



7 PM COMPILATION

July, 2020

Features of 7 PM compilation

- ❖ Comprehensive coverage of a given current topic
- ❖ Provide you all the information you need to frame a good answer
- ❖ Critical analysis, comparative analysis, legal/constitutional provisions, current issues and challenges and best practices around the world
- ❖ Written in lucid language and point format
- ❖ Wide use of charts, diagrams and info graphics
- ❖ Best-in class coverage, critically acclaimed by aspirants
- ❖ Out of the box thinking for value edition
- ❖ Best cost-benefit ratio according to successful aspirants

What ails India's Model BIT?

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Rebooting tribunals and recalibrating delivery of justice

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National Education Policy, 2020 – Provisions and Significance

Topics: Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Subtopics: National Education Policy

What ails India's Model BIT?Source: [TheHinduBusinessline](#)**Introduction**

The COVID-19 pandemic has forced the economies worldwide to transform and re-orient their policies, so as to save themselves from the impending economic recession. And, India is no exception.

The suspension of economic activities due to the unprecedented 82-day lockdown has further accentuated the economic deceleration in India. Even before Covid-19 pandemic, the GDP already plummeted to 4.5% and macroeconomic indicators were estimated to fall to multi-year and decadal lows.

Thus, India cannot ill-afford to lose the emergent opportunities to attract foreign direct investments (FDIs) looking to relocate away from China. India also needs to look for alternatives for China to attract FDI's. But its 2016 Model Bilateral Investment Treaty is protectionist in scope.

What do you understand by Bilateral Investment Treaty (BIT)?

A BIT is an agreement between two countries that sets up "rules of the road" for foreign investment in each other's countries. BITs typically serve to protect investments made by investors on a reciprocal basis, specifying conditions on regulatory oversight of the host state and limiting interference with the rights of foreign investors.

Importance of Bilateral Investment Treaty (BIT)

- **Protection to country's foreign investment:** When countries (X and Y) enter into a BIT, both countries agree to provide protections for the other country's foreign investments that they would not otherwise have.
- **Attracting FDI's:** BITs have always played a critical role attracting FDI inflows.
 - **Case Study: India**

BITs have been one the major drivers of FDI inflows into India. A 2016 study by Niti Bhasin and Rinku Manocha suggests that by providing substantive protection and commitment to foreign investors, BITs indeed contributed to rising FDIs in the 2001-2012 period.

- **Right of National Treatment:** A BIT ensures that foreign governments (X) will treat investors from Y the same as domestic companies; this right is known as "national treatment."
- **Most favoured Nation (MFN):** BITs also guarantee that investors from Y are given the same types of preferences that other foreign investors are given in a market (X), also called "most-favoured nation" treatment.
- **Fair and Equitable basis:** Under a BIT, governments also commit to treat each other investors on a "fair and equitable" basis in accordance with international law.
- **Prevents expropriation:** BITs limit foreign governments' (X) ability to take over Y investments in their country. If such an expropriation does happen, BITs ensure governments compensate investors in a fair and timely manner.

What is the need to have an attractive Bilateral Investment Treaty (BIT) during this pandemic?

India's economy has four major drivers — people's spending on consumption, government spending, investment and external trade.

- **Consumption Expenditure:** For every 100 rupees in incremental GDP, ₹60 to ₹70 comes from people's consumption spending.

- The government's response has arguably been constrained by the lack of fiscal headroom to augment real budgetary support to households.
- **Government Expenditure:** Central government revenues for this year were budgeted at 10% of GDP which will not be achieved. Revenues will likely fall short by two percentage points of GDP.
- **External Trade:** Even prior to COVID-19 when the global economy was robust, India's trade levels had fallen from 55% of nominal GDP in 2014 to 40% in 2020. Now, with the global economy in tatters, trade is not a viable alternative to offset the loss from consumption.

Despite being among the top 10 global destination for FDI in 2019 and leapfrogging to 63rd rank in World Bank's Ease of Doing Business rankings, the inflows have remained at sub-2 per cent of GDP.

FDI-equity inflows to India during 2019-20 were \$49.9 billion, substantially lower than the annual flow of remittances of \$83 billion in the same period. Therefore, India must overcome the investment hurdle by relooking at the Model BIT in order to boost the fourth driver i.e. investment.

Journey of India's Bilateral Investment Treaty (BIT)

India signed its first BIT in 1994 with United Kingdom (UK). The India-UK BIT served as the base template for India to negotiate further BITs. The Indian model of BIT, 2003 contained close semblance with the India-UK BIT. From 1994 to 2011, India had signed more than 80 BITs and ratified over 70.

However, India framed a Model BIT in 2016. Since its adoption, India has unilaterally terminated 66-odd BITs between 2016 to 2019. It had sent negative signals to the global investor community on the grounds of being protectionist. This is evident as no country has shown an inclination to re-negotiate based on the Model BIT. Since 2016, India has signed just three treaties, none of which is in force yet.

What led India to frame a new Model BIT in 2016?

The penalty awarded by an Investor-State Dispute Settlement (ISDS) tribunal in the White Industries case in 2011, and subsequent ISDS notices served against India in a wide variety of cases involving regulatory measures (for example, imposition of retrospective taxes, cancellation and revocation of spectrum and telecom licences) led to a review of the BITs.

Important features of Model Bilateral Investment Treaty (BIT) 2016

- **Enterprise based definition of investment:** The Model BIT has adopted an 'enterprise-based' definition of investment. Under it, investment is treated as the one made by an enterprise incorporated in the host state. The earlier 'asset-based' definition of investment included intellectual property and other assets, which are not considered under the new definition.
- **Exclusion of MFN Treatment:** The exclusion of MFN treatment status (previously provided) is one of the most important feature.
- **Full protection and security (FPS):** FPS means obligations would be related to physical security of investors and their investments.
- **State government as stake holders:** Actions of state are included under the Model BIT.
- **Expropriation:** Model BIT prevents nationalization of assets of foreign companies except "for reasons of public purpose" in accordance with the procedure established by law and on payment of adequate compensation.
- **Non-discriminatory treatment:** The Model BIT includes a new clause on non-discriminatory treatment. Under the new clause, investors can avail non-

discriminatory just compensation in circumstances like armed conflict, natural disasters and in the state of national emergency.

- **Corporate social responsibility:** The Model BIT mandates foreign investors to voluntarily adopt internationally recognized standards of CSR.
- **Conditions for initiating arbitrations at international platforms:** The Model BIT stipulate that the aggrieved investor should use all local remedies available before initiating international arbitration. Investor can use outside remedies only five years after resorting to all domestic arrangements.
- **Excludes matters related to taxation:** It was configured in the context of excess legal arbitration against the state.

Issues with the Model Bilateral Investment Treaty (BIT), 2016

- **Narrows down the definition of investment:** Adoption of enterprise-based definition contains vague criteria such as the requirement of enterprises to satisfy 'certain duration' of existence without specifying how much, or, investments having 'significance for development of the party in whose territory the investment is made' without specifying what amounts to 'significant' contribution. It leaves room for uneven interpretation by judicial bodies.
- **Clause mandating exhaustion of domestic remedy prior to initiating international arbitration proceedings:** According to the 'Ease of Doing Business 2020' report, India currently ranks 163 out of 190 countries in ease of enforcing contracts, and it takes 1,445 days and 31 per cent of the claim value for dispute resolution. This new clause puts extra burden on the investors.
- **Model BIT has done away with the 'Fair and Equitable Treatment' clause:** Model BIT included a detailed 'Treatment of Investments' clause with a broadly-worded undertaking that neither party shall subject investments to measures that are manifestly abusive, against norms of customary international law and to unremedied and egregious violations of due process.

The Model BIT simplistically assumes that a foreign investor shall have complete confidence on domestic judicial interpretations and mechanisms.

Conclusion

The looming economic recession triggered by the Covid pandemic has made attracting FDI an urgent imperative for improving economic outcomes. Make in India 2.0 and liberalization of FDI are steps in the right direction. But, Government must adopt a more pragmatic and balanced approach in the 2016-Model BIT on the lines of the US-Korea BIT, CPTPP, CETA, MERCOSUR Protocol to name a few.

Regulatory activism will do more harm than good as in retaliation foreign jurisdictions may reduce protection for Indian companies exporting capital goods. As global companies contemplate moving their investments away from China, it is an opportune time to review and revise the Model BIT from the present inward-looking protectionist approach, to a more pragmatic one.

Question:

Q.1) How is Model Bilateral Investment Treaty (BIT) 2016 different from its previous model? Highlight the issues plaguing the Model BIT 2016 and also suggest measures to strengthen it. [15 Marks 250 words]

Rebooting tribunals and recalibrating delivery of justiceSource: [Livelaw](#)**Introduction:**

The 42nd amendment of 1976 added Part XIVA to the constitution. Articles 323A and 323B in this part provides for tribunals. Parliament and state legislatures can establish tribunals through law.

Tribunals are quasi-judicial bodies which adjudicate matters which are relating to subjects which are assigned to them. CAT – Central Administrative Tribunal is an example which deals with matters related to public services of union government.

What has happened:

Finance act of 2017 provided for the executive to decide on criteria of appointment and removal as well as terms of service. In pursuance of the same central government had notified Tribunal, Appellate Tribunal and other Authorities (Qualifications, Experience and other Conditions of Service of Members) Rules, 2017.

In the Roger Mathew case (2019), Supreme court had struck down these rules citing they are against judicial independence and asked the centre to frame rules as per previous judgments of court.

The Centre has notified new rules in February 2020. These new rules are being criticized as being against earlier judgments of the supreme court.

