINION COLUMN

Energy efficiency measures can also reduce energy costs for households and businesses and improve access to energy for marginalized communities.

In conclusion, the importance of energy transition in various policy dialogues cannot be overstated. The shift towards renewable energy sources and energy efficiency measures is necessary to mitigate the impact of climate change, achieve sustainable development, and promote economic growth and social progress. As governments and professionals across the world continue to recognize the importance of energy transition, it is essential that they work together to accelerate the transition towards a cleaner, more sustainable energy future.

(The writer is an Senior Research Analyst at VeKommunicate)

OPINION COLUMN

Sustainable Transportation: A Cross-Cutting Catalyst for Achieving the SDGs

Sustainable transport, though categorized under SDG 11- Sustainable cities and communities, has far-reaching impacts across multiple goals. Its significance stems from its role in connectivity, trade, economic growth, and employment. Achieving universal access, safety, reduced environmental impact, and resilience the prime goals under this target requires collaboration among multiple stakeholders. The switch essentially requires work in two main areas – fuel and infrastructure. While scientists around the globe are hunting for ways to transition to a cleaner and greener fuel, government should focus on developing infrastructure for last-mile connectivity hence promoting public transport. To attain the "future we want" envisioned by UN necessitates examining sustainable transport goals from global and Indian contexts to drive progress across SDGs.

Where does the world stand?

Dedicating November 26th as World Sustainable Transport Day and awards like the 'Sustainable Transport Award' are meant to encourage and recognize the meaningful choices taken up by countries. The 2023 award was won by Paris for its efforts to improve the transportation system by ensuring sustainability, accessibility, and inclusion. Countries like the UK, Sweden, Germany, and the Netherlands have all shown impressive results with sustainable transportation owing to their well-developed public transport systems. But many countries are yet to catch up.

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How is India viewing sustainable transport?

The Indian government has recognized the urgency of promoting sustainable transport and has taken several initiatives to encourage its adoption. The National Urban Transport Policy (NUTP) emphasizes the development of public transport systems, non-motorized modes of transport, and the integration of land use and transport planning. Additionally, the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme aims to incentivize the production and adoption of electric vehicles (EVs) in the country. Ahmedabad and Pune have shown significant improvement in terms of sustainable transport.

- **Public Transportation:** It forms the cornerstone of India's vision of sustainable transport. The metro rail projects and developments in the Bus Rapid Transit (BRT) are all examples of how the government tries to promote public transport.
- **Promoting Electric Vehicles:** The government is promoting EVs through schemes like FAME, subsidies, and providing charging infrastructure, which has helped in their adoption. But only a symbiotic relationship between the public and private sectors can take this goal forward, as major challenges to the switch, such as the high cost of EVs and lack of adequate charging infrastructure, still stand tall.
- **Multimodal integration:** The concept of "smart mobility" involves leveraging technology to optimize transportation systems, improve efficiency, and enhance user experience. Initiatives such as the National Common Mobility Card (NCMC) aim to provide a unified payment system for various modes of public transport, making it more convenient for commuters to use sustainable options.

With policies like PM Gati Shakti on its way, it is expected that we will bring about much faster and more impactful changes to achieve India's targets set for 2030, 2047, and 2070. Since net zero is a goal for 2070, it is vital that we take careful and timely steps to achieve the same.

(Leah Miriam George, the writer is an intern at VeKommunicate)

Ethical AI in Cyberspace

Artificial Intelligence (AI) has slowly crept its way into our lives, and now it is our virtual shadow—following and tracking our every move. What AI is capable of goes far beyond what one can anticipate, and this is the major reason why the ethical implications of these technologies in cyberspace cannot be overlooked.

Ethical AI involves integrating moral values and principles into AI systems to ensure they serve humanity positively and responsibly. In cyberspace, where AI can impact millions instantaneously, the stakes are particularly high. At the heart of ethical AI lie core principles that act as a moral compass for developers—the ones who design and feed data to these systems—and users, who are on the other end of the spectrum using these systems. Therefore, it is crucial to ensure that AI is embedded with certain ethical standards.

Firstly, transparency is crucial; AI systems must be designed so that their processes and decisions are understandable to users. This fosters trust and allows for informed consent.

Secondly, accountability ensures clarity on who is responsible for AI's actions and decisions.

Thirdly, fairness involves designing algorithms without biases, promoting equality, and preventing discrimination because once biased data is fed to the AI, it becomes a part of AI and its behaviour.

Lastly, privacy must be safeguarded, with user data protected and used only with explicit consent. Prioritizing security as the main use of AI is important, as the potential of AI to perform other tasks must not come at the cost of user privacy.

Despite the clear principles, the road to ethical AI is rife with challenges. The complexity of AI systems often makes transparency a difficult goal to achieve. Moreover, the global nature of cyberspace means that ethical standards and practices vary widely, complicating the implementation of a universal ethical framework. Additionally, there is a constant tension between fostering innovation and adhering to ethical guidelines, with the former sometimes taking precedence at the expense of ethical considerations.

The landscape of ethical AI in cyberspace is dotted with both successes and failures. For instance, some organizations have successfully implemented AI systems that enhance user privacy and provide transparent decision-making processes. On the other hand, there have been notable instances where the lack of ethical AI has led to significant issues, such as biased algorithms causing unfair treatment of individuals or AI impersonating and maligning the image of individuals or groups. The imperative for ethical AI in cyberspace is clear.

OPINION COLUMN

As AI continues to evolve, it is paramount that ethical considerations are not an afterthought but a foundational aspect of AI development. Stakeholders across the board, from policymakers to developers, must work collaboratively to ensure that AI serves the greater good, adhering to ethical principles that uphold human dignity and rights in the digital realm. It is a call to action for all those involved in AI's lifecycle to prioritize ethics and ensure that technology remains a force for good in cyberspace.

(Isha Singh, the writer is an intern at VeKommunicate)

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