

9pm Compilation

May, 2020

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4. Savarkar

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General Studies Paper - 1

General Studies - 1

1. Contributions of Ambedkar for unorganized labour

Source: [Indian Express](#)

Syllabus: GS 1: Significant events, issues, personalities during the middle of the eighteenth century (the 1750s) until the present.

Context: The International Labour Day, let's look at the contributions of B.R. Ambedkar in the fields of labour rights, welfare, and social security in India.

Born on April 14, 1891 in Madhya Pradesh, Dr. B.R Ambedkar, prominently known as Babasaheb was a multifaceted character-a political and social reformer, an educationist, a jurist and the Father of the Indian Constitution.

His Contribution:

1. **Established Independent Labour Party (ILP):** Ambedkar formed the ILP in 1936. It focussed at addressing the needs and grievances of the landless, poor tenants, agriculturists, and workers.
2. **Abolition of Khoti System:** Khoti system was a discriminatory land tenure system in Konkan. Ambedkar moved a bill ("The Khoti Abolition Act") against the Khoti system in 1937 during the Poona session of the Bombay Assembly.
3. **Welfare of Women Employees:** Ambedkar framed many laws for women workers in India such as 'Mines Maternity Benefit Act', 'Women Labour Welfare Fund', 'Women and Child Labour Protection Act', 'Maternity Benefit for Women Labour', and 'Restoration of Ban on Employment of Women on Underground Work in Coal Mines'.
4. **Welfare of Mine Workers:** In 1944, Ambedkar put forward the Coal Mines Safety (Stowing) Amendment Bill for the benefit of the workers. In 1946, he introduced the 'Mica Mines Labour Welfare Fund' that sought to help workers with housing, water supply, education, etc.
5. **Tripartite Labour Council:** It was set up in 1942 by Ambedkar. It functioned to safeguard social security measures for the workers and strengthened the labour movement.
6. **Trade Unions:** In 1943, he introduced the Indian Trade Union (Amendment) Bill which compelled the employers to acknowledge trade unions.

Other Contributions:

1. Ambedkar was appointed as the chairman of the constitution drafting committee on August 29, 1947. He is popularly known as the **Father of Indian Constitution**
2. Ambedkar fought vehemently against untouchability and contributed towards upliftment of Dalits. In 1936, he wrote a speech titled "**Annihilation of Caste**". He pioneered the introduction of the reservation system in independent India.
3. Played important role in the foundation of the National Power Grid System, Central Water Irrigation, Navigation Commission, Damodar valley venture, Hirakud undertaking, Sone waterway venture and Employment Exchanges.
4. As an educationist, he established the **People's Education Society** in 1945 and built a number of schools and colleges.
5. In 1925, he wrote a book titled "**The Evolution of Provincial Finance in British India**" which discussed the origin, development and mechanism of provincial finance. The book is cited as an important source by the Financial Commission of India.
6. **Ambedkar's Canon of Public Expenditure:** In 1945, he cited the functions of Comptroller and Auditor General of India and discussed how the government should spend public funds responsibly.

2. What should be the policy changes to maximize the economic potential of cities?

Source: [Livemint](#)

Syllabus: GS-1- Urbanisation

Context: The Covid-19 pandemic has been detrimental to the economic growth of urban centres in India.

Present state of urbanization in India:

- **Level of Urbanization:** According to 2011 Census, the level of urbanisation in India increased from 27.7% in 2001 to 31.15% in 2011.
- **Contribution of Urban areas to the economy:** In 2011-12, urban areas in India contribute somewhere between 52.6% to 64.9% of the national output.

Issues and Challenges:

1. **Pseudo-urbanization:** The push and pull factors have resulted into migration of people from rural areas to urban cities. But there has been continuous concentration of population in class I towns making India's urban development largely lopsided.
2. **Census towns-based urbanization:** Increase in level of urbanization in recent years has been driven by Census towns which are administratively treated as villages. The rural local bodies are not equipped to cater to the needs of large population residing in these census towns and their development is adversely affected due to administrative loopholes.
3. **Poor Basic Services:** Skewed urbanization has led to inadequate provision for social infrastructure i.e. congestion, housing shortages and consequent proliferation of slums, denial of safe drinking water, waste disposal and sewerage problem.
4. **Regional Disparity:** Lopsided urbanization and increased primacy of cities have led to regional imbalances and there has been unequal industrialization and infrastructural development in small and medium sized cities
5. **Challenges posed by Covid-19 pandemic:** The urban to rural migration not only pose of threat of redistribution of coronavirus cases in rural areas but leads to significant challenges for urban economy. These challenges are mainly two-fold:
 - Labour shortage in urban areas
 - Increase in cost of labour in urban areas

Policy changes required to maximize the economic potential of urban centres in India:

1. **Economic data generation:** Though cities generate a significant amount of economic growth, the economic data is generated and aggregated only at the state and national levels. Therefore, it is important to enhance economic data generation and analysis at the city level for a better outlook.
2. **Coordination among various policies and programmes:** It is important to have coordination among various policies and programmes to avoid underachievement and wastage of resources and increase efficiency.
3. **Defining urban areas:** Often state governments redefine geographical boundaries through administrative orders and classify cities into different categories without considering economic dimensions. It is important to understand the cause and effect relationship between economic growth and urbanization and come up with a new formula to define urban areas.
4. **Strengthening Urban Local Bodies:** It is important to strengthen the autonomy and functionality of urban local bodies and make them drivers of economic growth.

5. **Balanced Regional Development:** There should be an integrated network of cities, towns, villages and planning for economic and infrastructural development of the same can help achieve more regional equity and foster economic growth in urban centres.

Conclusion: A balanced regional development is the need for the hour for sustainable and equitable economic growth.

3. What are the issues with migrant housing in urban India?

Source: [Indian Express](#)

Syllabus: GS-1- Society- Urbanization

Context: The Central government has announced to create affordable rental housing for the urban poor and migrants. The scheme will be launched under the Pradhan Mantri Awas Yojana (PMAY)

Migration in India:

- According to the recently released Census 2011 migration data, there are over 45.58 crore internal migrants in India.
- UP, Bihar, Rajasthan and MP had the highest 'outmigration'. Maharashtra, Delhi and Gujarat had the largest 'in-migration'.
- Marriage and employment were the major reasons for migration.

Housing Challenges for Labour Migrants:

1. **Affordable housing:** Labour migrants face problem in finding affordable housing facilities in urban areas and end up living in slum clusters, unauthorised colonies or even in pavements.
2. **Congestion:** Labour migrants live in cramped up spaces and share toilets where it becomes impossible to maintain personal hygiene.
3. **Tenancy Rights:** Labour migrants are often denied of rental agreements or any form of tenancy rights.
4. **Proof of residence:** The migrants inhabiting the tenements often receive no proof of residence, consequently no ration cards.
5. **Access to basic services:** Migrants living in slums and squatter settlements lack access to basic services like clean drinking water, sanitation and hygiene.

Steps taken:

Pradhan Mantri Awas Yojana (PMAY)

- Pradhan Mantri Awas Yojana (Urban) – Housing for All Mission was launched on 25th June 2015.
- The objective of the Mission is to provide Central assistance to implementing agencies through States/Union Territories (UTs) for providing houses to all eligible families/beneficiaries by 2022.

Components of the scheme:

- Slum rehabilitation of Slum Dwellers with participation of private developers using land as a resource
- Promotion of Affordable Housing for weaker section through credit linked subsidy scheme (CLSS)
- Affordable Housing in Partnership with Public & Private sector
- Subsidy for beneficiary-led individual house construction/enhancement.

Recent announcement:

- The government has said that both public and private agencies will be incentivised to build rental housing on government and private land.
- The existing government housing which lie vacant will be converted into rental units.
- The credit linked subsidy scheme for lower middle-class housing under PMAY will also be extended by one year to March 2021,

Way Forward:

The recent announcement by the government to provide affordable rental housing for migrants is welcome step. However, the government should also focus on introducing social-physical infrastructures in already existing working-class settlements to improve their liveability.

4. Savarkar

Source: [The Indian Express](#)

Syllabus: GS 1 - Modern Indian history from about the middle of the eighteenth century until the present- significant events, personalities, issues.

Context: PM Narendra Modi, Vice President M Venkaiah Naidu and others paid tributes to Vinayak Damodar Savarkar, popularly known as Veer Savarkar, on his 137th birth anniversary on 28th May.

Savarkar's Personality and contribution to Indian Freedom struggle:

- **From a historical point of view:**
- **Proximity between Savarkar and B R Ambedkar:** Though both represented the two opposite extremes of the Indian societal setup but there was proximity between some of their views.
- Savarkar was impressed with the insights and meticulous approach of Ambedkar and quoted him several times while advocating social reforms, harmony and the upliftment of the downtrodden.
- Vikram Sampath in his book, **Savarkar: Echoes from a Forgotten Past, 1883–1924**, documents how Savarkar appealed that every Indian needs to resolve in his or her mind to absolve oneself of seven chains such as
 - Vedoktabandi (exclusivity of access to Vedic literature)
 - Vyavasayabandi (continuation of a profession by virtue of one's birth)
 - Sparshabandi (practices of untouchability)
 - Samudrabandi (forbidding the crossing of the seas to go to foreign lands)
 - Shuddhibandi (disallowing reconversions to Hinduism)
 - Rotibandi (the practice of inter-caste dining)
 - Betibandi (rigidity in abolishing inter-caste marriage).
- These reformist ideas subsequently became provisions under the Indian Constitution.

Preferred scientific reasoning to religious customs:

- **His thoughts on caste-based discriminations:** In a letter to his brother Narayanrao in 1920, he told him about the need to rebel against caste discrimination and untouchability.
- **First political leader to set independence as India's goal in the 1900s**
- **Spreading anti-British and revolutionary ideas:** He started spreading such ideas immediately after joining college through his efficient oratory and writing skills. The Congress accepted this goal much later in its Lahore session in 1929.

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- **Courageous and committed:** He tried to escape to France by jumping off a British ship near the French coast in 1910. Savarkar caused the two colonial powers, Britain and France, to approach the Permanent Court of Arbitration, which shares space with the International Court of Justice at the Hague.
- **Provided leadership:** He provided leadership to several young bravehearts in London and across Europe to garner support for India's freedom.
- **Proponent of a united India:**
- **Believed in the idea of inclusivity:** For mobilising the Indian masses. Many have termed him as the proponent of the two-nation theory but this is far from the truth.
- Savarkar used to spoke about how the Hindus and Muslims could bury their historical differences in a common state.
- **Two nation Theory:** It was Sir Syed Ahmed Khan, who propagated the two-nation theory, which was adopted by Muhammad Ali Jinnah.
- **Openly embraced the "Era of Machines":** He warned the Indian leaders to learn from Europe's mistakes. He believed in the innovative spirit of the human mind.

Overall, he was a multidimensional personality: A freedom fighter, social reformer, writer, poet, historian, political leader and philosopher. A Biased historiography has led to the building of a controversial narrative with a superficial understanding of Savarkar.

Way Forward

Savarkar's ideas of modernity, social and religious reforms, cultivation of scientific temper and embracing technological tools continue to be relevant for building a new India in the post COVID-19 era.

General Studies Paper - 2

General Studies - 2

1. Religion and freedom: On India and communal violence

Source: [The Hindu](#)

Syllabus: GS 2: Indian Constitution: historical underpinnings, amendments, significant provisions etc

What has happened: The U.S. Commission on International Religious Freedom (USCIRF) in its annual report has downgraded India's position as a country of particular concern.

About USCIRF: It is an independent, bipartisan U.S. federal government commission which seeks to defend the universal right to freedom of religion or belief abroad. It classifies countries based on Tier 1 – Countries of particular concern and Tier 2 – Special watch list.

Reasons for downgrading of ranking:

1. Citizenship Amendment Act – The act, as per USCIRF, discriminates against Muslims from neighbouring three countries in providing citizenship.
2. Proposed National Register for Citizens – Is a nationwide bureaucratic exercise to legally ascertain legal citizenship. This is in line with the NRC in Assam, which has led to potential disenfranchisement of 19 lakh individuals.
3. Anti-conversion laws – Many states have enacted anti conversion laws, which provides state concurrence via the district magistrate before conversion.
4. Situation in Jammu and Kashmir – The revocation of Article 370 and Art 35A, has created fear of possible demographic change.
5. The report states that many State governments have allowed nationwide campaigns of harassment and violence against religious minorities and engaged in and tolerated hate speech and incitement to violence against them.

Consequence of report:

- **Sanctions:** The U.S. government could act on its recommendation to impose targeted sanctions on Indian government agencies and officials. Ex- In 2005, Prime Minister Narendra Modi who was at the time the Chief Minister of Gujarat was censured by the USCIRF. The commission had recommended sanctions against Mr. Modi for the 2002 riots and the U.S. government had subsequently cancelled his visa.
- **Strategic fallout:** The U.S. has used arguments of freedom, democracy, tolerance, and transparency as tools in its strategic pursuits, but there is no proof of any uniform or predictable pattern of enforcement of such moral attributes.
- **International Image:** Such reports contribute to the construction of an image of a country. This can be used by adversaries in information warfare.
- **Global aspirations:** India advertises itself as a multi-religious democracy and as an adherent to global norms of rule of law. It also aspires to be on the table of global rule making, hence requires acceptance at the global level based on democratic values.
- **Bad Company:** The other countries in the CPC category in the 2020 report are China, North Korea, Saudi Arabia, Pakistan, Nigeria, Russia, Syria, Vietnam, Eritrea, Iran, Tajikistan and Turkmenistan – all of these are not known for democratic values and freedoms.

Additional Information:

Freedom of religion in India

The right to freedom of religion is a fundamental right mentioned under Article 25 to 28 in the Indian constitution.

Important Cases with respect to freedom of religion in India

Article 25: The protects those practices which are integral parts of a religion. It is the duty of the court to decide whether a practice is an essential practice or not depending on the evidence formulated by the conscience of the community and the tenets of the religion.

- Some of the religious practices which were held essential by the Court:
 - **Mohd. Hanif Quareshi Case:** In Hinduism, worshipping of an image or idol.
 - **Sarwar Husain v. Addl. Judge:** Muslims offering prayers at a public mosque.
- Some of the religious practices which were held not-essential by the Court:
 - **Sarup Singh Sardar v. State of Punjab:** The right to elect only Sikh members to a committee for the administration of a Gurudwara property.
 - **In Lily Thomas v. Union of India:** A Hindu male marrying a second wife after conversion.

Article 26: While defining religious institutions, **In SP Mittal v. Union of India**, the apex court laid down three conditions that need to be fulfilled by a religious denomination:

- Collection of Individuals having a common faith.
- A common organization.
- Designation by a distinctive name.

Ismail Faruqui v. Union of India: The apex court held that the mosque is not an essential practice of Islam and a Muslim can offer namaz (prayer) anywhere even in the open.

Sabarimala Case: In Indian Young Lawyers Association, the supreme court adjudicated the conflict of individual right of menstruating women to pray and the collective right of the trust in prohibiting entry into the Sabarimala Temple. The court ruled that the practice was unconstitutional and uplifted the ban on entry of women stating that followers of Ayyappa do not form a separate religious denomination but are Hindus only and, such a ban is not an essential practice of the religion.

Shirur Mutt case: The test of Essential Religious Practices A 7-Judge Bench of the Supreme Court held that what constitutes the essential part of a religion is primarily to be ascertained with reference to the doctrines of that religion itself.

2. Domestic Violence has become a Shadow pandemic

Source: [Livelaw](#)

Syllabus: GS 2: Welfare schemes for vulnerable sections of the population by the Centre and the States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Context: Domestic violence cases have increased exponentially across the globe, in countries like China, the United Kingdom, United States, France and Argentina.

In India also, domestic violence cases have increased at an alarming rate, according to National Commission of Women (NCW). As per the mid-April data by NCW, there has been an almost 100% increase in domestic violence during the lockdown.

What is domestic violence?

Domestic violence is a form of violence against women and girls (VAWG). It includes physical, sexual, and emotional abuse and controlling behaviours by any member of the household. It also includes child or elder abuse.

What are the steps taken by Indian government to prevent domestic violence?

- **Protection of Women from Domestic Violence Act, 2005:**

- It is a civil law that provides protection from domestic violence to women and children in a shared household. It recognizes domestic violence as a human rights violation.
- Domestic violence case can be filed against both male and female relatives of the husband or the male partner.
- Under the provisions of the Act, women can seek protection against domestic violence, financial compensation, the right to live in their shared household, and they can get maintenance from their abuser in case they are living apart.
- **Section 498A of the Indian Penal Code:** It is a criminal law, which applies to husbands or relatives of husbands who are cruel to women.
- **Dowry Prohibition Act, 1961:** It is a criminal law aimed at prohibiting the practice of giving or receiving dowry.
- **One Stop Centres:** These are centres established by the Ministry of Women and Child Development (MWCD) to support women affected by violence of any sort. They provide range of services including medical, legal, psychological and counselling support to the victims.
- **Universalisation of Women Helpline Scheme (181):** It provides 24 hours immediate and emergency response to women affected by the violence, both in private and public spaces.
- **Emergency Response Support System (ERSS – Dial 112):** It is a project under the Nirbhaya Fund. It aims to prevent crime especially against women and children.

Why has domestic violence increased during the pandemic lockdown?

The issue of domestic violence is rooted in the very nature of the patriarchal society. Often referred to as “intimate terrorism”, domestic violence is an expression of the very desire to gain and maintain power and control over women.

The lockdown has led to a shadow pandemic with increasing cases of violence against women in their home itself. The major reasons for increase in domestic violence are fourfold:

- Tension and strain created by security, health, and financial worries
- Confinement and lack of access to alcohol leading to interpersonal violence and abuse.
- Domestic labour becomes taxing during a lockdown if not distributed equally. The woman is expected to bear the load and violence increase if she fails to do so.
- Lack of institutional support, inability to complain during lockdown aggravates the problem.

What steps have been taken to address rising domestic violence during lockdown?

- **NCW** launched a **WhatsApp number – 7217735372** to report domestic violence during lockdown
- **‘Suppress Corona, not your voice’:** It is an initiative launched by **Uttar Pradesh** government. Under the initiative, a female police officer visits house to register the complaint and warn the perpetrator.
- **Kerala government** announced a WhatsApp number – 9400080292 to report domestic violence during the lockdown.
- **“Red dot”** initiative by non-profit **WEFT** (Women’s Entrepreneurs for Transformation): Under this, domestic violence victims are asked to draw a red dot on their palm to seek help and alert their neighbours and authorities.

National Commission for Women

- It was set up as statutory body in under the National Commission for Women Act, 1990.
- It seeks to protect and promote the interests of women in India

Way forward - The following steps should be taken to prevent and urgently address the plight of domestic violence victims:

- One stop centres, shelters and helplines for women should be considered essential services and their function should be restored.
- Psychosocial support and online counselling should be boosted using technology-based solutions.
- Provide emergency transportation to women seeking refuge from domestic violence
- Ensure access to police assistance, and justice services.
- Initiate campaigns to raise awareness and enhance support system
- Media outreach to alert to the facts and the dangers of domestic violence and encouraging positive steps like sharing care responsibilities at home

3. AarogyaSetu App a necessary evil?

Source – [Indian Express](#)

Syllabus – GS Paper 2 - Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.

Context – Importance of AarogyaSetu App to combat COVID 19 and the associated issues with its usage

1. What is AarogyaSetu?

An application designed by National Informatics Centre, Ministry of Electronics and Information Technology for contact tracing and risk assessment.

It uses both, Bluetooth and GPS, to establish whether a person has come close to one affected with virus.

2. What information it collects?

Aarogya Setu seeks nine sets of permissions— including for network-based location, GPS location, receiving data from the Internet, running at device start-up, and preventing the device from ‘sleeping’.

3. How does it work?

On registering name, age, sex, and country visited in last 30 days the data is stored and an unique ID is generated.

When two registered users come within Bluetooth range of each other, typically less than 10 metres, the apps on their respective devices will automatically exchange the digital IDs and record the time and GPS location at which the contact took place.

4. Why needed?

1. Harnessing digital technologies to track the spread – With its widespread use it will become easy for government agencies to limit the spread.
2. To flatten the curve - South Korea and Singapore (Trace Together app) successfully flattened their disease curve by end of March by use of contract tracing apps.

5. Issues associated with app-

- a. **Use of app for surveillance** by government agencies – This violates the citizen's Right to privacy which is exacerbated with absence of data protection law in country.
- b. Apple and Google have banned use of GPS in contact tracing apps to prevent surveillance.

- c. **Lack transparency** – According to Internet Freedom foundation, the app's source code as well as necessary information like who can access the data, is not available to citizens.
- d. **App is people dependent** – For contact tracing to work effectively, truthful reporting on app by people is required which is difficult to ensure.
- e. **Mandatory use by Government for employees** – However in European Union nations, use of such apps is done by consent of individual and is voluntary.
- f. **No data sunset clause** – EU's General Data Protection Regulations makes it mandatory to have sunset clause to prevent data abuse and promotes its deletion after mandate is met.

Way Forward – AarogyaSetu app, if backed with law to pursue legitimate state aim, can become technological miracle to battle the disease spread.

4. Centrally Sponsored Scheme for Development of Infrastructural Facilities for the Judiciary

Source: [VidhiLegalPolicy](#)

Syllabus: GS 2: Judiciary, Judicial Reforms

Context: The government has approved Rs. 767.25 crore under the Centrally Sponsored Scheme for Development of Infrastructural Facilities for the Judiciary for the year 2020-21.

Centrally Sponsored Scheme for Development of Infrastructural Facilities for the Judiciary

- **Genesis:** The scheme was established in 1993 by the Department of Justice, Ministry of law and Justice.
- **Aim:** The aim of the scheme is to improve the infrastructure of subordinate courts and address housing needs of judicial officers in the country with a view to facilitate better justice delivery.
- **Funding:** The expenditure on the scheme is shared by the Centre and the State Governments on 60:40 basis.
- **Conditions for release of grants to the States:**
 - Requirement of funds by the State Governments as per their Action Plan. The action plan includes information on number of new courtrooms required, housing needs of judicial officers.
 - Submission of Utilisation Certificate of previous grants released to the States under the Scheme.
 - Availability of funds under the Scheme as per budgetary allocation.

Issues with the scheme:

1. **Disparity in fund distribution among states:** There has been disparity in fund distribution among states with Maharashtra and Uttar Pradesh always receiving the largest share. On the other hand, despite of severe shortfall of infrastructure states like Kerala and Odisha receive low funds.
2. **Procedural Delays:** Filing of utilization certificates and Action Plans by states are marred by procedural delays at different stages. This hinders the development of infrastructures such as courtrooms and residential units.
3. **Lack of Understanding among states:** Researchers have cited lack of understanding among states about the expenditure sharing between the union and the state under the scheme.
4. **Flawed Design of the Scheme:**

- According to critics, the design of the scheme is flawed. This is because of Utilisation Certificate which shows that the previous year's funds have been exhausted.
 - As this includes the state's share of 40%, states which do not have the capacity to invest large amounts of money towards judicial infrastructure may become ineligible next year.
 - Also, even if some states can allocate their respective shares, it is difficult to produce a UC for the entire amount released within the year as infrastructure projects take time due to bureaucratic delays.
5. **Lack of Transparency:** A study by Vidhi Legal Policy notes that the union government allocates funds to states under the Scheme arbitrarily.

Recommendations for the scheme:

- **Periodic Survey:** Periodic survey to identify infrastructure shortage in judiciary should be done. The data should be used to disburse funds under the scheme
- **CAG audit:** An audit by the CAG to review the financial and material performance of the scheme should be conducted.
- **Revamping:** Revamping the design of the scheme, especially the Utilization certificate is essential.

Conclusion: It is important for the government to address practical difficulties associated with the scheme and ensure transparency in allocation and utilization of funds are the scheme. Nyaya Vikas Portal developed jointly by the Department of Justice and ISRO to allow geotagging of under-construction works under the scheme and to create a database of courtrooms is a step-in the right direction to uphold transparency.

5. Aarogya Setu App and Associated Concerns

Source: [The Hindu](#)

Syllabus: GS-2 Fundamental Rights, Right to Privacy

Context: Advocacy group Internet Freedom Foundation (IFF) has approached the Standing Committee on Information Technology, against mandatory use of Aarogya Setu app on privacy concerns.

Aarogya Setu App

- It is a Covid-19 contact tracing mobile application.
- **Developed by:** National Informatics Centre under the Ministry of Electronics & Information Technology.
- **Features:**
 - Enables people to assess the risk of catching the Covid-19 based on their interaction with others using Bluetooth technology, GPS, algorithms and artificial intelligence.
 - Offers access to telemedicine, an e-pharmacy, and diagnostic services
 - It is available in 11 Indian languages.

Concerns over Arogya Setu App

1. **Breach of Right to privacy:**
 - According to critics, the app violates the requirements of the right to privacy test outlined by the Supreme Court of India in its judgement in *KS Puttaswamy v Union of India* (2017).
 - The government has made the use of app mandatory for many sections of citizens without any legislative authorization. This forces a person to give away data to a system which he may not approve of, thus violating personal data autonomy.

- Further, the government's use of penalties in case of non-usage of the app has considered arbitrary and unconstitutional.
- **Note:** Right to Privacy is a fundamental right under Article 21 of the Indian Constitution.
- 2. **Concerns over Mass surveillance:** Activists and lawyers have raised concerns that the app may be used for mass surveillance and restriction on of freedom of movement and access.
- 3. **Purpose Limitation:** Purpose limitation states the end to which data collected will be used- a key factor in upholding privacy. However, the Indian government has not clearly stated the app's purpose, functioning, and the nature of the use of the sensitive personal data.
- 4. **Lack of Transparency:** The app only provides vague Terms of Service (TOS) and Privacy Policy. It does not provide technical specifications, general FAQs, and even its source code and thus lacks transparency.
- 5. **Concerns over Hacking:** Activists have also raised concerns over hacking of the app and consequent misuse of personal data of millions of Indians by miscreants.
- 6. **Data Protection:** Given that India lacks a comprehensive data protection law, critics have raised concerns over protection of personal information and safeguards in case of misuse of data.

Steps to be taken:

1. **Right to Privacy:** The government should ensure that the app is made consistent with the requirements of the right to privacy test outlined by the Supreme Court of India in its judgement in *KS Puttaswamy v Union of India*. The usage of the app should be made voluntary.
2. **Ensure transparency:** The government should publish the application's source code, and specifications with respect to Bluetooth, cryptography.
3. **Avoid Centralization:** The government should ensure that the personal data is not used after the Covid-19 pandemic and thus ensure nothing is centralised in the server. Example: The EU has issued guidelines stating that contact tracing apps should preserve user privacy and should not be used after contact tracing becomes no longer necessary.
4. **Release Privacy impact assessment:** The government should release privacy impact assessment like Australia to deal with rising privacy concerns over the app.
5. **Declaration of Purpose:** The government should release a manifesto stating all the processes, deployments, plans and justifications for the app.

Conclusion: Usage of mobile applications for contact tracing during Covid-19 pandemic has become a popular idea across nations. However, the government must take necessary steps to ensure right to privacy and data protection.

6. Issues with MPLADS

Source: [The Hindu](#)

Syllabus: GS-2- Government policies and interventions aimed at development in various sectors and issues arising out of their design and implementation.

Context: The Union government has recently suspended the Members of Parliament Local Area Development Scheme (MPLADS) for two years in order to divert these funds for strengthening the government's effort in tackling the Covid-19 pandemic and its adverse effects.

MPLADS

- **Genesis:** Members of Parliament Local Area Development (MPLAD) Scheme is central sector scheme launched in 1993.
- **Aim:** To provide funds to MPs to execute certain developmental projects to meet the urgent needs of their constituents.

Features of MPLADS

1. **Role of MP:**
 - The role of the MP is only recommendatory in nature.
 - Elected Members of Rajya Sabha can recommend works in the state from where they have been elected.
 - Nominated Members of both the Rajya Sabha and Lok Sabha can recommend works anywhere in the country.
2. **Allocation of Funds:** An MP is entitled to Rs. 5 crore per annum to identify and fund developmental projects.
3. **Release of Funds:** Funds are released in the form of grants in-aid directly to the district authorities in two equal instalments of Rs 2.5 crore each. The funds released under the scheme are non-lapsable.
4. **Works permitted:** Education, Drinking Water, Electricity, Non-conventional Energy Sources, Health and Family Welfare, Sanitation and Public Health, Irrigation, Sports, Animal Care, roads, pathways and bridges.
5. **Implementation of the Work:** Following the recommendation of the MP, the district authority is responsible for sanctioning the eligible works, and implementation of the sanctioned ones
6. **Nodal Ministry:** The Ministry of Statistics and Programme Implementation formulates the policy and releases the funds under the scheme. It also puts forward the mechanism for monitoring the implementation of the scheme.

Issues with MPLADS Scheme

1. **Violation of Separation of Powers:** The scheme is considered to violate constitutional provisions which envisages separate roles for the Executive and Legislature.

Important Supreme Court Judgement:

The constitutional validity of the scheme was challenged in **Bhim Singh vs. Union of India** case in 2010. The Supreme Court upheld its constitutional validity. The SC held that the scheme satisfies the constitutional mandate aimed for the fulfilment of development and welfare of the State as reflected in the Directive Principles of State Policy

2. **Underutilization of Funds:** Low utilisation of funds and an expenditure bias towards a particular sector is a major issue observed with MPLADS by 2012 Public Accounts Committee
3. **Misutilization of Funds:** According to CAG Report, there have been cases of widespread corruption and misappropriation of funds
4. **Lapses in Monitoring and Evaluation:** there are lapses in monitoring and supervision. In many cases, District Authorities failed to inspect the required number of sanctioned works and timely monitoring reports.
5. **Disparity among districts:** In many cases, the lack of adequate information available to MP has led to a disproportionately large amount of money flowing into one district.

Recommendations:

1. **Making funds lapsable:** Funds should be made lapsable to address the issue of large unspent. In this way funds lying unused can be diverted for other uses.
2. **Surveys to assess needs:** Surveys should be conducted to better understand the needs to the constituency.
3. **Regular monitoring:** There should be regular monitoring and inspections of works by District Authority.
4. **Impact assessment study:** Impact assessment studies should be undertaken annually to assess the benefits of work implemented

Conclusion: It is important to address the issues of poor utilisation of funds, misutilization of funds and other gaps in implementation in order to make the scheme more efficient.

7. Cauvery Water Dispute and Cauvery Water Management Authority

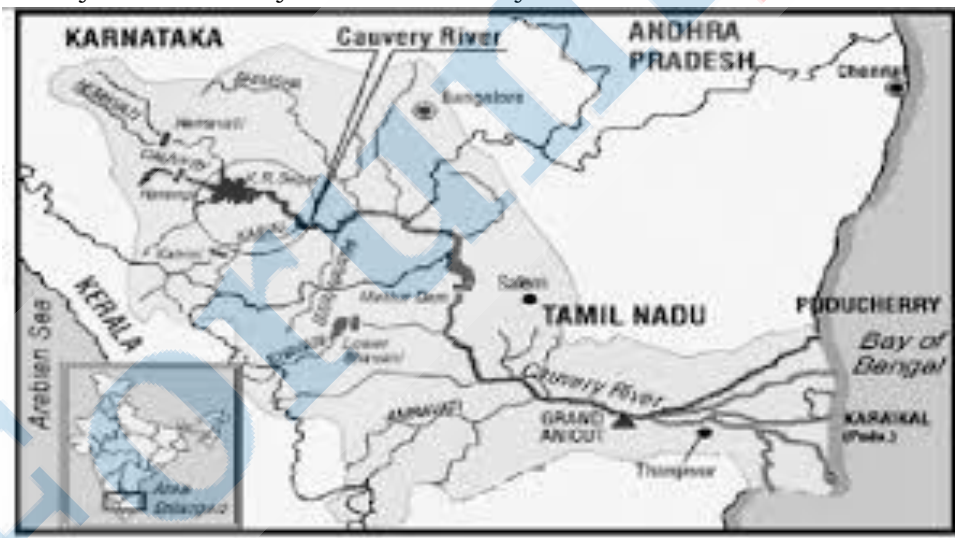
Source: [The Hindu](#)

Syllabus: GS-2 - Institutions

Context: The Central government has brought Cauvery Water Management Authority under the administrative control of the Union Ministry of Jal Shakti. However, its structure, powers and functions have not been changed.

Cauvery River:

- It originates in Karnataka's Kodagu district, flows into Tamil Nadu, and reaches the Bay of Bengal at Poompuhar.
- Parts of three Indian states – Tamil Nadu, Kerala, and Karnataka – and the Union Territory of Pondicherry lie in the Cauvery basin.



Cauvery Water Dispute: It is an inter-state water dispute between Tamil Nadu, Karnataka, Kerala and Puducherry. The Supreme Court, in 2018, gave its final verdict on the water dispute. The SC curtailed Tamil Nadu's share of Cauvery water and increased Karnataka's share.

- The Constitutional Provision for Interstate water dispute has been laid down in **Article 262**
- The Article 262 provides for a specific law enacted by Parliament to adjudicate water disputes. It also bars jurisdiction of all courts, including the Supreme Court, on the same

Cauvery Water Management Authority (CWMA):

Genesis: It was created in 2018 based on the Cauvery Water Management Scheme, 2018

Aim: To implement the water sharing award of the Cauvery water dispute tribunal as modified by the Supreme Court in 2018

Composition:

- Headed by Chairman who is appointed by the Central government. He/she must be of the rank of secretary or additional secretary or an eminent engineer.
- Tenure of chairman is five years.
- Two part-time members nominated by the Central Government
- Four part-time members nominated by the party State governments and Union territory administration respectively.

Functions:

- To monitor the storage of water
- Apportion of shares
- Supervise operation of the reservoirs
- Regulate water releases with the assistance of the Regulation Committee.
- Determine the total residual storage in the specified reservoirs on June 1 every year.

Conclusion: Critics have argued that the decision to bring CWMA will make the institution a mere puppet of the Centre and will take away its autonomy.

8. Should Tribunals go Online?

Source: [The Hindu](#)

Syllabus: GS-2 -Statutory, regulatory and various quasi-judicial bodies.

Context: The Covid-19 lockdown has fuelled the discussion over online-mode of adjudicating cases in tribunals.

Tribunals:

Tribunals are quasi-judicial bodies aimed at adjudicating administrative and tax related disputes with flexibility and speed. Income-Tax Appellate Tribunal was the first tribunal to be established in India in 1941.

Constitutional and Legal Provisions

The Constitution (42nd Amendment) Act of 1976 inserted Articles 323-A and 323-B in the Constitution of India. These are included in Part XIV-A.

- **Article 323-A** deals with Administrative Tribunals
- **Article 323-B** deals with tribunals for other matters

Administrative Tribunal Act, 1985: It was enacted in pursuance of the provisions in Article 323A. It provides for the establishment of Central and state Administrative tribunals.

Finance Act 2017

- The Finance Act, 2017 merged eight tribunals on the ground of functional similarity. It also gave the power to the central government to appoint and remove the members.
- Pursuant to such powers, the Central Government went on to frame the Tribunal, Appellate Tribunal and other Authorities (Qualifications, Experience and other Conditions of Service of Members) Rules, 2017. It gave the Government overly broad powers as regards the appointment and service conditions of tribunal members.

- However, the Supreme Court in **Roger Mathew v. South Indian Bank Ltd. & Ors., 2019** struck down the Rules on the grounds that they impinge on judicial independence

Issues with Tribunals in India:

1. **Pendency of cases:** The Law Commission Report 'Assessment of Statutory Frameworks of Tribunals in India' observes high pendency of cases in some tribunals.
2. **Vacancy:** large unfilled vacancy in many tribunals affect the efficiency of these tribunals
3. **Under-utilised infrastructure:** Often infrastructure in tribunals remain underutilised.
4. **Accountability:** Delays by lawyers and parties are major problems. Further, judges are not accountable for efficiency and performance

Going Online as a Solution:

1. **Cost-effective:** It will result in substantial savings in costs due to reduced demand on physical infrastructure and optimal utilisation of resources
2. **Time Saving:** It will save time for parties and lawyers and will increase productivity of lawyers
3. **Reduced Pendency:** Online adjudication of cases will lead to quick and effective disposal of cases.
4. **Reduced Corruption:** malpractices will be limited as there will no longer be familiarity between lawyers and judges.

Conclusion: The Covid-19 lockdown has provided the opportunity to explore the options of a virtual judiciary which could provide solutions to various issues persisting in the system.

9. Emerging challenges regarding PM- Jan Arogya Yojana

Source– [The Hindu](#)

Syllabus Topic – GS paper – II – Welfare Schemes for Vulnerable Sections of the population, WeTilfare Schemes for Vulnerable Sections of the population

Context– Amidst COVID Pandemic, fall in treatment offered under Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY)

About AB-PMJAY

1. Ayushman Bharat, a flagship scheme of Government of India, was launched as recommended by the National Health Policy 2017, to achieve the vision of Universal Health Coverage (UHC).
2. The scheme aims to holistically address the healthcare system (covering prevention, promotion and ambulatory care) at the all three levels i.e. primary, secondary and tertiary level.
3. Ayushman Bharat adopts a continuum of care approach, comprising of two inter-related components, which are –
 - Health and Wellness Centres (HWCs)
 - Pradhan Mantri Jan Arogya Yojana (PM-JAY)

PM- JAY has following features:

1. Provides a cover of Rs. **5 lakhs per family** per year for secondary and tertiary care hospitalization across **public and private empanelled** hospitals in India.

9 PM Compilation for the Month of May, 2020

2. Over **74 crore poor** and vulnerable entitled families (approximately 50 crore beneficiaries) are eligible for these benefits. There is **no restriction** on the family size, age or gender.
3. PM-JAY provides **cashless access** to health care services for the beneficiary.
4. PM-JAY is **fully funded by the Government** and cost of implementation is shared between the Central and State Governments.

Reasons for decline in treatment offered across all categories except general medicine:

1. **Preparedness by government** to prepare the hospitals to combat COVID – Thus the beds and other facilities are being reserved to combat the disease and the surge in future. Also the doctors and other paramedical staff are deployed for treating the same.
2. **Nationwide lockdown** – The lockdown across the nation, continuing since March, has restricted movement of people. This has particularly affected poor and rural people who are dependent on public transport to move across the states to avail such services.
3. **Fear of contraction of COVID** – People have fear and anxiety to contract the disease if they step out or go to the hospital for availing services under PMJAY.
4. **Use of telemedicine**– Government has been actively promoting use of telemedicine to address non-critical diseases.

Implication

1. Delay in availing medical care threatens the life of the patient who are critically ill and has no means to avail the same in lockdown due to restricted movement.
2. The right to healthcare and dignified life of citizens violated. This leads to the violation of social contract on part of the government.
3. Rise in cases in future – Since citizens are holding up treatment, once the lockdown is lifted, hospitals will have double burden of treating those under the scheme as well as COVID patients.

10. Alternate Dispute Resolution

Source – [Financial Express](#)

Syllabus Topic -GS Paper – II- Structure, Organization and Functioning of the Judiciary

Context – Reforms to be undertaken in Judiciary, focusing on arbitration amidst COVID pandemic

Challenges in Indian Judicial System

- **Institutional issues** – It comprises of inaccessibility for citizens, huge vacancies in courts, problems of lower judiciary and burgeoning cases and judicial delay. For instance, Supreme court has 56,000 pending cases as of 2019 with vacancy of 10% against sanctioned strength.
- **Procedural issues** – Tribalization of justice, judicial legislation, paper based work, archaic laws presents the procedural issues.

All these issues are further exacerbated by the nationwide lockdown, restricted movement and non-inclusion of judicial services in essential services category.

Reforms needed:

1. **Institutional** – Filling up vacancies, All India Judicial Services, National Court of Appeal and strengthening Alternate Dispute Resolution – Arbitration
2. **Procedural**– Transparency in appointments, Judicial standards and Accountability Bill, Tele legal service

ALTERNATIVE DISPUTE RESOLUTION

“Differences we shall always have but we must settle them all, whether religious or other, by arbitration.” – Mahatma Gandhi

What is ADR– A process in which instead of going to formal courts, alternative route is adopted for dispute resolution by the litigants. In this, parties involved usually discuss, evaluate the dispute among themselves by appointing a third party called mediator or arbitrator.

Types of ADR mechanisms – Negotiation, Mediation, Conciliation, Arbitration

Arbitration – It is the most formal of ADR mechanisms where rules are prescribed by statutory notification and award by mediator is final.

Arguments for Arbitration

1. Prevent rivalry among parties involved and thus amicably resolves the case. This also ensures higher compliance and thus reduced burdened on arbitration tribunals.
2. Reduce the over-burdened formal judicial system and thus better focus on constitutional matters
3. Speedy disposal of cases as parties discuss, evaluate and explore all the options under ADR
4. Lead to better contract enforcement and thus enhanced ease of doing business
5. E-filings – All pleadings in arbitration, from the notice invoking arbitration to the statement of claim and witness affidavits to written submissions, are filed by email. Thus in lockdown this provides an alternative when visit to market for photocopies of documents has to be avoided.

Issues with Arbitration

1. An arbitration award can be challenged in courts, thus the aim to prevent unnecessary litigation fails.
2. More focus on ad-hoc rather than institutional arbitration.
3. Appointment of the arbitrator: Lack of mutual consensus among parties hinders the process of appointing arbitrators.
4. In such situations, in an ad hoc arbitration, parties have to approach the court under the Arbitration Act for the appointment of an arbitrator. In the current scenario, this will pose an issue as it is unlikely that courts will consider an application for appointing an arbitrator as ‘extremely urgent’.

Way forward– Arbitration can't be strengthened in isolation, the overall judicial system need urgent reform.

11. Members of Parliament Local Area Development (MPLAD) Scheme

Source: [Livelaw](#)

Syllabus Topic – GS Paper 2: Government policies and interventions aimed at development in various sectors and issues arising out of their design and implementation.

Context: The Union government has recently suspended the Members of Parliament Local Area Development Scheme (MPLADS) for two years. This has been done to divert these funds to the Ministry of Finance Ministry of Finance for strengthening the government's effort in tackling the Covid-19 pandemic and its adverse effects.

What is MPLADS?

- Members of Parliament Local Area Development (MPLAD) Scheme is central sector scheme launched in 1993.
- It aims to provide funds to MPs to execute certain developmental projects to meet the urgent needs of their constituents.

What are the features of the scheme?

1. **Role of MP:**
 - The role of the MP is only recommendatory in nature.
 - Elected Members of Rajya Sabha can recommend works in the state from where they have been elected.
 - Nominated Members of both the Rajya Sabha and Lok Sabha can recommend works anywhere in the country.
2. **Allocation of Funds:** An MP is entitled to Rs. **5 crore per annum** to identify and fund developmental projects.
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5. **Implementation of the Work:** Following the recommendation of the MP, the **district authority** is responsible for sanctioning the eligible works, and implementation of the sanctioned ones
6. **Nodal Agency:** The **Ministry of Statistics and Programme Implementation** formulates the policy and releases the funds under the scheme. It also puts forward the mechanism for monitoring the implementation of the scheme.

12. Resuscitating Multilateralism with India's help

SOURCE: [The Hindu](#)

Syllabus Topic – GS Paper 2: Issues related to International Institutions

Context: Coronavirus pandemic and the resulting global disruptions have reminded us the value of multilateralism and the necessity to preserve it. In the present backdrop of China's export of faulty materials, export bans by countries, repeated calls by heads of governments and international organizations urging countries to remain committed to multilateralism, let us understand the crisis of multilateralism:

Crisis of Multilateralism:

- **Credibility:** The paralysis of all three functions of the World Trade Organization (WTO) — negotiation, dispute settlement, and transparency — was one sign of discomfort; another example being functioning of WHO.
- **Non uniform governance:** Countries with fundamentally different domestic systems of governance did not form a part of post-war multilateral system.
- **Working Issue:** None of our multilateral institutions was built for a world where the ties of interdependence — which were supposed to enhance the well-being of all — could themselves be “weaponized” for nationalistic gain, at the expense of other players.
- **Misuse of rules:** The misuse of existing rules (or loopholes) by several countries, especially by China (e.g. via forced technology requirements, IPR violations, and subsidies), to gain an unfair advantage in trade relations.