Supreme court judgments have repeatedly emphasised independence of these tribunals from executive and streamlining of their functioning to ensure separation of powers. Major cases in this regard are:

1. RK Jain Vs Union of India (1993);
2. Chandra Kumar Vs Union of India (1997),
3. Union of India Vs R Gandhi (2010),
4. Madras Bar Association Vs Union of India (2014)
5. Roger Mathew Vs South Indian Bank Limited 2019

New rules in contravention of judgments:

- Chandra Kumar (1997) and R.Gandhi(2010) judgments ordered that tribunals should not be under ministries against which orders have to be passed. New rules have not incorporated the same.
- It leads to conflict of interest where ministries control infrastructure, finances and staffing of tribunals under them. Complaints against tribunal members are also received by ministries which can be misused for quid pro quo.
- New rules provide for the secretary of the relevant ministry to be part of the selection committee for members of the tribunal. Further, such selection committees can function even without judicial members.
- Madras Bar association judgment had discouraged inclusion of secretaries due to conflict of interest. In addition, primacy of judicial members in selection committees was ordered by the Supreme Court. New rules have flouted both these
- New rules provide for 4-year tenure of tribunal members with an upper age of 65 years. In R. Gandhi judgment (2010), court called for 5-7-year tenure.
- With 4-year tenure under the rules, judicial members will be disadvantaged as retirement age is 62 years for high court judges and only 3 years' service will be possible.
- Prohibition imposed on further employment under state and central governments is removed. It may compromise judicial independence emphasized in court judgments.

- In R.Gandhi judgment (2010), vague qualification criteria for Members such as experience in economics, business, commerce, nance, management etc was struck down.
- New rules, in contravention to judgment, have included such criteria for some tribunals like armed forces tribunals.

Solutions to recalibrate tribunals to promote efficient justice delivery:

1. The Supreme court must deal with only exceptional cases dealing with points of law, constitutional matters of general importance. In most cases the high court must be the final arbiter and the special leave petition (Article 136) to the supreme court must be accepted sparingly. This ensures reduced burden on the judiciary which is the original intent of tribunals as observed in Bihar Legal Service Society (1987), L Chandra Kumar and Rojer Mathew
2. Tribunals must be created only in subjects of high technicality. In these cases, eligibility criteria must not be vague as specified in R.Gandhi judgment.
3. Tribunals must function only under the Ministry of Law and Justice (MoL&J) and not under parent ministries to prevent conflict of interest. Income tax appellate tribunal is currently under MoL&J.
4. National tribunals commission was suggested in Rojer Mathew judgment as an overarching body to regulate appointments, tenure and terms of employment
5. Instead of more tribunals, stable rosters to High court judges can promote specialization. Economic survey 2017-18 pointed out taxation benches in supreme court led to reduced pendency due to specialization.
6. Tribunals can be created in the judicial system. This improves case disposal efficiency as courts can assign new judges in case of vacancies instead of stopping adjudicatory proceedings. It also brings new perspectives in addition to views of specialists
7. Intra court appeals in high courts to be increased along with making some subject matters final in high courts. This provides accessible and affordable remedy to people and unburdens the supreme court. It must be explored as alternative to proposed 'court of appeal' between High courts and supreme courts

Going ahead:

Reforms to revitalize tribunals are being pursued actively by the government. Opposition to such reforms is seen with ministries. With political will to tackle these issues, and on the strength of existing judgments of the Supreme Court, reforms need to be implemented at the earliest in line with the vision of the political executive, the spirit of the Constitution and the decisions of Constitutional Courts take full effect and shape

Mains Question:

Q.1) What are quasi-judicial bodies? Have the tribunals in India served their purpose? What steps can be initiated to improve efficiency of tribunals? [15 marks, 250 words]

Infrastructure bonds could Aid a Economic RecoverySource: [Indianexpress](#)**Context:**

COVID 19 has brought global economic activity to a standstill. IMF estimates global GDP to contract by 4.9% in 2020-21. Indian GDP is also expected to contract this year as per RBI estimates.

To tackle this economic downturn, Atmanirbhar Bharat Abhiyan was announced by the government. It has policy measures like credit increase and guarantees, institutional reforms in areas like agricultural marketing. These measures provide liquidity support in near term and also institutional reforms for medium to long term growth.

Yet, to revive GDP growth in short to medium term, demand revival is needed. Let us understand levers of demand in an economy and which policy measure can aid in economic revival

Determinants of demand in an economy:

Keynesian economics provides for 4 determinants of demand. They are:

1. Consumption (PFCE-Private Final consumption expenditure)
2. Investments (GFCF – Gross Fixed Capital Formation)
3. Government expenditure (GFCE)
4. Net exports (NEX) i.e. difference between exports and imports determined by trade

For revival of GDP, any one of these components must be expanded.

Ineffectiveness of PCFE, GFCF and NEX for growth revival in India:

In recent years, reduced credit supply led to reduction of consumption (PCFE) and investment (GFCF) in India. Despite bank clean-up of NPA's, credit availability is not optimal due to risk averse banks. Further, IL&FS crisis and resultant NBFC liquidity crisis had led to further reduction in credit availability. Due to economic uncertainty during COVID, banks will further reduce lending to avoid risk. This will negatively impact consumption (PCFE) and investment (GFCF).

In addition, due to anticipated job losses and pay cuts, households will reduce consumption on non-discretionary items and move towards precautionary savings. Hence consumption alone cannot revive demand.

Investments for new business expansions will also be unlikely due to low credit availability, economic uncertainty and low capacity utilization. RBI had reported capacity utilization of 68.6% in quarter 3 of FY 2019-20. This is not optimal as a minimum of 75% is needed for new expansions. Due to reduced revenues and credit downgrades, existing problems will increase leading to reduced investments.

Global trade contracted by 4.3% in March and this trend is expected to continue in near future. US-China trade war, disruptions of global value chains due to COVID 19 pandemic severely impacted global trade. Hence there is little room for more exports to revive growth.

Government expenditure to revive growth:

Only government expenditure can revive growth due to the subdued role of consumption, investments and trade. In pursuance of this, Infrastructure investment by the government has high returns in terms of growth revival. S&P estimates, 1% of GDP spend on infrastructure can boost real growth by 2% while creating 1.3 million direct jobs. Infrastructure creates long term assets while addressing supply and demand in the economy.

Infrastructure investment during an economic downturn is historically proven counter cyclical strategy. New deal in US during great depression; Germany's revival post World war 2 and Chinese infrastructure investments after 2008 global financial crisis were examples. China has announced \$ 600 billion special bonds for economic revival post covid. India too can invest in infrastructure to complete NIP – National Infrastructure Pipeline

Development Finance institution and infrastructure bonds:

India has DFC-development finance institutions like IIFCL (India Infrastructure Finance Company Ltd), IRFL (Indian Railway Finance Corporation) and NIIF (National Infrastructure Investment Fund). But their scale and functioning is inadequate. Hence a single unified DFC can better leverage its assets to mobilize funds for infrastructure projects. This DFC must issue infrastructure bonds to fund projects of NIP.

It has following advantages:

1. DFC can reduce risks of banks in credit for long term infrastructure investments. This can lead to greater lending by banks to businesses which will revive investment and hence growth.
2. Municipal bonds and state government bond markets can be deepened.
3. Global funds such as sovereign funds can be mobilized
4. Bond markets for infrastructure bonds can be deepened in India. This solves a bottleneck in financing.

Conclusion:

Without demand revival, liquidity infusion will not be effective. In times of economic uncertainty due to COVID, only government spending can boost demand. A DFC and infrastructure bonds can be the best tool for the government to provide such stimulus.

Mains Question:

Q.1) What are development finance institutions? Discuss their role in economic growth especially in context of crises like COVID 19? [15 marks, 250 words]

Does India have a culture of Rule of Law?Source: www.livelaw.in**Introduction:**

Global Rule of law Index, 2020 (carried out by the World Justice Project) ranks India at 69 out of 128 countries.

India ranks high on factors such as constraint on government powers by legislature and judiciary; open government; due process in administrative procedure; and civil and criminal justice systems free of improper governmental influence.

But rank is poor in indicators of discrimination-free civil justice system, impartiality in the criminal system, respect of fundamental rights, equal treatment and absence of discrimination, government officials in police and military not using public office for private gain and people not resorting to violence to redress personal grievances. Nepal and Sri Lanka ranks better than India in these parameters.

This shows how India has good structure for rule of law but poor culture of rule of law. Let us understand rule of law, culture of rule of law and evaluate it in Indian context.

Rule of law:

Living in a society, we subscribe to a set of laws with the understanding that these laws are for universal benefit – for an orderly and secure life. We accept these rules despite intrusions into what would otherwise be our absolute rights or liberties.

Rule of law is a principle in governance in which all persons, institutions and entities, public and private, including the State itself, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards.

It has following characteristics:

1. Supremacy of law
2. Equality before the law
3. Accountability to the law
4. Fairness in the application of the law
5. Separation of powers
6. Participation in decision-making

In India's legal system, we have all these characteristics. Indian constitution provides for separation of powers, equality before law (Article 14); constraints on government through laws and fundamental rights along with an independent judiciary to enforce them(accountability). Hence India has rule of law.

But in a society, social norms largely shape and govern daily existence; legal norms may be largely irrelevant to social conduct. Hence if cultural norms do not inculcate rule of law as a value, laws will be ineffective. Dowry prohibition acts are an example of this.

Culture of rule of law:

It is a shared ideal where most members of a society, believe in, respect, and generally abide by the agreed-on laws. This makes rule of law resilient where any flouting of laws a temporary phenomena rather than common day occurrence. This culture has civic participation at its heart. All sections of people participate in law making and follow these laws.

In case of unacceptable laws, social outcries, protests, civil disobedience etc ensure that there is peaceful resolution of grievances. Even in these peaceful protests, underlying belief is that laws should be just and fair. Gandhiji's Satyagraha was an example of this where the Rowlatt act was opposed.

In Indian context, inculcating this culture of rule of law has been a challenge at all levels of society and institutions. Following incidents and daily life experiences support this view:

1. During COVID crisis, flouting of social distancing norms by political leaders and legislators for rallies and marriages is an example.
2. Custodial deaths in Thoothukudi and encounter killing in DISHA case of Hyderabad.
3. Impartiality of ECI – Election commission of India came under scanner during 2019 general elections.
4. Families and societies still follow dowry practices, gender selective abortions despite banning them
5. Delhi riots saw destruction of public property
6. Individuals flout basic laws like not skipping queues, not jumping red lights, not riding motor vehicles on footpaths, not littering in public places

Such incidents reinforce perceptions like “Everyone does it (corruption, flouting laws etc)”, “Chaltai hai” and “law is not applicable for influential and privileged”. This leads to loss of public trust and leads to fear of state. In countries with high diversity like India, this is aggravated and leads to problems like Naxalism, Communalism, Regionalism.

In contrast, in countries like JAPAN, cultural norms inculcate respect for law and adherence of law even if one disagrees. This has translated into people waiting at traffic lights and no wrong direction driving etc.

Inculcating culture of rule of law in India:

Mahatma Gandhi said, “A nation’s culture resides in hearts and in the soul of its people”. Hence active participation of all sections of society is crucial in engendering a culture of rule of law. This culture must be socialized into people right from childhood.

Such socialization needs:

1. **Leading by example:** People with power i.e political leaders and public servants must adhere to laws.
2. **Impartial, integral and accountable institutions:** Institutions must penalize individuals flouting laws and uphold public service values.
3. **Value formation since childhood:**
 - a. Parents and teachers who influence value formation must set right examples in following laws
 - b. Constitutional values like justice, liberty, fraternity, Fraternity must be inculcated
 - c. Fundamental duties (Part IVA) need to be aided by

Only through such deeply ingrained culture of rule of law can we achieve true progress, unhindered by those who would flout the law.

Conclusion:

Every individual must inculcate culture of rule of law by understanding that adherence to laws leads to greater self and societal interest. Everyone benefits when you follow the laws, and that you benefit when everyone follows the laws must be the guiding principle. As Gandhiji says – “Be the change you want to see in this world”.

Mains Question:

Q.1) What is the rule of law? Does India have Rule of law both in letter and spirit? How can we inculcate a spirit of rule of law in India? [15 marks, 250 words]

Priorities for Post Pandemic Economic Recovery

Source: www.business-standard.com

Context:

COVID 19 pandemic has brought global economic activity to a standstill due to movement restrictions and lockdowns. Expectations of a V shaped quick recovery of the economy have been proven wrong. IMF estimates global GDP contraction of about 5% and trade contraction of 4.3% in 2020-21. Only by the end of 2021 will global GDP become the same as 2019. This points to a gradual recovery.

Macroeconomic outlook:

Spending of households and firms will come down due to policies to tackle pandemic and precautionary behaviour in anticipation of economic uncertainty.

- Sectors with human contact will contract. Sports activities are example
- Salary cuts and job layoffs will deter households from non-essential spending. This weakens overall demand in economy
- Weakened liquidity, reduced availability of credit and economic uncertainty will prompt firms to withhold new investments
- Trade decline will reduce demand in economy directly and indirectly (layoffs in export-oriented firms)

This leads to dramatic changes in consumption and production patterns which in turn will bring about a structural transformation in the economy. People preferring digital means over physical in areas like education, newspapers etc is an example.

This sudden structural transformation gives rise to problems. These are:

- Sectors which are emerging are less labour intensive and more skill intensive. This imposes problems of reskilling. Market forces are unable to adapt to these sudden transformations.
- Income and substitution effects: Spending on emerging sectors cannot compensate for reduced spending in declining sectors due to declining incomes. This leads to overall contraction of demand and hence growth.
- Automation driven inequality: Unskilled work will be automated to reduce dependency on labour. Firms will prefer this to circumvent labour shortages which arose due to pandemic. This will lead to reduced incomes of low-income households and hence increase inequalities.

In such structural transformation, monetary policy can address liquidity concerns of firms. But it cannot address solvency of firms. In addition, if policy rates are near zero, monetary policy will be ineffective in economic stimulation.

At the same time, Fiscal policy is constrained by limits on deficits and borrowing. Hence there is a challenge in mobilization of funds needed for unemployment allowances, health care, social support for the vulnerable.

Priorities for quick economic recovery:

1. Addressing healthcare requirements and containing pandemic: Provision of adequate PPE's, testing kits, hospital beds etc to control spread. Without containing the virus, no reliable economic recovery is possible. Reinfected countries reimposing lockdowns shows this.
2. Providing short term liquidity to prevent bankruptcies
3. Social support policies for vulnerable to prevent poverty and inequalities rise
4. Maintaining worker – firms relationships to quickly restart production after the virus is contained.

Conclusion:

Fiscal and monetary stimulus must consider priorities while allocating resources. Care must be taken that public funds are not used to support unviable firms whose decline is not due to pandemic. US federal reserve support to the junk bonds market is an example of such misallocation of funds.

Funds must be channeled to those firms which contribute to social and racial justice, improve health care and shift to a greener economy. This will enable sustainable economic recovery by creating employment and growth.

Mains Question:

Q.1) In the context of reduced demand and supply due to COVID 19 pandemic, what should be priorities for sustainable economic recovery? [15 marks, 250 words]

Business Ethics in a Post COVID World

Source: www.livemint.com

Introduction:

Business ethics refers to values that businesses must adhere to in their functioning. These values showcase the purpose of the organization.

Business and ethics are not opposite and business ethics makes economic sense. Business ethics promote trust in the stakeholders – customers, regulators, governments, suppliers and wider community. Tata is an example where the organization has earned the trust of many. On the other hand, lack of business ethics leads to deep mistrust as seen in private health care.

Purpose of business is not just about profit. It is about producing profitable solutions to problems of people and the planet and in the process earning profits. Trustworthiness and values must be the foundation for any business. Only through honesty, integrity and commitment to purpose, can trust be generated.

In times of crisis like COVID 19 pandemic, ethical behavior (Values and purpose) is a must to survive and thrive.

Business ethics during COVID pandemic:

By providing solutions to challenges during crisis through Corporate social responsibility, business will show that their purpose beyond pure profits. Examples of some businesses doing this are automotive producers producing ventilators; alcohol manufacturers producing sanitizers; fast food outlets providing nutritious food to needy. Such adaptation ensures businesses generate trust in people and also a sense of fulfillment in their own employees. This translates into economic benefit in future through increased brand value.

Dilemmas of business can be resolved through ethical values. Major dilemmas include:

- **Lives vs revenues and livelihoods**: Should economic activities involving physical activities restart to protect revenues? Doing so without concern for lives will be counterproductive. It can lead to outbreaks and longer closures. Hence a balance is needed.
- **Pay cuts and layoffs to prevent short term losses**: Layoffs result in loss of valuable skilled employees. This damages the trust of both laid off and remaining employees. Same is the case of paycuts. Hence any layoffs and paycuts to protect the financial health of the company must be deliberative and participative. Fairness, compassion and transparency are must to protect long term trust.

Social distancing is leading to increased digital use by businesses. Technology brings following ethical issues:

- Aarogya setu and such contact tracing applications involve invasion into privacy of individuals which is a human right. Such applications must adhere to ethical standards such as – consent, just purpose and use; data minimization; eventual destruction of data after purpose is fulfilled. These will generate trust and hence increase participation which is a necessity for success of such applications.
- Exacerbating inequalities: Unequal access to technology can accentuate socio-economic inequalities. Digital education is an example where there is rural – urban and rich – poor divide in access to hardware (mobile, laptops, broadband etc). Design of digital education policies must address all strata of population to ensure social justice to the most vulnerable.
- Enhanced automation: It results in loss of livelihoods and hence rise in poverty. Social justice must be factored in policies regarding the same to ensure a dignified life to all. Robot tax, universal basic income are some such measures

Conclusion:

Purpose, values and ethics need to be built into institutional design to build resilient businesses. By aspiring to contribute to society, employees will have a purpose in their daily work. This cultivates innovation and expand business models.

Mains question:

Q.1) What is business ethics? How is it different from corporate governance? How does business ethics help businesses in the post covid world? [15 marks, 250 words]

ForumIAS

Incentivizing High Value Agri produce for Self-Reliance in Agriculture

Source: <https://indianexpress.com>

Introduction:

Atmanirbhar Bharat Abhiyan is announced by Indian government to promote self-reliance in Indian economy. This was in context of COVID 19 induced disruption in global supply chains and economic downturn. Agricultural policy reforms were part of this scheme. Reforms in marketing, stock limits, contract farming were announced to promote self-reliance in agriculture

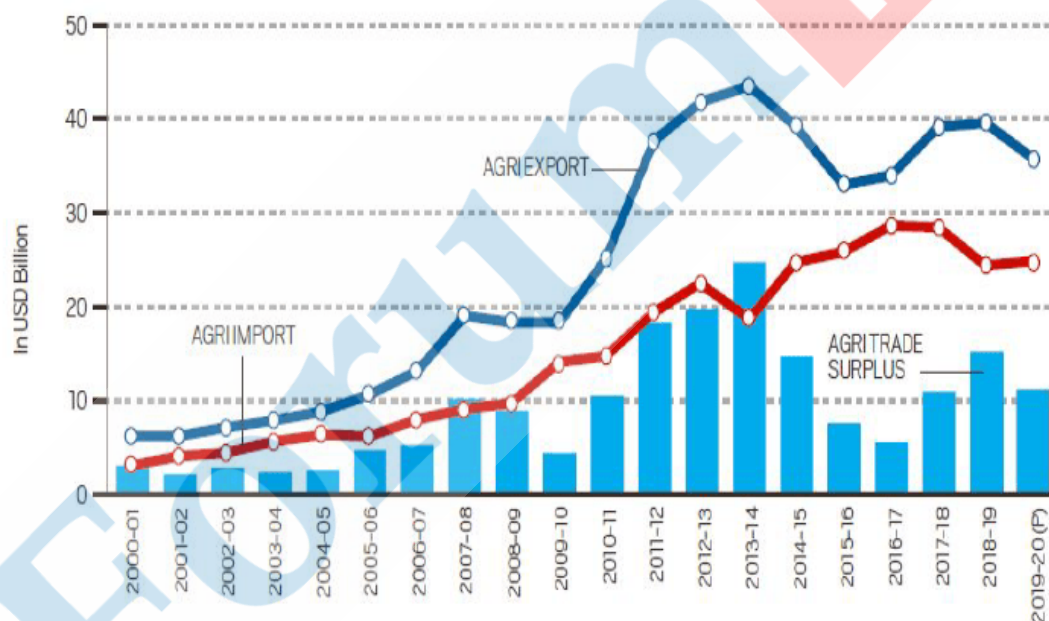
In agriculture, India has achieved significant progress in self-reliance compared to the 1960's when there was dependence on food aid. Currently India is self-reliant in food crops like rice and wheat.