Aggravations of issues after the Pandemic:

- **Supply Chain Disruptions:** can also be used as a weapon in International diplomacy. Ex- supply chain of medicinal APIs.
- **Protectionism:** With rising death tolls, many countries responded with export restrictions on critical medical supplies.
- **Issue of faulty equipment:** With the shortages of equipment— masks, PPE kits ventilators etc., China offered to sell these products. But India complained of faulty test kits imported from China, China called it for “irresponsible” behaviour and took predatory takeovers.
- **Problem of Interdependence:** The Weaponized interdependence is not just a theory but a practice that is rapidly evolving.

Reforming Multilateralism: We have to address the issue of the goals and values that underpin the rules.

1. **Need for reassurance and policies:** which reflect a renewed commitment to the reason of multilateralism. A “retreating” United States should demonstrate that autarchy is not the way forward (of this global crises).
2. **Urgent need for strategic decoupling:** Along with handled smartly in cooperation with other like-minded countries.
3. **Necessitates closer cooperation with some and distancing from others:** Membership of such renewed multilateral institutions would not be universal but would limit deep integration to countries with which one shares first-order values — such as pluralism, democracy, liberalism, etc.

Reasons for Opportunities for India:

- **USA facing multiple internal challenges:** which includes the prospects of a deeply divisive presidential election in November, India could assume leadership in strengthening constructive transnational cooperation.
- **China facing a global crisis of credibility:** India may mediate to temper with Beijing’s unilateralist revisionism and its acceptance of the rules that regulate the principal multilateral institutions.
- **Linking Global value chains:** As the West seek a gradual decoupling from China, they would be well served to look toward India.
- **China’s image has suffered a dent:** Though China may recover faster than most economically, and its military might remain intact but neither aid diplomacy nor the unleashing of Chinese soft power can easily recover the trust deficit.

How India could use the Opportunities:

- **Cooperation with like-minded actors:** India could work closely with the Alliance for Multilateralism (an initiative launched by Germany and France) to shape both the alliance itself and the reform agenda at large.
- **Bridge the deficit:** India could lead a coalition and through a regime of incentives and sanctions that seek to embed Beijing into a much more guided and directed socialization into the rules of the international system.

13. International trade and environment sustainability

SOURCE: [ORF](#)

Syllabus Topic – GS Paper-2: Issues related to International trade and Environment Impact

Context: The COVID19 pandemic is an instance where anthropogenic forces have disturbed the ecology, society, and economic equilibrium. Also, the Incremental land-use

change has increased exposure to emerging zoonotic diseases by bringing humans and wildlife closer to each other. In this light, it is important to revisit international trade policies and bring them in consonance with sustainable development.

Problems with current order:

Conflict between trade competitiveness and environmental sustainability:

- The international trade relies on comparative advantage reflected in the relative prices of goods between trading partners.
- It is dictated by several factors such as resource endowments, government subsidies and taxes and environmental regulations and standards which are utilized by countries to influence the competitiveness of their export sectors and faulty understanding or implementation results in a conflict between trade competitiveness and environmental sustainability.
- Economic activity is based upon profit and utility maximization axioms. So, the countries often fail to internalize the social and environmental costs associated with it and exceed the optimum levels of the total production and consumption.

International trade policies:

- Harmful subsidies at the production stage for enhancing competitiveness of the export intensive sector have led to unscrupulous practices.
- For example, the global fishing industry has received subsidies of various forms directly enhancing their fishing capacity and transport of freight has contributed to global greenhouse gas emissions.
- Due to increased fragmentation of production processes, there have been larger distributional implications of international trade in terms of resource use – both natural and human, across the world.
- A pattern has emerged where most of the 'dirtier' production has been shifted to developing countries.

Violations of planetary boundaries:

- Trade is crucial for food and nutritional security for poor regions across the world for providing access to basic goods and also as a source of income.
- Vulnerabilities to climatic factors pose a major threat to the securitization of these people and small changes in the production ecosystem can have large implications in the importing nations.
- Transgression of the planetary boundaries like the hydrological cycle, land-use systems and biodiversity have a huge impact on the yield of export-oriented crops resulting in global scarcity reflected through higher prices.
- Climate risks also pose a challenge to the financial stability of investments and undermine competitiveness of industries.

How can we achieve Economic Wellbeing within the limits of Earth's carrying capacity:

- **United Nations Environment Programme and the WTO Report:** It identified that ecologically sustainable trade can provide business opportunities and competitive advantage to developing nations.
- **Trade as a Linking factor:** between 'green' production and 'sustainable' consumption.
- **Role of labeling and taxes:** The Non-tariff barriers such as sanitary and phytosanitary conditions and taxes are imposed to ensure that production processes

entail environmentally and socially ethical practices and Developing countries can adopt strict measures of labelling and product standards.

- **Advantages for developing countries:** They will get a comparative advantage in 'cleaner' goods – which is experiencing a gradual rise in demand.
- **Role of Sustainable agriculture:** It plays an important role in ensuring responsible consumption and production, especially when around 30 percent of global biodiversity threats are due to consumption of food commodities.
- **Domestic agriculture policies must be re-examined:** to ensure that they do not promote ecologically destructive practices.
- **Problems of Government interventions:** Price signals determine the cropping pattern and are detrimental to the natural resources in an area – as exemplified by the cultivation of water intensive paddy even in areas that are relatively water scarce in India.
- **Importance of Women:** With 43 percent of agriculture labour force in developing countries, training women in sustainable agriculture practices and empowering them through financial inclusion will play an instrumental role in ensuring holistic development of the global agrarian sector.
- **Fishery sector:** Instead of providing additional subsidies to the large fleets, they must reach the targeted groups, who depend on marine resources for livelihood like the poor coastal communities.

Role of Institutions:

- **Transboundary nature of Problem:** Global concerted efforts are required to tackle them.
- **Role of SDGs:** It highlights most of the concerns facing the world and should be integrated into the trade policies of individual nations across all levels of government.
- **Need for interlinkages:** The targets and objectives should be clear and interlinkages between the goals must serve as a yardstick to ensure that the goals are compatible with one another.
- **Better coordination:** To have greater coordination between departments in national governments and across countries through institutions like WTO.
- **Economic competitiveness Compatibility:** It must be made compatible with the social and environmental foundations.
- **Importance of WTO:** The recommendations must be binding on the members and there should be a practice of ensuring implementation.

14. Should Healthcare be a Fundamental Right?

Source: The Hindu

Syllabus: GS 2 -Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources

Context: The impact of Covid-19 on India has fuelled the debate on whether healthcare for all should be a fundamental right.

Indian Constitution and Right to Healthcare:

Article 21: It is a fundamental right which guarantees protection of life and personal liberty to every citizen.

- The Supreme Court in **Bandhu Mukti Morcha vs. Union of India case** (1984) held that the right to live with human dignity includes protection of health.

- Further, the Supreme Court in **State of Punjab vs. Mohinder Singh Chawla** (1997) held that the right to health is integral to the right to life and the government has a constitutional obligation to provide health facilities.

Directive principles of State Policy: Article 38, 41, 42 and 47 cover various aspect of health/nutrition and mandate the state for effective intervention.

Healthcare as a Fundamental Right

Healthcare as a fundamental right would imply that the State should provide a system of health protection to all citizens, including prevention, treatment and control of diseases and access to essential medicines and mental healthcare.

Arguments in Favour

1. **Right to health is corollary to Right to Life:** The right to health is a natural corollary of the right to life. Therefore, denying someone healthcare goes against Right to Life.
2. **Poverty and healthcare cost:** Many people are faced with poverty in India every year due to high out-of-pocket (OOP) payments for healthcare and there is no financial protection for most healthcare needs.
3. **Non-discrimination and Equality:** Fundamental Right to Healthcare will ensure that right to health and life is enjoyed without any discrimination on the grounds of race, age, ethnicity or financial status.
4. **International Commitments:** The right to health is internationally recognised as a fundamental human right. It is included in the Universal Declaration of Human Rights and in the International Covenant on Economic, Social and Cultural Rights, of which India is a signatory.

Arguments Against

1. **Economic Burden on the Government:** In a country like India, where the population is more than 130 crores, making healthcare a fundamental right will create huge economic burden on the government.
2. **Quality of Healthcare:** In India, the healthcare infrastructure is already under strain and the quality of healthcare is poor. Making healthcare a fundamental right and provide free healthcare to all could lead further deterioration of health infrastructure.
3. **Individual is responsible for his/her health:** Critics who are against the concept of Healthcare as a fundamental right, argue that individual is responsible for his/her own health and must pay for sickness.

Conclusion: India needs universal healthcare which is a complement to the right to healthcare. Universal health coverage is the need of the hour to ensure all individuals and communities receive quality health services as per needs, without suffering financial hardship.

15. Balancing Fundamental Rights and Duties

Source: [YOJANA April 2020](#)

Syllabus: GS 2- Issues related to Indian Constitution

Context: On the 70th year of adoption of the Constitution of India, we need to look at the soul of the Constitution which are Preamble, the Fundamental Rights (Part III) and the Directive Principles of State Policy (Part IV) along with Fundamental Duties (Part IV-A).

Features of the Constitution:

- It is the longest written Constitution which lays down the basic structure and the framework of India's polity.
- It is built on certain fundamental values embedded by the makers of the Constitution to ensure that there should be fairness and justice for every citizen of India.
- The inclusion of the Fundamental Rights in the Constitution is to ensure the inviolability of certain essential rights against political modifications.

Relevance of Fundamental Duties

- The 42nd Amendment Act, 1976 added Article 51A to balance the increasing tendencies of indifferent government business amongst its citizens and to check separatist growth.
- Fundamental Duties constitute the conscience of our Constitution.
- They should be treated as constitutional values that must be propagated by all citizens.
- They make citizens conscious of their social and citizenship responsibilities.
- Serve as a source of inspiration for the citizens and promote a sense of discipline and commitment.
- Realize the citizens that they are not mere spectators but active participants in the realization of national goals.
- They are enforceable by law and not by court. Hence, Parliament can provide for the imposition of appropriate penalty or punishment for failure to fulfill any of them.

Why the government is laying emphasis on creating awareness on eleven FDs?

The main idea is that these should become an integrated part of every Indian's thoughts and actions and the balancing of fundamental rights is a constitutional necessity as every right gives rise to a corresponding duty.

Features of Fundamental duties:

- **Idea:** These are individual duties aimed at striking a balance between individual freedom and social interests.
- **Judicial activism:** But the Supreme Court (SC) held that the FDs are as important as Fundamental Rights and though Article 51A does not express any fundamental duty on the State, the duty of every citizen of India is the collective duty of the state and is a yardstick for State actions.
- **In Union of India (UOI) v Naveen Jindal**, the SC observed that FDs are contained in the concept of fundamental rights.
- **In Shyam Narayan Chouksey v UOI**, the SC stated that Article 51A(a) enjoins a duty on every citizen the duty to respect ideals and institutions, including the national flag and national anthem and made compulsory display of the national anthem prior to screening any movie in the theatres or cinema halls.
- The Courts have enforced the underlying idea of these duties by providing a set of actions and procedures.
- **Non-Justiciable:** The State has been given the responsibility to ensure compulsory education in Article 21A while Article 51A(k) does not penalize parents or guardians for not being able to send their wards to school.
- Supreme court has held that fundamental duties will be used in determining reasonableness of any legislative restriction on the exercise of a freedom.

Reasons these principles could not enter in the lives of citizen

- **Lack of awareness and sensitivity:** It is important to create a conducive environment for spreading of these ideas.
- **Need of practical Approach:** The rights come with duties and responsibilities and the right approach is to give practical expression to both and as duties are spelt in preamble, it is our duty to fulfill them.

Way Forward

- The Various crises related to environment, mob-violence and terrorism etc. could be controlled if the human values could be inculcated right from the formative period of life.
- There is a strong requirement to maintain a strong balance between the rights and the duties.

16. India venturing to Corona-diplomacy

Source: [Gateway House](#)

Syllabus: GS 2-Issues related to India's foreign relations and effect of policies of developed and developing countries on India's interests and Indian diaspora

Context: The COVID-19 pandemic has raised question on the governance around the world. It has raised the requirement of multiple actions by governments at the local, regional, national level and global level.

Objective behind India's Corona-diplomacy

1. To achieve national interest by protecting its people
2. To help its Neighboring countries in pursuant to the Neighbourhood first policy

Execution strategy of Corona Diplomacy:

1. **A friendly Neighbourhood:**
 - In March 2020, a virtual summit of SAARC was held with the efforts of PM Narendra Modi and allocated an emergency fund for SAARC nations and the collaboration of health professionals and trade ministers from member countries.
 - India provided medicines, medical equipment, medical personnel and technical information to all SAARC member countries, except Pakistan.
 - It led to SAARC Development Fund proposing \$5 million to mitigate the impact of COVID-19 on SAARC members and Pakistan belatedly announcing a contribution of \$3 million which is to be administered through the SAARC secretariat and is not part of the emergency fund.
2. **A friendly world:**
 - India was appreciated for exporting Hydroxychloroquine (HCQ) and Paracetamol to the USA, Brazil, Mauritius and Seychelles.
 - India also exported medicines to the Dominican Republic and developed nations such as Germany, Spain and Canada.
3. **Phone outreach:**
 - The telephone conversations of PM with world leaders for active cooperation were quick and impactful.
4. **Multilateral forums:**
 - The G20's first virtual summit was held on 26 March 2020 with the efforts of PM and the 15 April meeting of G20 finance ministers and central bank governors came up with a G20 Action Plan.
 - The World Bank has reduced estimation of growth in South Asia from 6.3% to between 1.8% and 2.8% in 2020.

- The UN General Assembly resolution and the UNSC's statement on the pandemic have shown the ineffectiveness of the UN as a multilateral institution. The India has called for 'a new globalization' and reforms in WHO.
- 5. **The diaspora:**
 - India evacuated Indian nationals from pandemic affected countries and appreciated for the evacuation of foreign nationals stuck in India.
 - The five-point advisory issued after the videoconference of PM with Indian heads-of-mission around the world came as a morale booster.

Way Forward

India's diplomacy must reflect a balance between the country's values and interests.

17. NGT Action On Vishakapatnam Gas Leak

Source – [The Hindu](#)

Syllabus – GS Paper 2 – Statutory, Regulatory and various Quasi-judicial Bodies.

Context – NGT, in Vishakhapatnam Gas leak disaster, directed LG Polymers to deposit Rs 50 crores

About NGT

What – It is a quasi-judicial body established under National Green Tribunal Act, 2010.

While deciding a case, it applies the principles of sustainable development, the precautionary principle and the polluter-pays principle.

It is not bound by the Code of Civil Procedure, nor the principles of evidence in the Indian Evidence Act, thus it is easier for petitioners to approach it.

Objective – Speedy disposal of cases related to environment and forest conservation.

Significance of NGT

- a. Comprises of experts who resolves the complex environmental issues
- b. Reduce burden on Indian courts
- c. Compared to courts, less expensive and less formal
- d. Mandate to dispose cases in 5 months

Challenges

- a. **Conflict of interest** - Administered by parent ministry (Ministry of Environment, Forest and Climate Change), thus creates **conflict of interest**.
- b. **Oversteps its jurisdiction** as takes suo-motu cases.
- c. **All environmental laws don't come under its jurisdiction**- For instance, matter relating to the Wildlife (Protection) Act, 1972, the Indian Forest Act, 1927 and various laws enacted by States relating to forests, tree preservation are not under its jurisdiction.
- d. **Lack of institutional mechanism** - There is **no institutional mechanism to ensure that the environmental regulatory authorities comply with the orders of the tribunal**- For Instance- landmark orders of the NGT related to Ganga water pollution, Delhi air pollution, illegal mining, and solid waste management remain unenforced.
- e. **Issue associated with Visakhapatnam case** – use of term 'strict liability' in its direction to LG polymers, which is outlawed and now term 'absolute liability' is promoted since Bhopal gas tragedy.

Strict liability Principle – companies could claim exemption from liability in case of disaster

Absolute liability Principle – Even if companies took reasonable measures to prevent disaster, in case disaster occurs company is liable for the payments.

Way Forward - NGT, as a quasi-judicial body, is an important cogwheel in the environmental governance of India. As the world is bound to experience the effects of climate change in the near future, addressing the challenges faced by NGT would be crucial in tackling the challenges of climate change for India.

18. Should States Relax Labour Laws At The Time Of Pandemic

Source – [The Hindu](#)

Syllabus – GS Paper 2 - Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Context –States have granted exemption to Industries from legal provisions associated with Labour rights.

Important Labour Laws

1. Industrial Dispute Act, 1947
2. Factories Act, 1948
3. Contract Labour Act, 1970

Data

1. According to ILO, nearly 81% of India's employed population is in informal sector
2. According to Centre for Monitoring Indian Economy, lockdown due to COVID forced 122 million people into joblessness

Steps taken by States:

States like Uttar Pradesh and Madhya Pradesh has taken following steps:

- a. Working hours for labourer's increased from 8 to 12 hours
- b. Exempted Industries from Right of worker's section of Factory Act, 1948 – thus employer not bound to provide light, first aid, canteen, rest time, ventilation to workers.
- c. Industries not bound to maintain register of adult and child worker

Section 5 of Factories Act grants industries exemption from provisions of Act for 3 months in case of public emergency.

Implications

Positive Implications-

1. Impetus to domestic industries - This step will boost the **domestic industries** to promote production of goods and services when economy is reeling under effects of slowdown of 2019 and COVID lockdown.

2. To enhance ease of doing business – This will attract countries shifting their manufacturing base from China due to supply chain disruptions originating from China owing to the Covid-19 pandemic

Negative Implications

1. Ethical concerns – Basic human rights like first aid, rest time are not provided to labours, which goes against universal humanistic values.

2. Against Socialistic principle of Preamble - Erodes gains made since Independence to secure minimum rights for labourers by several trade unions and social movements.

3. Marxian notion of Have (industrialist) and have nots (labourers) strengthened – This increases the exploitation of have nots in absence of legal provisions.

Way Forward – Unprecedented times of COVID has called for unprecedented measures, which however requires avoidance of extreme steps directed against vulnerable sections. Balancing the economic interests and the human rights of the vulnerable sections must be managed well by the governments.

19. Shaping India's Response In A Global Hinge Moment

Source: [The Hindu](#)

Syllabus: GS 2- Issues related to India's foreign relations and its interests.

Context: The Asia-Pacific region has become the new economic and political center with the rise of China, India and other countries like Indonesia, South Korea, Iran, Vietnam. It led to change in the Balance of Power (BoP) especially with the unpredictable "America First" attitude of United States and seeking of primacy by China in a world dominated by the U.S.

What should be India's response to the changing conditions?

1. **Attaining Strategic autonomy:**

- **By pursuing its national interest:** Pursuing the national interests should be a priority for India in an uncertain world where the priorities of other countries are being shaped by domestic interests.
- **No credible results with Alliances:** We cannot rely on alliances as seen in the case of Doklam crisis where no other country was ready to deal with India's greatest strategic challenge — China.
- **By bringing flexibility in Approach:** With fast-changing BoP and relations of countries around India like that of Pakistan-China, China-Nepal, there is a need of creative diplomacy and flexibility to achieve strategic autonomy.

2. **Handling China:**

- **Handling the teething issues bilaterally:** New mechanisms should be evolved bilaterally by the two sides keeping in view the core interests, problem areas and areas of cooperation of both the countries.
- **Working with other Powers:** India-China relations are of balancing cooperation and competition. To protect its interests in the region and the world, India need to work with other powers to handle China.
- **Supporting Multi-polar World:** With the withdrawal of U.S. from the world, it's not clear as how it will deal with China. Thus, it would be beneficial for India to ensure Multi-Polar region.

3. **Availing Opportunities:**

- **Utilizing space:** Conflicts between China and U.S are bound to bring opportunities for other countries. India could utilize the situation to grab opportunities like increasing its trade footprint with US under categories on which US has imposed tariffs on China and thus invite manufacturing firms seeking alternate destinations from China.
- **Reduce import dependence:** Currently India is dependent heavily on particular countries for energy, technology, essential goods etc. With utilizing the opportunities, India could diversify its trade and reduce its dependence.
- **By coming out of strategic confusion:** India need clarity on finalizing goals of India's foreign policy as well as the means to achieve them.

Way Forward

To become developed country, India needs to adapt and manage its internal social and political stir-up. India needs more flexibility in its thinking and structures.

20. Failure Of Aadhar Based Payment System

Source – [Livemint](https://www.livemint.com)

Syllabus – GS Paper 2 - E-governance- applications, models, successes, limitations, and potential

Context – Rising transaction failure in AePS (Aadhaar Enabled Payment System) amidst COVID lockdown.

What is AePS

AePS is a bank led model which allows online interoperable financial inclusion transaction at Point of Sale (MicroATM) through the Business correspondent of any bank using the Aadhaar authentication.

The only inputs required for a customer to do a transaction under this scenario are:-

- IIN (Identifying the Bank to which the customer is associated)
- Aadhaar Number
- Fingerprint captured during their enrollment

Data - From 172 million transactions in March, 2020 steep rise in AePS use in April, 2020 – 403 Million transactions

Significance of increased transactions:

- a. Widespread use of digital payment methods across nation.
- b. Successful cash transfer by government amid lockdown.
- c. Promotes financial inclusion by harnessing digital technology.

Challenge associated with AePS transactions- Average rate of failure of transactions is 39% which has following implications-

- a. Citizens, especially, poor sections are deprived of cash and thus **reduced demand** in rural India.
- b. **Accounts still debited without cash being disbursed** – finance institutions take 14-15 days to return the money or in some cases are not even returned.
- c. **Trust- Deficit among citizens**- Repeated failures and loss of money if not returned, causes trust deficit among citizens thus promote informal financial systems.

Causes of Failure in AePS transactions:

1. In many cases, bank accounts are not directly linked to Aadhaar
2. Insufficient or frozen funds in account
3. Poor connectivity due to lack of infrastructure needed
4. Authentication issues due to mismatches
5. Timeout of transaction due to no response from NPCI (National Payments Corporation of India) switch

Reforms

1. Financial institutions need to upgrade their server capacity.
2. **Banking Correspondents** –
 - a. Can provide account balance details to customer before transaction is made.
 - b. Facilitate simplified redressal in case of failure of transaction.
3. For **biometric authentication** – Consumer to be given option of re-recoding fingerprint after conducting a thorough, transparent and account audit of failed biometric.

Way Forward - Nandan Nilekani and Rattan Watal Committees on digital payment has promoted use of AePS for financial inclusion by bringing necessary reforms.

21. Decentralized Governance and COVID 19

Source – [The Hindu](#) , [Indian Express](#)

Syllabus – GS Paper 2 – Powers, Functions and Responsibilities of various Constitutional Bodies

Context – Kerala's success in democratic decentralization and combating COVID

What is Democratic Decentralization?

It is continuous process of devolving powers and functions to third tier of government which promotes grassroot governance for the people, by the people and of the people.

Constitutional Provisions

73rd and 74th Constitutional Amendment Acts of 1993 provides framework for rural local bodies and urban local bodies' establishment and functioning across different states.

Kerala's Model: Features

- **Decentralized power:** Acclaimed for its investment in human resources, it was among very few states which decentralized power to Panchayat's and other local bodies.
- **Strengthening PHCs:** Health institutions were placed under direct administration of local bodies. This led to strengthening of Primary Health Care centers (PHCs) which are first point of contact for citizens, especially in unseen situations.
- **Funding:** Also, Flexible Development and Maintenance Funds are devolved to Panchayat's, even when State suffers from chronic fiscal stress.
- **Civil Society participation:** For ensuring accountability of local bodies, civil society in state is strengthened. For instance, Kudambshree (self-help group) collaborates with local bodies for welfare of people as well as hold them accountable for decisions and actions they take.
- **Past Experience:** It was the empowered local bodies and strengthened healthcare institutions which lead the successful battle against Nipah virus in 2018.
- **Investing in Education:** Apart from health, Kerala has improved its human resources with better educational services. This has ensured that state has abundance of skilled workforce including women who can serve the public through local bodies as well as health institutions.

How is this model successful in COVID times?

Since, government has imposed lockdown to prevent community transmission at faster rate; movement of State and District public functionaries has been restricted except of police, health care professionals and few other essential service providers.

Thus, local bodies are serving the needs of citizens which include providing essential and basic amenities, especially to the vulnerable sections.

Way Forward – Political commitment and competent bureaucracy which doesn't have fear of loss of patronage is the need of the hour in States as only this can empower the constitutional third tier system.

22. Importance of NAM

Source: [The Indian Express](#)

Syllabus: GS 2- Issues related International Groupings involving India and/or affecting India's interests.

Context: The video address of PM Narendra Modi to a Non-Aligned Nations Summit on promoting global cooperation in combating the coronavirus has generated lot of attraction. Modi called for international institutions that are more representative of the world today

and highlighted the need to “promote human welfare and not focus on economic growth alone.”

Importance of Non-Aligned Movement (NAM) for India

- **Stakes for India:** India has stakes in the so-called “Global South”, a term that refers to the entire developing world and not just members of the NAM. India is one of the founding members of NAM and has invested a significant amount of economic and diplomatic capital in it. So, India needs to consolidate it.
- **Not just anti-Western ideological Drive:** NAM is neither an anti-Western ideological drive nor a ritual to be performed every three years (attending NAM summits). Rather, NAM remains a critical diplomatic forum for the pursuit of India’s international interests.

Why the NAM’s address got so much attention?

- **Importance of NAM:** It is billed as PM Modi’s first address ever to the NAM after skipping the last two NAM summits. For those who believed that the current government has no real attachment for the non-aligned legacy of Jawaharlal Nehru, Modi’s engagement with the NAM is a welcome return.
- **Era of New Cold War:** A new Cold War is beginning to unfold between the US and China. India needs to preserve some political space between the two as the conflict is expected to cover all dimensions of international society.
- **For Independent India:** To become an independent power in global affairs, forums like the NAM can mobilize support on issues of India’s interest. An independent Indian line backed by strong support from NAM can make a big difference to the outcomes of the impending issues at the World Health Assembly as well as the WHO’s performance during the COVID crisis.
- **Significance of Multilateralism:** The summit underlined the significance of multilateralism by addressing the challenges faced by NAM countries in dealing with the COVID-19.

Way Forward

The outbreak of COVID-19 has again opened the limitations of the current World Order. In the post COVID world, we need a new template of globalization based on fairness, equality and humanity in which NAM’s role will be very important.

23. The trends shaping the post-COVID-19 world

Source: [The Hindu](#)

Syllabus: GS 2- Issues related to International Institutions, agencies and fora - their Structure, Mandate.

Context: As the COVID-19 pandemic spread rapidly across nations, they responded with a lockdown triggering a global economic crisis. The COVID-19 handling has brought certain geopolitical trendlines into focus.

Six geopolitical lines are defining the Emerging global order:

1. **Rise of Asia:**
 - **Resilience of Asian Economies:** The 2008 financial crisis showed the resilience and the economic forecasts indicate that only China and India from G-20 nations are likely to register economic growth during 2020.
 - **More readiness in dealing Pandemic:** Asia showed a greater readiness in tackling the pandemic compared to the US and Europe with greater responsiveness and more effective state capacity.
2. **Retreat of US:**

- **Lack of resources:** Due to its interventions in Afghanistan and Iraq.
 - **America Alone Policy:** During the current crisis, the U.S.'s efforts are at cornering supplies of scarce medical equipment and medicines and acquiring biotech companies engaged in research and development in allied states.
 - **Mismanagement in handling crisis at home:** Its pandemic handling has not been successful at home and showed that countries are losing trust in the U.S.'s leadership.
3. **Internal Challenges of Europe:**
- **Expansion of membership to EU:** There is difference in threat perception between the old Europe and new Europe making it difficult to reach agreement on political matters e:g relations with Russia and China.
 - **Rise of Euroscepticism:** The rising populism has permitted some EU members to welcome the virtues of "illiberal democracy". It has worsened with the Brexit.
 - **North-South divide within the Eurozone:** When austerity measures were imposed on Greece, Italy, Spain and Portugal by the ECB, the strains came up. The ECB chief's statement that "ECB is not here to close spreads" undermined solidarity as the Italians are battling with the pandemic and growing borrowing costs.
 - **Export Control:** The medical equipments were denied to Italy by its EU members who introduced export controls leading to China airlifting medical teams and critical supplies.
 - **Failure of concept of Shared Sovereignty:** The Schengen visa or free-border movement became the victim to the pandemic.
4. **Rising China:**
- **Assertive China:** While China's growing economic role has been visible since it joined the WTO, its more assertive stand has taken shape under President Xi Jinping's leadership with the call that a rejuvenated China is now ready to assume global responsibilities.
 - **Concerns regarding Chinese Rise:** Chinese assertiveness has raised concerns in its neighborhood and the U.S. which feels betrayed because it assisted China in the hope that an economically integrated China would become politically open. The pandemic has seen increasing rhetoric on both sides.
 - **Belt and Road Initiative:** It seeks to connect China to the Eurasia and Africa through both maritime and land routes by investing trillions of dollars in infrastructure building as a kind of pre-emptive move against any U.S. attempts at containment.
5. **Failure of International Bodies:**
- **Global Concerns:** The COVID-19 shows the failure of international and multilateral bodies in dealing them. The WHO which was expected to lead global efforts against the health crisis became a victim of politics.
 - **Subject to Big Power Politics:** During the Cold War, U.S.-Soviet rivalry blocked the UNSC on many sensitive issues and now with major power rivalry returning, they are becoming ineffective again.
 - **Losing Autonomy:** Agencies such as WHO have lost autonomy over time as their regular budgets have reduced forcing them to increasingly rely on voluntary contributions sourced largely from western countries and foundations.
6. **The energy Factor:**
- **Changing Energy Markets:** There is a growing interest in renewables and green technologies on account of climate change concerns and the U.S. is emerging as a major energy producer.

- **Tensions in West Asia:** The emerging economic recession and depressed oil prices will worsen the internal tensions in West Asia which are solely dependent on oil revenues.

Way Forward

Rising nationalism and protectionist responses will prolong the economic recession into a depression, sharpening inequalities and polarisations due to COVID-19. More unpredictable and turbulent times lie ahead.

24. Labor law changes and implications

Source – [Indian Express](#)

Syllabus – GS Paper 2 – Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Context – Recently a number of state governments, like MP, UP made key changes in the application of labour laws

What are Indian labour laws?

There are over 200 state laws and close to 50 central laws. And yet there is no set definition of “labour laws” in the country.

Labor laws can generally be classified into following categories:

- a. Wages and Remuneration** – Minimum Wages act, 1948.
- b. Social Security** – Employees Provident Fund Act, 1952 and Workmen Compensation Act, 1923
- c. Conditions of work** – Factories Act, 1948 and Contract labor Act, 1970
- d. Industrial Relations** – Industrial Dispute Acts, 1947

Criticism of labor laws

1. Inflexible – Multiple legal requirements discourage firms (those employing more than 100 workers) from hiring new workers because firing them requires government approvals.

Consequence of same is:

- a. Increased contractual employment**- Even the organized sector is increasingly employing workers without formal contracts.
- b. Dwarf firms** – This constrains the growth of firms which affect economies of scale.
- c. Exploitation of workers** – In absence of formal contracts, no social security is being provided to them.

2. Corruption and rent-seeking – Multiplicity of laws and complicated procedures of labor laws has promoted corruption in bureaucracy. This in turn negatively impacts ease of doing business and foreign investment in nation.

3. Substitution of capital for labor – The high cost associated with the labor laws and their maintenance has led to substitution of capital for labor in a capital deficient and labor abundant economy.

Steps taken by States:

Steps taken by states like Madhya Pradesh and Uttar Pradesh under Section 5 of Factories Act (**Section 5 of Factories Act** grants exemption from provisions of Act for 3 months in case of public emergency.) :

- a. Working hours for labourer’s increased from 8 to 12 hours
- b. Exempted Industries from Right of worker’s section of Factory Act, 1948 – thus employer not bound to provide light, first aid, canteen, rest time, ventilation to workers.
- c. Industries not bound to maintain register of adult and child worker

Negative Implications of Reforms

1. **Informalisation of economy** - According to ILO, nearly 81% of India's employed population is in informal sector. The new labor law changes will increase this share as the existing formal workers would not get any social security.
2. **Right to negotiation violated** - The labor unions now will have no bargaining power which in turn impinges on other rights of labourers and thus creating an enabling environment for exploitation.
3. **Fall in wages and vicious cycle of poverty** - If all labour laws are removed, most employment will effectively turn informal and bring down the wage rate sharply. And there is no mechanism for any worker to even seek grievance redressal.
4. **No substantial rise in employment** - Since labor laws changes are to attract investment and revival of industries which will boost employment, but this may not happen as due to COVID there is lack of consumer confidence and thus dampened demand.

Solutions

1. **Increasing the number of shifts** - Instead of increasing number of hours from 8 to 12, increasing shifts from 1 to 2 will pave way for more employment.
2. **Government to partner with industries** - Most governments across the world have partnered with the industry and allocated 3% or 5% of the GDP towards sharing the wage burden and ensuring the health of the laborers because if Covid hits laborers, the whole country would be sunk.

Way Forward- Stringent labor laws surely need to be amended. But during COVID distress, labor reform will work if labor is seen as key stakeholder.

25. The Migrant Crisis and the inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

Source: [The Hindu](#) and [The Indian Express](#)

Syllabus: GS 2- Issues related to Poverty and Hunger and Laws constituted for the Protection and Betterment of Vulnerable Sections.

Context: The nationwide lockdown announced in order to reduce the spread of COVID-19 highlights the urgent need to rationalize the legislative framework for labours in India. The lockdown has caused immense distress to migrant workers around the country. There are questions being raised about their welfare and the lack of legal protection for their rights.

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979:

- **Objective:** To prevent the exploitation of inter-state migrant workmen by contractors and to ensure fair and decent conditions of employment.
- **Applicable to:** It is applicable to every establishment that employs five or more migrant workmen from other States; or if it had employed five or more such workmen on any day in the preceding 12 months.
- It is also applicable to contractors who employed a similar number of inter-State workmen. The Act would apply regardless of whether the five or more workmen were in addition to others employed in the establishment or by the contractors.
- **Requirement of Registration:** It requires all establishments hiring inter-state migrants to be registered and contractors who recruit such workmen to be licensed.
- **Benefits:**
 - **Accountability:** It acts as the first layer of formalizing the utilization of their labor.

- **Legal basis:** It helps the government to keep track of the number of workers employed and provides a legal basis for regulating their conditions of service.
- **Protection of Wages:** The wage rates, holidays, hours of work and other conditions of service of an inter-State migrant workman shall be the same as those extended to other workmen in the same establishment, if the nature of their work is similar. In no case, shall the wages be lower than what is prescribed under the Minimum Wages Act.
- They are entitled to displacement allowance, journey allowance and payment of wages during the period of journey.
- **Other benefits:** Contractors are also required to ensure regular payment, non-discrimination, provisioning of suitable accommodation, free medical facilities and protective clothing for the workmen.

Importance of the Inter-state Migrant Act during COVID-19:

- With proper implementation of the act, the state governments would have the complete details of inter-state migrant workmen coming through contractors within their states.
- Though, this would still leave out migrants who move across states on their own, a large segment would be automatically registered due to the requirements of the Act.
- States would have better prepared to take steps to protect such workmen during this lockdown.

Reasons for Poor Implementation of Inter-State Migrant Workmen Act:

- **Excessive Compliance Requirement:** It makes their employment and cost of hiring significantly more expensive than intra-state workmen.
- **Failing in its Objective:** It exists as another law that potentially provides rent-seeking opportunities to enterprising government inspectors while failing in its main objective.
- **Lack of State Capacity:** To implement this law, government inspectors would not only have to maintain records of inter-state workmen but also to verify all other requirements regarding wages, allowances, accommodation and health care.
- **Disincentives for Employers:** The excessive requirements set out in this law incentivize contractors and employers to under-report inter-state workmen rather than to register them.

Problems due to Informal nature:

- **No protection:** Those in Informal System get almost no protections.
- **Problem in Cities:** Welfare schemes are established on the basis of those getting the benefits. So, informal workers, especially in urban areas, fall through cracks in the system. While farmers get cash transfers, and labourers in rural areas have MGNREGA, there are hardly any schemes for informal workers in urban areas.

Proposed Code for Reforming Labour Laws in Parliament:

- **Consolidation of Laws:** For consolidating and reforming labour law, a Bill has been introduced in Parliament called the Occupational Safety, Health and Working Conditions Code, 2019.
- It seeks to repeal 13 Acts such as the Factories Act, Mines Act, Dock Workers' Act, the Inter-State Migrant Workmen Act and other enactments relating to those working in plantations, construction, cinema, beedi and cigarette manufacture, motor transport, and the media.

- **Regarding inter-State migrant workers:** The Act includes them in the definition of 'contract labour'. At the same time, an inter-State migrant worker is also separately defined as a person recruited either by an employer or a contractor for an establishment situated in another State.
- **Similarity with 1979 Act:** Provisions regarding registration of establishments, licensing of contractors and the inclusion of terms and conditions on hours of work, wages and amenities are same. Also, both envisage the payment of a displacement allowance and a journey allowance to inter-State migrant workers.

Views against Code:

- **Better to have separate Act:** The unprecedented distress and misery faced by migrant workers due to the current lockdown has drawn attention to a beneficial legislation dedicated to their welfare.
- **Problem is poor implementation:** Even though both the States where they work and home States have obligations cast upon them in the existing law, it has been poorly implemented. Preserving the separate act and enforcing it well is a better option than subsuming it under a larger code.

Way Forward

The government must be pragmatic and ensure that employers and contractors have incentives to come forward and register labourers without being worried about punitive action or impractical social safety requirements.

26. Rajya Sabha (Council of States)

Source: [The Hindu](#)

Syllabus: Separation of powers between various organs

Context: Emergence of debate about Rajya Sabha's utility as second chamber

What is Bicameralism?

Bicameralism is a principle that requires the consent of two differently constituted chambers of Parliament for making or changing laws.

At present, 79 Parliaments of the world (41% of the total number) are bicameral.

About Rajya Sabha

- Origin** - The Government of India Act, 1919 provided for the creation of a 'Council of State' as a second chamber of the then legislature with a restricted franchise.
- Current Composition** - Article 80 of the Constitution lays down the maximum strength of Rajya Sabha as 250, out of which 12 members are nominated by the President and 238 are representatives of the States and of the two Union Territories.
- Allocation of Seats** - The Fourth Schedule to the Constitution provides for allocation of seats to the States and Union Territories in Rajya Sabha. The allocation of seats is made on the basis of population of each State.
- Relation between the two Houses** - Under article 75(3) of the Constitution, the Council of Ministers is collectively responsible to Lok Sabha which means Rajya Sabha cannot make or unmake the Government. It can, however, exercise control over the Government and this function becomes quite prominent, particularly when the Government does not enjoy majority in Rajya Sabha.

Significance of Rajya Sabha

- Deliberation and debate** - According to first Chairman of Rajya Sabha Dr. S. Radhakrishnan, it is a deliberative body holding high quality debates on important issues.

ii. **Functions with respect to legislation** – Constituent Assembly member, N Gopalswami Ayengar emphasized its function of revising and delaying legislation passed in haste by Lok Sabha.

French philosopher Montesquieu said, “The legislative body being composed of two parts, they check one another by the mutual privilege of rejecting”.

iii. **Secures Federalism** - Federalism and bicameralism are linked because the federal character of a nation comprising constituent units can be reflected in, and secured by, a bicameral legislature. Thus as a federal chamber, it represents interest of states in Parliament.

iv. **Wider representation** – It represents eminent people from different spheres who are nominated by President.

Arguments against Rajya Sabha

i. **Does not represent will of people** - Lok Sabha that has representation from several regional parties more than adequately represents a federal country. Further Lok Sabha has directly elected representatives unlike Rajya Sabha where leaders are indirectly elected.

ii. **Haven for losers** - Rajya Sabha has become a haven for losers in elections, crony capitalists, compromised journalists and party fundraisers who takes indirect route via Rajya Sabha.

iii. **Losing decorum** - Far from being deliberative, the Rajya Sabha appears to have descended into the same fickleness and passion as the Lok Sabha and has shown a disconcerting trend away from the decorum expected from it.

iv. **Important functions vested with Lok Sabha** – Rajya Sabha can't hold government accountable like Lok Sabha does with collective responsibility principle. Also, Rajya Sabha has no power regarding money bill, which is passed solely by Lok Sabha.

Way Forward - Rajya Sabha has played a constructive and effective role in our polity. Its performance in the legislative field and in influencing the Government policies has been quite significant. Thus, urgent reforms are needed for its evolution in changing socio-political scenario of nation.

27. Linkage and issues associated with Tribal, migrants and discrimination

Source: [The Hindu](#), [Indian Express](#)

Syllabus: GS 2 – Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.

Context – The migrant workmen exodus due to COVID associated lockdown has highlighted the linkages and issues associated with Tribal, migrants and discrimination.

How many migrant workers India has?

According to tentative estimate of government, there are 10 crores migrant workers in India and many among them are not even documented and registered as workers.

Which law governs migrant workers?

Inter-State migrant workmen Act, 1979 is the only act which regulates them.

What is the relation between migrant workers and tribal?

According to National Sample Survey Office's Migration Survey, highest number of migrant workers belong to tribal community.

Their pattern of migration is – short term, seasonal and circulatory.

Reasons of tribal migration in such large numbers:

- i. **Poverty** – 45.5 % of rural tribal population come under below poverty line. They are dependent on agriculture work and wage labor which makes them more vulnerable as both are seasonal.
- ii. **Displacement** - The economic development based on utilization of land, water and forest often result in displacement of large groups of tribals from their native places.
- iii. **Fault Lines in tribal areas** - Since, most of the tribes belong to central India which has districts affected with Left Wing Extremism thus tribal people relocate for stable and peaceful environment.
- iv. **Better quality of living** - Suburban and urban areas offer better quality of living for the migrants.

According to Ministry of Tribal Affairs, there is shortfall of 26% Primary Healthcare centers, 23% Community healthcare centers and 27% doctors in tribal areas.

Issues associated with migration:

- i. **Bonded Labor** – Contractors often hire groups of tribal workers and make advance payment to them. This makes them bonded laborers and thus result is exploitation.
- ii. **Inter-state migrant workmen act, 1979** – It only deal with those migrant workmen who are employed under contractor-based system and those who migrate on their own.
- iii. **Lack of basic social safety net** – Many factors like lack of awareness, employer's apathy, poor governance by State has made tribal workmen to live in hand to mouth circumstances.
They lack proper housing and services like water, schools, ration which makes them more vulnerable and susceptible to exploitation by employers.
- iv. **Xenophobia** – Locals are afraid of migrant workers even when they are dependent on them for wage labor. According to Status of Policing in India Report, 2019 on an average 60% Police personnel held opinion that migrants are naturally prone to committing crime or are borne criminals.

Schemes for tribal welfare

i. **Van Dhan Yojana** - It seeks to improve tribal incomes through value addition of tribal products (Minor forest produce) which is a major source of livelihood for tribals living in forest areas.

ii. **Vanbandhu Kalyan Yojana** – This aims to:

- Improving the quality of life in tribal areas
- Improving the quality of education
- Qualitative and sustainable employment for tribal families
- Bridging infrastructure gaps with focus on quality
- Protection of tribal culture and heritage

iii. **Eklavya Model Residential Schools (EMRS)** - The objective of EMRS is to provide quality middle and high level education to Scheduled Tribe (ST) students in remote areas, not only to enable them to avail of reservation in high and professional educational courses and as jobs in government but also to have access to the best opportunities in education at par with the non ST population.

WAY FORWARD – People centric and people led governance in 5th and 6th schedule areas by empowered local bodies and compassionate public servants is the panacea for tribal welfare.

28. Labour Reforms amid COVID-19

Source: [The Hindu](#), [The Indian Express](#) and [Live Mint](#)

Syllabus: GS-2 Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Context: Indian labour laws need serious reforms. Economists frequently argue that they have disastrous consequences on the economy. But the steps being taken by States, under the cover of COVID-19, of removing labour laws are raising certain questions on labour laws in India.

Issue of labour rights during freedom struggle:

- Labour movements had been key to the successful freedom struggle and the 1931 Karachi Declaration and Bill of Rights placed them on a par with ordinary civil rights such as the freedom of speech and expression.

Constitutional stand on Labour rights:

- These principles found their way into the Indian Constitution in the form of “Directive Principles of State Policy” and few of them are mentioned in fundamental rights. Prominent among these was the right against forced labour guaranteed by Article 23 of the Constitution.

Judicial stand on Labour rights

- **PUDR VS Union of India case (1982):**
 - **Background:** The Supreme Court was called upon to address the exploitation of migrant and contract labourers who were working in construction of the Asian Games Village.
 - **Judgement:** In a landmark judgment, the Court held that the right against forced labour included the **right to a minimum wage**.
 - The Court held that “the compulsion of economic circumstance which leaves no choice of alternatives to a person in want and compels him to provide labour or service” was no less a form of forced labour than any other.

Problems with labour laws in India:

- **Problems with labour laws structures:**
 - It sets up a labour bureaucracy that is prone to corruption, the adjudicatory mechanisms are inefficient and the rights that labour laws grant them are effectively submerged in a creaking judicial system.
- **For the Employers:**
 - **Costly Workforce:** They make it costly to formally hire workers. So, employers use more capital or try to bypass the regulation in perverse ways like having contractors hire workers instead of directly employing them.
 - **Complex nature:** Some laws created rigidities that had nothing to do with labour protection. They disincentivised industry investment in human capital.
 - **Create Rent-seeking economy:** They create a political economy of rent-seeking and discourage the genuinely innovative entrepreneurs.
- **For the labours:**
 - **Push them in Unorganized sector:** Employers ways of bypassing labour laws create a two-tiered labour system: a small group of unionized formal sector where they get protection through regulation and a **large unorganized pool of labour** which does not get these protections.

- **Failed to provide bargaining power:** The factories with hundred or more workers experienced more variability in employment than smaller firms. So, the idea that Indian labour's bargaining power is an obstacle to India's industrialization is not correct.

The ordinances by states to change labour laws has resulted into Four-fold assault on labour:

1. **Assault on constitutionalism:**
 - a. **Contempt for democracy:** It is seen by the bold use of ordinance to suspend such important provisions of the law.
 - b. **Problem for Federalism:** By allowing the states to override central legislation, without justification.
 - c. **Contravention of ILO Conventions and its own Laws:** Repealing many of these provisions will put India in contravention of ILO conventions and its own laws.
 - d. These ordinances confirm the worst fears that the pandemic emergency will be used to amass arbitrary powers at a time when it is not even possible to protest.
2. **Systematic assault on little bargaining power of labour:**
 - a. Through these reforms, poverty will increase with lack of adequate social support.
 - b. **Lack of options:** An artificially created mass army of reserve labour will have no option but to work on any terms.
3. **Ideological assault on Indian labour:**
 - a. The India's inability to attract investments are often been linked to labour.
 - b. The Indian labour's capacity to supposedly block the onward growth of Indian capitalism reduces in comparison with the state and Indian capital's capacity to inflict damage on the Indian economy.
4. **The cultivation of an authoritarianism:**
 - a. The changes that can be brought by the states like 12-hour working days, the decimation of grievance redressal suggests a deeper problem that might have nothing to do with economics.

How Markets work better for workers than regulations?

1. **Providing more jobs:**
 - a. **Problem of demand and supply:** Wages are low and workers are treated poorly because there are too many unskilled workers trying to get too few jobs.
 - b. **More options:** More options are the only way to discipline badly-behaved employers.
 - c. Laws against market forces misalign incentives and create corrupt inspectors and middlemen.
2. **Sharing of Surplus:**
 - a. Demand for labour services in India is highly responsive to wages.
 - b. **For Small firms:** The cost of labour (wages+cost of compliance) is a large proportion of total costs, so the demand for labour is highly flexible.
 - c. **For larger firms:** The demand is elastic because capital can be more easily substituted for labour. This coupled with a very large supply of poor and unskilled workers is the reason for workers' low bargaining power.
 - d. With deregulation and more companies in markets, there will be a larger surplus to split because the size of the pie likely to get bigger and create more jobs—to the benefit of workers.
3. **Increase Choices:**
 - a. The standard explanation for legislations is that workers are poor and illiterate, don't have bargaining power, make bad choices and need protection.

- b. The Workers choose to work in awful conditions but still they are choosing their best option from given alternatives.
- c. The effort should be to increase the choice set, which cannot be done through legislation but only through more jobs and economic growth.

Need of the hour:

- **Increasing state Capacity:** Basic necessities like environmental protection, worker safety, basic rights require regulation. The government has to invest in the state capacity to do them right.
- **Need Real Reforms:** “Reform” should be used only when a particular action actually achieves a desired objective. Designing protection that can protect core interests of workers, respect their bargaining power and at the same time rescue distortions in capital allocation, is reform.

Way Forward

No country can develop that does not increase the share of labour in the country's wealth and does not get the balance between capital and labour right. The concept of equal freedom from the Constitution must be the yardstick to measure the proposed legal changes to the labour laws in the shadow of COVID-19.

29. National Security versus Individual Rights

Source – [The Hindu](#)

Syllabus – GS Paper 2 - Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Context – Supreme Court recently sent the question of restoring 4G connectivity in Jammu and Kashmir for a review to the very authorities who imposed the restriction in the first place

Reasons for imposing restrictions on use of 4G connectivity:

1. To prevent terrorists misusing it to disturb peace and tranquility
2. Spike in incidents of terrorism — 108 incidents, in fact, between August 5, 2019 and April 25, 2020

Implications of imposing the restrictions:

1. **Fundamental rights violated** –
 - Right to Freedom of Speech and Expression – It also includes freedom to disseminate and receive information through any means including internet.
 - Right to practice any profession and trade.
 - Human Rights Council of the UN has found right to access to Internet is a fundamental freedom
2. **Loss of revenue to state and disruption in economic activities** –According to Kashmir Chamber of Commerce due to the imposition of restriction on internet there has been loss of 1.4\$ Billion.
3. **International Image is tarnished** – India's diplomatic capital gets negatively affected with such steps. Also, questions are being raised on India's credibility as a democratic nation since India had largest such restriction worldwide in 2019 as reported by Internet shutdown tracker.
This in turn impacts the investor's confidence in economy and thus investment is negatively impacted which affects the employment, output and growth of state and nation.

4. **Telecom service providers (TSP)** - According to one estimate, TSPs in Uganda lose up to USD \$23 million a day due to internet shutdowns. Thus, the loss in India is more due to the wider subscription which add to their current woes.
5. **E-Governance in tatters** – The restriction imposed impacts the telemedicine, tele - legal services and tele-education services provided for citizens welfare.

Way Forward- Supreme Court in Anuradha Bhasin case held that any such restriction on internet must meet test of proportionality which includes legitimate aim for restriction, rational nexus between aim and restriction and proof that it is least restrictive restriction to achieve aim.

30. Cooperative Federalism

Source – [The Hindu](#)

Syllabus– GS 2 – Issues and challenges pertaining to the federal structure

Context– COVID destroying not only lives and economies but also Cooperative Federalism in India

What is Federalism?

Federalism can be defined as a form of government in which there is a division of powers between all levels of government.

What is Cooperative Federalism?

Cooperative federalism is a concept of *federalism* in which central, state, and local governments interact cooperatively and collectively to solve common problems.

Cooperative federal institutions in India - The most prominent of them include the Inter State Council (ISC), five Zonal Councils, NITI Aayog, the Finance Commission and the recent Goods and Services Tax Council.

Fault lines in Cooperative Federalism emerging in COVID response:

- **Centre classifying state areas/district as RED:** This prohibits economic activities in the entire district even when maximum cases are reported from a small cluster of districts. Thus, deprives state of revenue from economic activities.
- **Centre issuing guidelines to states under Disaster Management Act:** This act doesn't specifically deal with pandemic for which exclusive Epidemic Diseases Act is there.

In Epidemic Disease Act, state is empowered to take measure related to such health crises as Public Health and Sanitation is in state list.

- **Lack of funds:** The Centre has declared that corporations donating to PM-CARES can avail CSR exemptions, but those donating towards any Chief Minister's Relief Fund cannot. This disincentivises donations to any Chief Minister's Relief Fund and deprives states of resources and makes them dependent on Centre for same

Way Forward - Indian constitutional law expert Granville Austin remarks that despite a strong Centre, cooperative federalism doesn't necessarily result in weaker States; rather, the progress of the Republic rests upon active cooperation between the two. This holds true even in response to COVID battle.

31. Performance of Rajya Sabha

Source – [The Hindu](#)

Syllabus – GS PAPER 2 – Separation of powers between various organs

Context – Emergence of debate on utility of Rajya Sabha in Indian Parliamentary system

Comparing Lok Sabha and Rajya Sabha

| Parameters | Lok Sabha | Rajya Sabha |
|----------------|--|---|
| 1. COMPOSITION | 552 Members 2 Nominated from Anglo-Indian community | 250 Members 12 Nominated by President |
| 2. TENURE | 5 YEARS (It can be dissolved earlier by passing no-confidence motion) | PERMANENT |
| 3. HEAD | SPEAKER | CHAIRMAN (VICE-PRESIDENT) |
| 4. FUNCTIONS | All bills originate in Lok Sabha mostly and after passing through Rajya Sabha, they are returned for Lok Sabha approval. It plays a major role in legislation. | Rajya Sabha has special powers to announce that it is required and expedient in the national interest that Parliament may make laws with respect to a matter in the State List or to create by law one or more all-India services common to the Union and the States. No power with respect to money bill. |

Issues with Rajya Sabha

- Deadlock over Bills** - Parliament held only three Joint Sittings to resolve differences between both the Houses. In all three instances Rajya Sabha did not pass the bills.
 - 1961 - Dowry Prohibition Bill, 1959
 - 1978 - Banking Services Commission (Repeal) Bill, 1977
 - 2002 - Prevention of Terrorism Bill, 2002
- Regressive attitude** - Two instances when bills to bring socio-political changes were obstructed by Rajya Sabha:
 - 1970 - Constitution (Twenty-fourth Amendment) Bill, 1970 for abolishing privy purses to erstwhile rulers.
 - 1989 - Constitution (Sixty-fourth and Sixty-fifth Amendment) Bills seeking to empower local government.
- Productivity** - Rajya Sabha till 1997 had a productivity of 100% and above and the past 23 years have thrown up a disturbing trend of rising disruptions.
 - 1998-2004 - Productivity fell to 87%
 - 2005-2014 - Productivity fell to 76%
 - 2015-2019 - Productivity fell to 61%
- Oversight function** - Rajya Sabha holds the executive accountable with Questions, Calling Attention Notices etc. Time share of this important Oversight function has been declining since 2005 due to frequent disruptions:
 - 1978-2004 was 39.50%.
 - 2005-14 - 21.9 %
 - 2015-2019 - 12%

Way Forward - Despite the challenges it has, Rajya Sabha performs important function in coordination with Lok Sabha. Thus, need of the hour is to bring necessary reforms for evolution of Rajya Sabha as second chamber.

32. What are the Changes required to address the disparities after the pandemic?

Source: [The Indian Express](#)

Syllabus: GS 2- Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Context: The COVID-19 pandemic will be brought under control one day. There are talks of addressing the root causes that led to the vulnerabilities that have come to the fore during the pandemic. It seems that a fundamental aspect of the future will be to ensure livelihood security and living in harmony with nature.

Local empowerment of disadvantaged for fast forwarding development:

- **Empowerment:** The have-nots becoming empowered enough to find their own solutions would be a far more effective approach to addressing human deprivation than relying on the vendor-buyer transactions between haves and have nots.
- **Balance between nature and human needs:** The balance between meeting the development needs of all humans and the sustainability of mother earth will depend on solutions determined through science and technology (S&T).

The Credible Pandemic Management Plan should work on:

It should be a global action plan with pre-defined roles and actions at various levels going down to a locality.

1. **Extremely dense population:**
 - a. **Attractive jobs:** To use our demographic dividend and knowledge technologies to quickly create attractive jobs in rural areas that make villages not only self-sufficient but net exporters.
 - b. **Capacity Building:** To focus on education and skilling of the youth in rural areas which would build their capacity to earn livelihood in fields that go beyond the traditional concept of rural jobs, is necessary.
 - c. **Broadening of Schemes:** To support rural youth wanting to transition to new-age jobs in addition to government schemes that encourage rural entrepreneurship.
 - d. **Bridging rural-urban gaps:** To relieve high habitation density in urban areas to faster economic growth.
2. **Current economic Models widen Disparities:**
 - a. **To focus on people at grass root level:** Agriculture, public health and rural education are crucial to the elimination of vulnerabilities.
 - b. **Investments at grassroots level:** Currently they are significantly below the accepted benchmarks. For example, our health sector boasts of global competence to the extent of making India a health tourism destination but remains near the bottom of the table.
 - c. **Neutralizing market forces:** We need such policies to reduce disparities created by market forces.
3. **Pricing principles based on the true cost of value addition:**
 - a. **Focus on value addition:** The transactions along the value chain should be restricted only to those who add value.
 - b. **Non exploitative Arrangement:** By Leveraging modern technologies and creative business formats particularly to the grass roots producers and the consumers.
4. **Balanced Land use pattern:**
 - a. **Optimum Distribution of Land:** For habitat and food for humans as well as animals, industry and other economic activities including infrastructure, energy, forest cover and water management.
 - b. **Holistic approach:** Agriculture, water, energy and environment are heavily connected and need to be deal in a holistic manner.

5. **Holistic Education System:**

- a. **Enabler of Demographic Dividend:** Education merits maximum attention and is necessary to leverage the opportunities of the knowledge era.
- b. **Importance of Technology:** Technology is of crucial importance to address the issue of quality as well as access to education.

Way Forward

To make villages the engines of national development, we need to connect modern knowledge and research to benefit from knowledge era. The education system should enable outreach for technology, capacity building and livelihood enhancement for rural areas.

33. How State fiscal federalism is affected by GST during COVID-19?

Source: [The Hindu](#)

Syllabus: GS 2- Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.

Context: The States alleged that their share of taxes are not paid and they have also lost the powers to raise their own sales tax revenues. It is apparent that financially broke State governments are forced to adopt desperate and reviled measures such as opening liquor shops to mobilize money for their fight against COVID-19.

Fiscal Federalism:

It is the financial relations between units of governments in a federal government system. It deals with the division of governmental functions and financial relations among levels of government.

What is GST?

GST (Goods and Services Tax) amalgamates Central & State Taxes. It mitigates double taxation and makes Indian products more competitive.



What are the benefits of GST?

- Final price of goods to be lower
- Relatively large segment of small retailers will either be exempted from tax or will suffer very low tax rates
- Will boost foreign investment
- Generate more employment
- Average Tax burden on firms to come down

Expectation: States sacrificed their fiscal powers in the promise of 'economic efficiency' and 'tax buoyancy' in GST.

Triple blow of GST on states:

1. **States dependence on Centre:** GST forced the States to surrender their powers to raise resources independently through local State taxes and made them dependent at the mercy of the Centre for most of their financial needs. Most States raise resources through a combination of their own taxes and a share in the Centre's taxes.

Fact: For richer States such as Maharashtra, Tamil Nadu, Gujarat, Delhi, Karnataka, Punjab, Haryana and Kerala, 70% or more of their revenue comes from taxes generated within their State boundaries. Nearly half of these were from the sale of goods and services within the State and the remaining half, from a combination of excise duties on petrol, electricity, alcohol, land registration fees, etc.

2. **Problem in raising Additional Resources:** Before GST, States were free to charge sales taxes as legislated by their State legislatures. If a State had a natural disaster, they could raise additional resources for rehabilitation by raising sales tax rates on goods and services.
3. **Bearing the brunt of the pandemic:** Under GST, States are legally entitled to their share of tax revenues collected in their State. But they are now reliant on the Centre to release these funds to them periodically. When the GST was enacted, States were also guaranteed a minimum tax revenue every year for a period of five years. Amid the current pandemic, the Centre has reneged on both these promises.

How are states supposed to fight corona calamity with no money?

- **Other options:** Through taxes on sale of petroleum products, alcohol, lottery tickets, electricity, land or vehicle registration. During this extreme lockdown, demand for petroleum products, electricity, land and vehicles has dwindled substantially. So, the only option left for most States is to raise funds through the sale of alcohol.
- **Borrowing by states:** In order to do that, they need the Centre's approval to raise their borrowing limit or to stand as guarantors. Since States do not have clear revenue visibility, the rates at which they can borrow are very high and their ability to borrow is severely undermined.

How states would have dealt during the pre-GST era?

- Funds raised through sales taxes to themselves and not be at the Centre's mercy to release funds.
- They would have raised taxes on select essential goods sold in their States in accordance with their norms.

Way Forward

The COVID-19 has to be fought in a decentralized manner at the local level. The efficient functioning of a GST regime cannot be beholden to political party affiliations at the Centre and the States. The Centre should uphold its financial obligations to the States at this critical juncture and should uphold the spirit of "cooperative federalism".

34. Restrictive Changes introduced in labor laws

Source – [The Hindu](#)

Syllabus – GS Paper 2 - Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Context – State giving free hand to market in determining fate of laborers

Changes introduced by state:

Steps taken by states like Madhya Pradesh and Uttar Pradesh under Section 5 of Factories Act. Section 5 of Factories Act grants exemption from provisions of Act for 3 months in case of public emergency.

- a. Working hours for labourer's increased from 8 to 12 hours
- b. Exempted Industries from Right of worker's section of Factory Act, 1948 – thus employer not bound to provide light, first aid, canteen, rest time, ventilation to workers.

- c. Industries not bound to maintain register of adult and child worker

Implications:

1. **Discourages constitutional objectives** – Fundamental rights and Directive Principle of state policy provides for right to life with dignity (Article 21) and provision for just and humane conditions of work and maternity relief (Article 42). The labor law changes impinge on these objectives of constitution.
2. **Labor law is concurrent subject** - State government do not have the authority nullify Central enactments. Also, Constitution does not envisage approval by the President of a State Ordinance which makes a whole set of laws enacted by Parliament inoperable.
3. **State abdicating its responsibility** - In the unequal bargaining power between capital and labour, regulatory laws provide a countervailing balance and ensure the dignity of labour. So, state has the responsibility to promote labor rights for their welfare.
4. **Vulnerability of trade unions** – Amid lockdown, trade unions can't hold any major protest or organize movements for a better system. Thus, state and industry are capitalizing on their vulnerability which is legally as well as ethically not justified.
5. **Creation of industrial discontent** – The exploitation which will follow in absence of labor laws will lead to discontent and alienation among laborers. This will affect their productivity, efficiency and thus overall industrial growth.
6. **Labor-surplus nation** – Since India is a labor-surplus nation, they thus don't have luxury to bargain for their rights and hence employers are all powerful to bring in changes they deem fit.
7. **Conditions to create more employment** – Not only labor laws, but the level of infrastructure, policy certainty, availability of capital, industrial policies, trade policies, arbitration system all these factors determine the ability of employers to create more jobs. India thus need reforms across various sectors in its bid to promote job creation and investment.

Suggested steps to resolve the issue:

1. **Social Dialogue** – Government, trade unions and employers need to engage in social dialogue to come out with a framework where competing interests of labors and employers are balanced.
2. **Fiscal package** – According to Keynesian theory, government must provide strong fiscal package to create jobs, create demands and motivate private sector to invest.
3. **Conditions at workplace** – For labor to return to industries three conditions need to be met – provision of transport, Standard operating protocol at workplace for health safety and availability of work.

Way Forward - In **Life Insurance Corporation v. D. J. Bahadur & Ors (1980)**, the Supreme Court highlighted that any changes in the conditions of service can be only through a democratic process of negotiations or legislation. A democratic nation thus needs to lead by example, especially in the COVID crises.

35. Whether NEET is not student-friendly and merit-promoting?

Source: [The Hindu](#)

Syllabus: GS 2- Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.

Context: In April 2020, The Supreme Court held that there is no fundamental right violation in prescribing National Eligibility cum Entrance Test (NEET) for admissions of graduate and post-graduate programs in medical and dental courses across aided and unaided minority professional institute

Control of state on education:

- “Freedom of individual development is the basis of democracy,” observed the Commission (1948-49) appointed by the Government of India “to report on Indian University Education and suggested improvements and extensions that may be desirable to suit present and future”. It was cited in the judgment in **T.M.A. Pai Foundation & Ors vs State Of Karnataka & Ors (2002)**.
- The Commission added (also cited in the T.M.A. Pai Foundation judgment): “Exclusive control of education by the State has been an important factor in facilitating the maintenance of totalitarian tyrannies.”

Issues in NEET:

- **Reduction in Autonomy:** NEET is seen as an assault on the autonomy of universities and higher education institutions, particularly private, unaided ones.
- **Over-centralization:** It is alleged as over-centralization in the field of education.
- **Constitutional guarantee:**
- Though minorities do not have the right to “mal-administer” their institutions yet due to admission mal-practices practiced by the few institutions, denial of Article 30 and Article 19(g) rights of private unaided institutions is considered wrong.
- **Differential treatment:** Minority rights are not the violation of the equality provision in Article 14 as the Constitution does permit classification. Infact substantive equality as opposed to formal equality, mandates differential treatment.
- **Disadvantage to Students:**
- **For poor students:** Coaching institutes are prospering due to such tests and since most of them are in cities, poorer students from a rural background and who have studied in the vernacular medium face a disadvantage.
- **Variation in Syllabus:** There is also large-scale variation in the syllabus and standards of the CBSE and State boards.
- **Advantages of Multiple tests:**
- If he falls ill or has not done well in one test, he will still have a chance to qualify in another without losing a year.
- It gives a student a right to select an institution of his choice.
- The NEET paper was leaked twice in the last four years; therefore, there are issues of fairness and transparency.
- There is the issue of wrong translation. In the 2018 NEET, as many as 49 questions had errors in Tamil translation.
- **Element of class in merit:**
- The education system requires competition and equality of opportunity and the competition should be fair and just.
- There is substantial scholarship in the West that argues that common admission tests cannot measure abilities that are essential for learning such as imagination, curiosity and motivation.

Way Forward

The Uniform entrance exams should ensure improvement in future public health by encouraging merit in furtherance of the Directive Principles enshrined in the Constitution. The NEET should clear all doubts and come clean.

36. Whether India is excluded from Afghan Peace process?

Source: [The Hindu](#), [The Hindu](#)

Syllabus: GS 2- Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

Context: India's foreign and security policy planners had not anticipated the recent developments in Afghanistan. India continued to rigidly hold on to Afghanistan President Ashraf Ghani even as his equities diminished with each passing month.

Recent Developments in Afghanistan shows sideline of India:

- **Early Congratulation:** Our PM congratulated Mr. Ghani for winning the elections in December 2019 when the Afghanistan election commission had only announced the preliminary results.
- **Simultaneous Swearing-ins:** In February 2020 Mr. Ghani was announced as President-elect, a result that was rejected by Mr. Ghani's main rival, Abdullah Abdullah. It led to two simultaneous swearing-ins in which both took oath as President.
- **Power sharing in Afghanistan:** Though the international community ultimately supported Mr. Ghani but qualified it with an insistence that he enter into a real power-sharing agreement with Mr. Abdullah.
- **Mr. Ghani's response to India's unconditional backing:**
 - The UN Secretariat organized a meeting on Afghanistan where it invited the physical neighbours of Afghanistan—China, Pakistan, Iran, Turkmenistan, Uzbekistan and Tajikistan.
 - In addition, invitations were extended to the US, Russia and the Ghani government but not India.
 - Mr. Ghani did not condition his participation on India's inclusion.

Development in the state of the relations in Afghanistan:

- **The role of US in Afghanistan:**
 - **U.S. going along with India's absence:** The US expects that if Indian interests are exposed, India will protect them as best as it can.
 - **The US wants an active India role:** "India should talk directly to Taliban, discuss terror concerns directly," said Zalmay Khalilzad, the U.S. point man on Afghanistan and the architect of the Taliban deal.
- **The Taliban question:**
 - **Direct engagement of India with Taliban:** It would be important that issues of concerns like terrorism are raised directly. By avoiding open contacts, India has reduced its role in international diplomatic efforts.
 - **Taliban deal:** The U.S. is currently crucially dependent on Pakistan for the successful implementation of its Taliban deal aimed at securing as orderly a withdrawal as possible from what is a major strategic reverse.
 - **Tolerance for Violence in US-Taliban deal:** It contains no commitment to stopping attacks against Afghan forces, only those against American soldiers and NATO forces.
 - **Not just Pakistan puppets:** Taliban were informally conveying that India should not consider them as Pakistan's puppets and they had gained international recognition.
- **ISIS in Afghanistan:**
 - **Attacks in Afghanistan:** It is strange that US is absolving the Taliban of guilt of attacks while investigations are still underway and putting it on Islamic State of Iraq and the Levant – Khorasan Province (ISIS-KP).

- **Enmity between Taliban and ISIS-KP:** Taliban says that ISIS-KP is their enemy but not ready to join hands with the U.S. and Afghan government to go after ISIS-KP. Also, the Taliban are not even willing to announce a ceasefire, amidst the coronavirus crisis, amidst these brutal attacks.

Counterview to include Taliban in talks:

- **Not a political force:** If the Taliban comes back to power, join the mainstream, then India will engage with them as we do with any political force in Afghanistan. Talking directly to the Taliban reminds us of one of the situations before 2001 when each country was on its own.
- **Legitimacy to Destructive Taliban:** It will become a political force only when it joins the intra-Afghan talks. Otherwise, at best the Taliban can pretend to be some sort of a government in exile based in Doha, conducting negotiations with other players but not with people in Afghanistan. Engaging them directly will give legitimacy to this kind of force in our neighborhood.
- **Proxy of other countries:** The Taliban should deal with India as an independent entity, as a nationalist Afghan entity and not a proxy for other countries.

Way Forward

Our bilateral ties are good, and we must be engaged in the regional process for peace in Afghanistan. We should not feel bad if India is not at every table. India needs to take corrective diplomatic action. The truth is, when it comes to Afghanistan's future, India cannot be ignored.

37. How Covid-19 pandemic is transforming India's education system?

Source: The Hindu- Education Plus (May 18th, 2020)

Syllabus: GS-2 -Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources

Context: The Covid-19 pandemic has paved the way for remote education-in the form of online learning.

Adoption of technological solutions:

Due to the covid-19 lockdown, educational institutions have adopted different technologies for teaching:

1. **Recording of video lectures:** Lectures are being recorded and then uploaded on YouTube and similar other platforms.
2. **Providing digital notes:** Notes and content related to the courses are being provided to students through email, WhatsApp etc.
3. **Live lectures and webinars:** Live lectures are being provided on digital platforms at scheduled slots when students can join and interact.
4. **Assessment:** Tests and assignments are being conducted using various assessment tools like Quizlet and peer evaluation tools.
5. **Use of MOOCs:** Students and teachers are also opting for MOOCs (Massive Open online courses) such as Swamyam, Coursera or Edx.

Concerns:

1. **Digital Divide:**
 - The major concern with online education in India is the digital divide. Many students, especially in rural areas do not have access to laptops, desktops and internet connection.
 - Further, the digital infrastructure is poor in most parts of the country, with lack of high-speed internet and stable power supply.

2. **Lack of personal contact:** A major criticism of online teaching is that there is no personal contact and there cannot be a proper classroom discussion.
3. **Limited social interaction:** A major issue with online education is limited social interaction. This hinders development of social skills among children.
4. **Motivation:** The structured schedule of attending classes and routine face-to-face interactions with teachers are missing in online education. This may lead to lack of motivation and discipline and dropout rates may increase.
5. **Language of Courses:** Many students are not comfortable with spoken or written English. This makes online study material inaccessible. In face-to-face teaching, this factor is mitigated to an extent using the bilingual communication.
6. **Research and laboratory sessions:** Online classes are not feasible for students with research and application-based work as an essential component. Further, conducting laboratory sessions are difficult in the online mode.

Way Forward: The Covid-19 lockdown has led to many educational institutions opting for online classes. However, in India, where digital infrastructure is inadequate, online education has a long way to go. It is important to bridge the digital divide so that students from different socioeconomic backgrounds can benefit from remote learning.

38. Whether the conditions for borrowing by states put forward by centre are correct during Pandemic?

Source: [The Indian Express](#)

Syllabus: GS 2- Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.

Context: The State governments have been struggling due to reduction in their revenues following the near halt in economic activities because of the lockdown. Several state governments urged the Centre to relax the fiscal deficit limits imposed on them by the FRBM Act.

Fiscal deficit targets for states:

- The Fiscal Responsibility and Budget Management Act (FRBM Act), 2003, establishes financial discipline to reduce fiscal deficit of Central government.
- To ensure that the States too are financially prudent, the 12th Finance Commission's recommendations in 2004 linked debt relief to States with their enactment of similar laws. The States have since enacted their own respective Financial Responsibility Legislation, which sets the same 3% of Gross State Domestic Product (GSDP) cap on their annual budget deficits.

Borrowing Power of State:

- **Constitutional Power:** States have the authority to borrow under Article 293 (1) of the Constitution.
- **Consent of Central Government:** The central government exercises control through Article 293 (3) which requires state governments that are indebted to the Centre to seek its consent before borrowing.

Decision by Central Government with respect to borrowing of States:

- **Increase in Limit:** The center raised the borrowing limit of state to 5 per cent of GSDP (Gross State Domestic Product), up from 3 per cent before.
- **Benefit:** Allowing states to borrow an additional Rs 4.28 lakh crore this year will provide them the resources to fight the COVID19 pandemic and will help them maintain their budgeted expenditure allocations.

Conditions for Borrowing by states:

| Conditions | Limit |
|---|---|
| Unconditional | The first portion of additional borrowings amounting to 0.5 per cent of GSDP |
| Linked to reforms in the areas of: <ul style="list-style-type: none">• Ease of doing business• One nation one ration card• Power distribution and• Urban local bodies. | The next 1 per cent of borrowing will be allowed in four portions. |
| Only if they achieve the targets in three of the four reform areas. | States will be allowed to borrow the final tranche of additional 0.5 per cent of GDP. |

Problems in Conditions:

- Imposing conditions for availing these additional borrowings may not be the wise approach in the current situation. As they don't have much options for revenues.
- **Cut back on spending during Pandemic:** If some states may not be able to carry out the reforms, they will be ineligible to borrow more. Thus, they will be forced to cut back on their spending. Government spending is the only engine that can drive the economy currently.

Way Forward

States need to be assured of adequate resources to fight the corona pandemic. For which they need additional borrowing capacity. The conditions imposed on the additional borrowings should be eased to allow more fiscal space.

39. Probing the origins of the COVID-19.

Source: [The Indian Express](#)

Syllabus: GS 2- Important International institutions, agencies and fora- their structure, mandate.

Context: The international attention is fixed on the question of an inquiry into the origin of the coronavirus and the WHO's response to it. Australia is working with the European Union to promote a resolution at this week's World Health Assembly (WHA), which brings ministers from all the member states of the WHO.

Resolution at WHO calls for:

- **Scientific investigation:** A scientific investigation into the origins of the virus.
- **Impartial Evaluation:** It calls for an "impartial, independent and comprehensive" evaluation into the international response to the corona pandemic.

International narrative against China's handling of Pandemic:

- **Wide support:** The wide-ranging support for the resolution amidst the vocal Chinese opposition is impressive.
- **Enough teething:** It is said to have enough teeth to dig deep into the issues raised by the corona crisis.
- **Changing dynamics:** China had full control over the corona narrative on the issues involved till a few weeks ago. But the Trump administration's aggressive questioning of China's role in spreading the virus and its accusation that the WHO was complicit in keeping the world in the dark had not gone down well.
- **Diplomatic setback:** Some observers see a unanimous approval of the resolution (if approved) as a diplomatic setback for Beijing, since limiting the demands for an external inquiry has been a major political priority for Beijing.

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Controlling narrative by China:

- **Extensive diplomacy:** China's success in quickly getting things under control at home and its expansive mask diplomacy seemed to give Beijing an upper hand at the WHO.
- **Chinese influence:** China's growing control in the developing world and bilateral economic levers against major developed countries appeared to insure against any serious international questioning of its handling of the virus.

Deeper issues that impact functioning of WHO:

1. **Developing new international norms:** To increase the obligations of states and the powers of the WHO in facilitating early detection and notification of pandemics. This will involve finding ways to bridge the contested notions of state sovereignty and collective security.
2. **Question of funding:** Over the decades, the WHO has become ever more reliant on voluntary contributions from governments and corporations rather than assessed contributions from the member states. This is going to leave the WHO rather vulnerable to pressures.
3. **WHO is trying to do too many things:** The WHO's initial successes came when it focused on a few objectives like combating malaria and the elimination of small pox. A limited agenda might also make the WHO a more effective organization.

Way Forward

Any current effort to understand the origin and spread of the COVID-19 virus will be handy to develop a long-term strategy to deal with future pandemics. It necessarily involves a Sustained engagement with Beijing and other powers.

40. Challenges in ensuring national Energy Security

Source – [The Hindu](#)

Syllabus – GS 2 - Government policies and interventions for development in various sectors and issues arising out of their design and implementation

Context – As part of relief package under Atmanirbhar mission there is proposal to amend the Electricity Act, 2003

Present challenges of Discom segment - Power purchase agreement (PPA)

1. **Idle fixed cost** -Discoms must purchase electricity from generating companies under long term PPA's. This makes them pay a fixed cost to the power generator, irrespective of whether Discoms draws the power or not, and a variable charge for fuel when it draws power.
2. **Over-estimation of energy requirement-** These PPAs signed by DISCOMs were based on over-optimistic projection of power demand estimated by the Central Electricity Authority (CEA).
3. **Falling demand due to lockdown** - Now due to overestimation and fall in demand amid lockdown (industries and commercial sector consumed 50% of total power) DISCOMs are locked into long-term contracts paying idle cost for power not drawn.

Implication - All this increases their dues and thus the Discom debt rises which in turn affects the availability of working capital, its investment, quality of services to households as well as NPA in banks.

Proposed Amendments

1. **Entry of private sub-franchisee in Distribution (Discom) segment** – This is a challenge to existing discoms which are already bleeding due to multiple issues as sub-franchisee can tap on existing discoms profitable market and erode profit made by Discoms.

2. **More Concessions to renewable power developers** – Discoms are already obliged to absorb all renewable power generated by renewable power developers and pay idle charges to thermal power even when not utilizing its production. With more concessions, renewable energy's production will shoot up which will lead to more burden on discoms.

3. **Elimination of cross-subsidies** – The elimination of cross-subsidies will raise service charge for each consumer category (agriculture, household, industry and commercial sector). Since, rural households require long lines and numerous step-down transformers, thus their service cost will be higher than any other category.

4. **Against principle of cooperative federalism** – There are two proposed amendments which violate the spirit of cooperative federalism:

a. **Central selection committee to appoint state regulators** – This committee has distorted composition:

- a. majority of members from Centre and
- b. only 2 representatives of state government

This committee and its selection, hence, jeopardize the concurrent status of the electricity sector.

b. **Establishment of a centralized Electricity Contract Enforcement Authority** – The members and chairman of this authority will again be selected by the same selection committee referred to above. The power to adjudicate upon disputes relating to contracts will be taken away from State Electricity Regulatory Commissions and vested in this new authority. This will leave no space for state and its discoms to challenge the rising centralization in electricity sector.

Way Forward – States need Centre's support to settle dues of discoms and strengthen electricity sector which will also bear the brunt of pandemic. Electricity bill 2020 instead of supporting states puts more burdens on State discoms. Thus there is a need to revisit the bill to ensure energy security with resilient sector.

41. How public health boosts an economy?

Source: [The Hindu](#)

Syllabus: GS 2- Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.

Context: The IMF called the present crisis the worst downturn since the Great Depression. Questions are being raised on low investments in health.

The ₹20-lakh-crore package recently includes proposals to prevent and respond to future pandemics by:

- Strengthening of health and wellness centres.
- Establishment of infectious diseases hospital blocks in all districts.
- Expansion of the laboratory network.
- 'One Health' research on zoonotic diseases under the Indian Council of Medical Research (ICMR).

Weaknesses of our health system:

- **Lack of capacity:** Weak health systems which do not function well in a steady state cannot suddenly generate surge capacity when challenged by a public health emergency.

- **Selective health investment:** A selective investment in some components of infectious disease control will not meet the many other essential demands on the health system.
- **Diversion of attention:** Even during the COVID-19 response, attention has been diverted from maternal and child health and care for other infectious diseases and non-communicable diseases.

The southern States have shown how efficient and equitable health systems are our best defence against public health emergencies.

Need of adequate investment in creating a health system that:

1. Can withstand any kind of public health emergencies.
2. Deliver universal health coverage and
3. Other targets of the Sustainable Development Goals.

Why the investments in health is low?

- **Low priority to health:** For long Health systems were mostly seen as unavoidable expenditures which had to be accommodated as the essential service entourage of a booming economy but not to be placed at the high table of policy priorities.
- **Considered as Cost disease:** One of the most influential economists of the modern era, William Baumol, described healthcare as a 'cost disease' where costs naturally rise, outpacing the value of services rendered and therefore it is less rewarding than the industrial engines of economic growth. The rising costs of healthcare in industrialised countries, especially those without organised universal health coverage, may well invite such a description.

Investments in public health and primary care pay rich economic dividends:

- A UN High Level Commission, headed by the Presidents of France and South Africa, reported in 2016 that investments for augmenting the size and skills of the health workforce yields economic growth through:
 - Improved population health and productivity,
 - Reduced healthcare costs and
 - Job creation even in a gloomy global scenario of job loss.
- **For India:**
 - Productivity boost promised by a demographically young population can be protected.
 - Education and skilling of a diversified health workforce can uplift health services for health protection at both population and individual levels.
 - When domestic needs are met, this expanded health workforce can also meet global health needs, both as a rapid action force for health emergency response and as a unit taking care of the chronic care needs of aged societies.
 - Innovative health technologies and inexpensive pharmaceutical products can be created at scale, for domestic use and global export.

History teaches us that such an investment in health is especially useful in times of economic adversity:

- South-East Asian countries invested in health and universal health coverage during and soon after the Asian Financial Crisis of the 1990s.
- The UK adopted universal health coverage soon after the Second World War.
- Japan adopted it in the early 1960s to hasten recovery from the economic injuries inflicted by defeat in that war.

All of them recognized that greater investment in health is a winning bet for economic development.

Way Forward

A stronger health system in a country can lead to better outcomes on the economic growth front. India must choose this path to boost the trajectory of its economic growth.

42. Analysis of Epidemic Act, 1897

Source - [Indian Express](#)

Syllabus – GS 2 - Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Context - The Epidemic Diseases Act, 1897, is the nodal legislation with respect to containment of 'Dangerous Epidemic Diseases' and has been invoked to deal with COVID 19.

The act allows the State Governments and the Central Government to adopt any measures to prevent the outbreak of a dangerous disease once confirmed as an epidemic.

Brief History

1. **Reason for introduction** - The British government passed the Epidemic Diseases Act, 1897 to tackle the epidemic of bubonic plague in the erstwhile Bombay Presidency in the 1890s.
2. **Steps taken** - Empowered by the Act, the colonial authorities searched the homes and checked passengers suspected of plague cases. Forcible segregations, evacuations, and demolitions of infected places were carried out.
3. **Instructions to public** - The assembly of crowds was prevented; public meetings and festivals were banned, and pilgrimages suspended.
4. **Criticism of the abuse of the act** - Bal Gangadhar Tilak was awarded 18 months' rigorous imprisonment for the criticism of the imperial authorities' handling of the plague in his newspapers *Kesari* and *Mahratta*.

Features of Act

1. **Section 2- Powers of government** - Under section 2, the State government, when faced with the challenge of an epidemic, can do the following:
 - inspection of persons travelling by railway or otherwise
 - segregation of persons suspected to be infected
 - prescribe temporary regulations to be observed by the public or by any person or class of persons
2. **Section 3 – Punishment for disobeying** - It provides for penalties for disobeying any regulation or order made under the Act. These are according to section 188 of the Indian Penal Code (Disobedience to order duly promulgated by public servant).
3. **Section 4 – Legal Impunity to state agencies** - It gives legal protection to the implementing officers acting under the Act.

Issues

1. No clear definition – The law fails to define terms like “dangerous”, “infectious”, “contagious diseases” or “epidemic”. This makes early detection of severity of diseases tough and so, the response gets delayed.

2. Fails to provide roles and responsibilities - It doesn't provide for specific roles, responsibilities and clear hierarchy, nor a pre-planned format within which to operate for a coordinated and concerted response. Given this, the government has invoked the Disaster

Management Act, 2005, since it provides for an exhaustive administrative set up for disaster preparedness.

3. Reactive in approach - No provisions on the sequestering and the sequencing required for dissemination of drugs/vaccines, and the quarantine measures and other preventive steps that need to be taken. This makes the law reactive on its approach to handle epidemics.

4. Human Rights neglected - The Act emphasizes only the *powers* of the central and state governments during the epidemic, but it does not state the *rights* of the citizens during the event of a significant disease outbreak.

5. Multiplicity of laws - India has a number of laws that can be applied during a public health emergency. There is, for instance, the Indian Ports Act, the Livestock Importation Act, the Aircraft Rules and Drugs and Cosmetic Act, with provisions that can be used during a situation such as COVID-19. The requirement is for these provisions to be harmonized into a single overarching legislation.

6. Health is a State subject - Many Indian states have had their own epidemic disease acts since the colonial era, like the Madras Public Health act of 1939 and the Malabar Public Health Act of 1939. More recently, states like Karnataka and Gujarat have drafted their own public health legislations.

Suggested Reforms – Recently Ordinance to amend the Act was passed which include protections for healthcare personnel combatting epidemic diseases and expands the powers of the central government to prevent the spread of such diseases.

1. **Clear definition** - The terms epidemic and pandemic need to be defined based on variables and standards like
 - the scale of the disease,
 - the distribution of the affected population across age groups,
 - the possible international spread,
 - the severity of the malady, or
 - The absence of a known cure.

This would expedite the identification a global pandemic such as COVID-19 domestically.

2. **Model central law** – Since health is state subject and there are multiple laws to deal with epidemic or pandemic, model central law is needed to provide broad framework to states.

Way Forward - The COVID-19 public health emergency provides the Union government a rare opportunity to update the country's laws; otherwise, this legislative and policy gap could soon prove to be India's Achilles' heel when world is witnessing rise of zoonotic diseases in last two decade.

43. Reviving MGNREGA

Source – [Indian Express](#)

Syllabus – GS 2 - Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes

Context – With crores of migrants returning back to their villages, need is to update and revive MGNREGA

1. **MGNREGA – Mahatma Gandhi National Rural Employment Guarantee Act**
 - a. The mandate of the MGNREGA is to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual labor.

- b. MGNREGA is **bottom-up, people-centered, demand-driven, self-selecting and rights-based program.**
- 2. **Objectives**
 - a. **Social Protection** - Social protection for the most vulnerable people living in rural India by guaranteeing wage employment opportunities.
 - b. **Livelihood security** - Enhance livelihood security of the rural poor through generation of wage employment opportunities in works leading to creation of durable assets.
 - c. Rejuvenate natural resource base of rural areas.
 - d. **Rural assets** - Create a durable and productive rural asset base.
 - e. **Focus on local governments** - Deepen democracy at the grassroots by strengthening Panchayati Raj Institutions (PRI).
- 3. **Suggested Steps to revive MGNREGA**
 - a. **Increasing fund allocation** - The allocation for FY21, which amounts to 0.47 per cent of the GDP (Rs 1 lac crore including pending liabilities for FY20) continues to be much lower than the World Bank recommendations of 1.7 per cent for the optimal functioning of the programme.
 - b. **Responsibilities of PRI** - Local bodies can proactively reach out to returned and quarantined migrant workers and help those in need to get job cards. This also includes giving more autonomy to gram panchayats under the act.
 - c. **Provisions for WASH** - At the worksite, adequate facilities such as soap, water, and masks for workers must be provided free of cost for hygiene. For reasons of health safety, MGNREGA tools should not be shared between workers.
 - d. **Timely wage distribution** - Lack of financial inclusion of rural people and low density of bank branches in rural areas need urgent reforms so that early distribution of wages to workers can be ensured.
 - e. **Expanding definition** - Definition of MGNREGA need to include skilled work taken up by city migrants to cater their demand of work. Care work done by vulnerable sections like women can also be included in the definition.

Way Forward -The demand driven work under the Act will increase cash in hands of people which will boost the consumption and hence private investment will go up. MGNREGA, thus, is one of the most effective tools to revitalize the economy and promote welfare of vulnerable sections in post-CORONA India.

44. Relationship between SC and HC

Source: [The Indian Express](#)

Syllabus: GS 2- Structure, organization and functioning of the Executive and the Judiciary—Ministries and Departments of the Government; pressure groups and formal/informal associations and their role in the Polity.