Indian foreign exchange reserves too have increased from about \$1.1 billion in 1991 to more than \$500 billion currently. Thus India has good forex cover to fund any emergency agricultural purchases.

Let us examine India's agricultural trade to identify areas where import dependency can be reduced and where exports can be boosted.

Agricultural trade of India:

'AATMANIRBHARKHETI'-INDIA'S EXPORTS AND IMPORTS OF AGRICULTURAL PRODUCE



Trends seen are:

1. India maintained trade surplus in agriculture since liberalization of 1991
2. Downturn in agricultural exports in the past 5 years. This impedes vision of doubling agricultural exports by 2022.
3. Agri-export basket in decreasing order of exported value in 2019-20:
 - Marine products
 - Rice – Basmati and common
 - Spices
 - Buffalo meat
 - Sugar
 - Tea and coffee
 - Fresh fruits and vegetables

- Cotton
- 4. Edible oil imports account for nearly 50% of total agricultural imports. Malaysia and Indonesia are major suppliers who supply cheap palm oil. This is making Indian oil seed producers uncompetitive.

Achieving self-reliance through comparative advantage:

Comparative advantage principle means exporting where there is a competitive edge and importing where competitiveness is lacking. Competitiveness in agri produce can be improved by increasing productivity.

Currently rice and sugar cultivation is given incentives in form of power subsidies, fertilizer subsidies and price support (MSP and FRP – Fair and Remunerative Price).

- India has low productivity in these crops compared to competitors. Hence there is need to improve productivity in these crops.
- These crops are water intensive. This is leading to depletion of groundwater and India becoming a net virtual exporter of water. Overuse of fertilizers is causing land degradation through leaching of nitrogen in urea into groundwater and air pollution due to evaporation into the atmosphere.

Incentives must be given to other crops to promote diversification. This will ensure self-reliance by increasing exports and reducing imports. High value agri produce like fruits and vegetables, spices, tea and coffee must be incentivized to achieve competitiveness in these crops.

Edible oils in particular is an area of focus for self-reliance. India imported more than 15 million tonnes(mt) in 2019-20. This can be cut down by incentivizing domestic production.

- Comparative advantage must be created by increasing productivity and recovery ratio of oil from oilseeds
- Oil seeds cultivation needs a gestation period of 4-5 years. Government must support farmers in this period.
- Oil palm has the maximum potential to increase domestic edible oil output. Domestic oil palm production can replace nearly 50% of edible oil imports. Hence this must be incentivized in states of Andhra Pradesh, Karnataka and Tamil Nadu where it is suitable for cultivation.
- Processing capacities must be enhanced to create economies of scale. Currently there is lack of vertically integrated plants with all 3 stages – Crushing and expelling; solvent extraction; oil refining

Conclusion:

By improving competitiveness of Indian agriculture, self-reliance can be achieved. Oil palm in particular needs emphasis through long term vision and strategy.

Mains Question:

Q.1) Edible oil imports make up the majority of Indian agricultural imports. What are issues for domestic production of edible oil and what steps can India take to address them to become self-reliant in edible oils?

[15 marks, 250 words]

Ensuring Labour Rights Without Constraining Capital

Source: <https://www.hindustantimes.com>

What has happened:

Covid 19 pandemic has brought the global economy to a standstill. Due to this, migrant labour suffered immensely due to loss of livelihoods. Faced with dwindling savings and no income, a migrant exodus was seen from urban centres. This exodus has exposed the fragility of Indian labour market due to its informal nature with lack of social security.

Meanwhile, some state governments have mooted, deregulation of labour laws to attract investments. This deregulation included doing away rules mandating basic amenities like providing toilets. Such hasty policy measures will compromise the legitimate labour rights.

Any labour reform must consider basic principles of labour rights, informality of Indian labour markets, state capacities of regulation and emerging economic realities. Only then can India enact meaningful labour reforms.

Fragile labour market:

Indian labour market is highly informal.

- More than 90% of India's workforce is informally employed
- About 75% of workforce is either self-employed or casual labourers, with no income and employment security or benefits
- Organised sector is characterised by stagnant wages, and a decrease in the proportion of employees with social security benefits
- Complex legal regime for labour regulation with labour-capital relations governed by 463 Acts, 32542 compliances and 3048 filings.
- Economic survey 2015-16 mentions "Regulatory cholesterol" is one the main constraints in creating formal jobs and Ease of Doing Business.

In such a labour market, deregulation will only increase informality. Any labour reform must rebalance the labour – capital relations to safeguard bargaining power of labour.

Rebalancing labour – capital relations:

Labour policy reform must consider following ground realities:

- **Weak state capacity to regulate:** Regulatory agencies lack technology, manpower and finances to implement labour laws. This leads to arbitrary implementation of laws, corruption and abuse of regulatory powers. Lack of grievance redressal and dispute resolution further weakens the regulatory regime.
- **Labour surplus:** Labour surplus and resulting competition for jobs weakens the bargaining power of labour. In such a scenario, labour laws will be ineffective and informal employment will be dominant. Laws for child labour and construction labour are examples where these are hardly implemented. Considering this, there is a need for universal social security in the form of PDS, MGNREGA, healthcare etc.
- **Structural changes in global economy:**
 - Increasing protectionism across the world will hinder export oriented global value chain-based growth. Hence Chinese or East Asian model of growth based on attracting foreign investments is not completely replicable.
 - Technology induced changes through digitalization and automation. This is changing labour – capital relations. Platform based firms like Uber, ola are examples where drivers are not considered employees and hence not provided social security benefits. This gig economy must be factored in labour reforms.
 - Increasing automation and use of robots too can displace labour. These must be addressed through steps like robot taxes and Universal basic incomes.

- Contractualisation of Indian labour market: After 1991 liberalisation, temporary or contract workers have increased. This changes labour – capital relations into labour – contractor – capital relations. Contractors are not adequately regulated.

Only by considering these economic realities can a progressive labour regulation regime be evolved which balances labour and investor rights.

In addition, other factor markets of land, capital have their own problems. These have to be addressed in tandem to achieve the objective of attracting investments

Conclusion:

Reforming labour laws is the need of the hour. But such reform must balance labour rights and rights of investors by considering ground realities. Labour rights must be viewed as moral and constitutional (directive principles) imperatives to protect dignity of labour. By protecting labour rights, productivity of labour can be increased which boosts growth and attracts investments.

Mains question:

Q.1) Labour reform must balance labour rights and investor interests while considering changing labour – capital relations. Discuss? [15 marks, 250 words]

Impact of Recent Policies and Judgments on ReservationSource: <https://indianexpress.com>**Introduction:**

Reservation as a positive discrimination policy is intended to redress historic injustices. By providing reservations in education ([Article 15](#)), public employment ([Article 16](#)) and legislatures ([Article 334](#)), representation of backward communities has risen in politics, administration and the middle class.

Scheduled castes (SC's) socio-economic advancement is a testament to relative success of affirmative action. Their literacy has increased from 21.38 per cent in 1981 to 66.1 per cent in 2011. SC's make up 16% of Indian population. Their proportion in CPSE (Central Public Sector Enterprises) is 18.1% (2014), in class A administrative services is 13.3% (2015).

We can see the same in case of OBC's (52% of Indian population) who were provided with reservation post [Mandal commission report](#).

This tool of empowerment for backward communities is losing its edge due to some recent public policies.

Privatization and shrinking public sector:

As part of Atma Nirbhar Bharat Abhiyan, New Public sector enterprises policy (PSEP) was announced where the private sector is encouraged. PSEP has provided that a list of strategic sectors will be notified where there will be no more than four public sector enterprises and the rest would be merged or privatised.

Considering no reservations in the private sector, access to employment will shrink for backward communities in absence of policy measures in education and skilling.

In administration, new posts are declining over the years. Civil Services examination saw 40% reduction in total posts from 2014 to 2018. Same is the case of total vacancies under central services and CPSE's. This has resulted in shrinking public sector employment and access to backward classes.

Lateral entry and other policies:

Lateral entry into administrative services was started in 2019 for joint secretary level appointments in 10 departments. This was done to promote efficient work culture and bring expertise into civil services. But such lateral entry appointments have no quota applicable. This reduces access to public employment for backward classes.

The National Commission for Backward Classes has issued a notice to the health ministry that the post-Mandal 27 per cent quota was not implemented systematically for OBC's. In NEET, it resulted in the OBC category losing 10000 seats in 3 years.

[Funds for dalit education](#) under special component plan has seen a reduction. This impacts education due to reduced scholarships and undermines reservation as selected reserved candidates who cannot afford may drop out.

Judgments impacting reservations:

Allahabad High court (HC) and later Supreme court upheld UGC circular permitting reservations in universities on department basis rather than whole university basis. Due to this, in departments with low vacancies, reservations are not provided. This will reduce vacancies under reservation in the college as a whole. This was reversed by ordinance and parliamentary legislation, whose impact needs to be seen.