Context: A division bench of the High Court of Karnataka, presided over by its chief justice, questioned the state government's decision not to fund the travel of migrant workers if their home states do not deposit funds for train fares.

Stand of HC of Karnataka:

- **Legality of refusal:** It required the state government to clarify the legality of its refusal to pay the fares of migrant workers from states like UP, Bihar and Jharkhand despite the Centre laying down rules for reimbursement from destination states.

- **Migrants with no income:** It asked the government whether it wanted to take a stand that a migrant worker who was not in a position to pay the railway fare would not be allowed to travel home by the Shramik Special trains.

Stand of the Karnataka government:

- The Karnataka Government unsuccessfully argued that the high court cannot intervene because the Supreme Court, when directly approached under Article 32, had refused to intervene on the issue of migrants walking home due to the lack of transport arrangements.

Supreme court orders on migrants:

- **Declined to give directions:** Three orders separately passed by different benches had declined to give any direction to the government at the Centre to make transport available to migrant workers.

Instances of issues between High Court and Supreme Court:

- During the internal Emergency of June 1975 judges in six high courts in the country, namely the HCs of Delhi, Bombay, Madhya Pradesh, Allahabad, Karnataka, and Rajasthan refused to accept that oppressive laws and orders were no longer reviewable by courts.
- **ADM Jabalpur case:** These judgments were overruled by the SC in ADM Jabalpur AIR 1976 by a Constitution Bench of five judges (4:1). The net result was upholding the executive's prerogative to detain people and a citizen had no right to move a habeas corpus in a high court under Article 226 in the light of the Emergency.
- **Puttaswamy vs Union of India case (2017):** It stands overruled by a nine-judge bench of the SC.
- **Case of Justice C S Karnan:**
- In May 2017, seven judges of the SC invoked its contempt jurisdiction under Article 129 and punished a sitting judge Justice C S Karnan of Madras High Court by sending him to jail.

Relationship between High Court and Supreme Court:

- **Not subordinate:** Under our Constitution, high courts are not subordinate to the Supreme Court although decisions of the SC are binding on the high court.
- **According to Contempt of Courts Act, 1971:** A judge of a superior court under the Constitution who is vested with the power to commit for contempt of court cannot himself or herself be committed for criminal contempt.

Way Forward

The Court must take humanitarian approach in their working. Judges are the spinal cord of the rule of law and the final interpreters of the Constitution. Their judgments govern social and economic justice.

45. Ayushman Bharat Positively Impact Lives

Source: [Indian Express](#)

Syllabus: GS-2- Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources

Context: Recently, Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY) crossed one crore treatments.

Ayushman Bharat

- It was launched in 2018 as recommended by the National Health Policy 2017, to achieve the vision of Universal Health Coverage (UHC). The scheme covers both prevention and health promotion.
- National Health Authority is the apex body responsible for implementing the scheme.

There are two flagship programs under Ayushman Bharat program: Health and Wellness Centre and Pradhan Mantri Jan Arogya Yojana (PM-JAY).

A) Health and Wellness Centre: These centers seek to provide comprehensive health care, including for non-communicable diseases and maternal and child health services. They also provide free essential drugs and diagnostic services.

B) Pradhan Mantri Jan Arogya Yojana (PM-JAY):

It is the world's largest health insurance/ assurance scheme fully financed by the government. Over 10.74 crore poor and vulnerable entitled families (approximately 50 crore beneficiaries) are covered under the programmed.

Features:

- PM-JAY provides cover of Rs. 5 lakhs per family per year, for secondary and tertiary care hospitalization across public and private empaneled hospitals in India. There are no restrictions on family size, age or gender.
- It provides cashless access to health care services for the beneficiary at the point of service, that is, the hospital.

Achievements of Ayushman Bharat

1. **Free and cashless treatment:** In India, the out-of-pocket (OOP) payments for healthcare is very high. Ayushman Bharat has successfully reduced OOP payments of millions of poor by providing free and cashless treatments at both public and designated private hospitals.
2. **Portability:** A key design feature of PM-JAY is portability. This has ensured equal access to quality health services, especially amongst the poor and vulnerable migrant population.
3. **PM-JAY and Covid-19:**
 - Testing and treatment for COVID-19 is free of cost under PM-JAY for the beneficiaries.
 - PMJAY has strengthened the network of hospitals and service capabilities to ensure continued service delivery to both Covid and non-COVID-19 patients. Since April 1, 2020, more than 1,385 hospitals have been empaneled.
 - The National Health Authority (NHA) manages the national COVID-19 helpline 1075 has played disseminated precaution advisories on Covid-19 to beneficiaries.
 - It has facilitated more than 15,000 tele-consultations with doctors.
 - It is also working with the ICMR on data cleansing and is conducting call data analysis for determining urgent cases being sent to ICMR.
 - NHA is also supporting the government's Arogya Setu mobile application.
4. **IT integration and data generation:** PMJAY has helped in generating large volumes of data which may be used later for designing better and targeted health programs, effective medical management, optimizing cost and improving efficiency.

Conclusion: Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY) has an important role to play during the Covid-19 pandemic. Along with the government, there should be active participation from the private sector in ensuring adequate supply of health services, medicines and essentials.

46. What are the issues of contention between India-Nepal?

Source: [The Hindu](#), [The Hindu](#)

Syllabus: GS 2- India and its neighbourhood- relations

Context: India inaugurated a road from Dhar Chula to Lipu Lakh (China border). It was followed by Nepal's charge claiming that the stretch passes through Nepalese territory.



Dharchula to Lipu Lakh:

- This road follows the traditional pilgrim route for the Kailash-Mansarovar yatra.
- The conversion of the trekking route to a metalled road is a boon to both pilgrims and traders.
- It would essentially cut down their travel time by three days each way.



Picture from Outlook India, portion in green is disputed area.

Flashpoint in relations:

- Nepal has officially launched its new political map showing Lipulekh, Kalapani and Limpiyadhura as parts of their territory amid the ongoing dispute with India.
- Tensions have also been fueled by Mr. Oli's jibe that the "Indian virus looks more lethal than the one from China".

History of Lipulekh Pass:

- **Treaty of Sagauli, 1816:** Before this treaty, the Nepalese kingdom stretched from the Sutlej river in the west to the Teesta river in the East. Nepal lost the Anglo-Nepalese War and the resulting Treaty limited Nepal to its present territories.
- **Arise of the present controversy:** It has arisen since the Nepalese contest that the tributary that joins the Mahakali river at Kalapani is not the Kali river. Nepal now contends that the Kali river lies further west to the Lipu Lekh pass.
- **British time:** The British used the Lipu Lekh pass for trade with Tibet and China. The Survey of India maps since the 1870s showed the area of Lipu Lekh down to Kalapani as part of British India. Both the Rana rulers of Nepal and the Nepalese Kings accepted the boundary.
- **For India:** It was mentioned as one of the border passes for trade in a 1954 agreement with China, which was also reaffirmed in another trade agreement in 2015.
- China re-opened the Kailash-Mansarovar pilgrimage route for Indians in 1981 and this pass has been used to walk into Tibet.
- India did not exist in 1816 when the Treaty of Sugauli was concluded. India inherited the boundaries of British India. It cannot now unravel the historic past.

Possible Reasons for Nepal's stand:

- **To hide government failures:** The controversy has given Nepal's PM an opportunity to hide his government's incompetence to meet the basic needs of the people.
- **Deployment of armed forces at Chharung, close to Kalapani, in its Sudoor Paschim:** The manner and timing of the deployment has raised eyebrows in New Delhi.
- **China factor for India:** The ITBP is located in Kalapani because of its closeness to the India-China border. Indian forces are not there because of Nepal.
- **Dragging on border issues:**
 - It is unfortunate that the respective Foreign Secretaries, tasked by PM and then Nepal leader Sushil Koirala in 2014 to discuss the boundary matter, have failed to find an acceptable date for a meeting since then.
 - When matters came to a boil in Kathmandu, the MEA's response that it would convene the meeting after the pandemic had been dealt with was unnecessarily dismissive of an issue important to Kathmandu.
- **Internal Politics of Nepal:** It is clear that the struggle within the ruling Nepal Communist Party has spurred Mr. Oli's more combative posture.

Resolution to solve disputes:

- **The Nepal-India Technical Level Joint Boundary Working Group:**
 - It was set up in 1981 to resolve boundary issues, to demarcate the international border and to manage boundary pillars.

- By 2007, the group completed the preparation of 182 strip maps, signed by the surveyors of the two sides, covering almost 98% of the boundary, all except the two disputed areas of Kalapani and Susta.
- It also ascertained the position of 8,533 boundary pillars.
- **The next steps:**
- Approval of the strip maps by the respective governments (that of the Nepalese Government is still awaited)
- The resolution of the differences of opinion over Kalapani and Susta
- Speeding up the erection of damaged or missing border pillars.
- **Need of political will:** The India-Nepal border issues are easily solvable if there is political goodwill and statecraft exercised on both sides.

Ties are unique between India and Nepal:

- **Self-respect of Nepal:** India has been conscious of the self-respect and pride of the Nepalese people and always supported with measures like the free movement of peoples.
- **Nepal's past contribution:**
- Its political leaders contributed to India's struggle for freedom.
- The only time since Independence that foreign troops were deployed on Indian soil was in 1948-49. Nepalese soldiers under the command of General Sharda Shamsheer Jang Bahadur Rana came to India's northern cantonments, depleted by deployments in Jammu and Kashmir and Hyderabad.
- **The people-to-people relationship:** In the far corners of India, locals never turn against the Nepalese. It is the government-to-government relationship that generally lags.
- **Need for quiet diplomacy:** Both sides should refrain from tough languages like mentioning China in bilateral disputes. It widens the door for someone else to foment more trouble. This is a matter best handled bilaterally.

Way Forward

Both sides must not delay any further in dealing with the disputes. The way to move forward is to formally approve the strip maps, resolve the two remaining disputes, demarcate the entire India-Nepal boundary and speedily execute the work of boundary maintenance.

47. What should the Post-Covid World focus upon?

Source: Indian Express

Syllabus: GS-2- International Relations

Context: The Covid-19 pandemic has had unprecedented effect on the world.

Introduction:

The Covid-19 pandemic has posed some serious challenges before the world. The virus has spread to 185 countries, affecting more than 5 million people and resulting in more than 3 lakh deaths so far. The role of World Health Organization in managing the pandemic has been questioned at many fronts.

The pandemic has also resulted in huge economic losses with many national economies going into recession. The poor and the migrant population are the hardest hit.

Areas to be focused upon in the post-COVID world:

1. **Strengthening Internationalism:** There is an urgent need to strengthen internationalism and reform global institutions such as WHO, UNICEF etc. Global

institutions should prioritize on healthcare, education, environment, terms of trade, disarmament and strengthening global financial system.

2. **Strengthening Central Banks:** In the post Covid-19 world, the role of central banks will expand beyond regulatory and monetary functions. It is important to strengthen the autonomy of Central banks.
3. **Strengthening Regionalism:** Regionalism and internationalism should go hand-in-hand. It is important to revive regional associations like SAARC, South Asian Free Trade Area (SAFTA) and Bangladesh, Bhutan, India and Nepal (BBIN) initiative.
4. **Equality and Equity:** Commitments towards egalitarianism, secularism and democratic principles needs to be strengthened.
5. **Role of government:** The government policies should be inclusive, progressive and pro-people. Focus should be on public healthcare, education, R&D, livelihood creation, clean environment.

Conclusion: The Covid-19 pandemic has not broken the system but merely highlighted the loopholes in the system. It's high time that national governments and international organizations work towards removing the shortcomings in the system.

48. India - China border issue and solution

Source: [The Indian Express](#)

Syllabus: GS 2- India and its neighbourhood- relations.

Context: Tensions between the Indian and Chinese armed forces increased after a faceoff in eastern Ladakh.

Series of Confrontation: All were resolved through higher political intervention.

1. Depsang plain in northern Ladakh during 2013- Prime Minister Li Keqiang's visit to India in 2013 helped to resolve it.
2. Chumar in eastern Ladakh in 2014- President Xi Jinping's trip to India in 2014 helped lower the military temperature.
3. Doklam on the east at Bhutan's border with China in 2017- A series of high-level meetings between Modi and Xi at various multilateral settings in 2017 provided the necessary political push to disentangle the conflict that lasted 73 days at Doklam.

Background: Two summit-level retreats between Modi and Xi — at Wuhan in 2018 and near Chennai in 2019.

Three features defining the new normal:

1. **Incursions Across the other's claim line:** These were common but not threatening due to divergent perceptions of the Line of Actual Control. Since the late 1980s, Delhi and Beijing had crafted a series of protocols to address these incursions.
2. **Intense face-offs between them:** The protocols are unable to cope with the new dynamic marked by more vigorous patrolling by the two-armed forces and more frequent and intense face-offs between them.
3. **Reduction in trust:** The diminishing trust between Delhi and Beijing amid the widening arrangement of economic and political conflict threatens the capacity of the two security establishments to manage crises.

Danger: There is a danger of the current face-off in eastern Ladakh becoming a bigger military confrontation.

Three urgent need to control situation:

1. **Taking Opposition in confidence:** PM must take the Opposition political parties into confidence on the nature of the crisis.

2. **Need for an early political consultation:** for exploring ways to end the stand-off. Reports that Chinese troops are sitting on Indian territory underline the importance of restoring the status quo which is possible through high level meetings.
3. **A renewed effort at resolving the conflict over the boundary dispute:** It must necessarily complement the management of frequent crises on the Indian frontier with China. In recent years, Delhi has often proposed that the two countries must begin the clarification of the LAC on an urgent basis. That would pave the way for a political settlement of the boundary dispute.

Way Forward

Instead of increasing tensions in a world reeling under the effects of COVID, India and China must engage in high level political engagements to diffuse them.

49. Whether there is an absence of Judicial Activism during Covid19?

Source: [The Hindu](#)

Syllabus: GS 2- Structure, organization and functioning of the Executive and the Judiciary—Ministries and Departments of the Government; pressure groups and formal/informal associations and their role in the Polity.

Context: Like the rest of the world, India is struggling with the public health crisis caused by COVID-19. The worst affected are migrant labourers. The Supreme Court has failed to satisfactorily acknowledge that the fundamental rights of migrant labourers have been violated.

Problems for Migrant Labourers:

- No work.
- No source of income.
- No access to basic necessities.
- No quality testing facilities.
- No protective gear.
- No means to reach home.

No relief for workers:

- **Issue of Fundamental rights:**
 - **Violation of Fundamental rights:** In this lockdown, enough evidence points to violation of fundamental rights of vulnerable populations like migrant labourers have been grossly violated.
 - **Petitions not entertained:** The Supreme Court has refused to admit many petitions or adjourn them. By effectively not granting any relief, the Court is denying citizens of the most fundamental right of access to justice, ensured under the Constitution.
- **The migrant labourers issue is inherently an inter-State issue:**
 - In lockdown, the Centre issued many directives but designated the States as the implementing authorities.
 - **Lack of accountability:** As it is an inter-state issue, they are shifting blames on each other. The questions like Who will guarantee safe transport for the return of migrant workers? When in quarantine, who will grant them a sustenance allowance, or look after their health issues etc. remain unanswered. Only the Supreme Court can enforce accountability of the Centre in these matters.

Grounds of Rejection of petitions by courts:

- **Matter of policy:** The condition of migrant labourers is a matter of policy and thus, does not require judicial interference.

- **Government doing its duty:** Governments already provide have already provided labourers with two square meals a day.
- **'How can such things be stopped':** Incidents like the horrific accident where migrant labourers sleeping on railway tracks were killed cannot be avoided.
- **'Merely' on the basis of based on reports:** Lawyers using it to approach the Court.

What court can do on question of policy and non-judicial interference:

- **Numerous judgments where it has laid out matters of policy:** The Vishaka guidelines on sexual harassment in the workplace, the right to food and various environmental protection policies. In these cases, the Court formulated policies and asked the States to implement them.
- **Presumption by the Court that the government is the best judge of the situation:** The Court seems to have forgotten that the Constitution does not fall silent in times of crises.
- **Monitoring state obligations:** Nothing prevents the Court from monitoring the situation itself directly. It could easily direct bureaucrats to collect empirical data on the ground.

Observations regarding lack of compassion or judicial sensitivity in handling this situation:

1. **Discouraging petitioners from approaching courts:** As the Court determines that it is the executive's responsibility. Ordinarily, the Court would have at least nudged petitioners towards the High Courts, but here, even that choice is not available.
2. **Matter of how the Court is treating such public interest litigations:** The concept of a PIL is to be non-adversarial but the Court is treating these as adversarial matters against the government. PILs, in fact, ought to be a collaborative effort between the court and all the parties where everyone comes together in seeking a resolution to the problem. SC studiously ignoring the real plight of millions of migrants who do not have either the money or the profile to compete for precious judicial time with other litigants.

Term: PIL: PILs are a specific instrument designed to ensure the protection of the rights of the poor, downtrodden and vulnerable and "any member of the public" can seek appropriate directions on their behalf.

Roles:

- **States:** To ensure that adverse consequences of this pandemic are minimised.
- **Judiciary:** The judiciary becomes the all-important watchdog in this situation to monitor a state's duty that it is always bound by constitutional propriety and respects fundamental rights.

Role of High Courts as islands of rationality, courage and compassion:

- At least four High Courts (Karnataka, Madras, Andhra Pradesh and Gujarat) have started asking questions about migrant rights.
- The Madras High Court has quashed criminal defamation cases against media houses stating that democracy cannot be throttled this way.

Way Forward

The subject matter of migration is inherently an inter-State issue and not an intra-State one. The Supreme Court should not ignore migrant workers when they most needed protection.

50. What role has the Empowered Group 6 played during Covid-19 pandemic?

Source: [Indian Express](#)

Syllabus: GS-2- Development processes and the development industry – the role of NGOs, SHGs, various groups and associations, institutional and other stakeholders.

Context: The Empowered Group 6 has played an important role in response to the Covid-19 pandemic in India.

Background: The government has set up 11 empowered groups for ensuring a comprehensive and integrated response to the Covid-19 pandemic. These groups have been set up under Disaster Management Act, 2005.

Empowered Group 6:

- The Empowered Group 6 was constituted in April 2020. It is chaired by NITI Aayog CEO Amitabh Kant.
- Its mandate is to hold discussions with the stakeholders regarding identification of problems, effective solutions and formulation of plans against COVID-19.
- The **various stakeholders** in the group are:
 - UN agencies, World Bank, Asian Development Bank
 - Civil Society Organizations and development partners
 - Industry associations – CII, FICCI, ASSOCHAM, NASSCOM

Role played by different stakeholders:

Civil Society Organizations and Non-governmental Organizations:

- Around 92,000 CSOs and NGOs are assisting state governments and district administrations in response to the Covid-19 pandemic. Some major NGOs involved are Akshaya Patra, Rama Krishna Mission, Tata Trusts, Piramal Foundation, Bill and Melinda Gates Foundation, Action Aid etc.
- NGOs have played a key role in delivering essentials, creating awareness about prevention, social distancing, setting up community kitchens, providing shelter to the homeless, the daily wage workers.

International Organizations:

- WHO and UNICEF have helped in skill building of 15,300 trainers, training for 3951 health officers on Integrated Health Information Platform, procurement of 2 lakh PPEs and 4 lakh N95 masks.
- UNDP is engaged in the procurement of medical supplies including ventilators for 25 States.

Industrial Organizations: CII, FICCI, and NASSCOM have facilitated innovations and have also helped India become self-reliant in manufacturing of PPEs and masks. At present, 104 domestic firms make PPEs and four manufacture N95 masks. Over 2.6 lakh PPEs and two lakh N95 masks are manufactured in India daily.

Industry and Start-ups: Universities, industries, start-ups have provided many technology-driven solutions during Covid-19 pandemic. Some of them include:

- Qure.ai: The start-up has developed AI enabled analysis of Chest X-Rays (CXRs) with a capacity of processing 10,000 CXR images per day.
- Kaaenaat: It is aimed at being operationalized by people with minimal ventilator related training like Asha workers and is highly portable
- Agva: The cost-effective ventilator developed by this start-up is highly mobile and can be operationalized in ambulances and makeshift COVID wards.
- Dronamaps: The advance GIS and geo-fencing enabled maps developed by this start-up can be utilized for informing cluster strategies for hotspots.

51. Analysis of the Kashmir policy

Source: [The Hindu](#)

Syllabus: GS 2- Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.

Context: Jammu and Kashmir is suffering from twin lockdowns: rising violence and unilateral government actions.

Whether there is Biasness in new domicile rules notified on May 18, 2020?

- **Replacing Jammu and Kashmir state subject law:** These rules seek to replace them and are based on the Home Ministry's order of March 31. The state rules are recognised under Article 35A of the Indian Constitution which entitled permanent residents of the State to free education along with reservation of government jobs and sole rights to land ownership.
- **Entitled for:** The new rules entitle anyone who has worked or lived in the State for 15 years or studied there for seven years to receive a domicile certificate and the benefits previously reserved for permanent residents.
- **Entitle Union government officials:** Those who have served in the State for 10 years to domicile along with their non-resident children and list the categories of those eligible: members of the IAS (including those working in statutory bodies), public sector units and banks, central universities and 'recognised research institutes of the Central government'.

Problems in changes done to functioning of Jammu and Kashmir:

- **Marginalised groups who were denied their rights:** The argument in support is that the domicile rule notification were necessary since many marginalised groups were denied their rights under the State subject law such as refugees from west Pakistan. Then this should also be expanded to the permanent resident category to include these groups, without doing away with it altogether.
- **Challenged in Supreme Court:** Changes are said to be followed through by the President and Parliament of India but they ignore the fact that the presidential orders and Reorganisation Act of August 2019 are under constitutional challenge in the Supreme Court.
- **Lack of trust building:** After the announcement of reorganisation of Jammu and Kashmir, separate committees were set up to divide Jammu and Kashmir's assets between the two new Union Territories. The State police was put under direct rule by the Union Home Ministry. The Upper House of the Assembly was abolished. Land was taken for sale to industry, national tourist conglomerates were invited to take over what was a flourishing local industry and mining rights were sold to non-Kashmiri contractors.
- **Lack of political activities:** The Jammu and Kashmir Legislature remains dissolved and many of its political leaders remain under detention. Their concerns are not incorporated.

Whether it is the last stroke on the state's internal autonomy?

- **Article 35A and the State subject law:** Many see them as the last remaining bastion of the State's internal autonomy guaranteed under the instrument of accession signed by Maharaja Hari Singh.
- **Linked to identity:** These two grew to be closely tied to Kashmiri identity and Kashmiri empowerment through education and employment.

- **Fear of Demography change:** As armed insurgency rose in the 1990s, many Kashmiri political leaders raised fears of an Indian intention to alter the demography of the Muslim-majority Valley and several Jammu districts.
- **Rise in armed encounters:** With the fall of these laws, disaffection has exponentially multiplied in Jammu and Kashmir. Armed encounters are on the rise and the security situation is extremely fragile.

Way Forward

The government needs to reduce mounting security threats by following Atal Bihari Vajpayee's policy of 'Insaniyat, Jamhuriyat, Kashmiriyat' for peace in the valley.

52. Post Covid-19 world order

Source: [The Hindu](#)

Syllabus: GS 2- Indian Constitution—historical underpinnings, evolution, features, amendments, significant provisions and basic structure.

Context: Certain issues like those relating to the convergence of technologies such as biotechnology, genetic engineering and information technology will have a long-term impact on geopolitics.

Importance of Data and Technology during Pandemic: National governments, policymakers and healthcare researchers are using technology and data to plan and improve economic activities, social development, and treat deadly diseases more effectively than ever before.

How the pandemic has changed the idea of privacy?

- **Technology and data are inherently geopolitical:** Proper data related to the COVID-19 outbreak were not shared in time and that is why there is so much anger towards the WHO and China.
- **Dependence of government:** The nature of technology and data has placed tech giants such as Google, Facebook and Amazon in a commanding position. The government are depending on them for useful data.
- **Change in perception on the Issue like privacy:** The current pandemic is a great example of how people across the globe have accepted the idea of their live locations being traced and shared with governments. In India, more than 90 million people have downloaded Aarogya Setu without showing any concern regarding the right to privacy.
- **Influence of tech giants:** Tech giants are taking a leading role in geopolitics and at times playing on their own and sometimes as proxies of nation states to influence policymaking and national regulations. For example the U.S.-China trade war, the position of governments on Huawei 5G technology etc.
- **For welfare of society:** The data need to be used towards the welfare of society but the sharing of data presents many challenges to human rights. COVID-19 is a good example of this.

Restrictions on the flow of data:

- Across the world, data protection laws, requirements of data localisation, laws related to weakening of encryption keys and data retention requirements such as the General Data Protection Regulation of the EU are increasing from last few years.
- **Focus on protection of personal data:** Too much focus on it and privacy give little thought to the broader impact of data on mobility and social aspects.

- **Issue of data sharing:** Data protection frameworks such as the CLOUD Act of the U.S. is aimed at putting users in control of their data. But they have issues relating to data localisation and cross-border flow of information.

Use of Data in the post-COVID world:

- Digital equity will require frameworks relating to governance of technology and data that look beyond geopolitical considerations.
- We need to distinguish individual data from large global data sets.
- We cannot decide the current human rights framework to human rights in the digital and biological domain.
- The current concept of privacy and cross-border flow of information may require significant change.
- There is a dire need to impose obligations for data flow on countries and tech giants in the larger interest of mankind.
- We need to establish a baseline of global norms of data governance that go beyond privacy and geopolitical considerations.

Way Forward

In the post-COVID world, countries and tech giants should be obligated to share data in the larger interest of mankind

53. Unification of labor legislation

Source – [Livemint](#)

Syllabus – GS 2 – Government policies and interventions for development in various sectors

Context – The one-sided labor reforms carried out by states are being criticized, which underlines importance of set of principles to unify them

Principles on which unification of labor laws need to be promoted

| Principles | Significance |
|--|--|
| 1. Labor laws under all ministries need unification. | <ul style="list-style-type: none">• A large chunk of labor and employment laws are outside the purview of Ministry of labor. Thus, a comprehensive law can be promoted for better governance. |
| 2. Holistic definition for employee | <ul style="list-style-type: none">• An employee is an employee, regardless of whether s/he is formal, "part-time", "work from home" or "migrant", and must have all rights available to formal employee. There must be a system of registration of employees, and incentives for it. |
| 3. Similar system of registration for employers, and the responsibilities placed on employers must also devolve on contractors | <ul style="list-style-type: none">• Makes the process of registration less cumbersome and provide for shared responsibilities between employers and contractors. |
| 4. Model labor law by center for a general framework to states | <ul style="list-style-type: none">• Labor is in the Concurrent List of the Seventh Schedule – Different states, thus, have varying labor laws. A general framework will provide for common features in state laws. |
| 5. Labor legislation should not be open-ended | <ul style="list-style-type: none">• Providing a fixed time-frame - At the end of this time-period, unless a fresh review |

| | |
|---|---|
| | justifies continuation, a law would get repealed. |
| 6. Employment contract needs to be a bilateral deal between an employer and employee | <ul style="list-style-type: none"> Since, productivity is an individual matter, and at best an enterprise-level issue. A single law for same wouldn't do justice for both employer and employee. |
| 7. Safety and welfare provisions to be delivered by a cluster of establishments collectively (employers, dealers, importers etc) not only by employers. | <ul style="list-style-type: none"> This provides for shared risk among all stakeholders and brings better management at all levels for employee's safety. |
| 8. Any employee association should be at the enterprise-level, with mandatory registration and an electronic register | <ul style="list-style-type: none"> As employee rights are best served if everything is decentralized, right down to the enterprise level. |

Way Forward – Every policy action needs to be based on clear set of principles which takes in consideration interest of all the stakeholders. Such policies are heralded for their ethical basis and their ability to usher industry in decentralized models for development of all.

54. Reforms in Indian Courts

Source: [The Hindu](#)

Syllabus: GS-2- Structure, organisation and functioning of the Executive and the Judiciary, Judicial Reforms

Context: It is high time that the courts move from oral hearing-based system to one based on written submission

How will a written submission-based system help?

| Issue | Solution |
|--|---|
| <ul style="list-style-type: none"> Improper Case Listing and frequent adjournments: In subordinate courts and high courts a significant time of daily proceedings is wasted on cases where only adjournments are sought for procedural matters like filing of replies. | <ul style="list-style-type: none"> There should be a system where cases are listed when all the documents are filed within strict timelines and every procedural requirement is fulfilled. Listing before court should be done only in cases which require urgent intervention from the court. |
| <p>Special leave petitions (SLPs):</p> <ul style="list-style-type: none"> Article 136 of the Constitution empowers people to file a petition seeking leave to appeal a decision of any judicial or quasi-judicial authority. However, the SLPs have been misused and resulted in pendency of cases in the SC. According to reports, SLPs comprise about 60-70% of the Supreme Court's cases. Out of this, only 10-20% raise important questions of law. | <ul style="list-style-type: none"> The Supreme Court Rules, 2013 should amend provisions pertaining to Special Leave Petitions (SLPs). There should be a structure to provide for pre-hearing of SLPs. Each SLP should be accompanied by an application for oral hearing which must be decided first by the Court. Only such SLPs in which oral hearing is permitted should be listed for hearing. |

Way Forward:

The Law Commission of India in its 230th report provided measures to deal with the pendency of cases plaguing Indian Judiciary. These include:

- providing strict guidelines for the grant of adjournments,
- curtailing vacation time in the higher judiciary,
- reducing the time for oral arguments unless the case involves a complicated question of law
- framing clear and decisive judgements to avoid further litigation
- Digitization of courts

55. India-china border

Source: [Live Mint](#) and [Live Mint](#)

Syllabus: GS 2- India and its neighbourhood- relations.

Context: India and China are engaged in a confrontation in eastern Ladakh along the Line of Actual Control (LAC).

Latest Developments:

- **Hotspots:** Two hotspots along the LAC (in Ladakh and Sikkim) threaten to turn into military flashpoints.
- **Alert:** Indian armed forces are said to be on alert and diplomacy is expected to dial down tensions. The US President has offered to “mediate or arbitrate” the dispute.
- **Rise in defence budget by China:** China’s troop build-up and incursive attempts— in Ladakh’s Galwan areas seem threatening in the context of Chinese President asking his country’s army to raise its battle-readiness shortly after Beijing upped its defence budget by 6.6% this year to nearly \$180 billion.

Issues in Chinese increase in defence expenditure:

1. **How does the current increase compare with the budgetary increases of the past?**
 - a. Though not as high as last year, it does represent an important increase especially during the time of a pandemic when most countries are under fiscal distress.
 - b. According to the Stockholm International Peace Research Institute, Chinese military spending in 2019 was 5.1% higher than in 2018 and rose by 85% between 2010 and 2019.
 - c. From 1994 to 2019, the PRC has sustained year-on-year increases in spending.
2. **The extent of motivations behind China’s accumulation of defence capabilities:**

It will pose a threat to its immediate neighbours, including India.

 - a. **Compelled by:** China is trying to keep key military industries afloat and ensuring the continued loyalty of the People’s Liberation Army (PLA) to the Xi Jinping-led Communist Party of China.
 - b. **Covid-19 Backlash against the China:** This has affected Xi’s hold on power under stress. The pandemic has compelled him to keep select internal constituencies sufficiently placated and mollified.
 - c. **To press its claims against its immediate neighbours:** There are potentially adverse continental and maritime consequences for China’s immediate neighbours. For example- the latest round of tensions between India and the PRC are an instructive revelation of the extent to which China is ready to push ahead with its territorial claims along its contested boundary with India.
 - d. **Issue linkages:** It has gained currency in Beijing as it steps up its confrontation along the LAC in a quest to prevent New Delhi’s support for a global investigation of the origins of the coronavirus.

3. **Despite experiencing negative growth for the first time since 1976, the PRC has hardly shown any doubt about its defence requirements:** It is evident in its latest increase in defence spending.
 - a. **Nationalism:** It has been the source of Chinese aggression and the continued budgetary increases for defence, despite its shrinking economy.
 - b. China is picking fights with multiple actors because of what it sees as a nationalist imperative.

Reasons for China's geopolitical actions:

- **China bending towards Hegemony:** China has been flexing muscle along the LAC and elsewhere too. Its defence policy envisions a high-tech ground military force to go with an enhanced capacity to project maritime force across the high seas of the Indo-Pacific.
- **Diversionsary tactic:** It is seen as a diversionsary tactic to relieve Xi of pressure over the regime's handling of the global response to its role in the covid outbreak. It could be a convenient way for the regime to rally nationalistic support back home.
- **Accusing India of ulterior motives:** In India's recent moves to close the asymmetry in terms of border-area road access. For example, India opened the country's highest altitude all-weather bridge in eastern Ladakh which is some 45km from Chinese territory.
- **Trust deficit:** China is being discussed around the world for its not so clear efforts to leverage its relatively quick corona recovery to exercise greater sway over world affairs. Beijing's bad designs on Europe in terms of an aid provider appear to have weakened Sino-European ties.

Way Forward

In a time of covid pandemic, it is clearly in the interests of both New Delhi and Beijing to avoid any confrontation along the 3,500-km-long Line of Actual Control (LAC).

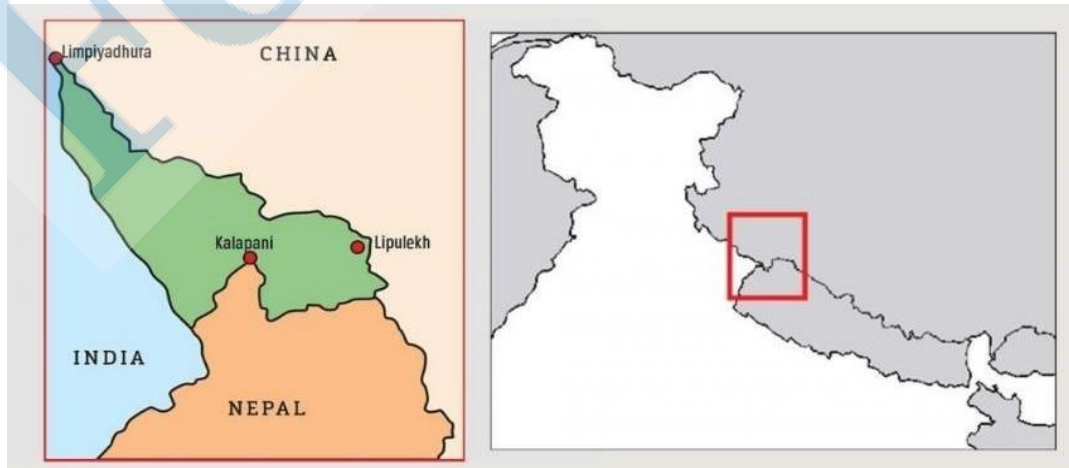
56. How India-Nepal relations deteriorated?

Source: [The Hindu](#)

Syllabus: GS 2- India and its neighbourhood- relations.

Context: India and Nepal relations deteriorated with the immediate provocation of the long-standing territorial issue surrounding Kalapani.

Kalapani: It is a patch of land near the India-Nepal border, close to the Lipulekh Pass on the India-China border. It is one of the approved points for border trade and the route for the Kailash-Mansarovar yatra in Tibet.



Source: Outlook India

Issue of Kalapani:

- **India inherited the boundary:**
 - **Treaty of Sugauli in 1816:** Boundary was established between Nepal and the East India Company. Kali river constituted the boundary and the territory to its east was Nepal.
 - **Dispute:** It relates to the origin of Kali. There is a confluence of different streams coming from north-east from Kalapani and north-west from Limpiyadhura in Dharchula Tehsil of the Pithoragarh district of Uttarakhand.
 - **Change:** The early British survey maps identified the north-west stream, Kuti Yangti, from Limpiyadhura as the origin. After 1857, it changed the alignment to Lipu Gad and in 1879 to Pankha Gad. It defines the origin as just below Kalapani. Nepal accepted the change and India inherited this boundary in 1947.

Post-Independence: (1947-1996)

| Timeline | Event |
|---|---|
| The Maoist Revolution in China in 1949 | It was followed by the takeover of Tibet which created deep doubts in Nepal and India was 'invited' to set up 18 border posts along the Nepal-Tibet border. |
| 1953 | India and China identified Lipulekh Pass for both pilgrims and border trade |
| 1961 | China-Nepal Boundary Treaty that defines the zero point in the west, just north of Tinkar Pass. |
| By 1969 | India withdrawn its border posts from Nepali territory. The base camp for Lipulekh remained at Kalapani. In their respective maps, both countries showed Kalapani as the origin of Kali river and as part of their territory. |
| After 1979 | ITBP has manned the Lipulekh Pass. |

After 1996:

- **The 1996 Treaty of Mahakali:**
 - It envisaged Pancheshwar multipurpose hydel project and the issue of the origin of Kali river was first raised in 1997.
 - The matter was referred to the Joint Technical Level Boundary Committee that had been set up in 1981 to re-identify and replace the old and damaged boundary pillars along the India-Nepal border.
 - The Committee clarified 98% of the boundary, leaving behind the unresolved issues of Kalapani and Susta when it was dissolved in 2008.
 - It was subsequently agreed that the matter would be discussed at the Foreign Secretary level.
- **Change in the status of Jammu and Kashmir as two Union Territories:** The Survey of India issued a new political map (eighth edition) on November 2, 2019. Nepal registered a protest though the map in no way had changed the boundary between India and Nepal.
- **Ninth edition was issued:** The delineation remained identical but the name Kali river had been deleted. It led to stronger protests with Nepal invoking Foreign Secretary-level talks to resolve issues.

The complexity underlying India-Nepal issues:

- **Weakening of Mr. Oli's domestic political situation:**
 - Under the Nepali Constitution, a new PM enjoys a guaranteed two-year period during which a no-confidence motion is not permitted which ended in february resulting in resentment against Mr. Oli's governance.
 - **Inept handling of the COVID-19 pandemic:** It added to the growing disenchantment.
 - **Party politics:** Within the Nepal Communist Party (NCP), there was a move to impose a 'one man, one post' rule that would force Mr. Oli choose between being NCP co-chair or PM.
 - **Political Lifeline:** Indian Defence Minister virtually inaugurated the 80-km road and provided Mr. Oli with a political lifeline.
 - **Nationalism card:** He donned the nationalist mantle vowing to restore Nepali territory and marked a new low in anti-Indian rhetoric by talking about "the Indian virus being more lethal than the Chinese or the Italian virus".
- **New Map of Nepal:** It is based on the older British survey reflecting Kali river originating from Limpiyadhura in the north-west of Garbyang was adopted by parliament and notified. The new alignment adds 335 sq km to Nepali territory that has never been reflected in a Nepali map for nearly 170 years.

India's approach should focus on:

- **"Neighbourhood first" policy:**
 - The relationship took a backseat in 2015 when India first got blamed for interfering in the Constitution-drafting in Nepal and then for an "unofficial blockade" that generated widespread resentment against the country.
 - India need to build the trust deficit and show that Nepali nationalism and anti-Indianism are not the two sides of the same coin.
- **China card providing Nepal the leverage to practice their version of non-alignment:**
 - With the abolition of the monarchy, China has shifted attention from keeping tabs on the Tibetan refugee community to the political parties and to institutions like the Army and Armed Police Force.
 - India need to counter China's more assertive foreign policy.
- **Ignoring the changing political narrative in Nepal for far too long:**
 - India remained content that its interests were safeguarded by quiet diplomacy even when Nepali leaders publicly adopted anti-Indian postures.
 - For too long, India has invoked a "special relationship", based on shared culture, language and religion, to anchor its ties with Nepal.

Way Forward

The urgent need today is to lay the groundwork for a quiet dialogue where both sides need to display sensitivity as they explore the terms of a reset of the "special relationship".

57. Revamping India's Healthcare Infrastructure

Source: [Indian Express](#)

Syllabus: GS-2-Health

Context: The COVID-19 pandemic has presented India with an opportunity to overhaul its healthcare infrastructure

Brief Overview of Healthcare sector in India

Government spending on public health: About 1% of its gross domestic product (GDP), compared to 3 per cent in China and 8.3 percent in the United States.

Contribution of Private Sector:

- The private sector provides approximately 70% of the healthcare services in India.
- Private sector's share in hospitals and hospital beds is estimated at 74% and 40%, respectively.

Health Infrastructure:

- The bed density in India is 0.7 per 1,000 population, far below the global average of 2.6 and WHO benchmark of 3.5.
- India has a doctor-to-population ratio of 1:1,445. World health Organization recommends a ratio of 1:1000
- A study based on National Sample Survey Organization (NSSO) data showed the distribution of health workers is uneven between urban and rural areas. Rural areas with nearly 71% of India's population have only 36% of health workers.
- There is uneven distribution of health workers in private and public health sector with more than 80% of doctors and 70% of nurses and midwives being employed in the private sector.

What should the government do?

| Issue/Need | Possible Solution |
|--|--|
| Achieving 1:1,000 doctor population ratio by 2020 | Government needs to increase its spending on the health sector and build new medical institutions. Institutions can be built on semi-private or public-private partnership |
| Revamping Health Infrastructure | Allow FDI in health sector |
| strengthen biomedical research and health technology | <ul style="list-style-type: none">• Encouraging start-ups by giving them tax cuts.• Leverage the potential of private sector in this front |

Conclusion: The Covid-19 pandemic has heightened the importance of a strong healthcare system. India needs to strengthen its healthcare and the private sector has a major role to play in healthcare delivery.

58. India-Africa

Source – [Indian Express](#)

Syllabus – **GS 2** - Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests

Context – Covid-19 creates opportunities to deepen India's engagement with Africa

1. Significance of Africa for India and World



2. India versus China – The growing competition in African Continent

| Parameters | India | China |
|------------------------------|---|---|
| Partnership | India Africa Forum Summit | Forum for China-Africa Cooperation (COFAC) |
| Trade | \$ 62 Billion in 2018 | \$ 208 Billion in 2019 |
| Development Assistance | Rs 855 crore in 2018 | \$ 60 Billion + \$ 1 Billion (One Belt one road) |
| Conditionality of assistance | None – India follows consultative model which considers African needs | Many – Supporting Africa to buy loyalty and pursue Chinese Chequebook diplomacy |

3. India- Africa robust ties are built on following pillars:

| Health | Climate Change | Human Resource |
|--|---|--|
| <ul style="list-style-type: none"> Supply of generic medicines Telemedicine Medical Tourism | <ul style="list-style-type: none"> Solar panel factory in Mozambique International solar alliance Solar Mamas - Trained for maintaining solar lights | <ul style="list-style-type: none"> 40% of training seats under ITEC reserved for Africa 6000 Indian soldiers in UN Peace keeping mission in Africa |

4. Opportunities created by COVID -19 for enhancing partnership

- Fund Creation** - A new fund for Africa can be created by India and adapt its grant-in-aid assistance to reflect the current priorities.
- Engaging with other nations** – Under Quad-Plus, the four diamond democracies of US, India, Japan and Australia can engage with African nations who have shared interest in Indian ocean security and development.

- c. **Tele-education** - The movement of African students to India for higher education has been disrupted by COVID, India may expand the e-VidyaBharti (tele education) project to establish an India-Africa Virtual University.
- d. **Containing and mapping Covid** - The Aarogya Setu App and the E-Gram Swaraj App for rural areas for mapping COVID-19 are technological achievements that could be shared with Africa.
- e. **Collaboration In anti-locust operation** – This includes sharing best practices and India providing data to affected nation using advanced technology like remote sensing.

Way Forward – India needs to enhance its relationship with African nations with philosophy of compassion, harmony and dignity to help the rising continent achieve its potential in 21st century.

59. India- Australia

Source – [The Hindu](#)

Syllabus – GS 2 - Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

Context – India's first bilateral virtual meeting with Australia

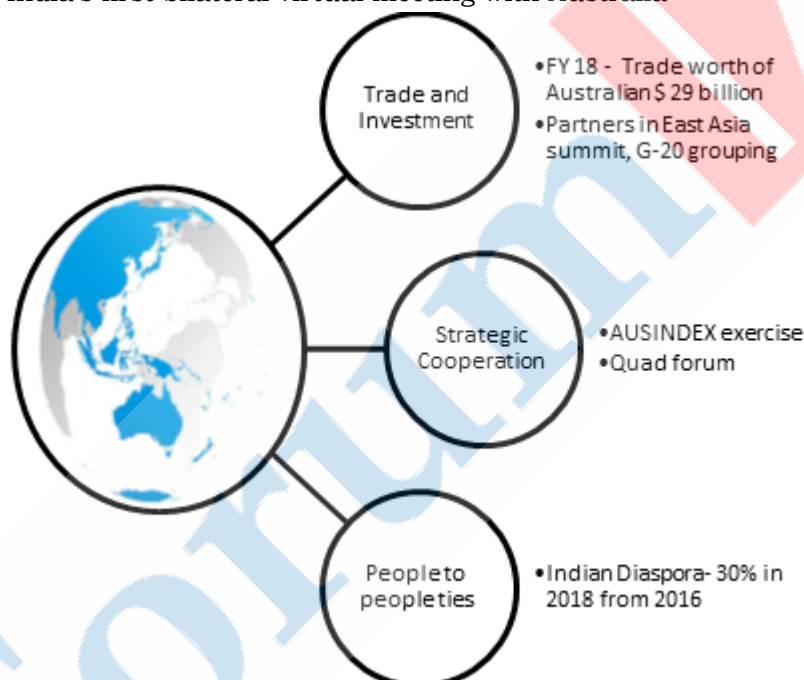


Figure 1 – Pillars of relationship

Potential in relation which are yet to be tapped:

- a. **Mutual Logistics Support Agreement** - This would enhance defense cooperation and ease the conduct of large-scale joint military exercises between two democracies. It also has potential for Australia's permanent inclusion in the Malabar exercise with Japan.
- b. **2+2 Format** – Currently under 2+2 format secretary level talks are held for Foreign and Defense. This can be upgraded to ministerial level talk in the upcoming virtual summit.
- c. **Pandemic control lessons** – India and Australia can partner in learning lessons for control of pandemics. Australia has one of the lowest infection rates which make its strategy a successful tool and provide lessons for India too.

- d. **Higher Education** – Australian Universities are proving to be resilient and pioneers in distance and online learning which can be tapped for Indian students who sail across to Australia for better education.

Way Forward – India- Australia have much in common, underpinned by shared values of a pluralistic, Westminster-style democracies, Commonwealth traditions, expanding economic engagement and increasing high level interaction. The pandemic induced virtual meet is an opportunity to enhance their ties at bilateral level.

60. Industrial Dispute Act

Source – [Indian Express](#)

Syllabus – GS 2 - Government policies and interventions for development in various sectors and issues arising out of their design and implementation

Context – Millions of desperate migrants rushing home presents the challenges associated with Industrial Act

1. **Industrial Dispute Act** – This act was enacted to shape the relationship between employer and employee. However, it has created many roadblocks in removing the trust-deficit between two.
2. **Problematic Provisions under Section v of Act**

| | |
|-------------------------------|---|
| 1.Hiring more than 99 workers | •Employer has to notify government before he can fire any of them |
| 2.Hiring more than 20 workers | •Employer has to provide provident fund commitments and bonus payments |
| 3.Denying severance pay | •Employer opting to deny severance pay can't employ worker for more than 240 days |

Implications of these provisions

1. **Discourage entrepreneurship** – The thresholds placed on employers discourage them to expand their units and business. This directly affects one of the most critical element of factor of production that is entrepreneurship.
2. **Promote Informal and dwarf industries** – Firms, in order to stay away from bureaucratic hassles, employ less than 20 employees and remain dwarf in size. This in turn affects their economies of scale, overall production and profit.
3. **Lack of skilling in employees** – These provisions also discourages the employers to provide better skills to their employees. Since investment in skilling leads to employ worker for longer period but also necessitates payment of severance pay which add to cost of production for employer.

Way Forward – For promoting economies of scale and do away with dwarf industries, removal of thresholds under Industrial Dispute is the need of the hour. COVID crises provide us the opportunity to learn lessons and act for welfare of have-nots of the society.

General Studies Paper - 3

General Studies - 3

1. Digitising Trade across borders

1. Patent Pooling

Source: [The Hindu](#)

Syllabus: GS 3: Science and Technology: Issues relating to intellectual property rights

What has happened: Costa Rica recently urged the World Health Organization to set up a voluntary system for companies to “pool” patents and other intellectual property.

What are patents? A patent is a form of intellectual property right. It gives its owner the right to exclude others from making, selling and importing an invention for a limited period of time.

Indian Patent System:

- An invention relating to a product or a process that is new, involving an inventive step and capable of industrial application can be patented in India.
- The patents are governed by the Patents Act, 1970. The Act was amended in 2005 wherein product patent was extended to all fields of technology including food, drugs, chemicals and microorganisms. The term of every patent in India is twenty years.
- The Patents Act is implemented and administered by the Office of the Controller General of Patents, Designs and Trade Marks (CGPDTM). The CGPDTM reports to the Department of Promotion of Industry and Internal Trade under the Ministry of Commerce and Industry.
- Patent applications are filed and processed at Indian Patent Office, an office under CGPDTM. The Indian patent office is headquartered at Kolkata with branches in Chennai, New Delhi and Mumbai.

Patent pooling: It can be defined as an agreement between two or more patent holders to aggregate some or all of their patents for the purpose of cross-licensing i.e. they license their patents to one another or to third parties. The main aim of patent pools is to facilitate the sharing and transfer of intellectual property. This facilitates innovation with a minimum of disturbance from IP-related legal issues.

Example: In 1998, Sony, Pioneer and Philips formed a patent pool for DVDs

| Advantages | Disadvantages |
|---|--|
| Reduces litigation | Difficult to form |
| Reduces transaction costs | Expensive to administer |
| Establishment of industry standards | Distortion of competition |
| Helps in faster development of technology Efficiency in production | Anti-competitive licensing practices may arise |
| Clears Blocking patents- when patents are mutually blocking or one patent infringes the other | Potential forum for price-fixing |

Patent Pooling in the Biomedical Sector: In 2010, UNITAID created the Medicines Patent Pool (MPP). MPP's aim was to aggregate patents, clinical trials data and other IP relating to HIV/AIDS, Tuberculosis and Hepatitis-C medications. This was done to make them available at low cost to manufacturers that commit to produce and sell these to developing nations and low-income countries.

Earlier, patent pooling was advocated during various disease outbreaks that gripped the world. For example, patent pooling was considered in response to the SARS outbreak of 2002-03, the H5N1 influenza outbreak of 2005, and the H1N1 influenza pandemic of 2009. However, they were never formed.

Importance of Patent Pooling in Public Health

WHO Global Strategy and Plan of Action on Public Health, Innovation, and Intellectual Property: (GSPOA) recognized that patent pools can facilitate innovation and promote access to new health products.

The Doha Declaration on Public Health (2001) which is a part of the TRIPS (Trade-Related Aspects of Intellectual Property Rights) agreement also advocated patent pooling. The Declaration says that TRIPS member states can circumvent patents to protect public health and promote access to medicines.

The importance of patent pooling in public health is four-fold:

1. Patent pooling is based on cooperation and shared knowledge. It helps curb the monopolization of life-saving health products and technologies.
2. The patent pools could improve access to affordable health technologies and products, particularly in poor countries.
3. It can facilitate follow-on innovation to obtain access to the necessary IP to undertake further research and development.
4. It helps in faster production and thus ensures quick availability of drugs and vaccines. This is because the creation of a pool and immediate licensing ensures that there are hundreds of manufacturers across the world.

Coronavirus Pandemic and Patent Pooling- What is the way forward?

At a time when the world is gripped under a pandemic, it is important to fasten the development of vaccines and medicines to fight COVID-19. It is important to make medicines and vaccines available at an affordable cost. Any impediments in form of multiple patents, licensing issues could prove disastrous to humanity. At the same time, it is important to acknowledge and protect the sanctity of the patent system and innovation.

A global patent pool for COVID-19 should have a four-fold approach-

- Global pool of COVID-19-related innovations should be created. It should be managed by a responsible international organization.
- There should be cooperation from countries and international organisations, researchers, innovators, companies and universities for the patent pool
- Public-private partnerships (PPP) need to be scaled up. A 'PPP-pandemic patent pool' at a global level, to pool all innovations should be created.
- The very idea of profit making amidst a pandemic should be kept aside and focus should be on saving human lives.

2. An open-ended, expanded employment guarantee at minimum wages should be its centrepiece

Syllabus: GS 3: Economy: Indian Economy and issues relating to planning, mobilisation of resources, growth, development and employment.

Source: [Indian Express](#)

Context: As the world celebrates labour day today, the pandemic situation has magnified the economic hardship for the migrant workers and daily wage earners. Therefore, the government needs to ensure all Indians a measure of livelihood and income security.

Steps to be taken by the government:

1. An Expanded employment guarantee scheme which should aim to provide work to all job-seeking persons at least at minimum wage.
2. Cash-Transfer is perceived as a dole where an expanded employment guarantee scheme entails work and dignity.
3. Providing a part of wages in the form of subsidized food grain would be beneficial for 94% of the workforce in the informal sector.
4. MGNREGA should be revamped to cater to the needs of rural employment demand which would be enhanced due to the migration of workers.
5. MGNREGA should be made open-ended i.e beyond 100 days during the pandemic.
6. Home-based activities should be permitted as 'work from home' for certain groups of workers. Ex- making masks,soaps etc
7. Panchayats and municipalities can be very effective in dealing with COVID-19 epidemic, as showcased by Kerala.
8. The recovery package should contain a set of dedicated taxes for adding a special 'Disaster Management Employment Guarantee Programme'. For example, a wealth tax of 1-2% would also address socio-economic justice.

Additional information:

Minimum Wage Act, 1948:

1. The parliamentary act provides jurisdiction in fixing wage rates to both the Union government and the state governments.
2. Payment of wages below the minimum wage rate amounts to forced labour.
3. There is no single uniform minimum wage rate across the country. For example, the highest minimum wage rate as updated in 2012 was Rs. 322/day in Andaman and Nicobar and the lowest was Rs. 38/day in Tripura.
4. Wage boards are set up to review the industry's capacity to pay and fix minimum wages

Article 43 in the Constitution Of India: The state should make legislation to guarantee Work, a Living wage, a decent standard of living, social and cultural opportunities, full enjoyment of leisure for all workers including agricultural and industrial.

The state should promote cottage industries on an individual or co-operative basis in rural areas.

National Rural Employment Guarantee Act, 2005

1. MGNREGA guarantees the 'right to work' as it aims to provide at least 100 days of wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work.
2. The centrally sponsored scheme is monitored by the Ministry of Rural Development (MRD).
3. The gram sabha, particularly the gram panchayat is tasked with determining the priority of works, execution, and monitoring of the works within the panchayat area
4. Wage employment should be provided to any applicant within 15 days of submitting the application or from the day work is demanded.
5. The applicant must be part of a local household which implies, the application must be made with local Gram Panchayat
6. The applicant has the Right to get an unemployment allowance in case employment is not provided within fifteen days of submitting the application or from the date when work is sought.
7. Social Audit of MGNREGA works is mandatory.

3. Recovery Plan After Covid-19

Source: [LiveMint](#)

Syllabus: GS 3: Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Context: The pandemic has raised questions on the healthcare infrastructure of all countries, their ability to mobilize resources, and social capital to cope up with the social, economic, and political challenges.

The recovery model of the past crisis gives us an understanding of how to model our recovery from the present crisis without going into a recession.

Examples:

Developed countries response to two World Wars and a Great Depression: The world wars accelerated technological innovations in energy, manufacturing and vastly improved the labour pool. In the US, the labour productivity grew at 2.82% per year which meant that productivity doubled every 25 years thanks to better machines driven by electricity and internal combustion.

Japan: Emerged as a developed nation even after being affected by war by augmenting trade and exports. Efforts to strengthen human capital by promoting R&D and skilling activities.

China: The 2008–09 Chinese economic stimulus plan pumped in \$586 billion to manage the economic slowdown, with investments upgrading selected industrial sectors to firm up its presence in the global value chains (GVC). Catalyzed by plans like “Ten Cities, Thousand Vehicles and “Thousand Talents Program (TTP)” and China became a global leader in e-vehicles.

Economic growth and sustainable development are not mutually exclusive. Ex-European Commission announced that every euro into the recovery plan will be linked to green recovery.

Green Recovery Model: Sustainable recovery – three-pronged approach.

1. Ambitious investment in catalysing futuristic green economic activities in selected sectors. Ex- solar power plants, battery technology, and even demand for sustainable textile technologies. e-VTOLs (intra-city electric aerial mobility) as an emerging sector.
2. Solving on ground legacy issues: Incentivize entrepreneurship-based wealth creation (Economic survey) by reforming factors of production through competitive and cooperative federalism.
3. Instituting an omnichannel skilling architecture. Ex- adequate online-offline training courses, big-ticket vocational programmes, specially directed at informal sector, A strategic skill committee may be empowered to dynamically identify key skills all of which should be under a single Green Development Program of Ministry of Environment.

The way forward: To conclude, the current pandemic calls for deep-set forces and scientific concepts of development for building a dynamic and modern economy. Green growth is one such concept that will add a new dimension to the economic dynamism of the sub-continent helping it serve the aspirations of its citizens.

4. Role of central bank during the pandemic

Source: [Insider Spirit](#)

Syllabus: GS 3- Issues related to Indian economy

Context: RBI's job is to supervise and control the economic system and balancing the issues like the growth of economy and stability of economic system. With COVID crisis, these balancing acts have become difficult.

What should RBI do?

1. **Balancing the next quarter and quarter century**
 - It must not act like a commercial bank and its aim is to attain a stable economic system without worrying about profits and losses.
 - **Developed vs developing country:** India doesn't have the economic might of US (\$ 2.3 trillion stimulus) or Japan's public debt levels (240% of GDP).
2. **Providing flexibility to handle this economic disturbance**
 - Continuous efforts are required to accomplish RBI's dual mandate of growth and stability.
 - There is a need of reversible, proportional and accountable economic model.
 - While keeping policy rates unchanged, RBI is undertaking liquidity management, so as to improve monetary transmission.
 - Other steps undertaken includes repayment moratoriums (with 10% provisions), providing flexibility with respect to provisioning norms
3. **Ensuring institutional legitimacy and independence**
 - The RBI's independence needs to be balanced with the role of government. Past experiences have shown central banks run by unelected officials increase institutional vulnerability.
 - The RBI must balance the issues between the depositor vs borrowers, company vs banks and stability vs growth.

Role of Central bank to handle Covid19 Crisis:

- **Global experience:** Central banks have taken measures like buying corporate bonds, issuing corporate loans, cutting interest rates, conducting open market operations etc
- **RBI has directed/persuaded banks:** to grant loan moratoriums, hold less capital, restructure loans, pay lower deposit insurance premiums and delay bad loan recognition.
- **The emergency powers:** As the last resort, the RBI can invoke section 18 of the RBI Act to force the banks response to provide financial stimulus.

Pre-existing challenges for RBI

- **Bad loans:** It peaked at Rs 14 lakh crore and turns liquidity into insolvency.
- **Inadequate competition between scheduled commercial bank:** Since 1947, their numbers have hovered between 90 and 100.
- **Private bank governance:** In its report in December 2019, the RBI has flagged off the state of corporate governance in private banks. Ex- corporate governance lapses in Yes Bank, PMC Bank and ICICI Bank.
- **Public sector bank governance:** Absence of governance as the majority shareholder(Govt) is more powerful than boards and CEOs.
- **RBI's working:** There are issues regarding the process, technology and human capital in regulation and supervision of RBI.

Way Forward: To create a prosperous India, an independent, accountable and defined central bank is required.

5. Non- Participation of Private healthcare system in Pandemic battle

Source – [Indian Express](#)

Syllabus – GS Paper 3 – Mobilization of resources

Context – In fight against COVID 19, Private healthcare sector not performing public duty and rather going in self-isolation

Reasons for their non-participation

1. **Employee reluctance** - This is due to pay cuts, the fear of sealing, the future consequences to brand value of hospitals identified with the pandemic, the lack of established protocols and protective gear.
2. **Bureaucratic hurdles** – Example in Telangana, administration instructed private sector hospitals to refer viral patients to government facilities
3. **Cost of treatment** – The high cost of treatment (includes testing kits, hospitalisation and quarantine care) reduces demand of private healthcare. This also affects their business viability.
4. **Nationwide lockdown**- This has led to falling revenues and footfalls, accompanied by new expenses and risk.

Implication of their non-participation

1. **Burden on public healthcare system** - Private enterprise owns almost three out of every four hospital beds in India, and almost eight out of 10 ventilators, but they are handling less than 10 per cent of those critically ill with virus, thus all burden falls on public health institutions.
To ease the burden on fellow doctors and paramedics, they need to join the battle.
2. **Failure to perform public duty** – Since 1991, LPG reforms government has helped private sector to grow in India. However, in the times like coronavirus pandemic they need to adopt policy of compassionate capitalism to fight along the same government.

Way Forward – Malcolm X (Civil Rights Movement activist) has said “**When I is Replaced by We, Illness Becomes Wellness!**”, unprecedented times of pandemic presents the opportunity to private healthcare to turn I into we.

6. Covid-19 and the Informal Workers in India

Source: [Indian Express](#)

Syllabus: GS 3: Economy: Indian Economy and issues relating to planning, mobilisation of resources, growth, development and employment.

Context: The Covid-19 pandemic has brought attention back to the informal sector in India.

Informal Sector:

- Informal sector includes all economic enterprises and employment that are not protected or regulated by the government laws and social security system.
- It is characterised by excessive seasonality of employment and casual and contractual employment. Further, there is no formal employer and employee relationship

Informal sector in India- An overview

Ministry of Labour has categorised the unorganised labour deployed in informal sector, under four groups in terms of:

- **Occupation:** Small and marginal farmers, landless agricultural labourers, sharecroppers, fisherman, etc.

- **Nature of Employment:** bonded labourers, migrant workers, contract and casual labourers
- **Specially Distressed Category:** scavengers, head loaders etc.
- **Service category:** Domestic workers, vendors etc.

According to the Periodic Labour Force Survey (2017-18), **90.6%** of India's workforce was informally employed.

Impact of Covid-19 on Informal Sector in India:

1. **Loss of jobs:** Immediate burden of COVID19 lockdown in India has been on the informal sector and its workers. According to the Centre for Monitoring the Indian Economy (CMIE), the unemployment rate in India is at its highest- 27.1%, with millions of informal workers out of job.
2. **Livelihood crisis:** Though many of the people would be able to resume work after the lockdown ends, informal workers, who are involved in casual or contractual work and those who returned to their villages might not be able to resume work putting their livelihood at risk.
3. **Urban-Rural Migration:** The lockdown has witnessed unprecedented urban to rural migration and plight of poor migration workers. The migrant workers would not be gainfully employed in farming activities.
4. **Increase in informalization post lockdown:**
 - Informal employment will increase as workers who lose formal jobs during the COVID crisis will try to find or create work in the informal economy.
 - Further, formal enterprises are likely to continue hiring informal workers to cut labour costs during the economic crisis which awaits post lockdown.

Steps to be taken:

Formalization of informal economy is the goal to be achieved. However, it is a complex and long process. Therefore, certain immediate steps should be taken:

- **Social Security:** It is important to ensure basic working conditions such as adequate living wages, limits on hours of work and safe and healthy workplaces. The draft Code on Social Security and Pradhan Mantri Shram Yogi Mandhan are steps in right direction.
- **Skill Development:** Skill development is required to enhance productivity and income of informal workers.
- **Agricultural regeneration:** Government needs to focus on agriculture which employs a larger proportion of informal workers
- **Credit support:** Credit support should be given to small enterprises in the informal sector. Incentives should be provided for formalisation of laborers

Conclusion: It is important for the government to immediately address the plight of the informal sector workers amidst the Covid-19 crisis. Adequate income support, free basic food items, other essentials and effective health services should be provided.

7. Indian Agriculture during Covid-19 pandemic

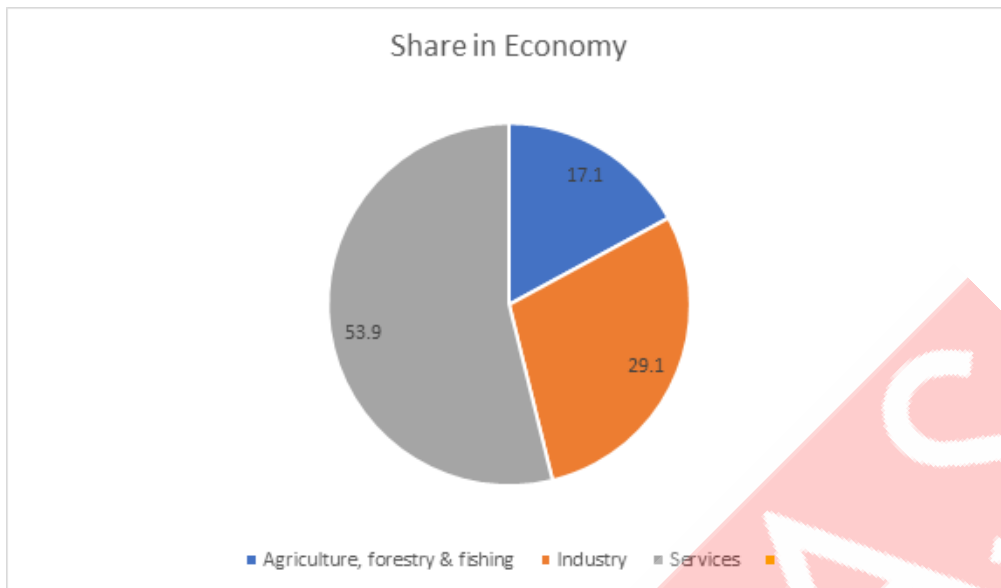
Source: [Indian Express](#)

Syllabus: GS 3: Agriculture

Context: The Covid-19 pandemic has adversely impacted the Indian economy. However, agriculture sector seems to perform well.

Share of different sectors in the Economy:

The share of various sectors in Gross Value Added (GVA) is:



Impact of Covid-19 on Indian Economy:

Services: Nikkei/IHS Markit Services Purchasing Managers' Index dropped to 5.4 in April from 49.3 in March.

Industries:

- India's core sector output contracted 6.5% in March- the worst since 2005.
- Crude oil production contracted 5.5%, natural gas 15.2%, refinery products 0.5%, fertilisers 11.9%, steel 13%, cement 24.7% and electricity 7.2% during the month. Coal was the only sector that grew 4%.

Core industry

- It can be defined as the main industry which has a multiplier effect on the economy.
- The Eight Core Industries comprise 40.27% of the weight of items included in the Index of Industrial Production (IIP).
- The eight Core Industries in decreasing order of their weightage are (a) Refinery Products (b) Electricity (c) Steel (d) Coal (e) Crude Oil (f) Natural Gas (g) Cement and (h) Fertilizers.

Agriculture:

Though the Covid-19 pandemic has adversely affected the service and industrial sectors, the agriculture sector has been performing well and emerged as the backbone of the economy during the lockdown.

- In 2019-20 agriculture sector grew by 11.3% at current prices.
- As on May 1, government agencies had bought 14.3 million tonnes (mt) of the new crop.

Steps to be taken to boost Agriculture Sector:

1. **Demand for agriculture commodities:** It is important to sustain the demand for agricultural commodities. Investments in logistics should be enhanced. E-commerce and delivery companies and start-ups need to be encouraged with suitable policies and incentives.
2. **Farm Labour:** The concerns over scarcity of farm labour due to migration should be addressed. Availability of machinery should be ensured through state entities, Farmer Producer Organizations (FPOs) or custom hiring centres (CHCs).

3. **Procurement:** The state governments should ensure smooth procurement of farmers' marketable surpluses at MSP (minimum support price) or through other price support schemes.
4. **Agri-inputs:** The government should focus on the Kharif season and ensure easy availability of Agri-inputs- seeds, fertilizers, agro-chemicals, etc
5. **Credit:** Institutional lending of crop loans should be expanded.

Conclusion: The agriculture sector has shown resilience during crisis and hold immense potential in contributing to the Indian economy. It's high time the government takes necessary steps to leverage this potential.

8. Covid-19 and Environmental Protection in India

Source: [Indian Express](#)

Syllabus: GS-3: Environmental pollution and degradation

Context: The ongoing Covid-19 pandemic has challenged us to re-think and re-align our strategies for environmental protection, especially air pollution, in India.

Need to prioritise environmental protection in India

1. **Correlation to Covid-19 and Air Pollution:** A recent study by Harvard University has shown the correlation between long-term exposure to air pollution and Covid-19 morbidity and mortality. Those living in polluted cities are likely to have poor respiratory, cardiac and other systems and hence are more vulnerable to Covid-19.
2. **Inequality in the impact of Covid-19:** Covid-19 will disproportionately affect millions of those who live and work in open. The same population is also more susceptible to the negative impact of air pollution. For example, the migrant workers engaged in the informal sector in India are the worst effected
3. **Environmental degradation and rise of Zoonotic diseases:**
 - According to the United Nations Environment Programme (UNEP), 75% of all emerging infectious diseases in humans are zoonotic and that these zoonotic diseases are closely interlinked with the health of ecosystems.
 - Human activities such as deforestation, industrial agriculture, illegal wildlife trade destroy the natural buffer zones that normally separate humans from animals. This has increased the spread of zoonotic diseases and pose threat of future pandemics.
4. **Climate Change:** Changes in temperature, humidity and seasonality affect the survival of pathogens in the environment. According to studies, disease epidemics especially zoonotic diseases would aggravate due to climate change.
5. **Sustainable agriculture and food systems:** The Covid-19 pandemic has negatively impacted food security. Conservation agriculture becomes essential to make agriculture and food systems more sustainable.

Steps to be taken:

1. **Structural Changes:** Structural reforms across multiple sectors, institutions and processes required to strengthened environmental protection. Schemes such as the Pradhan Mantri Kisan Urja Suraksha evem Utthan Mahabhiyan (PM KUSUM) Scheme is a way forward. It integrates food security, energy security and income security of farmers.
2. **Tackling Air pollution:**
 - Larger allocations and subsidies to initiatives like the National Solar Mission.
 - Investment in new technologies for cleaner air. Examples: smog free towers, vertical forests.
 - Reduce regulatory barriers that restrict the flow of capital to green projects.

- National Disaster Management Authority (NDMA) should be used as a platform to combat air pollution as an emergency.
- 3. **Make sustainable food systems:** Agriculture and food systems should be made sustainable by reducing food waste, reducing pesticides, decarbonizing food production and distribution systems
- 4. **Addressing zoonotic disease emergence:**
 - Impact of human activities on ecosystems needs to be controlled. There should be increased monitoring of human and wildlife health in landscapes that are being transformed.
 - Understanding and preparedness for potential outbreaks should be increased to minimize risks.
- 5. **Scientific Research:** It is important to invest more on scientific research and enhance scientific collaborations to strengthen environmental protection in a post Covid world.

Conclusion: In India, the complete lockdown has reduced environmental pollution substantially which years of strategies and policies failed to achieve. However, such lockdown is no way and means to address the environmental degradation in the country. It is high time that the government place right environment and climate related policies in place.

9. The role of Food Corporation of India during Covid-19 pandemic

Source: [The Hindu](#)

Syllabus: GS-3- Public Distribution System objectives, functioning, limitations, revamping; issues of buffer stocks and food security

Context: The Food Corporation of India has a significant role to play during Covid-19 pandemic.

Food Corporation of India (FCI)

- **Genesis:** It is a statutory body set up under the Food Corporation's Act 1964.
- **Objectives:**
 - Effective price support operations for safeguarding the interests of the farmers.
 - Distribution of food grains throughout the country for public distribution system.
 - Maintaining satisfactory level of operational and buffer stocks of food grains to ensure National Food Security.
- **Nodal Ministry:** Ministry of Consumer Affairs, Food and Public Distribution

Contribution of FCI during Covid-19 pandemic:

The FCI has always played a major role in ensuring food security in India. In the Covid-19 scenario, it has successfully catered to grain procurement and in moving them to various states.

- Post lockdown, it has moved 3 million tonnes of food grains to different states including Uttar Pradesh, Bihar, West Bengal and Karnataka and those in the Northeast. In these states the demand is greater than State procurement and/or stocks.
- It has enabled purchases by States and non-governmental organisations directly from FCI depots.

Recommendations for Strengthening FCI's Role during Covid-19 Pandemic

1. **Leveraging road transport:** FCI is currently heavily reliant on rail, and only 24% of the grain moved by it is by roads. Given that road transport has much wider reach

and is better for meeting emergencies, FCI should consider using more of road transport.

2. **Pre-positioning shipment:** FCI should follow the pre-positioning shipment policy to hotspots. This means that for chronically starved areas, food grains could be stored nearer to the target population.
3. **Relaxing FIFO principle:** The FCI currently follows the FIFO principle – first in-first out. This means that older grains stored for long will be released first. FCI must rethink relaxing this principle as it has two issues:
 - often food grains stored for long may not be as fit to consume as the latest produce
 - slows down the movement of food grains
4. **Extension of Services:** FCI should extend its functions to help farmer producer organisations in the procurement of seeds, fertilisers, packaging material etc.

Conclusion: FCI has the potential and can play a determining role in ensuring food security during Covid-19 pandemic. It should be reimaged as an “Agency for Innovation in Food Management Systems”- on the lines of Shanta Kumar Committee Report.

10. What are the pathways to a resilient economy?

Source: [The Hindu](#)

Syllabus: Gs-3- Economy

Context: The Covid-19 pandemic has challenged the basic principles of economy which have until now dominated public policy discourse.

Different approach to build a more resilient economy:

1. **De-Growth:** Academicians across the world has challenged the obsession over GDP as the ultimate indicator for human progress and advocated to move away from development focused on aggregate GDP growth.
2. **Rethinking Boundaries:** Since, different countries are at different stages of progress, completely opening boundaries for free trade has caused harm to many countries. Therefore, it's important to maintain sufficient boundaries to evolve and progress.
3. **Role of government:** The Covid-19 pandemic has highlighted the importance of government especially in the health sector and in maintaining financial stability.
4. **Rethinking Market:** Accumulation of wealth and power has led few people to acquire more in the market. This has led to increasing inequalities in the society. Thus, it is important to have an economic framework focused on redistribution, which establishes a universal basic
5. Income.
6. **Citizen welfare:** People should not just be treated as consumers but as citizens. Economic policy should adopt a citizen-centric approach and value the basic tenets of justice, dignity and harmony.
7. **Restraining Competition:** There should be more focus on collaboration than competition. Collaboration among different stakeholders in quintessential to achieve the Sustainable Development Goals.
8. **Public Ownership of Knowledge:** Monopolization of knowledge through Intellectual Property Rights is detrimental for humanity. Policy should focus on evolving new institutions for public ownership of technologies and for their regulation.

Conclusion: A Post Covid-19 world requires integrated efforts for a sustainable, fair, equitable, healthy, and resilient economic development.

11. How does opening liquor shops impact states?

Source: [Livemint](#)

Syllabus: GS-3 Economy- Government Budgeting.

Context: The Delhi government announced a 70% hike in the price of liquor.

Excise duty

- It is an indirect tax levied by the government on goods manufactured within India. It refers to the tax amount included in the final selling price of an item.
- The tax is paid by people while taking delivery of goods from a warehouse or production point for selling them.

Excise duty on Alcohol

- The excise duty on liquor is levied by the respective state governments in India.
- Some states like Tamil Nadu, also impose VAT (value added tax). States like Uttar Pradesh impose a “special duty on liquor”
- States also charge special fees on imported foreign liquor; transport fee; and label & brand registration charges.
- It is important to note that alcohol does not come under the purview of Goods and Services Tax (GST).

Income of States from Excise Duty on Alcohol

According to RBI Report titled ‘State Finances: A Study of Budgets of 2019-20’:

- State excise duty on alcohol accounts for around 10-15% of Own Tax Revenue of most states.
- During 2019-20, the 29 states and the UTs of Delhi and Puducherry had budgeted a combined Rs 1,75,501.42 crore from state excise on liquor.
- five states that collected the highest revenue from excise duty on liquor in 2018-2019 were Uttar Pradesh, Karnataka, Maharashtra, West Bengal and Telangana.

Other sources of revenue for the states

There are **two** broad categories of State Revenue:

1. Tax Revenue a
2. Non-Tax Revenue (return on assets in form of dividend and profits, interest, fees, fines)

Tax revenue is divided into two further categories:

- A. State’s Own Tax Revenue
- B. Share in Central Taxes.

Own Tax Revenue comprises three principal sources:

- a. **Taxes on Income** (agricultural income tax and taxes on professions, trades, callings and employment);
- b. **Taxes on Property and Capital Transactions** (land revenue, stamps and registration fees, urban immovable property tax)
- c. **Taxes on Commodities and Services** (sales tax, state sales tax/VAT, central sales tax, state excise, taxes on vehicles, taxes on goods and passengers, entertainment tax, state GST etc).

Conclusion: The Covid-19 lockdown has posed serious challenge to the economic viability of state governments. State governments are relying upon sales of liquor for revenue and have resorted to levying additional charges.

12. Why imposing additional excise duty on diesel and petrol is a bad policy?

Source: [Gatewayhouse](#)

Syllabus Topic – GS 3: Indian Economy and issues relating to planning, mobilisation of resources, growth, development and employment.

Context: The Central government has increased excise duty on petrol by Rs 10 per litre and diesel by Rs 13 per litre

Why imposing additional excise duty on diesel and petrol is a bad idea?

1. Imposing additional excise duty on petrol and diesel will bring immediate revenues. However, it is a bad policy in the long-run because of the following reasons:
2. The high taxes on fuel and consequent increase in logistics cost will make Indian market unattractive for foreign investors.
3. It will domestic industries are burdened under high logistic cost, more uncompetitive
4. The high cost of petrol and diesel may lead to adulteration of transport fuels with kerosene and.
5. It can lead to smuggling and fuel mafia enterprise. For example, gold smuggling in 1970s when the import duty on gold was very high.

13. Contractual Employment and Unemployment during Covid-19 pandemic

Source: [Livemint](#)

Syllabus Topic – GS 3: Indian Economy and issues relating to planning, mobilisation of resources, growth, development and employment.

Context: As per the Centre for Monitoring Indian Economy's (CMIE's) latest estimates, unemployment rate has increased to 27.1%-the highest ever on record. According to critics, contractualization of employment has a major role to play in growing unemployment amidst Covid-19 pandemic.

What is contractual work/ employment?

- It is a form of employment where workers are employed on short-term ad hoc contracts. A worker is hired by the principal employer through a contractor- a person who supplies human resource to a principal employer.
- In general, contractual workers are signed on almost a 5-5-5 arrangement: i.e. in three cycles of five-month contracts, subject to renewal every five months.
- **Gig Economy:** It is characterised by short-term contracts or freelance work as opposed to permanent jobs. It often involves connecting with customers through an online platform. Example: Delivery boys of app-based food
- **Zero-hour contract:** It is a type of contract where the employer has no obligation to provide any stipulated hours of work. However, the employee is required to be available 'on call', as and when the employer needs his/ her service. Payment is based on number of hours worked.

What is the legislation for contractual employment in India?

Contract Labour Regulation and Abolition Act, 1970: The Act mandates contract workers to be paid as per the Minimum Wages Act. Further, for the health and welfare of contract labourers, it mandates certain provisions such as safe drinking water, first aid etc are mandatory.

Industrial Relations Code Bill, 2019: It proposed giving a legal framework for fixed-term employment through which contract workers serving a fixed-tenure will get equal statutory social security benefits as regular workers in the same unit. Fixed-term employment would not lead to any notice period and payment of compensation on retrenchment excluded

Why is contract employment on rise in India?

The rise in contract employment in India could be attributed to the following:

1. low wages as compared to permanent workers
2. No need of offering other benefits that it would have to give their full-time employees as stipulated by various laws.
3. curb the bargaining power as companies do not need to deal with trade unions
4. efficiency and flexibility in labour use
5. stringent labour laws in Indian make difficult for employers to fire permanent workers and hence they go for contractual workers.

How can the interest of Contractual workers be secured?

1. There should be socially protected worker contracts. Health, unemployment insurances as benefits should be provided.
2. The probation period should be extended to more than a year so that the uncertainty of short-term contracts can be addressed
3. Premium wage rates should be implemented.
4. There should be greater legal representation to workers
5. Formation of unions for minority workers across gender, class, race, etc should be incentivised

14. How close are we to create a vaccine for Coronavirus

Source: [Indian Express](#)

Syllabus: GS-3- Science and Technology-Recent developments and their applications and effects in everyday life

Context

Recently, University of Oxford has announced that they have started testing a vaccine against the novel coronavirus disease (Covid-19).

Vaccine

- It is a type of medicine that trains the body's immune system so that it can fight a disease it has not encountered before. It helps in prevention of a disease and not the treatment for it.
- Vaccines contain the same germs that cause disease. The vaccines train the immune system to produce antibodies, exactly like it would when exposed to the disease. In this way, an immunity to the disease before exposure to the disease.

Stages in development of a vaccine

Generally, vaccine development takes nearly 10 years. The different phases of vaccine development are as follows:

1. **Discovery Stage:** Identification of the biological pathogen and finding out its structure through genetic sequencing
2. **Pre-Clinical trials:** Testing the vaccine in laboratories which also involves animal testing
3. **Clinical testing:** It involves Human trials in three stages
 - Phase 1: Testing the safety of vaccine in a small group of individuals
 - Phase 2: Testing whether the vaccine creates the desired immune response in the individuals
 - Phase 3: Testing the efficacy of vaccines in a larger group of individuals and studying its long-term effects.
1. **Regulatory approval:** Approval of the vaccines by government agencies.
2. **Manufacturing:** Manufacturing and distribution by pharmaceutical companies. Regular quality checks are also undertaken.

Immunity and Response

The immune system protects the body from harmful substances by recognizing and responding to antigens. Antigens are substances (usually proteins) on the surface of cells, viruses, fungi, or bacteria.

There are three types of immunity:

1. **Innate, or nonspecific, immunity** is the defense system with which you were born. It protects you against all antigens. It involves barriers that keep harmful materials from entering your body. These barriers form the first line of defense in the immune response. Ex- Cough reflex, Enzymes in tears and skin oils, Mucus secretion etc
2. **Acquired immunity** is immunity that develops with exposure to various antigens. Your immune system builds a defense against that specific antigen.
3. **Passive immunity** is due to antibodies that are produced in a body other than your own. It is generated by administering antiserum or plasma, which contains antibodies that are formed by another person or animal. It provides immediate protection against an antigen, but does not provide long-lasting protection.

Vaccine is a form of acquired immunity, the dead/passive/similar antigen injected into the body, which helps in creation of the antibodies. This in turn fights the antigen(virus) upon entry.

Progress made for Coronavirus vaccine

Nearly 120 vaccine projects are in various stages of development. Of these 7 projects have entered the human trial phase. Some of the major developments in coronavirus vaccine development are:

1. **Italy:** Italian researchers have claimed to develop a vaccine that has successfully generated antibodies in mice and blocked the virus from infecting cells. It is expected to work on humans as well.
2. **USA:** Pfizer and BioNtech have collaborated and have started the clinical trials of their BNT162 vaccine programme.
3. **India:** Serum Institute of India has collaborated with Codagenix, an American biotech company, to develop a "live attenuated" vaccine for coronavirus.

The new vaccine for which tests have been announced

- Oxford University's Jenner Institute developed a vaccine called ChAdOx1 nCoV-19.
- It uses a weakened strain of common cold virus (adenovirus) that causes infections in chimpanzees.
- Scientists have taken the genetic material of the novel coronavirus present on the surface of the virus and put it in the virus.

Other therapy options besides vaccines

The World Health Organization has announced **SOLIDARITY**. It is an international clinical trial to help find an effective treatment for COVID-19. The drugs under trial are:

1. **Remdesivir:** It is an anti-viral drug
2. **Chloroquine and hydroxychloroquine:** These are drugs used to treat malaria.
3. **Lopinavir and ritonavir:** These are drugs for treatment and prevention of HIV/AIDS
4. **Lopinavir and ritonavir plus interferon beta:** Interferon beta is an immune system messenger for fighting viral infections.

Convalescent Plasma Therapy: It is being used to treat severely ill coronavirus patients. The process involves transfusing plasma (a blood component) from the body of people who have recovered from the virus to the severely ill patients.

Conclusion: Given the extent and effect of the coronavirus pandemic, a vaccine for the same is of paramount importance. It would help people develop immunity against the disease. This would help lockdowns to be lifted safely and provide the scope for relaxation of social distancing.

15. Visakhapatnam gas leak case: A Chemical Disaster

Source: [The Hindu](#)

Syllabus: GS 3- Disaster Management

Context: Styrene gas leakage at a polymer plant in Visakhapatnam has killed several people and forced the evacuation of thousands of people. It is being termed as a chemical disaster.

Styrene Gas:

- It is a derivative of benzene and is a colourless, inflammable liquid that evaporates easily.
- It is included in the schedule of the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989.

Uses:

- It is used in the manufacturing of polystyrene plastics, fiberglass, rubber, and latex.
- It is also found in vehicle exhaust, cigarette smoke, and in natural foods like fruits and vegetables.

Effects of Exposure:

- Short-term exposure: It can result in respiratory problems, irritation in the eyes, irritation in the mucous membrane, and gastrointestinal issues.
- Long-term exposure: It could drastically affect the central nervous system and lead to other related problems like peripheral neuropathy. It could also lead to cancer and depression.

Chemical Disaster: It is the unintentional release of one or more hazardous substances that can cause harm to the environment, human and animal life. Example: Bhopal Gas Tragedy (1984) caused by accidental release of toxic gas Methyl Iso Cyanate (MIC).

Legal Safeguards against chemical disasters in India:

1. **Environment (Protection) Act, 1986:** Under the Act, two rules have been notified for ensuring chemical safety, namely,
 - The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 (MSIHC) amended in 1994 and 2000
 - The Chemical Accidents (Emergency, Planning, Preparedness, and Response) Rules, 1996 (EPPR) under the Environment (Protection) Act, 1986
1. **Public Liability Insurance Act, 1991:** It mandates hazard units to procure an insurance policy and deposit an equal amount in the Environment Relief Fund to provide immediate relief to victims of chemical accidents
2. **Bhopal Gas Leak (Processing of Claims) Act, 1985:** It gives powers to the central government to secure the claims arising out of or connected with the Bhopal gas tragedy.

Prevention and Response to Chemical Disasters

Role of Industry

1. **Identification of hazardous activities:**

- Good knowledge about the safety aspects of the industrial operations would enable prevention and mitigation
- Use of appropriate hazard identification tools such as checklists analysis, safety audit would help in mitigating the hazards.
- 2. Maintenance of plant facility and equipment
 - Proper maintenance of all the equipment and machinery at regular intervals
 - Regular site safety and health inspection

Role of government

1. **Accident investigation board and chemical accident database:** An accident investigation board should be set up in India to investigate the chemical disasters and bring out guidelines based on lessons learnt in each incident.
2. **Awareness Campaigns:** This would help workers in reducing unsafe acts and in tackling the disaster if it were to happen.
3. **Research and development:** Research into new methods of producing the product with less toxicity can to a large extent reduce the adverse effect if any accident were to happen.
4. **Offsite Emergency Planning:** This would ensure that the local authority adequately discharges his duty to minimize the consequences of major accident to people and environment.
5. **Ensure Accountability:** The government should ensure accountability by proper implementation of laws.

Conclusion: The toxic gas leak in Visakhapatnam is grim reminder to the importance of prevention and response to chemical disasters. It also highlights that there is an urgent need to strengthen occupational safety in India.

16. One Nation One Card Can Supplement PDS

Source: [The Hindu](#)

Syllabus: GS 3- Issues related to the Public Distribution System (PDS)

Context: Though 60 crore people are covered under the Centre's ration card portability scheme, inter- state usage has remained very low. It could provide migrants a lifeline during COVID-19 lockdown by providing them free food grains in any part of India.

What is the 'one nation, one ration card' scheme?

- **Objective:** to introduce nation-wide portability of ration card holders under National Food Security Act, 2013 (NFSA) which will enable them to lift their entitlement food grains from any Fair Price Shop in the country without the need to obtain a new ration card.
- It achieves this by integrating the existing PDS systems/portals of States/UTs with the Central systems/portals, etc.

Difference in inter-state and intra-state usage:

Inter-state usage: From 60 crore people covered under the scheme, only about 200 inter-state migrants are making transactions per month since the lockdown began.

Intra-state usage: It is somewhat higher. In April 2020, 1.05 crore people used their ration cards at a different ration shop within their own district while almost 6.5 lakh used their cards in a different district within their own state.

Why the inter-state usage of the scheme has been "very low"?

1. **Lack of awareness:** Migrants don't have the correct information about the scheme.