Recently ([Mukesh Kumar case, 2020](#)) the supreme court has [declared that reservation in job promotions is not a fundamental right](#). Further it said, any such reservation in job promotions must be based on quantifiable data and only to backward classes. This can

have an undermining effect on provisions of article 16(4A) which provides for reservation in promotions for SC's and ST's.

Conclusion:

Socio – economic empowerment of backward classes is crucial to realize EQUALITY, a constitutional value. Pressure groups of backward sections must lobby to ensure positive discrimination measures are implemented effectively.

Mains Question:

Q.1) Reservations in India have led to empowerment of backward classes. Discuss on how they can be made more effective in pursuing a vision of socio-economic equality?

[15 marks, 250 words]

Providing Universal Social Security

Source: <https://www.hindustantimes.com>

Introduction:

COVID 19 has brought economic hardship to billions of working classes. It is more conspicuous in case of migrant labour in India. Faced with declining savings and lack of incomes, they faced hunger and homelessness. In absence of social security and weak state support, they were forced to migrate back to their native places.

Such is the situation of nearly 90% of Indian labour force who are in the informal sector (casual labour, agricultural labour, self-employed). They face uncertain incomes, lack job security and lack social security. Only 10% of the labour force in organized sector have social security in form of insurance, EPF (provident fund), pensions.

Considering this there is a need for provision of universal social security as provided in Article 41 of directive principles. Article says that within the limits of its economic capacity, the State would provide “public assistance in cases of unemployment, old age, sickness, disablement, and in other cases of undeserved want.”

Social security code introduced in parliament is a right step. Such legislation must enable a progressive social security within financial and administrative capacities.

Designing universal social security for labour force:

Features that must be present are:

- Employment guarantee: MGNREGA is currently acting as a tool of providing relief to distressed rural workers. Demand for work under it has doubled in many states. It shows how it is an effective social security tool which works based on self-selection. Such employment guarantee schemes will provide incomes and reduce vulnerability to uncertain jobs in the informal sector.
- Hence it must be extended to urban areas. Works such as sanitation, minor repairs, could productively use labour under such employment schemes. This is a win win situation as urban areas can create requisite infrastructure which is currently lacking.
- Linking skill training to employment guarantee schemes: “Learning while earning” principle should be employed to build up human capital of India. Schemes like MGNREGA must be linked to skill development training. This can address skilled labour shortages in MSME’s and agriculture. This has been a successful approach of governments and employers in Germany and Japan where useful skills are learnt on the job, supplemented with off-line modules.
- Universal free health care: Limitations of private health care in serving the poor is discernible in the ongoing pandemic. Hence there is a need for quality universal free public health care.
 - Universal insurance coverage must be provided. Currently less than 20% have insurance
 - Physical infrastructure – beds, ICU’s, etc – in public hospitals must be built up
 - Availability of Doctors, nurses, experts (surgeon etc) must be improved
 - Rural – urban divide in healthcare must be bridged
 - Digital technologies, telemedicine, pharmacy chains of generic drugs and greater use of trained nurses and paramedics can improve health care and lower costs dramatically
 - Promotion of healthier lifestyles to emphasize prevention of diseases.
- Addressing technology induced job disruptions: COVID 19 will result in increased adoption of technology over physical labour. This has to be factored in designing universal social security

- Automation and robots will displace low skilled jobs. Wealth generated by doing so need to be redistributed through universal basic incomes financed by new taxes like robot tax
- Gig economy has no employee-employer relationship. Considering this social security for such employees must be provided through labour laws.

Conclusion:

Income support, skilling and health care for all those who need it must be an essential part of universal social security. Apart from the labour force, vulnerable sections like disabled, the elderly, and expectant mothers must be provided social security assistance. Only through that can India realize the welfare state as envisaged in the constitution.

Mains Question:

Q.1) Social security is an essential part of a welfare state. In the context of COVID 19 pandemic, what should such social security entail? What step has India taken to provide social security to its citizens? [15 marks, 250 words]

Threat of Majoritarianism to Indian and US DemocraciesSource: [Indianexpress.com](https://www.indianexpress.com)**What has happened:**

USA has seen massive protests in response to inhumane killing of George Floyd by police. This Black Lives Matter (BLM) movement has seen multi-racial participation across cities against racial injustice towards blacks.

Comparisons have been made between anti CAA (Citizenship Amendment Act) protests in India and BLM movement. Anti CAA protests were against perceived demotion of muslims into secondary citizenship in India.

Blacks and muslims are the largest minorities in the US and India respectively. Let us compare their socio-economic, political and historical context.

Comparison of blacks in US and muslims in India:

Blacks are racial minorities in the US with the same religion as whites (racial majority in US). Whereas Muslims are religious minorities in India with the same race as hindus (religious majority in India).

In terms of demography blacks and muslims are similar. Blacks constitute 12% of the US population and muslims constitute 14% of Indian population. Political parties with divisionary ideology do not need their votes for winning elections and hence they may indulge in polarization politics. This political polarisation on the basis of race or religion results in alienation. This alienation ranges from non-representation of their interests to deliberate targeting through planned segregation, violence. It results in stereotyping and systemic discrimination as seen in death of George Floyd.

Historically blacks and muslims are different in their respective countries.

- Blacks were slaves from the early 17th century to the end of American civil war in 1864. They had no rights and were seen as commodities. Even after abolishment of slavery, political equality was not provided till mid 1960's. After the 1960's, equality was provided with voting and human rights due to the civil rights movement. But systemic discrimination has remained as seen in police killings.
- Muslims initially arrived in India as traders and later since 12th century CE Islamic dynasties (Sultanate and Mughals) had established themselves in India. They ruled parts of India till the advent of British. Islamic rulers like Akbar promoted harmony between religions. Yet some rulers like Babur, Aurangzeb had pursued islamic supremacy.

This difference in historical context resulted in different narratives used by extreme majoritarianism. White supremacists view blacks as inferior and hence undeserving of equality and respect.

Hindu nationalists view muslims as outsiders with no loyalty to India which is a Hindu nation. Partition is shown as proof of this disloyalty. Further actions of rulers like Aurangzeb is shown as proof of Hindu repression by muslims. Such a narrative results in religious polarization.

This narrative is flawed as this does not consider rulers like Akbar who encouraged harmony. More importantly, muslims of today have no role in any injustices of history and their implication is nothing more than a tool of political polarization.

Further muslim masses and muslim rulers are not differentiated in this extreme majoritarian narrative. Muslim masses were poor even in times of islamic rulers. In current times, Sachar committee report in 2005 says that, along with Dalits and Adivasis, muslims are the poorest community of India. This economic backwardness is another common point of both blacks and muslims.

Conclusion:

After the mid-20th century, a democracy is not a proper democracy unless it safeguards minorities. And if the minorities are also poor, the protection becomes even more necessary. A poor minority deserves empathy and justice, not hatred and repression. It is a morally diminished and normatively impoverished society, which adopts the latter path.

Mains Question:

Q.1) Identity based polarisation is inimical to democratic values and progress of nations but has become a part of politics. Explain. How can such political polarisation be addressed?

[15 marks, 250 words]

ForumIAS

Does India Need a Fiscal Council?Source: <https://www.thehindu.com>**What has happened:**

COVID 19 pandemic has resulted in weakening of fiscal situation of centre and states. Tax revenues have reduced due to subdued economic activities. Whereas, expenditure has risen due to spending on healthcare, social security and economic revival, to tackle the fallout of the pandemic. As a result, the fiscal deficit of the centre is estimated to double from budgeted 3.5% of GDP to around 7%[IMF].

This steep rise in fiscal deficit will impact medium term growth prospects due to interest burden. In addition, ratings agencies consider fiscal deficit as a parameter in ratings which impact capital flows into the country. These concerns impose restrictions on expansionary fiscal policy strategy to tackle pandemic.

In such a situation, many economists have pointed out that fiscal deficit limits should not constrain spending to stimulate the economy. They suggest expansionary fiscal policy during pandemic combined with fiscal consolidation plan post pandemic will help retain market confidence. Yet such a strategy may still lead to ratings downgrade and resultant capital outflows.

To increase the confidence in fiscal consolidation, a fiscal council which enforces fiscal discipline is suggested. This can signal intent to maintain discipline in medium to long term which can reassure markets and credit agencies.

Fiscal council and its mandate:

Fiscal council is a body intended to provide independent analysis of fiscal situation and prospects while considering macroeconomic parameters. 13th Finance commission (FC) had first proposed such a body. This was later endorsed by 14th FC and N.K.Singh committee to review FRBM (Fiscal Responsibility and Budget Management) act. 50 countries in the world have such bodies.

Intended functions:

- Acting as watchdog to prevent fiscal irresponsibility by providing independent analysis to public
- Macroeconomic analysis of stability of growth, inflation, forex reserves etc
- Analysing current fiscal situation vis a vis limits under FRBM. Recommending changes to fiscal strategy to ensure consistency
- Analysing deviations from fiscal limits and providing advice to the government. N.K.Singh panel proposed mandatory consultations for deviations from fiscal limits.
- Providing multi year fiscal forecasts
- Improving fiscal data

Critique of such an institution:

- Ineffective without parliament holding the government accountable: FRBM mandated fiscal policy strategy statement to build credibility to government's fiscal stance. Yet this report is seldom discussed in parliament. In such a situation of lack of accountability, the fiscal council may not be able to hold the government accountable for deviations from fiscal discipline.
- Leads to duplication:
 - RBI, CSO and other agencies (ratings agencies, IMF, world bank etc) provide macroeconomic analysis. Macroeconomic and fiscal estimates by the fiscal council will have the same credibility as estimates by agencies like RBI, CSO etc. Hence there is no need for new institution for providing estimates

- CAG keeps check on any creative accounting of government. Hence a new watchdog is not needed to do so.
- Dilution of accountability of the finance ministry: Any failures in estimating fiscal prospects may be blamed on the institution. Finance ministry must be held accountable for estimates used in the budget.