2. **Most States suspended biometric authentication at ration shops due to fear of Corona:** The scheme works with biometric authentication using electronic point of sale machines.
3. **Scheme still not fully ready for Seamless interstate transactions:** The Interstate portability is being tried on select “clusters” of 12 “contiguous” states. With integration of more states with One Nation-One Ration Card System, the reach of the scheme has increased but still it lacks an all India reach.
4. **Lack of Ration card:** Many migrants ration cards are with their families back in the village.
5. **Lack of information on internal migration:** The scheme should use better updated ways to calculate internal migrations. For instance, the Economic Survey 2016-17 used a new metrics based on data from railways.

Role of PDS in handling corona crisis:

1. **To ensure food for everyone:** Through one nation one ration card scheme, the PDS could ensure that the poor do not go hungry.
2. **Ensuring Nutrition for children and Women:** Women and children bear burnt of corona crisis. The PDS system could provide the necessary food with required nutrition for their growth.
3. **Controlling food prices:** As lockdown has stopped the movement of transport and people, the prices of food grains are expected to rise. With no work, rising prices of food will be disastrous for the poor. The PDS system could utilize the buffer stocks to provide them with free food grains and by providing grains in market, the prices could be stabilized.
4. **Ensuring self-sustainability for the Migrants:** With lockdown, all the economic activities are affected. The migrants are without work which is one of the important reasons for their movement. The PDS could provide food security to them so they don't have to rely on others.

Way Forward

With economic distress due to COVID 19, the role of PDS will be of paramount importance. Seamless integration of PDS with One Nation One Ration Card scheme would ensure food security for the vulnerable sections.

17. Economic Consequence Of Covid-19

Source: [The Indian Express](#)

Syllabus: GS 3- Issues related to Indian Economy

Context: The Covid crisis has remained serious for the health situation as well as the economy. Almost all the countries are living under the lockdown. The next important step will be of exit plans from lockdown in which the task of reviving economy will be of paramount importance.

Problems in the Indian economy before CoVID-19:

- From 2014, the banking sector and infrastructure firms are under financial stress defined in terms of Twin Balance Sheet (TBS) challenge.
- By 2019, it raised the number of stressed balance sheets to four including NBFC and real estate sectors.

Effects of Covid Lockdown on economy:

- **Unsold Goods:** The goods of firms of all sizes and sectors remained unsold.
- **No earning:** As many families remains unemployed as firms are closed.

- **Low Recovery of Loans:** The Financial institutions are unable to collect their loans.
- **Reduction in tax revenues:** The government tax revenue has reduced as most sectors remains closed.

As per Reports, around 1/3rd of industrial and service firms have applied for moratoria on their bank loans and if only a quarter of these deferred loans eventually go bad, then the non-performing assets (NPAs) would increase by Rs 5 lakh crore.

Difference in government situation in Global Financial Crisis of 2008-09 and economic crisis due to Corona:

- **Global Financial Crisis of 2008-09:** The government had a relatively strong balance sheet: Deficits and the consolidated debt-GDP ratio were low. So, the government could recapitalize the PSU banks because of such fiscal space.
- **Corona crisis:** The Central and state government deficits and debts will increase dramatically as revenues will be reduced and expenditures will increase. As a result, the government will put higher taxes and more arrears on the corporate and household sectors.

How to minimize losses for sectors during Corona crisis?

1. **From perspective of Firms:**
 - **Preventing them from bankruptcies:** The government might need to create a guarantee fund to support lending to help firms.
 - **To resolve defaults:** Quick resolution of default by firms is important as stressed firm condition will worsen over time. They have poor cash flows and can't take loans from banks. So, they don't have enough money to fund their operations and with time the firms' market value deteriorates.
2. **From perspective of Banks:**
 - **Recovery rate:** It is the degree to which the banks can recover on NPA loans and the only way to maximize the recovery rate is to sort out the bad loans speedily.
 - **Urgent Actions:** As no sector is in a strong position to rescue the banks, the costs cannot be spread, they must be reduced and any delays in handling NPAs will erode the value of assets.

Way Forward

A new decisive and quick approach is needed for immediate addressing of problems created by the crisis.

18. Revival of banks in post-COVID India

Source – [Indian Express](#)

Syllabus – GS Paper 3 – Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment

Context - Following the Covid-19 shock, the twin balance sheet problem will increase its sphere among industries

Twin balance sheet problem

It refers to the stressed balance sheets of banks due to non-performing assets (NPAs) or bad loans on the one hand, and heavily indebted corporates on the other. Now the real estate sector as well as Non-Banking Financial Companies also has the stressed balance sheets.

Impact of COVID on economy

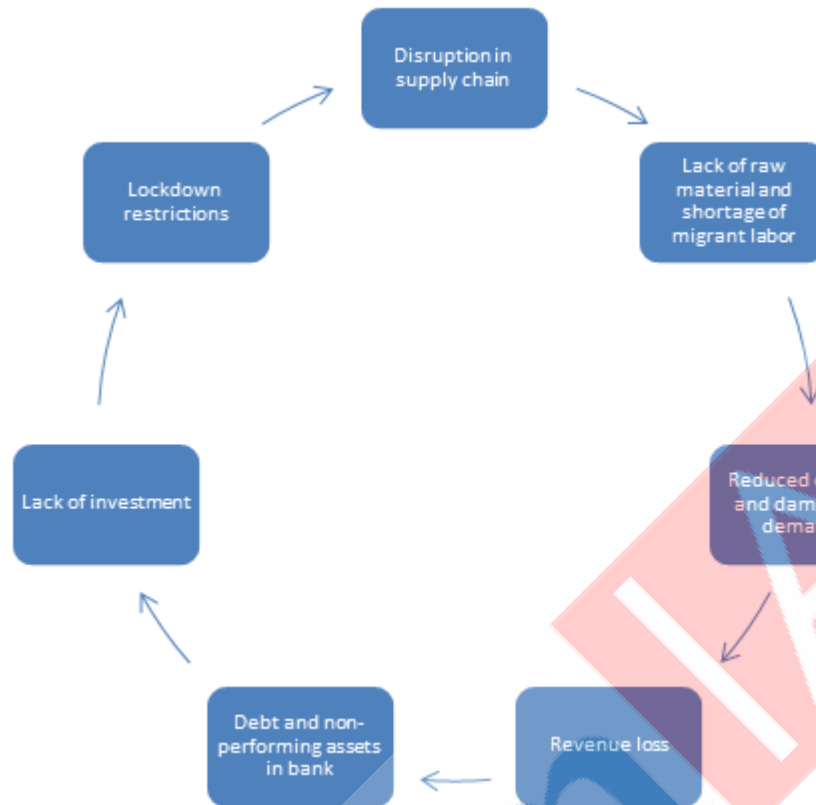


Figure 1- Vicious cycle of COVID's impact on economy

Reforms recommended by Arvind Subramanian to revive this stressed sheet issue:

1. SNAP (Special Non-Adversarial Procedures for COVID) affected firms - IBC creditor committees (CoCs) would assess the NPAs of Lockdown Affected Enterprises (LAEs) which have risen due to economic crisis amidst the lockdown and classify them on two grounds:

A) Companies with debt more than Rs 10,000 crore would be sent to the IBC.

B) Companies with debt less than Rs. 10000 crores would be eligible under SNAP.

Under SNAP:

- Insolvency Professional (IP) appointed by the CoC would work with existing management (who would continue to run the firm) to arrange for interim finance.
- IP can assess how much of a debt reduction the firm needs, and within three months, would present a specific proposal to the CoC. If the CoC can reach a two-third majority in favor of the proposal, the promoter would keep the firm, while the firm would be granted a haircut and immediately released from bankruptcy.
- To avoid overloading in National Company Law Tribunal, it would not be involved at all in SNAP.

2. Reformed IBC – Rather than directly initiating insolvency procedures, a reformed IBC would focus on loss-minimization of all the firms.

3. Bad bank – Creation of PARA (Public Sector Asset Rehabilitation Agency) for two specific sectors i.e. power and the real estate sector. This is because the power sector is dependent on government policies and the real estate sector needs to balance the interest of the consumers.

Way Forward – These steps will quickly set the stage for the economic recovery India badly needs — one that saves lives and saves livelihoods.

19. Issues with JAM based financial inclusion

Source: [The Hindu](#)

Syllabus: GS 3- Inclusive growth and issues arising from it.

Context: For some years now, the so-called JAM trinity (Jan Dhan-Aadhaar-Mobile) has been suggested as a dream cash-transfer infrastructure for India. But for effective cash relief in response to the COVID-19 crisis, the government must think beyond the Jan Dhan Yojana.

Myth of JAM:

- **Expectation:** There was a prediction of supreme rise of mobile transactions and this idea was taken up by a familiar bandwagon of Aadhaar champions, software businesses, digital-payment companies, fintech wizards and embedded economists. The Aadhaar-enabled mobile banking became the supreme goal.
- **During the coronavirus crisis:** JAM was viewed as a possible tool of emergency relief. But poor people have relied on old-fashioned bank accounts to collect their meagre benefits. There are long bank queues and related hardships especially in rural areas where the density of banks is relatively low.

Comparing women's JDY accounts with another possible basis for cash transfers, at least in rural areas can be the list of households that have a National Rural Employment Guarantee Act (NREGA) job card. The numbers of accounts are roughly comparable: about 14 crores for NREGA job cards and 12 crore or so for women's JDY accounts in rural and semi-urban areas.

Whether JDY has poor approach for cash relief purposes?

1. **Disorder of JDY accounts:**
 - a. **Transparency:** The NREGA job-cards list is far more transparent and well-organized than JDY.
 - b. **Ignoring Banking Norms:** During the initial JDY wave, banks opened JDY accounts in large numbers to meet the targets. Many accounts were opened without informed consent, duplicate accounts flourished and Aadhaar numbers were seeded without any safeguards.
 - c. **Dormancy of accounts:** A large proportion of JDY accounts (40% in March 2017, down to 19% in January 2020) went "dormant" as customers were unable or unwilling to use them.
 - d. **Failure to complete e-KYC:** Some accounts were blocked because the account holders were unable to complete timely ex-post biometric authentication ("e-KYC") of the Aadhaar numbers.
2. **Exclusion errors:**
 - a. **Coverage of poor Households:** According to a recent Yale study, less than half of poor adult women have a JDY account (an even lower proportion, 21%, know that they have a JDY account). Whereas the NREGA job-card list is likely to have much better coverage of poor households.
3. **Larger inclusion errors in the JDY approach:**
 - a. While Job cards are meant for rural workers, JDY accounts are for everyone.
 - b. An earlier survey data suggests that the probability of having a JDY account is more or less the same for poor and non-poor households.

What is the difference in Reliability of NREGA and JDY payments?

- **Issue of Aadhar:** There have been significant issues (e.g. delayed, rejected, blocked or diverted payments) with NREGA payments often related to Aadhaar. But even the

numerous “direct benefit transfer” schemes have faced similar problems. Transfers to women’s JDY accounts are unlikely to be more reliable than transfers to job-card holders.

- **Effective Payment:** There is an argument in favor of the NREGA job-cards list: unlike JDY accounts, it lends itself to the “cash-in-hand” method (on-the-spot payment in cash) as a possible fallback.
- **Identification of Beneficiary:** The job-cards list is a household list with village and gram panchayat identifiers while the list of JDY accounts is an opaque list of individual bank accounts.
- **Cash in hand method:** The NREGA has cash in hand method and there are examples of effective use of the cash-in-hand method like in Odisha for pension payments and in various states for NREGA wage payments.

Way Forward

There is nothing compelling about the use of women’s JDY accounts for cash relief. During corona crisis some of its weaknesses has come forward. The JAM trinity need some changes to bring positive effect in lives of people.

20. Why are Covid-19 cases in India less?

source: [The Hindu](#)

Syllabus: GS 3- Science and Technology- developments and their applications and effects in everyday life.

Context: The COVID-19 has caused severe disruption across the world. However, there are variations both among and within countries in the number of cases. In general, Europe and the U.S. have borne the brunt of the infection while Asian and African countries including India have been relatively less affected so far.

Some of the patterns associated with case identification:

South Korea and Germany tested widely in an effort to identify cases, whereas some countries including India offered testing (at least in the initial stages) to only those with a history of foreign travel or with close contact with a known case.

What are the Possible reasons for differences in cases in Europe and Asia?

- **Low temperature and low absolute humidity:** It has been suggested that a low temperature and absolute humidity influence transmission. But this theory needs further proof.
- **Genetic variations:** During the 2003 SARS epidemic, specific genetic variants that provided resistance or susceptibility to infection were identified in different populations. The case may be the same now.
- **Population-specific differences:** Such as Angiotensin converting enzyme 2 (ACE2) receptors (which permits virus to enter the body) may partly explain the differential infection rates of COVID-19. It is also possible that some Asian and African populations have been exposed to a multitude of coronaviruses previously which has provided some cross-immunity.
- **Early Preventive measures by India:** India closed its doors to foreign travelers early in the outbreak and has not seen the surge that could potentially have been expected.

What should be the approach in Easing of Lockdown?

- **Rural centric approach:** The Current approaches are largely urban-centric with little focus on rural dynamics.

- **A decentralized approach:** It is required to manage the large rural population and the success in Kerala may serve as a useful model. Governments may consider mobilizing and training a range of healthcare providers in responding to this situation.
- **Current practice of Isolation is not sustainable:** The current practice of isolating all cases in hospital settings is not sustainable if cases increase.
- **Case definition based on symptoms and epidemic patterns:** It may be used to diagnose suspected COVID-19 cases as it would be impractical to test everyone with symptoms.
- **Community Centers for isolation:** If cases cannot be managed at home, community centers may be deployed for isolation.
- **To be lifted in Phased Manner:** One approach would be to ensure that the vulnerable are protected beyond initial lockdown periods while restrictions are lifted for the healthy population.
- **Gradual exposure:** The herd immunity may develop through gradual exposure among healthy individuals.
- **Promoting hygiene measures:** While lockdown measures are lifted in a controlled manner, government public health agencies need to continue to promote hygiene measures. Public health messages need to be locally tailored and consistent.

Way Forward

The approach to the management of COVID-19 needs to blend acute disaster management strategies with longer-term public health measures including economic measures.

21. Is Disaster Management Act unconstitutional?

Source: [The Hindu](#)

Syllabus: **GS 2-** Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein.

GS 3- Issues related to Disaster and disaster management.

Context: The Central government has issued guidelines to states under the Disaster Management Act of 2005 for tackling the COVID-19 pandemic during lockdowns. The Centre has directed the State governments to carefully enforce every set of guidelines. The States can only increase and not dilute the restrictions. This centralized approach has raised questions on the federal structure of India.

Examples of Problems between Centre and states:

1. **Problem in Dividing zones by Centre:** Some States/UTs objected to the classification of certain areas/districts as red zones on the ground that these areas are very large.
2. **Case of Kerala:** The Central government did not trust the wisdom of the State government and asked state to refrain from relaxing restrictions.

Whether the guidelines issued by the Centre to states for dealing with Pandemic are legal as per Federal Scheme?

- **As per Seventh Schedule:**
 - Disaster management as a field of legislation does not find mention in either State List or Concurrent List nor in any entry in Union List specifically deal with this. Thus, the DM Act could only have been enacted by Parliament under Article 248 of the Constitution read with Entry 97 of List I in exercise of its residuary powers.
- **As per Judiciary:**

- The Supreme Court applied the rule of harmonious construction in a number of judgments including in **Godfrey Phillips v. State of U.P. & Ors (2005)** and dictates that in event of any overlap between two or more entries, the specific subject matter contained in a particular entry must be deemed to have been excluded from another entry which may deal with a more general subject matter.
- **Executive Powers:**
 - As per Articles 73 and 162, the executive power of the Centre and the States is alike with their respective legislative powers which means that they can only take executive actions in matters where Parliament and State legislatures have powers to legislate.
- **Using it For Pandemic:**
 - The Act's definition of disaster is quite broad and literally include a pandemic too.
 - The 'public health and sanitation' is a specific field of legislation under Entry 6 of State List. This implies that States have the exclusive right to legislate and act on matters concerning public health.
 - Thus, the Centre's guidelines and directions to the States for dealing with the pandemic trench upon a field of legislation and executive action that is exclusively assigned to the States — public health.
- **Availability of other law:**
 - The Epidemic Diseases Act, 1897 has the objective of preventing "...the spread of dangerous epidemic diseases."
 - Under which the State governments which have the authority to take appropriate measures for arresting the outbreak or spread of a contagious or infectious disease in their respective States.

Way Forward

As per federal feature of the Constitution, powers are divided between the centre and states. If any of the directions/guidelines issued by the Central government is against the federal character, states are well within their rights to challenge them before the apex court.

22. How stimulus will help MSME?

Source: [The Indian Express](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: Finance Minister Nirmala Sitharaman announced some details of the Atmanirbhar Bharat Abhiyan economic package for relief to Medium, Small and Micro Enterprises (MSMEs) for dealing with COVID-19 crisis.

Credit Risk route:

- Instead of directly infusing money into the economy or giving it directly to MSMEs in terms of a bailout package, the government has resorted to taking over the credit risk of MSMEs.
- **Benefit:** It should help the formal banking system meet the credit demand of the MSME sector.

What are credit guarantees?

- Loans to MSMEs are given against property (as collateral) because often there isn't a robust cash flow study available.
- **Low availability of loans during the Corona crisis:** Property prices are expected to fall and this inhibits the ability of MSMEs to seek loans. It also means that banks are less willing to extend loans.

- **Assurance to banks:** It assures the bank that its loan will be repaid by the government in case the MSME falters. For instance, if the government provides say a 100% credit guarantee up to an amount of Rs 1 crore to a firm, it means that a bank can lend Rs 1 crore to that firm; in case the firm fails to pay back, the government will make good all of Rs 1 crore.
- **Bad Government finances:** This pandemic has meant that government revenues will come under further pressure. For instance, experts are already talking of a GDP contraction of 5% to 10% in the current financial year. That will result in a revenue loss of anywhere between Rs 5 to 7 lakh crore.
- **Issue of NPAs:** Banks suspect that any new loans will only add to their growing mountain of non-performing assets (NPAs).
- **Why the Credit Guarantee method?** Banks had the money but were not willing to lend to the credit-starved sections of the economy while the government itself did not have enough money to directly help the economy.

What is the amount of credit guarantee provided to MSMEs? For those MSMEs which were running fine until the Covid-19-induced lockdown, the government has provided a credit guarantee of Rs 3 lakh crore.

- **Emergency Credit Line:** It is like an emergency credit line and for MSMEs that have an already outstanding loan of Rs 25 crore or those with a turnover less than Rs 100 crore.
- **Tenure of loans:** The loans will have a tenure of 4 years and they will have a moratorium of 12 months (that is, the payback starts only after 12 months). The loan should be taken before October 31, 2020.

Why Rs 3 lakh crore?

- **Hope for recovery of loan:** According to Hetal Gandhi, Director, CRISIL, the total outstanding loan to MSMEs by the banking and NBFC sector would be around Rs 16 to 18 lakh crore. Assuming that 80% of these loans are working capital loans where there would be a 20% incremental funding needs, that gives an amount of approximately Rs 3 lakh crore.
- **Need extra money:** Since these MSMEs were able to pay back before the crisis, there is no reason why they cannot after the crisis with some extra money.

What are the other measures?

- **Subordinate debt scheme:** A Rs 20,000 crore scheme which will allow loans to MSMEs that were already categorised as “stressed” or struggling to pay back. In this case, the government’s guarantee is not full, but partial.
- **Another measure:** The creation of a fund with a corpus of Rs 50,000 crore to infuse equity into “viable” MSMEs, thus helping them to expand and grow. The government intends to put in Rs 10,000 crore and get others like LIC and SBI to fund the remaining amount.
- **Change in definition of MSMEs:** Now MSMEs will be judged on turnover and there will be no difference between a manufacturing MSME and a services MSME. It will help because “turnover” is the more efficient way to identify an MSME and it also allows a lot of firms, especially in the services sector like mid-sized hospitals, hotels and diagnostic centres to be eligible for benefits as an MSME.

How far will these measures help?

- **Dealing with Liquidity problems:** They will most likely have a significant impact in helping MSMEs pay salaries and keep their heads above the water even as the economy slows down.
- **Reach of scheme:** This measure is expected to help as many as 45 lakh MSMEs. These are likely to be the medium and small enterprises, which employ almost 40% of all employees — although these enterprises themselves are very few in number (just about 0.5% of all MSMEs).

Are there any drawbacks to resorting to credit guarantees?

- **Moral hazard:** Such a guarantee leaves no incentive for either borrower to pay back — he has nothing to lose — or for the lender — the banker is assured of payback from the government so why should he bother to check if the borrower is deserving or not.
- **Better option:** A more prudent option would have been a split (say an 80%-20%) wherein the government assures to pay back only 80% of the new loan.

Way Forward

This is a welcome move which will increase liquidity for both distressed businesses and cash-starved workers and will provide a boost to the economy. But at the same time, it is quite likely that the government will have to start shelling out money in the next financial year when MSME NPAs rise once the moratorium is over.

23. Revival of Indian economy in post-COVID era

Source – [The Hindu](#) , [The Hindu](#)

Syllabus– GS -3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context – Due to COVID impact, IMF slashed India's growth rate for FY 21 to 1.9% from 5.8%

| SECTORS and associated issues | Steps for revival | Challenges within |
|---|--|--|
| 1. MSME – Account for 45% of manufacturing's output and 40% of total exports. <ul style="list-style-type: none">• Flight of workers• Liquidity crunch• Loss of business | <ul style="list-style-type: none">• Rs 3 trillion of collateral-free loans• Definition of investment limits in MSMEs to be reconsidered• An estimated Rs 1 tn in dues to MSMEs by govt and central PSUs to be paid in 45 days• Govt tenders below Rs 200 cr to be reserved for domestic companies• MSME fund of funds to infuse Rs 50,000 cr equity to push growth• Rs 20,000 cr of subordinate debt to be extended to stressed | <ul style="list-style-type: none">• Interest cap on these loans not specified thus leaving it to individual lenders and each of them has its own rate structure.• Scheme could have been extended until the end of this financial year instead of until October 31. |

9 PM Compilation for the Month of May, 2020

| | MSME units | |
|--|---|--|
| 2. Financial sector -NBFCs, housing finance firms and micro finance entities • Liquidity crunch | <ul style="list-style-type: none"> Rs 45,000 crore partial guarantees for NBFC's Rs 30,000 crore for NBFCs, housing finance firms and micro finance entities | |
| 3. Infrastructure Sector • Debt • Lack of contract enforcement | <ul style="list-style-type: none"> Power PSU's to lend Rs 90,000 crore to stressed state distribution companies Deadline for realty projects and public infrastructure extended | <ul style="list-style-type: none"> Doesn't solve the inherit challenges faced by power sector |
| 4. Employees or taxpayers • Loss of jobs • Reduced incomes | <ul style="list-style-type: none"> IT returns deadline extended EPF deductions slashed for three months from 24% to 20% of salary | <ul style="list-style-type: none"> Decreases retirement savings and future consumption Increases tax payment as tax exemption seeked on EPF decreases. |

Immediate steps to revive economy:

- Food and cash transfers** – As lockdown has forced 122 million out of jobs and thus it has dampened the incomes as well as demand.
 - Food Corporation of India reported 77 million tonnes of food grain** – For every individual providing 10 kg of free food grains per month for a period of six months which would ensure food security.
 - Cash transfer via JAM (JAN-DHAN-ADHAR)** - Providing every household with ₹7,000 per month for a period of three months to ensure boost in demand.
- Revamping MGNREGA work** – For migrant workers who returned to their native places and for boosting local market affected due to slowbalisation.
 - Expanding its definition** – Along with unskilled and manual labor, adding skilled work
 - The 100-day limit per household - Work** has to be provided on demand without any limit to all adults
 - Permissible work** must include - agricultural and construction work, work in rural enterprises and in care activities needs to be included.
- The urban focus** - Introducing an Urban Employment Guarantee Programme, to serve diverse groups of the urban unemployed, including the educated unemployed. Permissible work under this program –
 - Work in the MSMEs** to ensure labour supply for the MSMEs and empowerment of vulnerable sections.
- The 'care' economy** - pandemic has underscored the extreme importance of a public health-care system. Thus, we need to take following steps:
 - ASHA and Anganwadi workers** - Treating them as regular government employees and give them proper remuneration and associated benefits, and greatly expand their coverage in settlements of the urban poor.
 - care work**, including of old, disabled and ailing persons, educational activities, and ensuring public services in slums.

5. **Mobilizing Resources** – To increase public revenue:

- **Internal resource**- A 2% wealth tax on the top 1% of the population and 33% inheritance tax – To reduce inequality as well as increase revenue.
- **External Resource** - A fresh issue of special drawing rights by the International Monetary Fund.

Way Forward - The new revival package along with suggested reforms has the ability to provide basic, universal, justiciable, fundamental economic rights: the right to food, the right to employment, the right to free public health care, the right to free public education and the right to a living old-age pension and disability benefits.

24. Atmanirbhar Mission (Self- Reliant India)

Source : [The Hindu](#)

Syllabus– GS-3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context – New India in post-corona world is getting **vocal about local**

About Atmanirbhar Mission

1. **Definition** – It's the socio-economic change intended to make India self-reliant in terms of producing goods and services. Total amount of Rs 20 lac crore or 10% of GDP has been allocated to achieve the mission. Self-reliance is different from being self-centered – India thus considers the challenges whole world is facing due to COVID and is willing to cooperate to overcome this crisis.
2. **Pillars** - Self-reliant India will stand on five pillars:
 - **Economy**, which brings in quantum jump and not incremental change;
 - **Infrastructure**, which should become the identity of India;
 - **System**, based on 21st century technology driven arrangements;
 - **Vibrant Demography**, which is our source of energy for a self-reliant India; and
 - **Demand**, whereby the strength of our demand and supply chain should be utilized to full capacity
3. **Significance** –
 - **COVID Impact** – The supply chain and global manufacturing controlled by Chinese economy got disrupted due to COVID. Thus there is a need to become self-reliant for essential goods and service like N95 masks, ventilators etc.
 - **Capitalizing Demographic dividend** – **India** has entered in the period of demographic dividend from 2018 and thus working age population has increased which needs to be employed at home.
 - **Consumption-oriented Domestic Market** - With India (1.37bn) set to surpass China (1.43bn) in becoming country with largest population by 2027, it also provides for increasing domestic demand which can be catered with locally produced goods.
 - **Premature De-Industrialization** – India shifted directly from agriculture (contributes 16% to GDP) to service (54% to GDP) based economy and thus industrial sector (30% to GDP) was bypassed unlike Eastern Tiger Economies which harnessed their manufacturing sector.
 - **Ease of doing business and associated reforms** – Goods and services tax, International arbitration center in New Delhi, Single window clearance system are the among many other reforms to boost investment in nation.
 - **Compassionate Capitalism principle** - This is not a rejection of globalisation, but a call for a new form of globalisation — from profit-driven to people-centric which takes into account the needs of labors, vulnerable and have nots.

Way forward– The slowing down economy as well as weaker forces of globalization demands a new path for the NEW INDIA. ATMANIRBHAR MISSION is a bridge for transforming into NEW INDIA which need balancing the interest of capital as well as labor to be effective and efficient.

25. Atmanirbhar Mission

Source– [Livemint](#)

Syllabus-GS-3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment

Context – Self- reliant mission of India is not equivalent to protectionism

Protectionism –Policy of protecting domestic industries against foreign competition by means of tariffs, subsidies, import quotas, or other restrictions placed on the imports of foreign competitors.

Self-reliant India - Features –

- a. **Reduced trade deficit and improved balance of payment** - India's Current account to GDP ratio in FY19 was 2.1% which is more so because of dependence on imported goods and comparatively less exports. It also involves imposing tariffs under rules-based order to reduce trade deficit.
- b. **Enhanced domestic production capabilities** – Disruption in supply chain across the world due to COVID has increased the need for better production in nation rather than depending on foreign nations.
- c. **Ease of doing business** – Self-sufficiency also involves making business climate investor friendly so that there is ease in doing business and catering needs of domestic market. This holds true for domestic firms as well as foreign companies based in India.
- d. **Integration in Global Supply chain** – In post covid , globalization 2.0 era , India needs to connect to other countries in terms of export of domestically produced goods and service. This will add to India's geopolitical advantage in international relations also.

Way Forward – India endorses globalization with focus being on self-sufficiency in times of crises. Self-reliant mission aims to become self-sufficient by improving efficiency, competing with world and helping the world.

26. How Can Blockchain in the events of Pandemic like COVID-19?

Source: [Livemint](#)

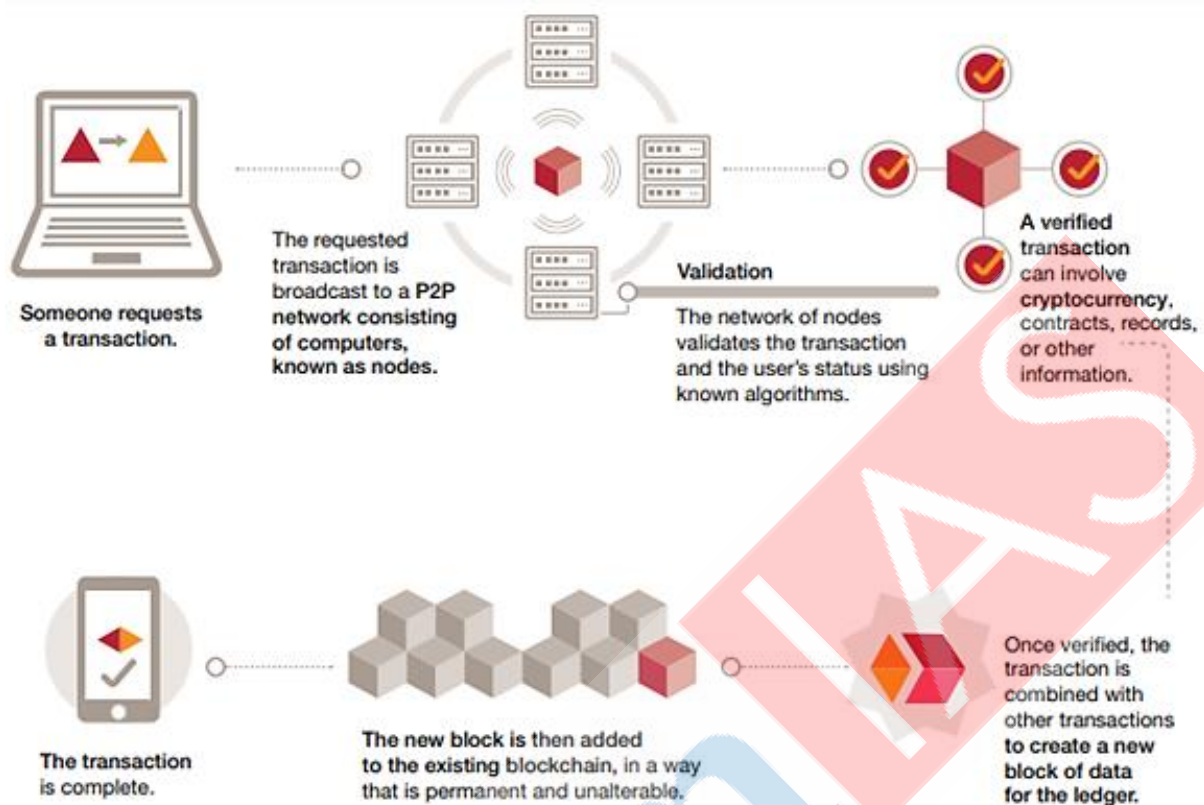
Syllabus: GS-3-Science and Technology- Recent developments and their applications and effects in everyday life.

Context: The World Economic Forum (WEF) has said that Blockchain Technology can help boost economy recovery process in Covid-19 times.

Blockchain Technology:

A Blockchain is a digital, immutable, distributed ledger that chronologically records transactions in near real time. It is managed by a cluster of computers not owned by any single entity; therefore, it is decentralized.

Working of a Blockchain



Advantages of Blockchain Technology:

1. **Security:** Data in Blockchain technology is almost open source- other users or developers can modify it as they see fit. However, altering logged data within a Blockchain incredibly difficult. This makes Blockchain a particularly secure technology.
2. **Cost efficient:** Blockchain allows peer-to-peer and business-to-business transactions to be completed without the need for an intermediary. Since there's no middleman involvement tied to Blockchain transactions, it is cost-efficient.
3. **Decentralization:** Due to decentralized networks, Blockchain does not have a single point of failure and is better able to withstand malicious attacks.
4. **High Quality Data:** Blockchain data is complete, timely, accurate, consistent and widely available
5. **Empowered users:** Users are in control of their data and information
6. **Simplification in data management:** With all data collected in single public ledger, it reduces the clutter and complications of multiple ledgers

Concerns associated with Blockchain Technology:

1. **Nascent technology:** Blockchain is still a nascent technology and there are issues such as complex verification process, data limits etc
2. **Large energy consumption:** Blockchain technology uses substantial amount of computer power.
3. **Security and privacy:** Though considered highly secure, there are still cyber security concerns that need to be ensured before general public trust Blockchain technology with their personal data
4. **Cost:** High initial capital cost is a deterrent.

Application of Blockchain Technology in events of pandemic like Covid-19

1. **Building more resilient supply chains:** Blockchain, combined with digitization and Internet of Things can help make supply chains transparent, traceable and cheaper.
2. **Universal basic income and digital currency:** A blockchain-based digital currency can be used for providing Universal Basic Income. Digital Currency will also help mitigate the chances of virus transfer through paper notes.
3. **Tokenization and fractional ownership:** Blockchain technology can help in asset tokenization- the process which converts rights into an asset and then into a digital token. In post Covid-19 times, when there will be cash and capital crunch, tokenization could enable liquidity and fractional ownership of real estate, farm equipment etc.
4. **Global health record repository:** Blockchain technology can help build a global health record repository and ensure security, transparency and privacy benefits.
5. **Fundraising:** Of late, initial coin offerings (ICOs) has emerged as an alternate way of raising money. These are blockchain-enabled crowdsourcing of funds.
6. **Checking false information:** Storing news and information on a blockchain platform will prevent alteration, make information traceable and thus help prevent the development and spread of false information.

Conclusion: Blockchain technology can help overcome the shortcomings of the current system and has the potential to help people during Covid-19 pandemic and similar other future disease outbreaks.

27. Saving marine environment

Source: [The Hindu](#)

Syllabus: GS 3- Conservation, environmental pollution and degradation, environmental impact assessment.

Context: The Asia-Pacific region has thrived on our seas from generations. The seas provide food, livelihoods and a sense of identity to the people. But in less than a century, climate change and unsustainable resource management have degraded ecosystems and diminished biodiversity.

Recovery efforts in Oceans need to build a new reality embedded in sustainability:

The study of the Economic and Social Commission for Asia and the Pacific (ESCAP) with the theme 'Changing Sails: Accelerating Regional Actions for Sustainable Oceans in Asia and the Pacific' states that without data, we are swimming in the dark.

| Challenges to Oceans | Solutions |
|---|---|
| Lack of Data: Data are available for only two out of ten targets for the Sustainable Development Goal 14, 'Life Below Water'. Trans-boundary ocean management and linking ocean data is still lags behind. | <ul style="list-style-type: none">• To reduce information gaps due to limitation in methodology and national statistical systems, data is important.• Utilizing ocean statistics through strong national statistical systems and close cooperation between countries will guide them to monitor trends, devise timely responses and clear blind spots. |
| Plastic Pollution: Asia and the Pacific produces nearly half of global plastic by | <ul style="list-style-type: none">• Through effective national policies• Re-thinking production cycles. |

| | |
|---|---|
| volume, of which it consumes 38%. | |
| Overfishing: The percentage of stocks fished at unsustainable levels has increased threefold from 10% in 1974 to 33% in 2015. | <ul style="list-style-type: none"> • Generating complete data on fish stocks • Fighting illicit fishing activity • Conserving marine areas. |
| Issue of shipping: The small island developing States of the Pacific experience much lower levels of connectivity, leaving them relatively isolated from the global economy. | <ul style="list-style-type: none"> • Closing the maritime connectivity gap: To be placed at the center of regional transport cooperation efforts. • Navigation through green shipping. • Enforcing sustainable shipping. |
| Localizing agreements: We must fully equip countries and all ocean custodians to localize global agreements into tangible results. | <ul style="list-style-type: none"> • Translating international agreements and standards into national action. • Policies with circular economy approach to minimize resource use and will require economic incentives and disincentives. |

India's efforts to save marine ecosystem:

- **Blue Flag certification:**
 - 12 beaches are being developed by Society for Integrated Coastal Management (SICOM), in accordance with Blue Flag standards.
 - The iconic Blue Flag, established in 1985 in France, is one of the world's most recognised voluntary eco-labels awarded to beaches, marinas, and sustainable boating tourism operators.
- **MECOS-3, 2020: Global Marine Ecosystem Meet in Kochi:**
 - It was the 3rd International Symposium on Marine Ecosystems Challenges and Opportunities (MECOS3) organized by the Marine Biological Association of India (MBAI).
- **India-Norway Marine Pollution Initiative**
 - In partnership, Norway and India will share experiences and competence and collaborate on efforts to develop clean and healthy oceans, sustainable use of ocean resources and growth in the blue economy.
- **Single use plastics:**
 - In October 2019, the Environment Minister said that Getting rid of single-use plastic by 2022 will be "Clean India (Swachh Bharat) Part 2".
- **Hosted World Environment day on 5th June 2018:** With the theme "Beat Plastic Pollution" government has asked the citizens to come forward and come together and combat one of the great environmental challenges: curbing plastic usage.

Way Forward

Our oceans are very important to keep our economy afloat. In the post-COVID-19 era, we must use the years ahead to steer our collective fleets toward sustainable oceans.

28. Distressed Aviation Sector

Source - [Indian Express](#)

Syllabus – GS 3 – Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Context – COVID and associated lockdown has inflicted greater damage to an already ailing Aviation Industry

Importance of Aviation sector

1. **Contribution to GDP** - The air transport industry, including airlines and its supply chain, is estimated to contribute directly or indirectly \$72 billion of GDP to India.
2. **Employment opportunities** - According to IATA (International Air Transport Association), aviation sector has one of the largest employment rate across its various segments- Cabin crew, pilots, maintenance and repair operations etc.
3. **Important Component of Logistics** -In the supply chain of goods and services, aviation is a critical component as its time saving, has high-end technology, managed by private players and thus is competitive.
4. **Boosts intra-country and inter country tourism** - Aviation promotes tourism which in turn supports local economy, culture, forex, revenue earnings and also strengthen bilateral ties between nations.

Challenges Aviation is witnessing

1. **Aviation turbine fuel** - First, it is out of GST and second, it is highly volatile thus creates uncertainties in business models of aviation sector.
2. **Capital intensive sector** - Leasing or buying planes, cost of maintaining Aircraft on Ground (AoG) is extremely high which makes it capital intensive sector. Add to this, the remunerations and perks of thousands of employees.
3. **Seasonal profitability** - Aviation doesn't run with full capacity throughout the year, this in turn affects its profitability and revenue in longer run.
4. **Lack of proper Maintenance and Repair Operation (MRO)** - Indian airlines generally depend on MRO centers in Dubai and Singapore which also increases the turnaround time and decreases the hours of operation of flights.
5. **Government policy issues** - Schemes like UDAN provides for fixed and low price to attract customers which distort market for airlines.

Challenges arising out of COVID and lockdown

1. **Decreased productivity** - Currently, Indian airlines have total of 650 planes out of which 50% are taken on lease. Since lockdown grounded all the flights for nearly two months, machines like airplanes have become unproductive in longer term.
2. **Loss of employment** - IATA report says that in India, 29.32 lakh jobs in the aviation sector are at risk due to COVID 19.
3. **Reduced demand and revenue** - COVID 19, hygiene factors, social distancing will automatically lead to reduced Passenger Load Factor (PLF) which will hurt the revenue of the sector. According to ICRA, airlines will see 41-46% and 67-72% contraction in domestic and global passenger traffic, respectively, in FY2021.

Suggested Reforms

1. **Financial relief** - The industry body, FICCI, has sought tax relief, deferment of payment of goods and services tax (GST) for airlines, bringing jet fuel under GST, reduction in airport charges and overflight fees, a temporary cut in excise duty on jet fuel to make airlines survive this crisis.
2. **Priority sector lending** - All airlines and aviation-related business must be treated as priority sector lending for easy availability of credit at low cost.
3. **Relief in loans** - This includes two important provisions:
 - A moratorium for the next 12 months on all interest on the principal amount of loans without limitations of size or turnover and
 - No loans to airlines and other aviation-related business should be classified as NPAs and no collateral enforced or enhanced during this moratorium.

Way Forward – Countries like Australia, Singapore has announced financial relief packages for their aviation sector to survive. India, under its self-reliant mission can take appropriate sector specific measures for a severely damaged industry to keep it afloat.

29. How the government is trying to free the farm sector from COVID-19?

Source: [The Indian Express](#)

Syllabus: GS 3-Major crops-cropping patterns in various parts of the country, – different types of irrigation and irrigation systems storage, transport and marketing of agricultural produce and issues and related constraints; e-technology in the aid of farmers.

Context: The Finance Minister announced the third part of the economic package to fight COVID-19. It focused on agriculture and allied activities

Focus of Measures in Agriculture and allied sectors:

1. It aimed at boosting credit flow to parts of the agri-ecosystem.
2. It is related to the government's intention to amend the Essential Commodities Act, usher in agricultural marketing reforms and put in place a legal framework to facilitate direct dealings between farmers and buyers.

Problems in Agriculture sector:

- **Not suitable for current requirement:** The Essential Commodities Act was enacted in an era of scarcity and is ill-suited for the nation when it is faced with problems of plenty.
- **Put restrictions:** The Act imposes restrictions on holding of stocks and has disincentivised private players from making investments in the farm sector in warehousing and storage. This has thwarted the creation of integrated value chains across the country. The government's announcement of excluding food items such as cereals, edible oils, pulses, onions and potatoes and doing away with stock limits is a welcome move.
- **Less choices to Farmers:** Move to initiate marketing reforms meant to provide more choice to farmers. This move by the Centre comes after states such as Punjab and Madhya Pradesh have recently moved to open up agricultural marketing.

Long term Benefits:

- **Ending monopoly over agricultural trade:** As the situation exists today, farmers are bound to sell their produce only to licensees in APMCs.
- **Provide flexibility to retailers:** The current changes will enable farmers to sell their produce to anyone and provide traders and organised retailers the flexibility to procure and stock food items.
- **Boosting Private investments:** The government steps could facilitate private investment in the sector, strengthening the farm-to-fork chain and benefiting both producers and consumers.
- **Push towards Contract Farming:** Other announcements such as the creation of a legal framework to enable farmers to engage with processors, aggregators, large retailers suggest a push towards contract farming.

Way Forward

While governments in the past have indicated their preference to carry out the much-needed reforms, they have shied away due to political compulsions. The government should not let go of this moment to reform Indian agriculture.

30. Agri-Marketing Reforms

Source - [Indian Express](#)

Syllabus – GS 3 – Transport and marketing of agricultural produce and issues and related constraints

Context - With mandi closures and supply chain disruptions causing havoc in agricultural marketing, the COVID-19 pandemic has put a spotlight on some of the critical infrastructure gaps and long-pending governance issues that plague the farm sector.