Alternative to fiscal council:

CAG can constitute a 3-member committee during the budget period. This committee will scrutinize the budget and provide independent analysis of fiscal situation as well as budget data.

CAG will provide secretarial and logistical support. RBI, finance ministry, NITI Aayog and CSO can depute officers to aid the committee. Once the committee submits its report, it will be disbanded and its mandate ends.

This serves as a credible alternative to fiscal council by overcoming its limitations.

Mains question:

Q.1) A fiscal council which acts as a watchdog on government's fiscal discipline is the need of the day in India. Critically analyse? [15 marks, 250 words]

Integrating South Asia Through TradeSource: <https://indianexpress.com>**Context:**

China is using its economic strength to increase its influence in South Asia. China-Pakistan Economic Corridor (CPEC); investments in Sri Lanka, Bangladesh and Nepal are pursued actively. Such investments are leading to debt traps as is seen in case of Sri Lanka, Maldives.

In such a scenario, India must rejuvenate its own neighbourhood policy to counter expansionist moves of China in south asia. Trade is one important tool to do so.

Unfulfilled potential of intra-regional south asian trade:

World bank's report on south asian trade points out that restrictions in a south asian country are 2 to 9 times more for trade from south asian countries compared to other countries. While SAFTA (South Asian FTA) is in force, it has a lot of tariff lines excluded from the agreement on the basis of a 'sensitive list'. This has resulted in only \$23 billion goods trade in 2015 against a potential of \$67 billion.

Further, average trading cost between country pairs in South Asia is 20 percent higher than among country pairs in ASEAN. It is cheaper for India to trade with Brazil than with Pakistan.

It is a result of lack of trading infrastructure, complex non-tariff barriers and red tape. Hence there is a need for renewed focus on intra-regional trade.

Proactive approach for facilitating trade:

India being the largest economy and country must assume asymmetric responsibility in promoting intra-regional economic integration. India can expand imports of other south asian countries without expecting immediate reciprocity. Such early harvest can generate trust and good will.

In 2012, India provided unilateral duty-free access to its market for the least developed countries from South Asia (Afghanistan, Bangladesh, Bhutan, Maldives and Nepal). Further steps that can be taken to facilitate imports from neighbourhood are:

1. Encouraging Indian private sector to invest more in the neighbourhood. This leads to building of regional value chains which will increase regional trade. Further Indian companies can tap markets in south asia. IT services, tourism, spices, garments, leather products, agriculture products are some areas which can be explored.
2. Investing in hard and soft infrastructure that enables trade and investment. Hard infrastructure includes Integrated check posts, port infrastructure, waterways, logistics. Soft infrastructure includes digitalization, data exchange mechanisms, single window clearances and risk management. This seamless integration at borders will enable reduced costs and promote investments.
3. Enabling adherence to non-tariff measures (NTMs) of India. India must conduct systematic workshops to create awareness on NTMs. This builds capacities of exporters and also provides feedback to Indian authorities on NTMs.
4. Capacity building for standards and testing. This ensures conformation to Indian standards. Bureau of Indian Standards (BIS) has been providing technical support to the Bangladesh Standards and Testing Institution to help in standardisation and conformity assessment. Such programs must be made intensive and systematic.

Conclusion:

Size and capacity asymmetry make its neighbours view India with suspicion and mistrust. This can be bridged through a proactive 'Neighbourhood First' policy with India adopting

import liberalization from South Asia. This promotes trade and investments which will serve India's strategic interests in the long term.

Mains Question:

Q.1) South Asia remains one of the least economically integrated regions of the world. What are the challenges to trade in South Asia? What steps need to be taken to promote economic integration in the region? [15 marks, 250 words]



Combating Criminalization of PoliticsSource: <https://www.thehindu.com>**What happened:**

The Supreme court in its recent judgment has declared that criminalization of politics must be combated at the political party level. In pursuance of the same, it has provided 6 mandatory directions to political parties to end criminalization of politics.

These orders are vital in the context of rising criminalization in Indian political system.

Increasing criminalization: Causes and effects:

Number of legislators in parliament having criminal cases pending against them has risen since 2004.

- 24% in 2004
- 30% in 2009
- 34% in 2014
- 43% in 2019

Effects of such criminalization is felt in all walks of life:

- Loss of public trust in democratic process and politics
- Bad governance which is reflected in public services like public education, public health.
- Bureaucracy, business, civil society, media need governance free of criminalization for fulfilling their roles
- Political corruption
 - Use of money power in horse trading of MLA's, MP's
 - Scams like 2g scam, coal scam
 - Cash for query scam
 - Crony capitalism
- Nexus of politicians – criminals – bureaucrats. Vikas dubey case in Uttar pradesh has revealed such an unholy nexus

Root cause of this malice lies with flawed rationale of political parties in deciding candidates.

- Winnability in elections based on money and muscle power is determinant for fielding candidates.
- Capability in administration is seen as sole criteria without considering intent for public service. This is flawed as British were also capable but they were exploitative.
- Power is seen as an end rather than means for public service. Hence political parties compromising values to win with any means including fielding criminal candidates

In such a context, 6 orders of the supreme court to political parties becomes important

6 orders of supreme court in February 2020:

- Political parties must upload on their respective websites and print as well as electronic media, detailed information regarding individuals with pending criminal cases, who have been selected as candidates.
- They also have to mention reasons for such selection over people with clean background
- The reasons as to selection of candidates shall be with reference to the qualifications, achievements and merit of the candidate concerned, and not mere "winnability" at the polls

- These details shall be published within 48 hours of the selection of the candidate or not less than two weeks before the first date for filing of nominations.
- The political party concerned shall then submit a report of compliance with these directions with the Election Commission within 72 hours of the selection of the said candidate.
- Non-compliance of these directions shall be brought to notice of SC by Election Commission on the grounds of Contempt of Court

These 6 orders are in addition to directives provided by supreme court in its earlier judgments:

- Introduction of additional affidavit in 2002 with details of finances and criminal cases
- Each candidate must inform political parties of criminal cases against him or her. Parties shall put these details in public (newspapers, social media)
- Lily Thomas judgment of 2014 had struck down section 8(4) of representation of people's act, 1951. This has resulted in immediate disqualification of a sitting legislator in case of conviction in criminal cases.

Going ahead:

Rising trend in criminalization shows that earlier judgments of the Supreme Court were not effective. Lack of enforcement of court judgments is the reason for this. Even in the recent judgment, there is no clarity on what punishments will be there for non-compliance. Only by strict enforcement can a deterrent be created.

Greater vigilance during the upcoming elections is needed for strict enforcement:

- Election commission (EC) must monitor compliance with 6 directives and additional affidavit
- EC must ensure that information is disseminated promptly on all media
- Prosecuting for non-compliance will ensure deterrence
- Citizens must be made aware that politicians who bribe for votes cannot be trusted in governance

In addition, legislative changes must be done to prohibit people with serious criminal charges to contest in elections.

Only by these sustained efforts can the political system be rid of the menace of criminalization.

Mains Question:

Q.1) Criminalization has only increased in India in the last 2 decades. What role do political parties play in this trend? Discuss the role of the judiciary in addressing this menace? [15 marks, 250 words]

Population Explosion and India's Concerns**Source:** <https://timesofindia.indiatimes.com>**Introduction:**

11th July is world population day since 1987 when the global population reached 5 billion. It was designated to bring attention to population explosion and its issues. Issues like health problems faced by childbearing women, importance of family planning, gender equality, poverty, maternal health and human rights are highlighted.

Current global population is 7.8 billion and is expected to rise to 9 billion by 2050. Hence it is important to raise awareness of the effects of overpopulation on development, environment and planet.

Theme of world population day, 2020:

Theme is to raise awareness about safeguarding sexual and reproductive health needs and vulnerabilities of women and girls during the Covid-19 pandemic.

During the pandemic, if the lockdown continues for 6 months, with continued major disruption to health services, then 47 million women in low and middle-income countries might not have access to modern contraceptives. This leads to unintended pregnancies. This can lead to rise in gender-based violence, female genital mutilation and child marriages, going ahead.

Further, even in normal times, 800 women die everyday during childbirth. With the pandemic disrupting normal healthcare services, Maternal Mortality Rate (MMR) is expected to rise. We can see this already in some hospitals denying deliveries without COVID 19 test report.

Hence the theme of this year assumes significance due to enhanced vulnerabilities to women.

India's concerns in checking overpopulation:

India has 2% of global land mass with 16% of global population. Trends seen in Indian population are:

- Decadal population growth rate between 2001 and 2011 was 18% (about 18 crore more people).
- India's population in 2019 was estimated to be 1.37 billion.
- It is expected to surpass China in the next 7 years and cross 1.6 billion by 2050.

In such a context, there are major concerns in checking overpopulation. These are:

1. Higher birth rate than death rate:
 - a. Till the mid-20th century, birth and death rates were equal in India, resulting in a stable population.
 - b. Since the mid-20th century, India has experienced population explosion. This was due to reduction in death rates with gradual improvement in the access to healthcare facilities, level of education, availability of proper nutrition and diet etc. It resulted in a triangular population pyramid and expanding population.
 - c. In 2020, India has registered a birth rate at 18.2 per 1000 population and death rate at 7.3 per 1000 population.
2. Poverty and illiteracy:
 - a. Children are seen as assets by poor families to earn more. Hence population growth is more concentrated in economically weaker sections of society and poorer regions of the country.
 - b. Female literacy has a direct impact on fertility rates with educated mothers having lower. Female illiteracy in India is about 39% in 2011. This results in lack of

knowledge about contraceptives, consequences of frequent childbirth and reproductive rights.