Agriculture package of Rs 1.63 lakh crore (under Atmanirbhar mission) included farm-gate and aggregation point infrastructure, fisheries, animal husbandries, and others (animal vaccination, micro food enterprises)

| What | Reforms | Implications |
|--|---|--|
| <p>Amendment in “anachronistic legislation” – Essential Commodities Act, 1955</p> <p>Features:</p> <ul style="list-style-type: none"> • Empowers the Central and state governments concurrently to control production, supply and distribution of certain commodities in view of rising prices • The measures that can be taken under the provision of the Act include, among others, licensing, distribution and imposing stock limits. • Centre decides the stock limit- a State can, however, choose not to impose any restrictions. | <p>Amendment</p> <ul style="list-style-type: none"> • Deregulation of six categories of agricultural foodstuffs: cereals, pulses, edible oils, oilseeds, potato and onion. • Stock limits on these commodities will not be imposed except in times of a national calamity or a famine. • Exempted (no stock limit) – Food processors and exporters | <ul style="list-style-type: none"> • Prevent harassment under the Act on the suspicion of hoarding, black marketing and speculation. • Promote private investment in warehousing and storage facilities. • Prevents agri-wastage • Provide stable income to farmers in bumper crop season and • less volatile prices for consumers • Increase farm export and promotes surplus in balance in trade • Food Processing is encouraged thus more employment opportunities. |
| <p>Greater freedom to farmers -A new central law to give choice to farmers to sell their produce</p> | <ul style="list-style-type: none"> • Allow farmers to sell to anyone outside the APMC yard | <ul style="list-style-type: none"> • Greater competition amongst buyers facilitated by contract farming • Lower the mandi fee and the commission for commission agents • Reduce other cesses imposed by states • Remove inter-state |

| | | |
|---|--|---|
| | | trade barriers <ul style="list-style-type: none"> • Providing e-trading of agriculture produce |
| Contract Farming to minimize market risk | | <ul style="list-style-type: none"> • Cash availability for inputs, thus better quality of inputs used • Land Pooling among small and medium farmers is encouraged • Improved quality and quantity of farm produce • Assured farm income • Promotes food processing industries • Encourage exports |

Challenges:

1. **Long term reforms vs immediate support** -a number of farmers and activists said that in the light of the COVID-19 crisis, immediate support and relief in the form of cash transfers, loan waivers, and compensation for unsold produce should have come before long-term reforms.
2. **Lack of availability of working capital** – For contract farming, supply to wholesalers and exporters Farmer Produce Organization have better capabilities and bargaining power but they need working capital at better rates (18-22% is current interest rate).
3. **Monopsony** – Even without APMC regulated mandis and in the contract farming, buyers can make cartels and decide at what price to buy.

Way forward - The reforms could be a harbinger of major change in Agri-Marketing, a 1991 moment of economic reforms for agriculture and promote growth in stagnant sector which supports almost 49% of population depended on it.

31. What are the solutions to the problems plaguing Indian agriculture?

Source: [Livemint](https://www.livemint.com)

Syllabus: GS-3- Agriculture: transport and marketing of agricultural produce and issues and related constraints

Context: The government announced a few farmer-friendly reforms as part of the financial relief package.

Possible solutions for the Indian agriculture Sector:

1. **Securing livelihood:** The agriculture sector employs more than 50% of total workforce in India. Securing livelihood farmers by increasing their incomes is important to reduce poverty and farmer distress.

The government's proposal to double the income of farmers by 2022 is a welcome step. This would require action in the following fronts:

- improve technologies by strengthening the seed sector and knowledge dissemination system,
- agricultural diversification in favour of high value commodities
- development of value chains
- Ensuring minimum support price

2. **Strengthening other sectors:** A major problem crippling the agricultural sector is disguised unemployment. It is important to strengthen other sectors, especially the manufacturing sector to generate employment. This would help raise standard of living of farming families.
3. **Addressing regional and local needs:** India has rich agro-climatic diversity. Thus, a one-in all policy is not suitable to address the challenges across regions. Government policies should thus adhere to regional and local needs.
4. **Strengthening agricultural markets:** It is important to strengthen the functioning of Agricultural Produce Marketing Committees (APMCs). Production and marketing centres should be linked and supplements to APMCs should be set up near farms through PPP.
5. **Credit to tenant farmers:** In India, most farmers are tenant farmers with no access to credit. It is important to ensure credit delivery to tenant farmers. Kalia scheme of Odisha government and PM-KISAN of the central government are welcome initiatives.
6. **Addressing land fragmentation:** Small size of land holdings and land fragmentation is major issue in Indian agriculture. Land pooling and cooperative farming should be encouraged to address the issue.

Conclusion: The Indian agriculture sector has immense potential to drive economic growth and its high time to revive and boost the sector with local solutions and revamping policies.

32. Analysis of Atmanirbhar mission

Source - [Indian Express](#)

Syllabus - GS-3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment

Aim of Mission - Self-reliance and economic empowerment

Sector wise Distribution of Rs 20 lakh crores

Agriculture package - Rs 1.63 lakh crore includes farm-gate and aggregation point infrastructure, fisheries, animal husbandries, and others (animal vaccination, micro food enterprises).

Non-bank liquidity package - Rs 5.94 lakh crore includes MSMEs, NBFCs, MFIs, housing finance companies, power discoms, and others (PF, tax relief).

Migrant and farmer package - Rs 3.16 lakh crore includes concessional credit via kisan credit card, farmer working capital, affordable housing, and others (food, street vendors and microloans).

Welfare and health package - Rs 1.85 lakh crore includes women and pensioner benefits, MNREGA, emergency health response, and others (food, financial security).

RBI's liquidity measures - Rs 5.24 lakh crore includes two phases of targeted long-term repo operations, CRR cut, marginal standing facility limit increase, refinancing facilities, and mutual fund special liquidity facility.

Advantages

1. **Impact on fiscal deficit** – In current fiscal year, fiscal deficit will not be affected much however it is expected to rise in subsequent fiscal years.

2. **Promoting private sector's participation** – The mission aims to promote new public-private partnerships and do away with the monopolies of public sector. This in turn will pave way for efficient utilization of resources, better competition and innovation.

3. **Becoming part of global supply chain** – Manufacturing of goods, especially essential ones, will make India self-reliant in times of crises when supply chain gets disrupted. Also export from India will get boost which will reduce current account deficit.

Challenges in attaining economic empowerment

1. **Inadequate formalization** – According to ILO, nearly 81% of India's employed population is in informal sector which is characterised by lack of social security net.
2. **Premature deindustrialisation** – India, directly transformed from agriculture based society to service based economy and industrial sector was bypassed with growth in industry remaining stagnant.
3. **Slow urbanisation** – According to Census 2011, only 31% of Indian population in urban areas which are the economic engines of nation.
4. **Insufficient financialization** – A process whereby financial markets, financial institutions, and financial services gain greater influence and this also includes extent of financial inclusion of citizens.
5. **No focus on skilling** - According to the India Skills Report 2019-20, only 46 per cent students were found employable or ready to take up jobs in 2019.

Need of Atmanirbhar mission 2.0

1. **Civil service reform** which has become the steel cage from steel frame need reforms like lateral entry, code of ethics etc.
2. **Government reform** – It involves rationalizing the size of cabinet for maximum governance and minimum government.
3. **Financial reform** - Sustainably raising credit to GDP ratio from 50 per cent to 100 per cent and increasing level of financial inclusion in formal financial institutions.
4. **Urban reform** – Creating 100 cities with more than a million people rather than current 52 to decongest the latter one and create new opportunities in new cities.
5. **Labor reform** – The regulatory cholesterol for employers and lack of security net for employees are the challenges which needs urgent reforms.
6. **Skill reforms** - Transforming education as well as industry-academia relation for better skilling of labor force.

Way Forward – Atmanirbhar mission 1.0 and much needed 2.0 will make India attain its economic tryst with destiny and transform it into global manufacturing hub of 21st century.

33. Issues with Atmanirbhar mission

Source – [The Hindu](#)

Syllabus – GS 3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment

Context – Centre has announced that the relief package under Atma nirbhar mission has fiscal cost of 10% of GDP which is being challenged by economists now.

Issues with Atmanirbhar mission

1. **Actual fiscal cost .8% to 1.2% of GDP** – According to leading economists and firms, the actual fiscal cost is not 10% of GDP as the relief package has more of credit guarantee and liquidity support (around 75%) and fiscal spending is very less. Further, it is not clear that .8% to 1.2% of GDP expenditure is over and above the Budgeted expenditure or will it be funded by expenditure cuts in the budget of FY21.
2. **Major sectors not given direct stimulus** – The tourism industry and automobile sector found no mention in the relief package. This affects millions employed in these sectors, the

investment done as well as exports and thus affecting the overall growth of service sector-based economy.

3. Focusing on middle and long-term growth – The pandemic has been used by government for long pending and politically sensitive structural reforms and thus it will not boost demand by consumers in short run which is the need of the hour.

Implications

1. Decline in growth in FY21–The National Council of Applied Economic Research (NCAER) expects the Indian economy to contract 12.5% in 2020-21, with industry and services likely to shrink 27.1% and 8.1%, respectively. Thus, only if the government spends 3% of the GDP over and above what it promised to do in the Union Budget 2020-21, there will be positive economic growth.

2. High rate of unemployment – Since package doesn't aim at boosting demand and is focused on supply side stimulus; there will be minimum investment by firms and thus loss of jobs. According to Centre for monitoring Indian economy unemployment rate has climbed to 27.1% and 121.5 million are out of work by MAY 2020.

Suggested reforms –

1. Increasing fiscal spending – Government needs to increase its fiscal deficit target for FY21 under exception clause of FRBM Act. With more borrowing and handing it out to people under schemes like MGNREGA, there will be rise in demand which will propel private sector to invest.

2. Tax cuts – Reduced GST and other taxes will leave more capital with companies to invest once lockdown is lifted and reduction in income tax will boost demand by consumers. This demand and investment by private sector is supposed to generate more employment and thus promote growth.

Way Forward - Economist John Maynard Keynes recommended fiscal spending by government to boost Private investment and income of individuals which in turn leads to increased demand in economy. India needs both demand side stimulus in form of increased government spending and supply side structural reforms to continue with positive growth rate in coming years.

34. What are the weaknesses of revival plan announced by central government?

Source: [Live Mint](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: The government announced the economic package which had five tranches on five successive days to deal with COVID-19.

What government has announced? Atmanirbhar Bharat Abhiyan totaling Rs 20 lakh crore.

| Announcement Day | Focus area |
|------------------|---|
| Day 1 | Focused on small and medium enterprises, non-bank financial institutions, real estate and liquidity. |
| Day 2 | Migrants, affordable housing, street vendors and micro credit. |
| Day 3 | Agriculture, animal husbandry and fisheries |
| Day 4 | Private-sector entry, the opening up of India's coal sector, and the privatization of power distribution, airports and Union public sector enterprises (PSEs) as well as on raising FDI limits. |
| Day 5 | Rural employment guarantee, postponement of insolvency and other |

| |
|--|
| compliances and incentivizing reforms in states by making their enhanced borrowings contingent on these. |
|--|

The reforms which were long overdue which could have provided support to economy during COVID-19:

- **Slow reforms in Agriculture:** The agricultural and rural sectors have hardly been touched by post-1991 reforms. The Essential Commodities Act (ECA) and Agricultural Produce Marketing Committee (APMC) Acts should have reformed long ago.
- **Participation of private sector:** The issue privatization (of PSEs) and greater private sector participation in the economy.
- **For Urban Poors:** There should be portability of identity through a unified ration card long ago.
- **For Workers:** The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act of 1979 issues.

The Weaknesses of economic package:

1. **Distort Resource allocation:** Sector-specific sops distort resource allocation and make the task of tax simplification difficult.
2. **Emphasis on supply side:** It focuses on structural reforms and not demand.
3. **Passing of tax cuts to consumers:** The multiplier effects of tax sops are doubtful and inferior to those of government expenditure.
4. **Expansionary Fiscal policy:** There is a clear correlation between a continued lockdown and urban production shortfalls, suggesting inelastic supply curves in urban India now. The government should have focused more on fiscal expenditure on rural India.
5. **Too slow structural reforms:** Before India imported the virus, there was a dysfunctional debate between demand declines versus structural constraints. Many of those critics argued that the government wasn't paying sufficient attention to structural reforms.
6. **Credit rating issue:** It is interpreted not as actions by external rating agencies but an internal assessment of the credits (revenue) and debits (expenditure) of government accounts. By around October or November, there will be pressure on Union and state government revenues. There will be enhanced expenditure because of emergency health-related measures, health infrastructure and demand-driven (MGNREGA, housing) expenses.
7. **No sops for troubled sectors:** There haven't been sector-specific tax sops for troubled sectors like hospitality, travel, tourism, telecom and aviation.
8. **Debt Management issue:** If nominal GDP growth in 2021-22 is also low and the government rates of borrowing are what they are today, there will be a serious debt management issue.

Way Forward

There is near unanimity that real and nominal growth in 2020-21 will be negative. A growth revival in 2021-22 would depend on factor-market reforms and productivity increases.

35. Agri-Marketing Reforms

Source – [Livemint](https://www.livemint.com)

Syllabus – GS 3 – Transport and marketing of agricultural produce and issues and related constraints

Context – Due to distress sale by farmers in the lockdown, State governments are reforming APMC

Agriculture Produce Market Committee

APMC Act, 1955 was enacted to ensure that farmers mandatorily sell their produce in market yard (mandi) through auction and they do not depend on informal channels to sell their produce.

| APMC Act, 1955 | Model APMC Act, 2003 | Model APLM Act, 2017 |
|---|--|--|
| <p>1. Mandatory for farmers to sell produce in mandi established under the act.</p> <p>Exporters, retailers not allowed to trade directly with farmers.</p> <p>This led to monopoly of traders in mandi who formed cartels and bought produce from farmers at throwaway price.</p> <p>They also engaged in hoarding of produce and profited during lean season by exploiting consumers.</p> | <p>1. Farmer can sell produce to anyone including retailers and exporters.</p> <p>This is to destroy the monopoly of traders and give freedom to farmers for selling their produce at better rates.</p> | <p>1. Farmer can sell produce to anyone including retailers and exporters.</p> <p>This is to destroy the monopoly of traders and give freedom to farmers for selling their produce at better rates.</p> |
| <p>2. Mandi traders delayed payment to farmers and in case payment is made, receipts were denied to them.</p> <p>Difficult for farmers to prove their income and get working capital from banks.</p> | <p>2. Mandatory for traders to make payment same day otherwise seizure of the produce from trader.</p> <p>It provides for transparency in pricing and transactions. Also farmer gets the receipt and can avail loans from banks.</p> | <p>2. Mandatory for traders to make payment same day otherwise seizure of the produce from trader.</p> <p>It provides for transparency in pricing and transactions. Also farmer gets the receipt and can avail loans from banks.</p> |
| <p>3. No Public- Private Partnership allowed in management and development of mandi.</p> <p>Thus no infrastructure for grading and sorting was developed. This lead to post-harvest losses of several commodities, especially perishables.</p> | <p>3. Allowed PPP allowed in management and development of mandi.</p> <p>Promotes value-addition and prevent post-harvest losses.</p> | <p>3. Allowed PPP allowed in management and development of mandi.</p> |
| | <p>4. Contractual agreements for Contract farming are</p> | |

| | | |
|--|---|--|
| | recorded with the APMCs which can also resolve disputes arising out of these contracts. Further, market fees and levies are paid to the APMC to undertake contract farming. | |
|--|---|--|

Other features of Model Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017

1. Creation of a national market with provision for interstate trading license.
2. Cap on market fee – 2% for fruits and vegetables and 1% for grains.
3. Promotion of e-trading through e- National Agriculture Market.

Recently many states have adopted the model APLM Act, 2018 as lockdown forced farmers into distressed sale of their produce:

- a. Rajasthan has allowed farmers to sell their produce directly to traders;
- B. Chhattisgarh is rolling out a direct cash transfer of a maximum of Rs. 10,000 per acre subject

Issues with Model APLM act

- a. **Protection to farmers not ensured** - There would be no record of the price at which a farmer has managed to sell the produce thus there is no clarity on how the farmers will be protected.
- b. **State's overregulation of mandis** - Agriculture is on the State List and so as to achieve efficiency in agricultural markets, state governments have enacted their own legislation. They have built a monopoly in mandis and earn significant cess from transactions taking place in these markets.

Way Forward – Agriculture sector is in urgent need of structural reforms including in marketing of produce which will ensure positive growth rate in FY21, provide better income to farmers and strengthen food security for billion of Indians.

36. Financing the stimulus

Source – [Indian Express](#)

Syllabus – GS 3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context – To fill budgetary gaps and to provide Relief package of Rs. 20 lac crore, government is resorting to privatization

Means of financing the stimulus and associated challenges:

- 1. Privatization** - It refers to transfer of shareholding, management, and control of public sector enterprises to the private sector.

Pros of Privatization

- a. **Facilitates business friendly environment** – The government owned enterprises distorts the market forces for its own benefits, and this is solved by privatization which facilitates business friendly environment for entrepreneurs.
- b. **Makes PSU's more competitive**- It is generally done to make failing public sector enterprises more competitive with effective utilization of resources by profit-oriented private sector.

c. **Boost to FDI** - Privatization increases the flow of Foreign Direct Investment in country which injects liquidity and give stimulus to economy.

Cons of privatization

a. **Government losing its silver spoon** – Government is selling its own assets which forms essential component of non-tax revenue – as PSU's provide dividends and profit to government.

b. **Valuation of assets is poor** – Since valuation of assets is not done properly, the actual cost may always not be recovered which leads to loss for the government.

c. **Proper utilization not done** - The proceeds are used to bridge fiscal deficit and no focus on spending the sum on capital expenditure component of budget which increase assets for the nation.

d. **Discourages structural reforms in taxation and revenue expenditure** – Government's revenue receipts needs to be more than its capital receipt (increases liabilities) which demands structural reforms in taxation. Also rationalizing revenue expenditure saves more for capital expenditure. Getting treasury filled with proceeds of privatization discourages both objective steps.

e. **Distress sale** – Due to current pandemic industries need policy support in form of cheap credit, which in turn discourages them to buy these PSU's and expand their inventories. So, government may resort to distress sale of PSU's to finance the stimulus.

f. **Crony Capitalism** – In such market conditions where private investment are already falling due to lockdown, only few big companies will buy them which will foster Crony Capitalism.

2. **External commercial borrowings** - Borrowings taken by an eligible entity in India for commercial purpose, externally i.e. from any recognized entity outside India.

ECB has its own disadvantages:

a. **Falling revenue and recession** – Due to covid and lockdown, slow growth will decrease the revenue of government and worldwide recession will dampen this more. Borrowing need to be paid back with better returns and this happens when government's capital expenditure is more than revenue expenditure. The borrowing, however, will be spent on revenue expenditure (doesn't ensure returns) to inject liquidity thus paying debt will be tougher in coming years.

b. **Depreciating Rupee** - The rupee is at its lowest level compared to the US dollar and any more depreciation will only make it harder for the government to pay back its debt.

c. **Export is not the solution** - Since external borrowings must be paid back in borrowed currency, exports thus is an option (to pay government debt). However, India should account for the inevitable global slump in international demand and a consequent drop in its exports.

d. **Poor rating by rating agencies** – High NPA's, debt-ridden industry and more borrowing by government will only lead to downgrading of rating by rating agencies.

Way Forward - India's foreign reserves stand at an all-time high which could be strategically used to finance its needs. The rest may have to come from a mixed bag of privatization, taxation, loans and more international aid to inject liquidity in system.

37. Govt. intervention analysis

Source: [The Hindu](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: The COVID-19 pandemic and the prolonged national lockdown have brought the Indian economy to a standstill. States are struggling to cope with the unprecedented existential challenges they face. The government should ensure that matters of lives and livelihoods are not pitted against each other.

Government announcements to tackle COVID-19:

- **Early package:** At the end of March, the Centre had announced a stimulus package of ₹1.7-lakh crore, out of which about ₹1.2-lakh crore was the existing entitlement.
- **Atmanirbhar package:** The PM announced a package of ₹20-lakh crore without mentioning anything specific for stranded migrant workers and for re-structuring micro, small and medium enterprises (MSMEs).

Flaws in economic Package:

- **For MSMEs:**
- **No major concessions:** The announcements offer no major concessions; soft loan, PF and tax provisions are acute.
- **Redefinition of MSMEs:** It has been long-pending and cannot be called a reform.
- **Main employer:** It is small businesses that give traction to entrepreneurial activities in the unorganized sector where migrants from rural India mostly work. They need some urgent solutions for liquidity problems.
- **Lack of consultation:** As per the situation, the government should have begun consultations with parliamentarians, Opposition parties and industry representatives very early to prepare a well-thought out relief package to restart the economy.
- **Lack of Funds for states:** States have been at the forefront of the war against COVID-19 but have not given the required funds to help them cope with the public health emergency and support the high influx of returning migrant labourers.
- **For the middle class:** It's not likely that they will get anything substantial from this package.
- **Workers:** A large number of workers in the organised sector are facing heavy pay cuts, job losses and a sharp fall in income.
- **Farmers:** Farmers are finding it difficult to get the MSP for their produce; a majority of them are in debt and face many obstacles.

Difficulty of the migrant workers:

- **No income security:** The first national lockdown created panic among migrants who were suddenly left without any income security.
- **Home returning of workers:** A vast majority of them lost their livelihoods. They have walked thousands of kilometres to go back home to States such as Bihar, Uttar Pradesh and Madhya Pradesh because, for them, a homecoming was the last resort to stay alive.
- **Government-Opposition tussle:** The helping hands also comes from the Opposition, charitable individuals and social organisations but there were issues regarding their working with government.
- **Trains for migrants:** On May 1, some Shramik Express trains were flagged off from certain destinations to take back migrant workers to their home States, but there started a tussle regarding the payment of fares.

Need of the hour to tackle COVID-19:

- **Cutting out expenditure by government:** It is expected that the government would accord priority to cutting out expenditure on projects such as the bullet train project.
- **Managing available resources:** The government should manage the available resources of the RBI, the Employees' State Insurance Corporation, the EPFO and the PM CARES Fund to help the poor.
- **Role of central Bank:** The central bank should be busy in restoring the health of the financial sector and also concerned itself with considering the suggestions of former RBI Governors Raghuram Rajan and C. Rangarajan on adopting an selfless approach in place of the one driven merely by fiscal and inflationary concerns.
- **Single policy:** The government should follow a single policy, namely people first. The matters of lives and livelihoods should not be pitted against each other.

Way Forward

In tackling the crisis, the Centre should collaborate with states to take the much-touted benefits of "cooperative federalism". The matters of lives and livelihoods have to be taken care of simultaneously.

38. What is the response of government in handling COVID-19?

Source: [The Indian Express](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: The Finance Minister announced stimulus last week to tackle COVID-19 crisis. It is said to be carefully crafted, well-balanced and bold package.

Objectives of Stimulus:

- To ensure that human cost of the crisis is minimized, especially for those at the bottom of the pyramid
- To convert this crisis into an opportunity by implementing bold structural reforms that will go beyond repairing the damage to the production capacities and enhance the overall supply response capabilities of the economy.

Response of government on the supply side of COVID-19 crisis:

| Aim | Steps by government |
|--|--|
| To ensure that food security and farmers' incomes are not impaired | <ul style="list-style-type: none">• The government declared agriculture and all related activities as essential services immediately upon announcing the lockdown.• This permitted the successful harvesting and efficient procurement of the critical Rabi crop.• It also implied pumping in Rs 78,000 crore as new purchasing power in the hands of the farmers. |
| To effectively prevent the pressing cash/liquidity crunch from leading to insolvencies and bankruptcies. | <ul style="list-style-type: none">• An immediate moratorium was announced on their debt servicing obligations to commercial banks.• This measure was reinforced for MSMEs, for whom an additional credit line of Rs 3 trillion without any fresh collateral was extended.• MSMEs could also avail of new equity from the Rs 50,000 crore fund of funds and take advantage of the subsidiary debt facility announced by the FM. |

| | |
|---|---|
| | <ul style="list-style-type: none"> The Rs 90,000 crore credit package made available to state discoms should also be included in this set of measures as it will prevent bankruptcies of state electricity utilities and the power producers. |
| To significantly improve the ecosystem for private producers, both in agriculture and manufacturing. | <ul style="list-style-type: none"> Long-pending reforms to give farmers the much-needed freedom to choose their clients and for traders and exporters of agro-products to maintain necessary stocks have now been announced. Defence production and exports will get a new fillip with the liberalisation measures. Greater space will be given to private businesses in sectors in which public sector enterprises had either a monopoly or a predominant presence. |
| A measure that does not have a large fiscal footprint but touches the lives and livelihoods of more than 50 lakh families, street vendors. | <ul style="list-style-type: none"> They have been given a credit of Rs 10,000 each for re-stocking and use as working capital. "The package" has guaranteed the survival of existing production capacities and laid a strong foundation to enhance larger private sector participation. |

The aggregate demand is made up of consumption, investment and demand for intermediate goods.

Response of government on the demand side of COVID-19 crisis:

1. Additional credit lines provided to MSMEs, vendors or farmers will contribute to the strengthening of aggregate demand.
2. The 20 crores female Jan Dhan account holders will receive monies directly into their bank accounts
3. Rs 50,000 additional incomes in the hands of those whose TDS and TCS were reduced by 25 per cent
4. Rs 40,000 crore additional allocation for MNREGA, which will provide jobs and help to those returning to their villages from metros and cities
5. Rs 30,000 crore for construction workers
6. Rs 17,800 crore transferred to 12 crore farmers
7. Rs 13,000 crore transferred to states to finance the costs of running quarantine homes and shelters for migrant workers.

Way Forward

The Atmanirbhar package with nearly 10 per cent of GDP, combined with the significant number of bold structural reform measures promises to promote India's economic recovery in the post COVID-19 period.

39. Promoting Privatization

Source – [Livemint](https://www.livemint.com)

Syllabus – GS 3 – Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context – Government's new public sector enterprise policy is aimed at having minimum one and maximum four PSU in strategic sectors

Privatization – It refers to transfer of shareholding, management, and control of public sector enterprises to the private sector.

Difference between Privatization and Disinvestment

| Privatization | Disinvestment |
|--|---|
| Selling all of government's stakes of PSU to private sector which results in change of ownership and management. | Selling minority shares of Public Enterprises, to another entity be it public or private is disinvestment. In this the government retains ownership of the enterprise. Disinvestment may or may not result in privatization. |
| Example - Privatization of the Maruti Udyog Ltd which is now Maruti Suzuki | Example – Disinvestment of 12.6% shares of GOI in IRCTC (Indian Railways Catering and Tourism Corporation) |

Objective of new public sector enterprise policy – The policy has objective of promoting private sector participation in strategic sectors (yet to be defined) in order to foster competition and improve efficiency of these sectors.

Benefits of Privatization

1. **Loss-making PSU** – Most of the PSU's are underperforming which adds burden to exchequer where funding is done from taxpayer's money. This sum can be better utilized for development process.
2. **Earning of non-tax revenue**- Selling PSUs will lead to more non-tax revenue which can be used to give stimulus to economy.
3. **Corporate tax by private sector** – PSU's when transformed by private sector leads to more efficiency and thus more profit. This adds to the government's direct tax resources.
4. **Successful Example of privatization**- Hindustan Zinc - The Atal Bihari Vajpayee-led BJP government sold 45% of Hindustan Zinc for ₹769 crore in 2002. The company became the world's second-largest zinc-lead miner and one of the top 10 silver producers. Management change and privatization can thus raise shareholder wealth through improved efficiency.

Way Forward - Governments across the world acts more as facilitator to promote business friendly environment by reducing regulatory cholesterol and privatization by government of India is a welcome step in this direction.

40. How the recent reforms in defence sector are beneficial?

Source: [The Hindu](#)

Syllabus: GS 3- Achievements of Indians in science & technology; indigenization of technology and developing new technology.

Context: The measures recently announced to promote self-reliance in defence production addresses long-standing strategic and national security concerns about the extent of India's external dependence for its defence-preparedness.

Heavy dependence of India on imports in defence:

- India has been the world's largest arms importer in the last decade. It accounted for about 12% of global arms imports.
- Saudi Arabia jumped to first place in 2018 and 2019, but India still takes over 9% of global imports.
- **Problem:** This external dependence may create vulnerabilities during military crises.

Background: The new Defence Procurement Procedures (DPP) 2020 are under formulation and Chief of Defence Staff (CDS) is tasked with promoting indigenous equipment in the armed forces.

A movement of Opportunity due to COVID-19 crisis:

- **Encouragement to Indian private defence manufacturers:**
 - By the decision to notify a list of weapons systems for sourcing entirely from Indian manufacturers, the promise to progressively expand this list and a separate Budget provision for domestic capital procurement.
- **Promise of a time-bound defence procurement process, overhauling trial and testing procedures and establishing a professional project management unit:**
 - Over the past five years, the Indian government has approved over 200 defence acquisition proposals but most are still in relatively early stages of processing.
 - This delay now provides the opportunity to re-examine them and to prioritise those with indigenous research and development.
- **The decision to corporatise the Ordnance Factory Board:**
 - Ordnance factories structure, work culture and product range need to be responsive to technology and quality demands of modern armed forces.
 - Corporatization ensures a more efficient interface of the manufacturer with the designer and end user.
 - The factories would be better integrated into the larger defence manufacturing ecosystem.
- **Self-reliance not be taken to overzealous extremes:**
 - The thrust for indigenous research and development will coexist with the import of cutting-edge military technologies to remove near-term defence vulnerabilities.
- **Framing “realistic” specifications for desired weapons platforms:**
 - It will be based on the requirements of India’s defence strategy, rather than on aspirational considerations.
- **Avoiding urgent replenishments:** It is imperative that when we import weapon systems, we should plan for the ammunition and spares for them to be eventually manufactured in India so that we are not driven to seek urgent replenishments from abroad during crises.

Impact of FDI on Defence:

- **More joint ventures:** The liberalisation of FDI in defence manufacturing, raising the limit under the automatic route to 74%, should open the door to more joint ventures of foreign and Indian companies for defence manufacturing in India.
- **Indigenisation:** It would sustain a hub of domestic industrial activity in the research, design and manufacture of systems and subsystems.
- **Opportunity for Indian companies:** Our companies have long been sub-contractors to prominent defence manufacturers abroad. They would get the opportunity to directly contribute to Indian defence manufacturing.

Development of a thriving indigenous defence industry needs an overhaul of existing regulations and practices:

- **A long-term integrated perspective plan:** For the requirements of the armed forces should give industry a clear picture of future requirements.

- **DPP 2020 should incorporate guidelines:** To promote forward-looking strategic partnerships between Indian and foreign companies. It will help to achieve indigenisation over a period.
- **Cost evaluation:** It must evolve from mechanical application of the L1 (lowest financial bid) principle to prioritizing indigenous content.
- **The definition of indigenization:** It needs to privilege technology over value or volume.
- **Transparent policy:** Investment will be viable only if the door to defence exports is opened with a transparent policy.
- **Level playing field for private sector:** Conflicts of interest, created by the role of DRDO as the government's sole adviser, developer and evaluator of technologies have to be addressed.

Way Forward

The government's moves will help address vulnerabilities in crises as well as strategic and national security concerns.

41. Agricultural Reforms

Source – [Indian Express](#)

Syllabus – GS 3 – Transport and marketing of agricultural produce and issues and related constraints

Context – The relief measures for agriculture announced in Atmanirbhar package targets only the market issues not the structural challenges

1. Marketing Issues in Agriculture Sector

APMC Act, 1955 was enacted to ensure that farmers mandatorily sell their produce in market yard (mandi) through auction and they do not depend on informal channels to sell their produce. However, over time inefficiencies and monopoly of mandi's created following issues:

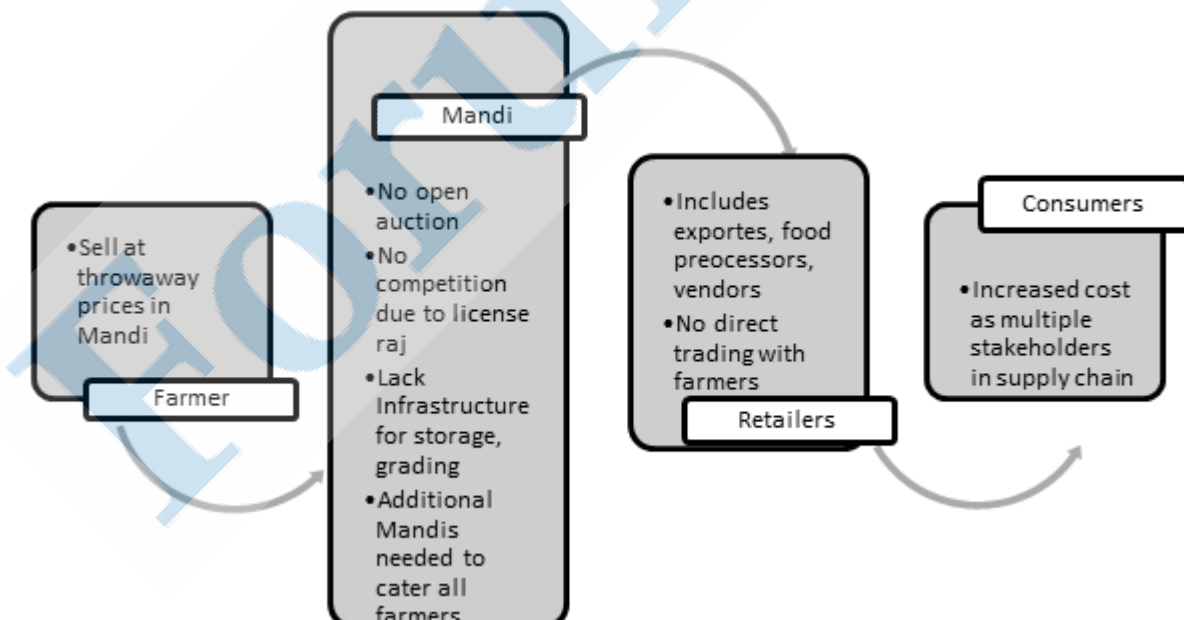


Figure 1- Supply chain under APMC Act

2. Current reforms

Recently many states have adopted the model APLM Act, 2018 as lockdown forced farmers into distressed sale of their produce:

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- a. Rajasthan has allowed farmers to sell their produce directly to traders.
B. Chhattisgarh is rolling out a direct cash transfer of a maximum of Rs. 10,000 per acre subject

3. **Implication** – All the stakeholders in the supply chain will have following benefits:

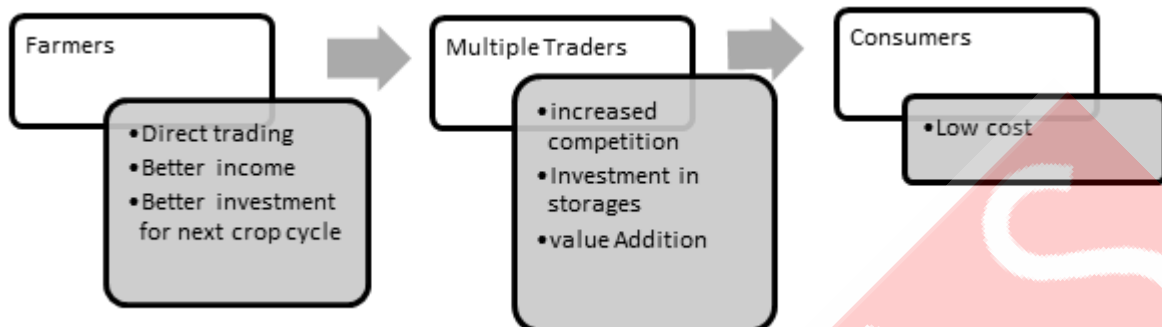


Figure 2 –Supply chain under Model APLM Act and Model Contract Farming Act

4. **Issue with new reforms - 85% small and marginal farmers** – Most of the farmers in agriculture sector are small and marginal. Thus, they have no economies of scale, bargaining power and can't afford high transportation cost which will force them to sale their produce to small traders in their local markets and villages.



Figure 3- Issues faced by small and marginal farmers

5. **Suggested reforms**

Agriculture sector is in dire need of Structural Reforms which are:

- **Credit Availability** - Increasing reach of institutional credit and ensuring promotion of long-term loans so that investment in next crop cycle can be made by farmers.
- **Promoting e-NAM** - Creation of an online national market with provision for interstate trading license and freedom to farmers to choose their buyers and vice-versa.
- **Rationalizing subsidies** – The fiscal cost of subsidies, poor targeting, effect on supply-demand of farm produce and environmental cost demands rationalizing them so that market forces can govern the farm production.
- **Boost to Food Processing Industries** – FPI act as link between industry and farmer which ensures better income for farm produce on one hand and better value addition by industries on other. This creates employment opportunities for disguised labor force of agriculture and increase exports.

Way forward – Agriculture sector need holistic reforms across its all segments which include crop production management, pricing, marketing and value addition to double farmers income and ensure food security.

42. NPA and Bad Bank

Source: [Live Mint](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: The Indian Banks' Association has requested the central government to set up a "bad bank" to reduce the impact of their losses because of provisioning for non-performing assets (NPAs).

Data: The total gross NPAs of banks stands at 9.08% of their total gross advances in 2019.

Concept of Bad Bank:

- **Bad bank:** It is a structure that moves the distressed and illiquid assets of a bank into another entity through regulatory structures such as asset reconstruction companies (ARCs), alternative investment funds (AIFs) and asset management companies (AMCs).
- **Its Working:** The proposal envisages setting up an ARC platform to buy these stressed pools from banks and turn them around.
- **Benefits:**
 - Allow banks to write off the appropriate provisions for the portfolio sold and get the discounted value that the ARC pays for the distressed pool purchase.
 - The stressed assets can alternatively be sold to an AIF, which could turn them around.
- **Counter view to bad bank:**
 - **Opacity in dealing bad loans:** By forcing the government, in its capacity as the owner of multiple banks, to set up a bad bank and buy distressed assets at "book value".
 - **Precedent for others:** If a bank owner wants to own an ARC, it set precedent for other banks and non-banks to also seek an ARC of their own.
 - **Not fixed solution:** The system should not let pools of assets be juggled between a bank book and ARC.
 - **Not fair pricing:** Of pools purchased by an ARC.
 - **Strict regulations:** Most bad loan declarations of late are taking place due to strict regulatory supervision pressures and lenders' balance sheets are being cleaned out.
 - **Need of specialists:** Turnaround specialists with specific sectoral skills are needed for the task of ARCs and not just experts with credit underwriting or collections expertise.

Is the current framework equipped to handle NPAs?

- **Want higher price:** If there is no desire for AMCs, AIFs and ARCs to take over bad loans, it could be because the owners of those assets want a price higher than the fair market value.
- **Expectation of higher returns:** ARCs will buy those pools of stressed assets only if they see continued viability of those pools being recovered.

NPAs without bad bank:

- Lenders would have to pitch for the interest of ARCs in the market to gauge their interest in the distressed pool.
- **Need of more equity:** It will be needed as they have to provide for NPAs in the balance sheets.
- **Transparency:** This would be a transparent way of telling public investors where their money is going.

Way Forward

With COVID-19 crisis, the NPAs are expected to rise further. Any measure to bring it down is a welcome move.

43. Analysis of RBI's policy

Source: [The Hindu](#) and [The Indian Express](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: In an unscheduled meeting, the monetary policy committee (MPC) of the RBI slashed the benchmark repo rate by 40 basis points.

RBI policy since the imposition of Lockdown:

- Cumulatively, the MPC has cut rates by 115 basis points.
- The repo rate now stands at 4 %.
- The reverse repo rate is now 3.35%.

Trend in rates:

- The MPC has reduced rates by 115 bps since March and 250 bps since last year.
- Economic indicators point to a deep contraction in domestic and external demand:
 - Industrial output contracted by 16.7% in March.
 - Both exports and imports contracted by 60.3% and 58.6% in April, compared with a decline of 34.6% and 28.7% in March.
 - With such a massive supply and demand side shock, gross domestic product (GDP) growth is expected to be negative in FY21.
- The reduction in policy rates was done despite food inflation increasing from 8.8% in March to 10.5% in April.

Expectation of rate cut:

- Will reduce the cost of capital.
- Ease the financial burden on businesses due to the extended lockdown.

MPC during lockdown: It will continue to prioritise economic activity over price management as growth is the real challenge with economic activity is at standstill.

Low enthusiasm from rate change:

- **Only a Sentiment booster:** The latest cut may be no more than a sentiment booster as economic activity is at its rock bottom and there are not many investment proposals that may benefit from the lower interest rate.
- **Benefit for existing beneficiary:** Existing borrowers may be the only beneficiaries of the rate cut at this point in time.

Expected effects of Monetary policy:

- **Moratorium on loans:** The extension of the repayment moratorium on loans is a welcome measure. A large proportion of commercial borrowers have availed themselves of the moratorium but retail borrowers have not taken to it in a big way.
- **More opting for moratorium:** There may be more opting for it given that the extended lockdown has left many businesses in distress and salaries have either not been paid or are being disbursed with delays.
- **Not to pay interest dues in one shot:** RBI Allowed accumulated interest on working capital loans to be converted into a term loan repayable by the end of this fiscal. Borrowers would otherwise have been faced with the difficult task of paying up their interest dues in one shot at the end of the moratorium period.
- **The increase in group exposure limit for banks:** Increase to 30% from 25% will help large corporate borrowers who may find themselves handicapped in raising funds from the markets now.

- **Demand for credit is likely to remain low:** Firms and households will postpone their decisions with continuing economic uncertainty.
- **Holding back by bank:** Risk averse banks are likely to hold back even if there are borrowers.
- **Challenge of liquidity flows:** Higher-rated borrowers are likely to continue to get easy funding while lower-rated borrowers will struggle.
- **Role of credit guarantee:** The credit guarantees provided by the central government for lending to MSMEs, NBFCs, MFIs could help moderate sectoral risk aversion but only to some extent.

Future expectation from RBI:

- The greater clarity over the scale of the RBI's open market operations and the Centre and states' borrowing programme for the year is needed.
- Expectation of relaxing norms for loan restructuring by lenders.

Way Forward

The RBI has acted in an adept manner as there is no way of knowing the true extent of distress now. Monetary policy may have greater space to operate but there are limitations to what it can achieve. Fiscal support too is needed.

44. Analysis of Atma Nirbhar Mission

Source – [Indian Express](#)

Syllabus – **GS 3** - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context – Atma nirbhar mission focuses on supply-side in economic package while neglecting demand-side

Atma Nirbhar Mission – It is the fiscal stimulus package of Rs 20 lac crores to provide relief measures to economic sectors reeling under the stress of COVID and its impact. This is aimed at becoming more local and self-reliant, especially when global supply chain gets disrupted due to unforeseen situations.

Issues

1. **Neglected sectors** – The already distressed sectors such as airlines, automobiles, hotels, restaurants, and tourism have not found mention in the package. Also, there is insufficient allocation for public health which already is in a dilapidated state.
2. **Stress on supply-side** – The package focuses on the supply side which includes long term structural reforms like agriculture marketing reforms. These measures will not give stimulus to economy in short term,
3. **No clarification on actual sum of fiscal stimulus** - According to leading economists and firms, the actual fiscal cost is not 10% of GDP as the relief package has more of credit guarantee and liquidity support (around 75%) and fiscal spending is very less.

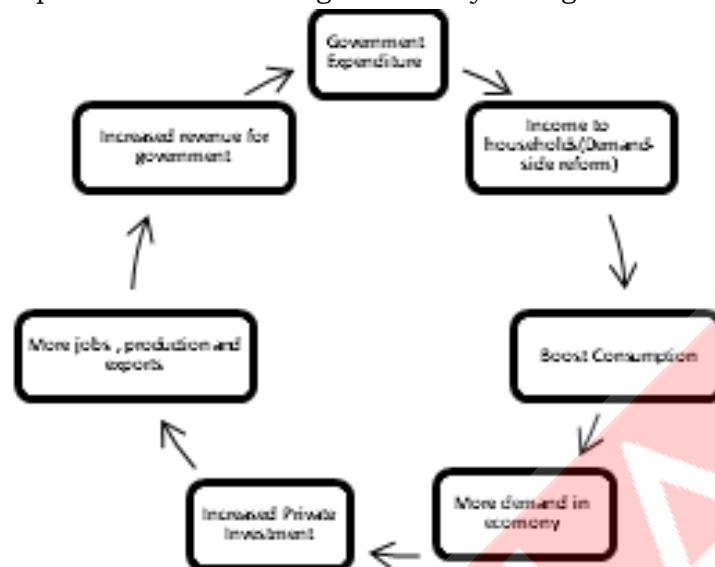
Further, it is not clear that .8% to 1.2% of GDP expenditure is over and above the Budgeted expenditure or will it be funded by expenditure cuts in the budget of FY21.

Suggested Solution



9 PM Compilation for the Month of May, 2020

In this equation of GDP, in current situation, government expenditure holds the key to revive economy as it promotes the following virtuous cycle of growth:



Way Forward – Supply side reforms, in long term, are must for becoming 5 trillion economy and bringing structural reforms in all sectors. However, in short term Indian economy needs fiscal stimulus from government side which can boost consumption and investment to revive the economy.

45. Income support schemes

Source – [Indian Express](#)

Syllabus – GS 3 - Transport and marketing of agricultural produce and issues and related constraints

Context – Chhattisgarh recently launched its farm income support scheme - Rajiv Gandhi Kisan Nyay Yojana (RGKNY)

Other Remunerative (income) support schemes:

- West Bengal's Krishak Bandhu
- Jharkhand's Mukhya Mantri Krishi Aashirwad Yojana
- Odisha's KALIA scheme (Krushak Assistance for Livelihood and Income Augmentation)
- PM KISAN - Pradhan Mantri Kisan Samman Nidhi

Need of the income support:

1. **Abysmally low farm income** - According to NABARD, average monthly farm income of farmers in India is Rs 8900 which do not even cover the cost of production.
2. **Issues associated with APMC Mandi** - The mandi yards and mandi traders' possess several hurdles for farmers which negatively impacts their farm income:
 - a. **Lack of mandi yards and issue of accessibility**– Recommendations provides for that a regulated market available to farmers within a radius of 5 km (a corresponding market area of about 80 sq. km), currently regulated markets cover only 457 sq. km. There are more than 7,000 regulated markets and 20,000 rural markets when the need is at least twice these figures.
 - b. **Cartelization by mandi traders** – APMC Act provides for open auctioning of farm produce so that better income through transparent method can be provided to

farmers. However, traders in mandiyards form cartels and determine the prices in their own favor.

- c. **High fees and red tapism for entry in mandi** - To restrict entry of player and avoid competition in mandiyards, high fees is imposed for new players.
- d. **Lack of infrastructure investment**– Most of the mandi's lack infrastructure for weighing, sorting, grading and storage. This results in poor storage, food wastage, non-acceptance of perishables etc.

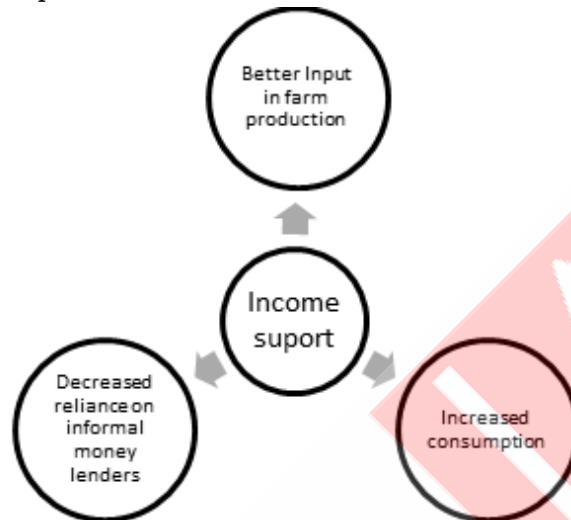


Figure 1 – Advantages of Income support

Challenge of Income support scheme - Lack of record of tenancy - The government data shows only 10 per cent tenancy in the country while several micro-level studies indicate that it could be anywhere between 25-30 per cent. Cash advances going to absentee owner and not to tenants will not benefit the real tiller.

Suggested solution –

1. **Identification of the landless laborers and tenants working on farms** – the Model land leasing Act is a welcome step in this direction which formalizes the contracts and tenants get incentive to improve land as well as production.
2. **Synchronizing MGNREGA with farm operations** - The legal framework of the MGNREGA scheme does allow this on farms owned by people of SC/ST communities, and on the lands of marginal farmers. This can be done with landless laborers as well as sharecroppers.

Way Forward– State level income support schemes needs to be complemented with structural reforms in agriculture. This will make farming sustainable and more remunerative in long term.

46. Agriculture Reforms

Source – [The Hindu](#)

Syllabus – GS 3 - Transport and marketing of agricultural produce and issues and related constraints

Context– The announcements for agriculture sector in Atma Nirbhar Mission lack addressing structural issues regarding marketing of farm produce

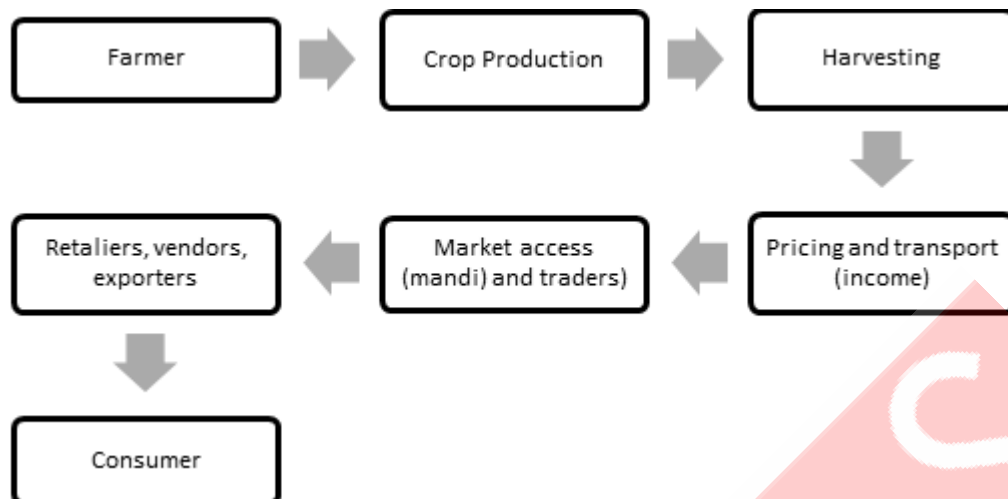


Figure 1 – Supply chain of Agriculture production including stakeholders

Major issues:

1. **APMC mandi** – The mandi yards and mandi traders pose several hurdles for farmers which negatively impacts their farm income:
 - a. **Lack of mandi yards and issue of accessibility**– Currently regulated markets cover only 457 sq. km. There are more than 7,000 regulated markets and 20,000 rural markets when the need is at least twice these figures. Recommendations, thus, provide for that a regulated market available to farmers within a radius of 5 km (a corresponding market area of about 80 sq. km).
 - b. **Cartelization by mandi traders** –APMC Act provides for open auctioning of farm produce so that better income through transparent method can be provided to farmers. However, traders in mandiyards form cartels and determine the prices in their own favor.
 - c. **High fees and red-tapism for entry in mandi** - High fees is imposed on new players to restrict entry of new players and avoid competition in mandiyards.
 - d. **Lack of infrastructure investment**– Most of the mandis lack infrastructure for weighing, sorting, grading and storage. This results in poor storage, food wastage, non-acceptance of perishables etc.

To deal effectively with the APMC malpractices, **suggested solutions** are:

- a. **Repealing APMC act**– Bihar repealed its APMC act in 2006 to allow free market competition in marketing farm produce which usually takes care of demand and supply in market. This benefits both farmers as they produce as per demand and get competitive prices as well as consumers who get produce at affordable costs.

Counter-argument

- Despite the abolition of APMC, there were no considerable investment by private sector to create private mandis or market.
- Also, State's revenue got affected as revenue from APMC was forgone due to which no considerable improvement in existing mandis could be made.
- Unregulated Mandis – In absence of regulated mandiyards and private market, unregulated mandis came up which charged high fees from traders as well as farmers and lacked necessary infrastructure also.
- b. **Model APLM Act 2018** – Basic features of Act are as following:
 - Farmer can sell produce to anyone including retailers and exporters.

- Mandatory for traders to make payment same day otherwise seizure of the produce from trader.
- Allowed PPP allowed in management and development of mandi.
- Creation of a national market with provision for interstate trading license.
- Cap on market fee – 2% for fruits and vegetables and 1% for grains.
- Promotion of e-trading through e- National Agriculture Market.
- c. **Model Contract Farming Act 2016** – This Act has been enacted to integrate farmers with bulk purchasers including exporters, agro- industries etc. for better price realization. Salient features of the Act are:
 - The Act lays special emphasis on protecting the interests of the farmers, considering them as weaker of the two parties entering a contract.
 - In addition to contract farming, services contracts all along the value chain including pre-production, production and post-production have been included.
 - "Registering and Agreement Recording Committee" or an "Officer" for the purpose at district/block/ taluka level for online registration of sponsor and recording of agreement provided.
 - Contracted produce is to be covered under crop / livestock insurance in operation.
 - Contract framing to be outside the ambit of APMC Act.

Way forward – The structural issues and bottlenecks created by Covid lead lockdown has necessitated increased fiscal spending by government to improve agriculture growth and double farm income by 2022.

47. What does the government's stimulus package have in store?

Source: [The Hindu](#)

Syllabus: GS-3- Economy-Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Context: The government has announced special economic and comprehensive package of Rs 20 lakh crores - equivalent to 10% of India's GDP- under the Atmanirbhar Bharat Mission.

Five tranches of the package:

1. The first tranche primary focus to alleviate the distress in the Micro, Small and Medium Enterprises sector.
2. The second tranche dealt with measures for the distressed migrant workers.
3. The third tranche included 11 measures for the agriculture sector.
4. The fourth tranche included measures for commercial coal mining; coal gasification projects; privatization of airports, optimization of Indian airspace etc.
5. The fifth tranche included allocation of additional Rs 40,000 crore for MNREGA, Technology Driven Online Education Systems, decriminalization of Companies Act and health related initiatives.

Measures to boost Demand Side in the Economy:

- Rs. 1.73 lakh crore allocated for improving the incomes and welfare of the most vulnerable, including the 20 crore female Jan Dhan account holders;
- Rs. 50,000 crore additional incomes to those whose TDS and TCS were reduced by 25%;
- Rs. 40,000 crore additional allocation for MNREGA
- Rs. 30,000 crore for construction workers;
- Rs. 17,800 crores transferred to 12 crore farmers;

- Rs. 13,000 crores transferred to States to finance the costs of running quarantine homes and shelters for migrant workers.

Measures to boost Supply Side in the Economy

1. **Ensuring Food Security:** The government declared agriculture and all related activities as essential services amid Covid-19 pandemic lockdown. This ensured harvesting and efficient procurement of the critical Rabi crop.
2. **Prevention of Insolvency and Bankruptcy:** The government had announced moratorium for all businesses for their debt servicing obligations to commercial banks. Further, MSMEs were provided an additional credit line of Rs.3 trillion without any fresh collateral.
3. **Measures to improve ecosystem for private producers and investors:**
 - **Agriculture:** The government decided to amend Essential Commodities Act, 1955 to help provide the farmers with a better price share. Also, traders and exporters of agro-products can maintain necessary stocks to meet export obligation
 - **Defense:** Government made further liberalization in the defense production sector
4. **Street vendors:** street vendors across India have been given a credit of Rs.10,000 each for re-stocking.

Conclusion: The economic stimulus package is expected to be a great boost and help in revival of the Indian economy. It has the capabilities to boost demand and ensure the survival of existing production capacities

48. Analysis of liquidity push

Source – [The Hindu](#)

Syllabus – GS 3 – Mobilization of resources

Context – Government's attempt to increase liquidity under Atma Nirbhar Package

Atma Nirbhar Mission – A relief package of Rs 20 lac crores aimed to achieve self-reliance in various sectors of economy. Package comprises of two modes: Liquidity push and Fiscal spending to give stimulus to economy.

Liquidity push – Liquidity refers to ease of access to cash — a liquid asset is one that can be easily sold for or replaced with cash. The main intermediaries being enlisted for the task of transmitting liquidity are the banks and NBFCs. Steps taken for liquidity push-

- The 'targeted' long term repo operations (TLTROs) - TRO is a tool that lets banks borrow one to three-year funds from the central bank at the repo rate, by providing government securities with similar or higher tenure as collateral.

It is called 'Targeted' LTRO as in this case, the central bank wants banks opting for funds under this option to be specifically invested in investment-grade corporate debt.

- NBFC's - Small Industries Development Bank of India, the National Bank for Agriculture and Rural Development, and the National Housing Bank - These refinancing agencies provide loans to different segments of economy which promote stimulus and demand. The government offered them partial or full credit guarantees in case their clients defaulted.
- Temporary increase in the disposable income - Advance access to savings like provident fund contributions, lower tax deduction at source, reduced provident fund contributions and moratoriums on debt service payments promotes disposable income with citizens.

Criticism of liquidity push

- No demand in market – Due to COVID associated lockdown, there has been loss of 122 million jobs which also lead to loss of income. In such scenario, there is absence of demand which in turn suppresses the investment by industries and thus their reluctance to borrow or increase liquidity.
- Loss to businesses – Small as well as big businesses have suffered huge losses which compounded to slowdown in economy in 2019 has add to their woes. This makes them fearful for any new investments and new borrowings.
- Weaker transmission of repo rate policy – RBI has slashed its repo rate for past 1 year to boost liquidity in system. However, banks have been reluctant to pass on these benefits to its borrowers due to issues like Non-performing assets.

Suggested Solution - Increased share of fiscal spending – Fiscal spending by government, although will increase fiscal deficit, but has the potential to increase liquidity in short-term which will revive the economy at faster rate than the liquidity push measures(long-term steps). This involves :

- New and additional transfers to people in cash and kind
- Wage subsidies
- Equity support
- spending on employment programmes

Way Forward – Liquidity push and structural reforms introduced in the mission are much needed long-term measure for reviving economy. To boost growth in FY21, Government need to opt for fiscal stimulus which in turn promote immediate demand in economy and lead to investment by firms.

49. One nation one ration card

Source: [The Indian Express](#)

Syllabus: GS 3-Issues related to direct and indirect farm subsidies and minimum support prices; Public Distribution System- objectives, functioning, limitations, revamping; issues of buffer stocks and food security; Technology missions; economics of animal-rearing.

Context: COVID-19 has focussed the country's attention on inter-state migrants. It has highlighted their precarious socio-economic condition.

Previous steps taken by government to bridge the gap:

- **Overall idea:** Idea of portable welfare benefits, that is, a citizen should be able to access welfare benefits irrespective of where she is in the country.
- The idea was first mooted under the UPA government by a Nandan Nilekani-led task force in 2011 in case of food rations.
- The current government committed to a national rollout of ONORC: **Initial Plan:** by June 2020
- **With pandemic:** Changed to March 2021.

Barriers to one nation one ration:

1. **The fiscal implications:** ON-ORC will affect how the financial burden is shared between states.
2. **The larger issues of federalism and inter-state coordination:** Many states are not convinced about a “one size fits all” regime because they have customised the PDS through higher subsidies, higher entitlement limits and supply of additional items. For example- Tamil Nadu implements a universal PDS in which every household is entitled.

3. **The technology aspect:** ON-ORC requires a complex technology backbone that brings over 750 million beneficiaries, 5,33,000 ration shops and 54 million tonnes of food-grain annually on a single platform.

Highs & Lows

Electronic point-of-sale device coverage across India

| 17 states & UTs where all ration shops have ePoS machines | states with few or nil ePoS devices at ration shops |
|--|---|
| Andhra Pradesh, UP, Haryana, Gujarat, J&K, Himachal Pradesh, Jharkhand, Maharashtra, Odisha, Punjab, Tamil Nadu, Telangana, Tripura, Sikkim, Dadra & Nagar Haveli, Daman & Diu & Lakshadweep | Bihar, Uttarakhand, Assam, Delhi, Nagaland, Mizoram, Meghalaya, Manipur |

Similar concerns which were dealt by GST can be helpful for ONOR:

1. **Fiscal concerns in GST:**
 - a. States like Tamil Nadu and Gujarat that are “net exporters” were concerned they would lose out on tax revenues to “net consumer” states like UP and Bihar.
 - b. Finally, the Centre had to step in and provide guaranteed compensation for lost tax revenues for the first five years.
 - c. **For ONORC:**
 - i. The Centre should provide a similar assurance to “net inbound migration” states such as Maharashtra and Kerala that any additional costs on account of migrants will be covered by it for the five years.
2. **Broader issues of inter-state coordination:**
 - a. Keeping the spirit of cooperative federalism, the central government created a GST council consisting of the finance ministers of the central and state governments to address these issues.
 - b. **For ONORC:**
 - i. The government should setup a national council for ON-ORC which should meet regularly, have specific decision-making authority and should operate in a problem-solving mode based on consensus building.
3. **Technology aspect:**
 - GST is supported by a sophisticated tech backbone, housed by the GST Network (GSTN), an entity jointly owned by the Centre and states.
 - **ONORC:**
 - A similar system would be needed for ON-ORC.
 - **PDS Network:** There should be setting up of a PDS network (PDSN) which should incorporate principles such as inclusion, privacy, security, transparency, and accountability.

Learning from challenges of GST:

- **Delay:**
 - Delay in GST refunds led to cash-flow issues.
 - Similar delays in receiving food rations could be catastrophic.
 - ON-ORC should create, publish and adhere to time-bound processes like right to public services legislation that have been adopted by 15 states and rapid grievance redress mechanisms.
- **Compliance burden:**
 - It fell most on the MSMEs digitised overnight.
 - PDS dealers would also face similar challenges of overnight digitalisation.

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- Citizens will need to be shielded from the inevitable teething issues by keeping the system lenient at first, providing different ways of authenticating oneself and publicising a helpline widely.

Way Forward

ON-ORC is an opportunity to provide a reliable social protection backbone to migrants who are the backbone of our economy.

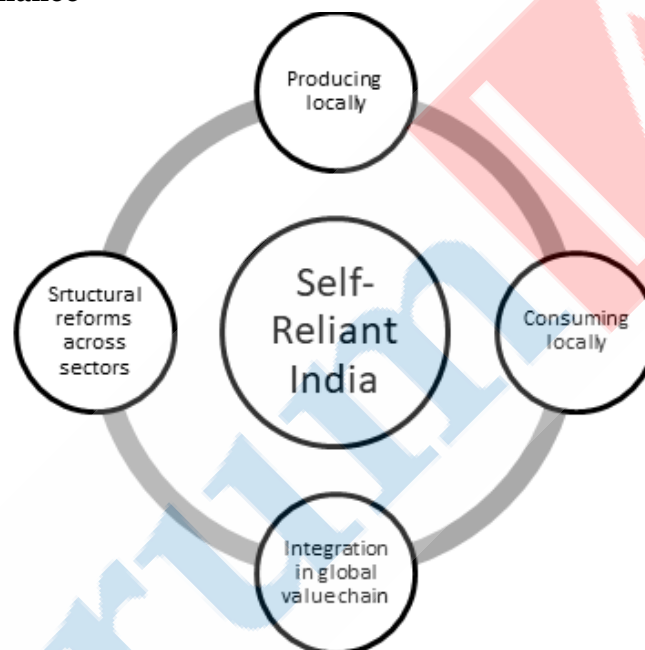
50. How India can become self-reliant

Source – [The Hindu](#)

Syllabus – GS 3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context - Atma Nirbhar mission announced in wake of COVID associated economic slowdown aims for self-reliance

Features of self-reliance



| Challenges In becoming self-reliant | Suggested solution |
|---|---|
| 1. Poor Performance of PSU - PSU's are characterized by low productivity, poor quality and low technology and thus are globally uncompetitive. | • Privatization of PSU - Management and control by private sector will improve efficiency and quality of goods and services. |
| 2. Missed "3rd Industrial Revolution" - Decade of 2008-2018 is considered as lost decade in India as we could not participate in 'third industrial revolution'. It comprises of manufacture of electronic goods, micro-processors, personal computers, mobile phones and decentralized manufacturing and global value chains. | • Promoting make in India - India has largest consumer base in world, which necessitates the participation in 3 rd industrial revolution and can be done via Make in India program. |
| 3. Abysmally low R&D to GDP ratio - Unlike countries like South Korea, | • Increasing R&D to GDP ratio - State-funded R&D, by PSUs, research |

| | |
|---|--|
| Taiwan invested in R&D in science and technology to promote manufacturing of high-end products domestically. India totally bypassed its manufacturing sector to give way to service sector. | institutions and universities needs to be scaled-up significantly. |
| 4. Lack of quality mass education – Investment in human resource is of utmost importance in order to become self-reliant especially for 3 rd industrial revolution. However, Indian education system fails to offer quality education and skill-set to its youth. | • Promoting quality education – Investment in quality infrastructure, teachers and academia-industry relation is needed to reap the demographic dividend of nation. |

Way Forward - Self-reliance need development of capabilities at home as well as mobilizing resources domestically and internationally. This needs concentrated efforts by government, private sector as well as participation of citizens to embark on path of NEW INDIA which is Atma-Nirbhar.

51. Heat wave in India in 2020

Source: [Indian Express](#)

Syllabus: GS-3- Disaster Management

Context: Rajasthan, Delhi, Uttar Pradesh, Madhya Pradesh, and Maharashtra have been experiencing severe to very severe heatwave conditions.

Heatwave: A heat wave is a period of abnormally high temperatures (more than the normal maximum temperature) that occurs during the summer season.

Criteria for declaration of a heatwave: Heat wave is considered if maximum temperature of a station reaches at least 40°C or more for Plains, 37°C or more for coastal stations and at least 30°C or more for Hilly regions. The Indian Meteorological Department (IMD) follows the following criteria to declare heatwaves:

Based on Departure from Normal

- Heat Wave: Departure from normal is 4.5°C to 6.4°C
- Severe Heat Wave: Departure from normal is >6.4°C

Based on Actual Maximum Temperature (for plains only)

- Heat Wave: When actual maximum temperature $\geq 45^{\circ}\text{C}$
- Severe Heat Wave: When actual maximum temperature $\geq 47^{\circ}\text{C}$

Heatwave prone zones in India:

- Heatwaves are most common in Core Heatwave Zone (CHZ). This zone comprises of Rajasthan, Punjab, Haryana, Chandigarh, Delhi, West Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Orissa, Vidarbha in Maharashtra, parts of Gangetic West Bengal, Coastal Andhra Pradesh and Telangana.
- The regions in the extreme north, northeast and southwestern India are lesser prone to heatwaves.

Reasons for unusual heatwave timing in 2020

Heatwaves occur over India between March and June. However, in 2020, heatwaves started only after May 21st. It was mainly because of the continuous inflow of Western Disturbances that influenced the weather in the north till early May. It had brought rainfall

and thunderstorm over parts of Rajasthan, Punjab, Uttar Pradesh, north Madhya Pradesh and Delhi until mid-May.

Western Disturbance: It is an extra-tropical storm which originates in the Mediterranean region. It is a low-pressure system that travels from the western to the eastern direction. It brings unseasonal winter rain to the north and north-western parts of the Indian subcontinent.

Impact of Cyclone Amphan on heat waves

Cyclone Amphan had dragged maximum moisture from over the Bay of Bengal, entire South Peninsula, parts of Central India and to some extent, from the Arabian Sea. This resulted in dry north-westerly winds to blow over Rajasthan, Madhya Pradesh, Uttar Pradesh and Maharashtra causing severe heatwave.

52. Locusts Attack

Source – [The Hindu](#)

Syllabus – GS 3 – Disaster and Disaster management

Desert Locusts - The desert locust is a species of locust, a swarming short-horned grasshopper. It is one of the most devastating migratory pests in the world and it is highly mobile and feeds on large quantities of any kind of green vegetation, including crops, pasture, and fodder.

Reasons for their emergence:

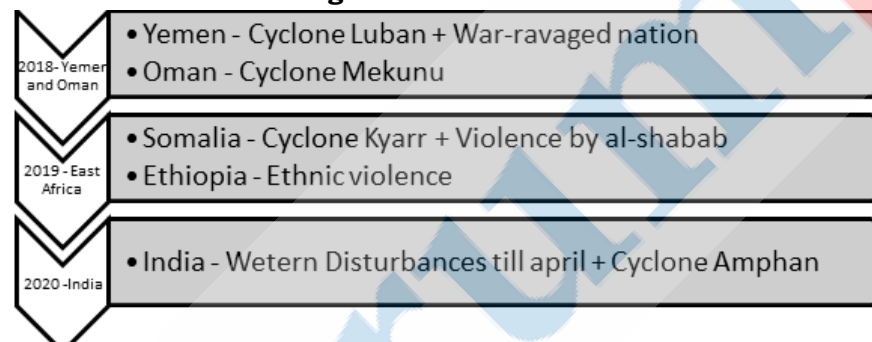


Figure 1 – Sequence of cyclones which fuelled the locust's swarms

1. **Climate change and global warming** – According to United Nations, Climate change has caused unprecedented breeding of locusts in 2019 and 2020.

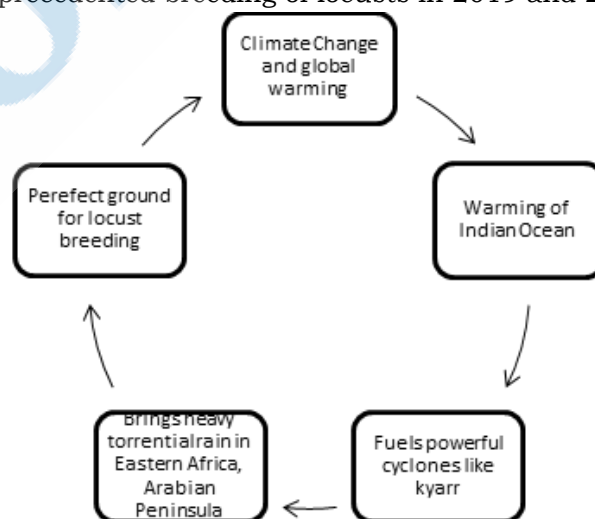


Figure 2 – Link between climate change and locusts

2. **COVID 19** – The spread of corona virus across continents by February 2020, diverted the resources needed to check and control their emergence.

Challenges caused by locusts' swarms

- a. **Food Security and livelihood in danger** – The swarms feed on green standing crops which have been destroyed in Eastern Africa as well as Pakistan. This has threatened the food security of these nations and farmer's livelihood. Somalia and Pakistan, thus, have declared state of emergency in their nations.

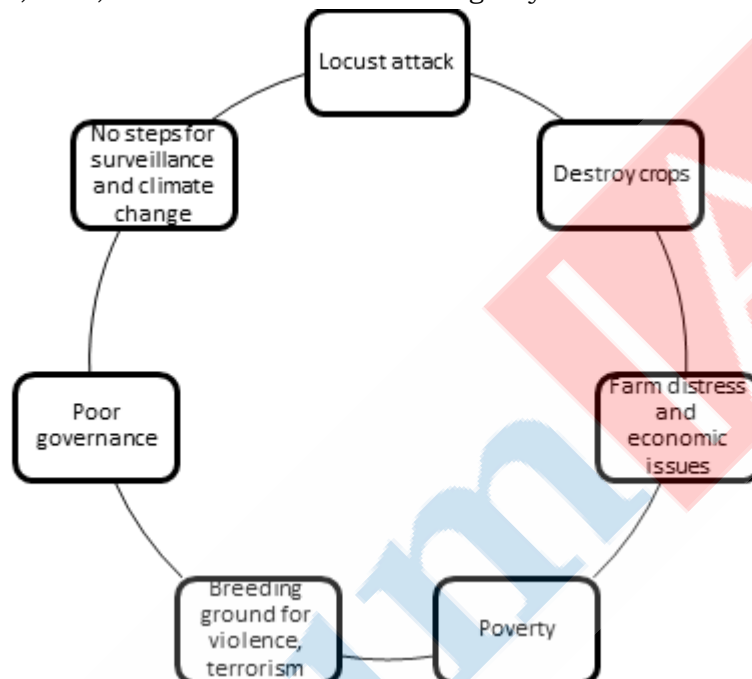


Figure 3 – Vicious cycle of locust attack

- b. **Breed exponentially** - In their lifecycle of 3 months, these locusts breed exponentially which give rise to new swarms in short period. The rise in their number creates havoc for farms across continents.
- c. **Locust plague and Covid 19** – The locust plague amid the corona crises has caused enormous distress in nations affected by it as mobilization of resources is already under strain.

Suggested solutions

- a. **Policy overhauls** - Covering locust and such attacks under PM Fasal Bima Yojana which currently is silent on such issues.
- b. **Science and technology development** – Need of better supercomputers which provides analytical tool to predict the variation in atmospheric variables causing warming and cooling of oceans.
- c. **Enhancing partnerships** – India, Pakistan and Afghanistan are all ravaged by locust attack. The trio can actively engage in dialogue for establishing mechanisms to deal with attack under groups such as SAARC. This needs skillful leadership to reshape the bitter ties for better future of all.

- d. **Remote sensing and controlling breeding** – Technological solutions like remote sensing, UAV's needs to be deployed at larger scale to check the breeding of locusts and bring their population under control.

Way Forward – The climate change is creating ground for unforeseen situations which demands better response by all nations. Achieving Sustainable development goal at the earliest by cooperation and collaboration is the only way ahead to usher in a safer future.

53. Lowering growth rate

Source: [The Indian Express](#)

Syllabus: GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context: The Ministry of Statistics and Programme Implementation (MoSPI) released the data for the fourth quarter (January to March) of the last financial year (2019-20) as well as the provisional estimates of the full-year GDP growth rate.

| | |
|----------------------------------|---|
| Expectation by government | <ul style="list-style-type: none"> 8.5% growth (in July 2019 when it presented the Budget for that year). |
| The provisional figure | <ul style="list-style-type: none"> Indian economy grew by 4.2% in 2019-20. This is the lowest annual growth rate of GDP registered under the new GDP data series which uses 2011-12 as the base year. |

Table 1: Since 2016-17, deceleration in GDP growth rate has intensified with each passing year

| Year | GDP growth rate (in %) |
|---------|------------------------|
| 2012-13 | 5.5 |
| 2013-14 | 6.4 |
| 2014-15 | 7.4 |
| 2015-16 | 8 |
| 2016-17 | 8.3 |
| 2017-18 | 7 |
| 2018-19 | 6.1 |
| 2019-20 | 4.2 |
| 2020-21 | -5 to -10* |

* unofficial estimates

Continued weakening of India's growth momentum even before Covid-19:

- A similar fall can be seen in the trajectory of the nominal GDP.
- At the time of the 2019-20 Budget presentation in July, nominal GDP was expected to grow by 12%-12.5%.
- By the end of it, provisional estimates peg it at just 7.2%.
- In 2018-19, the nominal GDP grew by 11%.

There are two reasons why this sharp deceleration in the nominal GDP matters:

- The nominal GDP growth rate is the base of all fiscal calculations in the country:**

- a. The government bases its calculations. For example the amount revenues it will raise and the amount of money it will be able to spend.
- b. A sharp divergence in nominal GDP growth rate basically upsets all other calculations in the economy. For instance, a wrong estimate may result in less revenue generated and as a result government can't spend much as it expected.
2. **Reflects poorly on the government's fiscal marksmanship:**
 - c. It shows that the government was not able to assess the magnitude of economic growth deceleration.
 - d. It leads to inaccurate policy making because a government could end up making policies for an economy that doesn't actually exist on the ground.
 - e. For instance, it can be argued that in an economy that was slowing down sharply and that too on account of a decline in demand, even a massive corporate tax cut would be ineffective. To be sure, despite this once-in-a-generation reform, private investments actually fell by almost 3% in 2019-20 — in sharp contrast to the 9% increase in 2018-19.

Problems with Frequent and significant revisions in quarterly GDP:

- **Criticism of New GDP data series base year:** It is argued that the new series overestimated India's GDP by as much as 2.5 percentage points.
- **Frequent and significant revisions affect credibility:** The provisional estimates have fluctuated repeatedly. The growth estimate for Q2 has gone from 4.5% to 5.1% and back to 4.4% in a matter of just 5 months. India's growth rate was decelerating much faster than what was officially accepted:

Table 2: Too much back and forth on GDP estimates undermines credibility

| Quarterly GDP growth rate in 2019-20 (in%) | 1st Advance Estimate (January 7, 2020) | 2nd Advance Estimate (February 28, 2020) | Provisional Estimate (May 29, 2020) |
|--|--|--|-------------------------------------|
| Q1 | 5.0 | 5.6 | 5.2 |
| Q2 | 4.5 | 5.1 | 4.4 |
| Q3 | | 4.7 | 4.1 |
| Q4 | | | 3.1 |

Source: MoSPI

Undesirable emerging structure of the Indian economy:

- Along with services, manufacturing growth was supposed to absorb the millions still dependent on agriculture.
- But 2019 paints a sorry picture in this regard. While the agriculture and allied sectors enjoyed buoyant growth, manufacturing simply lost its way — contracting for three of the four quarters.

Table 3: Indian manufacturing has lost its way

| Quarterly GDP growth rate (in %) | Q1 | Q2 | Q3 | Q4 |
|----------------------------------|-----|------|-------|------|
| Agriculture | 3 | 3.5 | 3.6 | 5.9 |
| Manufacturing | 3 | -0.6 | -0.8 | -1.4 |
| Construction | 5.2 | 2.6 | -0.04 | -2.2 |

Source: Mospi

Way Forward

There is a need to have correct estimation of GDP estimates to correctly understand the situation and taking decision accordingly in an economy.

54. How Migrant Issue could be solved?

Source: [The Indian Express](#)

Syllabus: GS 3- Inclusive growth and issues arising from it.

Context: The National lockdown resulted in millions of migrant labourers deciding to leave their place of work and travel back to their place of residence.

| Pattern in Migration | | |
|--|--|--|
| According to Census 2011, there were 454 million migrants in India, doubling over the 1991-2011. | | |
| Reason | Pattern in urban: | Pattern within states: |
| The acceleration of migration was particularly more for females, increasing at nearly twice the rate of male migration, a significant for marriage. The percentage share of people migrating for work and business has actually declined. | The share of urban-to-urban migrants has risen over the years which indicates that inter-urban mobility is a growing phenomenon. | The proportion of short-term migrants is much lower than long-term migrants. After 2011, estimates in the Economic Survey indicated that migration within India continued to increase manifold and on average, migration within states is around four times that across states. |

Steps taken to address the Migrant crisis:

- The central government has permitted state governments to utilise the State Disaster Response Fund (SDRF) for setting up shelters for migrants and providing them food.
- The Centre has released Rs 11,000 crore of its contribution in advance to all states on April 3 to augment the funds in their SDRF.
- Additionally, the disbursement of the Revolving Fund (RF) to self-help groups was on-boarded on the PAiSA Portal in April 2020 on a pilot basis in Gujarat and is now being rolled out across all the states.
- The government will also allocate an additional Rs 40,000 crore under MGNREGA to provide work. This measure will help generate nearly 300 crore person days in total and create a large number of durable and livelihood assets, including water conservation assets.

Ministry of Housing and Urban Poverty Alleviation's 2017 report by the working group on migration:

1. **Need to reorient the working of the Construction Workers Welfare Board (CWWB) in each state:**
 1. The CWWB provides social security to migrant workers. But the funds' utilisation is low at 21 %.
 2. According to records available with the CWWB of major states (more influx of migrants), the Centre can transfer a fixed monthly amount for the next three

months. Some states like Maharashtra have given one-time payment to such workers.

2. **A comprehensive database of migrant workers needs to be prepared:**

1. **Starting Point:** The immediate starting point could be the MNREGA enrollments compared with last year rolls and new additions could be treated as migrant labourers.
2. **Remittances transfer:** The PMJDY can also be extensively leveraged to find out the remittance transfers from source to destination. Such remittance transfers could be compared against the 54 districts (2017 report) that exhibit a high level of inter-state out-migration intensity.
3. **Lose access benefits upon migrating to a different location:**
 1. **Digitisation:** Migrants who are registered to claim access to a number of legal and other entitlements at their source locations lose access because of lack of digitisation.
 2. **Utilizing One Nation One Ration Card:** All the state governments can start working in unison to ensure the use of such ration cards for extending all benefits other than PDS.
 3. **Social security:** Portability of food security should be the first step towards portability of healthcare, education benefits. A basic social security framework for migrants, preferably through a simple interstate self-registration process that can be authenticated through SMSs, can be developed.
 4. **Put an end to restrictive domicile provisions:** For working in different states without losing any benefits.
4. **Utilisation of CWWB funds towards housing for migrant workers in construction and related industries:**
 1. Optimal utilisation of these funds should be considered in light of the announcement by the government on launching a scheme for the migrant labour/urban poor to provide ease of living at an affordable rent.

Way Forward

The government should create a comprehensive database, drawing on the databases of Ayushman Bharat, PM-KISAN, PMJDY, PMUY and MUDRA for future social welfare initiatives.

General Studies Paper - 4

General Studies - 4

1. What are the problems in Working culture of Policemen?

Source: [The Hindu](#)

Syllabus: GS 4- Public/Civil service values and Ethics in Public administration: Status and problems; ethical concerns and dilemmas in government and private institutions; laws, rules, regulations and conscience as sources of ethical guidance.

Context: There were visuals of many acts of brutality committed by the police as migrant workers were taking a tough inter-State journey attempting to return to their respective hometowns.

Problems in Working culture of Policemen:

- **British legacy:**
 - A legacy of the British rulers, brutality has been a tenacious characteristic of the Indian police. The Police Act of 1861 established the principles of organization for police forces in India and with minor modifications still in effect.
 - Most policemen are made to believe from their very training days that brutality is inherent in the very role to be performed by them, to instil a certain degree of fear in the citizens.
 - This attitude is reinforced by training instructors, who abuse and even manhandle errant trainees.
- **Issue of Human Rights:**
 - **Indiscriminate use of Weapons:** The mere issue of lathis and weapons in no way justifies their indiscriminate use on innocents or even the accused.
 - **Consider it an inherent demand of the job of policing:** Though the subject of human rights is a part of training curriculum in training institutions, no seriousness is attached to it. Those who violate human rights are seldom taken to task.
- **Lack of senior supervision:**
 - **Lack of On spot Presence of Seniors:** Senior officers are seen very rarely on the spot when their junior-ranking personnel are on duty.
 - **No deterring:** Presence of senior officers with their personnel in the field is conducive in building up a spirit of team with them and also serve as an opportunity to brief the personnel and deter them from any wrongdoing.

Policemen facing difficult working conditions:

- **Long working hours:** Long duty hours tend to test the patience of policemen.
- **Pressure:** Working under tremendous pressure without any respite for relaxation, some of them are constantly on a short fuse and tend to vent their ire on innocent victims.
- **Vacancies in Police force:** Large vacancies in police forces are also responsible for this state. Against the UN recommendations of 222 police personnel for a population of one lakh, most States in our country have around 100 personnel only.

Steps to reduce their fierceness during lockdown:

- **Strict guidelines:** There should be a set of guidelines for police that in no uncertain terms they should use force on persons violating the lockdown regulations.
- **Persuasive Methods:** They should use the power of convincing. In this regard, the Bengaluru Police set an example by divesting the policemen of batons and instead engaging in the use of persuasive methods to seriously implement the lockdown.

- **Quick Grievance Redressal Mechanism:** The high-handedness shown by the police during the various phases of the ongoing lockdown even led to a petition being filed with the State Human Rights Commission of Tamil Nadu. The petition called for the institution of a grievance redressal mechanism to inquire into the excesses committed by law enforcement personnel.

Way Forward

With Proper planning in recruitment, training, in service courses and close supervision by senior officers can go a long way in reducing brutality by policemen.

2. Ethical angle to labor laws change

Source: The Indian Express

Syllabus: GS 4- Public/Civil service values and Ethics in Public administration: Status and problems; ethical concerns and dilemmas in government and private institutions; laws, rules, regulations and conscience as sources of ethical guidance; accountability and ethical governance; strengthening of ethical and moral values in governance; ethical issues in international relations and funding; corporate governance.

Context: Under the cover of the economic impact of the COVID-19 lockdown, the government has moved to reform India's labour laws.

Ground reality of workers due to lockdown:

- Moving scenes of millions of migrant workers who were abandoned by their employers.
- Images of jobless workers and their homeless families crawling to reach their homes.
- It revealed the fragility of their contracts with their employers.

Case study about workers and employers:

- **Planning Commission study:**
- In 2013, it asked Bain & Company to conduct an objective study of enterprises in India.
- The management consultancy firm was asked to test the hypothesis that the long-term performance of the companies, who treat their employees as long-term assets is better than the ones who consider workers as a burden and as costs to be adjusted, whenever sales drop.
- The companies were compared with their peers in the same industries.
- **Result:** The companies that invested in their workers and considered them as assets did much better.
- **Maruti case study:**
- It was shaken by violent unrest.
- **Treatment of contract workers:** They were not paid the same wages as permanent workers doing the same work and did not have the same rights to represent their needs to the management because the contract workers were not the company's employees legally.

Issues of workers:

- **Unfair practice to Contract workers:** The Bain study had revealed that the practice of engaging workers through contractors to work alongside permanent skilled workers had permeated all the best employers in the country.

- **It reduced the cost of workers for the company:** The Bain study had revealed that the companies' profits would be only marginally reduced if all workers were paid similar wages.

Fact: Employee costs constitute less than 20 per cent of the companies' costs. Within employee costs, the share of compensation of CEOs and senior executives was often half of the total. (CEO compensation had risen to over 300 times the salary of a worker in many companies; in the early 1990s, it had been less than 20 times.)

- **Bad conditions of workers:** While workers within the factories of large employers were not being fairly treated by enlightened employers, conditions of workers outside are worse.
- **Large companies employ very few people:** Most of the employment their business generates is outside their factory walls in terms of suppliers, down to hundreds of tiny and informal enterprises.
- **No rights:** Labour laws provide even less protection to millions of workers outside in terms of payment of their wages, their safety or their rights of association.

Role of Unions:

- The unions and employers listen to each other so that they could agree on norms and regulations that would give employers requisite freedom to improve the competitiveness of their enterprises while ensuring fairness for workers.
- **Speaking for all workers:** These unions were also asking employers to consider the conditions of the 96 per cent of the contract workers and not just organized sector.
- **Workers suffer:** Workers suffer whenever there is a downturn because of weak social security systems. The unions appealed to these big businesses to consider all Indian citizens and not only their own employees and shareholders when they proposed changes in India's labour law regime.

Term: The Overton window is the range of policies politically acceptable to the mainstream population at a given time.

Need of effective labour laws for workers:

- The weakening of India's GDP growth.
- Economists' data that employment is declining.
- The appeals of the unions.
- Pictures of millions of workers abandoned by the system.

Way Forward

India is a democracy. Therefore, workers and their needs must be heard while framing or changing regulations. Their voices must not be silenced by ordinances.

3. Work Culture

Source – [Indian express](#)

Syllabus - GS 4 – Ethics and Human Interface

Context – The lockdown due to COVID 19 has changed the work culture, especially in corporate business

Traditional work culture – Traditionally, in both private and public sector, employees and employer go to the working place where all work related to formal and informal activities are carried out. It involves doing official work to hosting lunch for all.

Benefits of traditional work culture –

- a. **Human contact** – The working place ensures that employees and employer get to know each other well by spending significant time working together and participating in informal events.



- b. **Freedom from domestic stresses** – Workplace provides a focused environment to work where freedom from domestic stresses is there. For instance, women employees have double burden of office work and care work provided at home. Workplaces give them better focused environment to work which is not possible in work from home.
- c. **Provides work Identity** – Individual's self-esteem and social standing are provided and boosted because of work place, especially in India. That's why money was spent in the first place on well-designed offices in specific locations that people feel proud to go to.

The new normal - Work from Home

The lockdown restrictions across the world has given impetus to work from home model. In this model, employees as well as employers perform all work-related activities at home – submitting projects to organizing meetings using digital space.

Benefits of Work from home Model

- a. **Reduced overhead cost** – The Company's overhead costs which involve rentals, phone bills, travel bills etc are reduced by significant margin which adds to profit share of company.
- b. **Flexibility to employees** – Employees have considerable flexibility in terms of work hours. Also it saves their time spent on commuting to workplace and back which in turn reduces the travel fatigue.
- c. **Quality time with family** – Workers get to spend quality time with family members at home which add to their happiness and can significantly improve work performance.

Issues related to Work from Home Model

- a. **Lost human touch and social capital** – The workers working online or over telephone do not necessarily develop team spirit which in turn affects the quality of work and productivity of the company.
- b. **Double burden** – Work from home includes doing office work at home and simultaneously dealing with family members and their uninterrupted demand. This adds double burden to worker especially female employees. For this, many companies are also defining work from home hours, emailing hours and calling hours so employees get mental and emotional space.
- c. **Lack of high quality digital connectivity** – Poor digital connections interrupts the work hours as well as office meetings which again affects the productivity of company.
- d. **New norms for employees** – This model demand updated norms for employees and re-organization of business model of companies where workplace is an important aspect of better productivity.

9 PM Compilation for the Month of May, 2020

For instance - Companies compensate employees based on the city where they are located because staying in larger cities is expensive. So in long term work from home there will be a need to restructure the salary components as well to balance company costs as well as afford better talent remotely.

Way Forward – Work from home is the emerging unconventional approach to tackle the COVID but the rise of gig economy in India will make this model permanent. This requires dealing with its issues comprehensively so that interests of all stakeholders are taken care of. s

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