3. Family planning and social factors: Societal attitudes are contributing to population explosion
 - a. Use of condoms declined by 52% over eight years and vasectomies fell to 73% (National Family Health survey, 2015-16). This shows failure of family planning programmes.
 - b. More children are preferred in order to take care of parents in old age
 - c. Patriarchal attitudes
 - Women lack agency in decision of family planning like when to plan for a child and gap between pregnancies
 - Male child preference leading to childbirth till a male child is born. Economic survey 2017-18 has pointed out 21 million unwanted girls due to this.
4. Total Fertility rate (TFR): It is the average number of children born to women during reproductive age. TFR of 2.1 is called the replacement rate as it results in a stable population. Trends in India are:
 - a. In 2016, TFR was 2.3. It was decline in the last decade
 - b. Poorer states like Bihar (3.2), Uttar Pradesh (3.1), Jharkhand (2.7) and Rajasthan (2.7) still have TFRs above 2.5
 - c. Poorest household has a TFR of 3.2 children per woman compared to 1.5 children per woman from the affluent families

Hence, we see concentration of population growth in economically weaker sections.

5. High youth unemployment and demographic disaster: 28% of Indian population is youth (15-29 years old) which is the highest in the world. Due to this there is a potential of demographic dividend where high youth employment results in higher growth. Yet India is facing a challenge of unemployment:
 - a. Only 7 million of 25 million new workforces get secure jobs annually
 - b. 18% of youth is unemployed
 - c. 33% of youth is not in employment, education and training.

This is resulting in a demographic dividend turning into a demographic disaster.

Way forward:

Overpopulation acts as hurdle in addressing poverty, malnutrition, hunger, gender equality, and in providing health and education. Hence it need to be addressed to attain Sustainable Development goals (SDG's)

Family planning must be made more effective. National Family Planning Program has failed in checking population growth. Hence it need to be made effective by multistakeholder approach by involving governments (national, state, local), civil society, businesses and citizens. Use of contraception and vasectomies; awareness on sexual and reproductive rights of women must be promoted.

Human capital need to be developed. Economic planning must focus on adequate education and training of large youth population. Skill training must focus on outcomes of employment post training rather than number of trainees.

Only by addressing challenges of overpopulation in India can we achieve the vision of 'Atmanirbhar Bharat' and 'New India'.

Mains Question:

Q.1) Overpopulation puts burden on limited economic resources. Discuss challenges faced by India in controlling population growth? What effect does COVID 19 have on population control?
[15 marks, 250 words]

EU – India Partnership to Achieve Common Strategic GoalsSource: <https://www.hindustantimes.com>**Introduction:**

15th European Union (EU)-India summit is being held virtually to strengthen the relationship between the traditional partners. This is being held in midst of COVID 19 pandemic and at a time of increasing antagonism of both the EU and India towards China. For tackling China and achieving strategic goals, EU and India can be crucial partners for each other.

EU's Chinese dilemma:

EU was a strong partner to Chinese economically since the early 2000's. It championed the entry of China into WTO (World Trade Organization). EU investments in China are significant with its industrial development linked to supply chains in China.

Yet Chinese expansionist moves since 2013 have raised apprehension.

- 16+1 mechanism of China with central and eastern european countries is threatening the unity of European Union.
- Chinese acquisition of strategic ports (Piraeus in Greece) and technologies have raised red flags.
- Joint military exercises in baltic sea with Russia; misinformation campaigns of China and naval forays in South China sea and Indian ocean are raising security concerns

This was reflected in the recent EU-China summit which didn't have a joint statement. EU is looking for ways to reduce its economic dependence on China and also protect its strategic interests.

In this context, EU views India as a strategic partner in realising a multipolar Asia to maintain balance of power in the region. This was reflected in EU Strategy document on India, 2018 and EU-India Agenda for Action, 2020.

Converging interests of India and EU:

Along with tackling China, interests converge in a range of areas including economy, infrastructure, technology, security and global multilateralism. Major areas of cooperation are:

- Economic cooperation:
 - EU is 2nd largest destination of India's exports as well as source of investments. Hence it is economically beneficial for early conclusion of an FTA(Free Trade agreement) and Investment treaty can benefit India economically. In the context of European supply chains mulling moving away from China, India must move fast to attract them.
 - EU too will benefit economically from closer ties as it awaits a future without Britain. India's large market presents the EU an economic opportunity. Hence it needs to address India's concerns on movement of people and opening up of european markets for India's goods and services.
- Technology: In 5G, IT, artificial intelligence (AI), space etc, India – EU are natural partners. With concerns on Chinese equipment and technologies being a common security concern, both can collaborate to develop technologies.
- Infrastructure: India needs investments in infrastructure development domestically to the tune of 102 lakh crore (National Infrastructure pipeline). EU can be a credible investor which brings in technology, expertise.
- Countering BRI (Belt and Road Initiative): Chinese strategy is increasing influence through debt trap diplomacy and BRI. This is being used in South Asia as well as

Europe. Hence this is a common concern for both EU and India. To counter the same there is a need for collaboration to present alternatives. A common partnership of India, EU, Japan, USA can provide such alternatives. It serves India's 'Neighbourhood First' policy.

- Multilateral cooperation:
 - Increasing Chinese influence in multilateral organizations is evident due to COVID 19 pandemic. EU – India cooperation is vital to check such institutional capture.
 - Ensuring relevance of institutions like WTO, WHO in the context of USA's exit needs collaboration of EU and India.
 - Further, India's strategic goals in counter-terrorism, UNSC (Security council) reforms need EU support.
- Security cooperation:
 - Indo-pacific collaboration to ensure freedom of navigation and overflight. This needs cooperation in maritime domain awareness, information sharing in Indian ocean. Further joint naval exercises need to be increased along with Japan, Australia and USA to counter Chinese naval forays into Indian Ocean
 - Terrorism and radicalization is a common concern for both nations.
 - Combating misinformation campaigns as seen from China during COVID 19 regarding origin and response to virus
 - Cyber security and telecommunications security are potential areas of collaboration.

Conclusion:

As EU and India become more assertive against China to protect economic, technological and strategic interests, India-EU collaboration can become pivotal. A comprehensive vision of close collaboration is needed to strengthen the partnership.

Mains question:

Q.1) India – EU collaboration serves the interests of both especially in the context of Chinese assertiveness. Discuss?
[15 marks, 250 words]

Interplay Between COVID 19 and Air pollution**Source:** <https://www.hindustantimes.com>**Introduction:**

COVID 19 pandemic has resulted in an unprecedented health crisis globally. While the pandemic related health crisis is unfolding, another aspect of health relating to air pollution is impacted by disruptions induced by pandemic. This was visible in temporary improvement of air quality of cities due to lockdowns and movement restrictions.

But as economic activities resume, air pollution is bound to increase. Air pollution related health risks are greater than COVID 19 based on long term morbidity and mortality. Air pollution also increases the risk of infection of COVID. Hence air pollution needs to be addressed with the same urgency as COVID. Actions taken by nations to recover from the pandemic will have impact on air quality

Based on disruptions and actions taken in response, 3 types of outcomes are possible related to air quality. They are:

- New opportunities to accelerate transitions of systems and behaviour to improve air quality
- Dilution of environmental safeguards in pursuit of fast economic recovery which worsens air quality. These have to be avoided.
- Sustaining recent progress in tackling air pollution to make it long term. This is challenging in the context of limited fiscal resources.

Disruptions and opportunities to set new agenda:

Disruptions have induced certain behaviours, systemic changes and new policies. These when sustained for long term can have a positive impact on air quality.

5 areas where such opportunities are available are:

- Providing increased, better-targeted LPG subsidy to make it primary cooking fuel of poor households. PM Garib Kalyan Yojana providing 3 LPG cylinders is a right step.
- Sustaining the increased rate of shifting away from paddy cultivation in Punjab and Haryana due to labour constraints, and ensuring that the alternatives (for example, maize, cotton) are viable for farmers.
- Focusing on the demand for vehicle scrappage policies towards the replacement of old, heavily polluting vehicles, especially trucks. This also is positive for the economy as demand for new vehicles will increase.
- Retiring old coal power plants so that newer or less polluting plants can meet a larger fraction of power demand, while likely easing the financial crisis in the sector.
- Sustaining acceptability of work-from-home and online meetings to reduce commute by private vehicles and taxis.

Contesting dilutions to safeguards:

Quick economic recovery is priority to protect incomes and livelihoods. In pursuit of the same, governments may dilute environmental safeguards to improve ease of doing business.

Examples of such measures are:

- Draft EIA (Environment Impact Assessment) notification, 2020: It dilutes the process to obtain environmental clearance, reduces the categories of projects and activities that will have to undergo impact-assessment scrutiny and curtails public consultation processes significantly. It also proposes procedures to deal with violations that are legally untenable, and will effectively allow environmental offences to be condoned at very little or no cost to the violator.
- Extending deadlines for power plants to meet 2015 emission standards

Yet such actions can lead to long term adverse health outcomes due to ecosystem damages and increased air pollution. Hence, they must be contested. Greater transparency in monitoring, inspection and enforcement data from the pollution control boards becomes more urgent to ensure dilutions in day-to-day regulation do not go unnoticed

Sustaining recent progress:

We need to sustain the actions initiated prior to the pandemic to tackle the air pollution. They cannot be compromised by funding cuts or delays. Avenues must be made to make them long term and systemic by sustaining the discourse and generating new ideas.

NCAP – National Clean Air Programme: For improving air quality in 102 non-attainment cities (where air quality standards are inadequate). 5-year programme (2019-2024)

Objectives:

1. 20-30% reduction in PM 2.5 and PM 10 by 2024 compared to 2017
2. Strengthening air quality monitoring network
3. Awareness and capacity building.

The National Clean Air Programme (NCAP) needs continued strengthening, by developing uniform processes for identifying non-attainment cities and to track inter-year air quality improvements. This must be done by:

- Effective utilization of performance-based grant provided by 15th Finance commission to improve air quality in 42 cities with million plus population. This needs collaboration of national, state and local governments with civil society to prioritize actions
- Expanding such performance-based grants for 2021-26 i.e whole period of finance commission.
- Expanding scope of NCAP to regional, airshed level level from city level

In addition, investments in sustainable infrastructure and improvement in public transportation will lead to cleaner air.

Conclusion:

COVID 19 pandemic requires emergency response to tackle the emerging health and economic crises. This response can be fine-tuned to ensure air quality is improved which will result in sustainable recovery and improves long term health outcomes.

Mains Question:

Q.1) Discuss the link between COVID 19 pandemic and air quality? [15 marks, 250 words]

Preserving Gender and Social Justice in Times COVIDSource: <https://indianexpress.com>**Introduction:**

COVID 19 pandemic has resulted in an unprecedented health and socio-economic crisis across the globe. It threatens the progress made in SDG's as we enter the decade of action. While short to medium term impact on health and economy are evident, long term socio-economic impact with gender implications must be understood.

Pandemic has increased the existing socio-economic inequalities. Crisis is more acute for disadvantaged groups. These groups include – Women and girls; adolescents; sexual and gender minorities (LGBTQI); elderly; Persons with Disabilities (PwD's) and people from low income and socially marginalized backgrounds.

Impact on women and girls:

Sexual and reproductive health (SRH): SRH services (contraceptives; pregnancy services) are disrupted due to the health crisis and movement restrictions.

- Availability of contraception has reduced due to disruption of supply chains
- In addition mobility restrictions and apprehension of infections have resulted in women not seeking SRH services and accessing contraceptives.
- Due to disruption to normal health services like pregnancy care, MMR (Maternal Mortality Rate) is expected to increase.

These will result in an increase in unintended pregnancies (7 million estimate) and rise in total fertility rate. This is against the right of women to control fertility and vision of population control. Hence SRH services must be provided uninterrupted.

Gender based violence: Increased time spent in home has seen rise in cases of domestic violence. The National Commission of Women reported rise in calls of distress. Hence services which address this violence must not be interrupted. Civil society and state institutions must ensure that vulnerable women are rescued and rehabilitated.

To address these issues, vision of gender rights enshrined in Convention on Elimination of All Forms of Discrimination against Women (CEDAW, 1979), International Conference on Population and Development (ICPD, 1994) and Beijing Declaration (1995) must guide our response.

Impact on adolescents:

- Prolonged closure of schools, along with severe economic stress at the household level, may find many girls forced into child marriage.
- With closure of schools, access to sexual education will reduce. This can result in unintended teen pregnancies and sexually transmitted infections.
- Lack of social connectivity and limited social support can increase the risk of stress and mental health issues
- Lack of peer contact can hinder development of life skills and abilities learned through socialization like team work.

Hence there is a need for targeted interventions in imparting knowledge and developing life skills to support youth. In addition, vigil must be stepped up to prevent child marriages.

Impact on elderly:

Elderly are impacted by pandemic directly and indirectly.

- They are the most vulnerable section to the pandemic related deaths.
- Disruption in normal health care services to elderly threatens their lives and worsens age related morbidities.

- Social isolation, lack of family and community support even for basic necessities will worsen their physical and mental health

Considering this, health services and essential services like food, water, pension must be provided on a priority basis to the elderly

Impact on health care workers:

Being the frontline in the fight against the COVID, healthcare workers have emerged as vulnerable sections. Women make up a large proportion of these workers making gender dimension more important.

- They need access to psychosocial support to handle the immense stress of providing care to intense, continued suffering, and for the sense of inadequacy and guilt they feel when they lose patients after giving everything to save them.
- Protection against stigma and discrimination from family and community members is needed. Evictions from rental homes and restrictions must be prohibited.
- Adequate protective equipment (masks, gloves, PPE etc) is needed to protect these frontline workers from the pandemic
- Social security in terms of insurance to life in case of COVID related deaths of medical workers is needed.

These needs must be satisfied to enable our “Corona warriors”.

Conclusion:

COVID 19 has proved the collective vulnerability of all in the face of the crisis. Hence the principle of “*We are all in this together*” must inform our actions. By transcending socio-economic divisions, empathy and compassion must be shown towards vulnerable and larger community. We must “Build Back Better” by ensuring social justice and gender equality, to secure rights and choices for all.

Mains question:

Q.1) Vulnerable sections are most affected by COVID 19. Discuss this impact and ways to ensure gender and social justice? [15 marks, 250 words]

Is it The Right Time to Include Australia in Malabar Naval Exercise?

Source: <https://www.thehindu.com>

Introduction:

Discussions are ongoing regarding the inclusion of Australian navy in the annual trilateral Malabar exercise. Coming in the time of increased tensions along Line of Actual Control (LoAC), it is seen as India's response to Chinese aggressive maneuvers. If Australia is included this will be the first time since 2007, Quadrilateral countries (India, Japan, USA, Australia-QUAD) will come together militarily making Malabar a maritime Quadrilateral.

Malabar Naval exercise:

Started in 1992 as bilateral exercise between India and USA navies. It was later expanded to include Japan in 2015. Singapore and Australia participated as non-permanent participants in 2007. Australia has shown interest in being a participant since 2017. It is done annually in the Bay of Bengal or Arabian sea. But in some years, it was done in Pacific Ocean in USA and Japanese territories.

Chinese objections to inclusion of Australia:

China views the maritime quadrilateral as a coalition of democracies and Asian NATO, to counter it. China views this as a threat not only in Indian ocean but also in Pacific Ocean especially South China sea. Hence it opposed expansion of Malabar exercise. In 2007 when it was a 5-nation exercise, it sent demarches to India and Australia.

Indian position and arguments for inclusion of Australia:

India has maintained that Malabar exercise and also QUAD is not with the intention of containing any one country. India has emphasized freedom of navigation and overflight; rules-based order as its intended outcomes. In pursuance of the same, to prevent wrong signals, India has not accepted Australian involvement in 2018 and 2019 exercises.

But experts point out Chinese aggressive postures need to be considered in changing Indian maritime policy. Following actions highlight these:

- Submarine visiting Colombo in 2014
- Chinese Warships visiting Male, Maldives in Aug 2017
- Chinese naval bases in Indian ocean include Djibouti and proposals in Gwadar, Maldives, Myanmar (Kyaukpyu, Cocos Island).

These actions make Chinese intentions suspect. Considering this possible encirclement of India (string of pearls), a proactive approach is proposed to counter gradual Chinese naval forays into Indian ocean.

For such a proactive strategy, including Australia in Malabar is seen as a right step. It sends signals that if Chinese continue to posture aggressively against India on land or sea then India is ready to increase the threshold. Considering the clashes in Galwan valley, it is opined that time is right for this step.

Arguments against inclusion of Australia right now:

- Inclusion may lead to Chinese apprehension and threaten negotiations for truce along LoAC.
- If China responds aggressively in Eastern Indian ocean, it can open a new front in the India-China conflict.
- Strategically, India desires increased technological capabilities to check Chinese threats (submarines, aircraft carriers etc) in Indian ocean. USA and Japan on the other hand have priority of rules-based order in Indo-Pacific. India is yet to obtain

lethal technologies from USA like anti-submarine tech, despite talks of defense cooperation. Most cooperation is in non-lethal weapons like Surveillance Guardian drones. Without acquiring lethal technologies, Indian deterrence capabilities will not increase even with QUAD maritime cooperation

- Operationally, India and Australia have priority in maintaining balance in Indian ocean. USA and Japan have priority in the South China Sea and Pacific Ocean. Hence escalating conflict in the south china sea may draw India into Pacific Ocean which is not its priority. In addition, USA and Japan's operations in indian ocean will be limited considering their priorities. Hence Quad maritime grouping may not yield desired results in Indian ocean region (IOR).
- Chinese activities till now have been limited to surveillance and limited. There has been no contestation with Indian navy or stopping of merchant ships Hence threat perception is not too high to look for a balancing coalition. It is opined that if maritime QUAD comes into picture, an avoidable naval arms race will be kickstarted in Indian ocean.

Conclusion:

Upgrading the trilateral Malabar to a quadrilateral, without acquiring the requisite combat and deterrence capability, could yield gains for India in the short term, but would prove ineffective in the long term. Instead India can provide intended signaling by including Australia as a non-permanent partner for one year.

This does not mean Australia must not be invited as a permanent participant at any time. Right time will be when India gains requisite strategic and operational benefits or when Chinese threat perception will increase beyond limits. This will ensure flexibility and strategic autonomy.

Mains Question:

Q.1) Should India include Australia in Malabar exercise? Critically analyze?

[15 marks, 250 words]

Are the 3 Farm Ordinances '1991 Moment' For Agriculture?

Source: <https://indianexpress.com>

Introduction:

COVID 19 pandemic has brought an economic crisis that needs to be addressed. To address the economic crisis in rural areas, the central government has promulgated three farm ordinances as part of Atmanirbhar Bharat Abhiyan. These ordinances liberalize trade and marketing of agricultural produce and reduce stock limits. Further they enable contract farming which provides guaranteed price for farmers.

Agriculture is a state subject. But the centre can enact laws under entry 33 of the concurrent list which deals with trade and commerce of agricultural produce, including "foodstuffs", "cattle fodder" and "raw cotton". 3 farm ordinances are done under the same. These reforms are seen as a '1991 moment' for the agriculture sector.

Provisions of 3 farm ordinances:

Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020: Liberalizes marketing of produce.

- Allows trade of agricultural produce (includes, milk, eggs, fish etc) outside APMC's. Trade can be done at any place of production, collection, and aggregation of farmers' produce.
- Any buyer of produce may engage in interstate and intra state trade.
- Electronic trading is allowed through online platforms. Central government will prescribe standards of operation for such portals in regards to quality, conduct, and payments.
- State governments cannot levy market fee, cess or levy on farmers, traders and electronic trading platforms for any trade
- A dispute resolution mechanism with conciliation and settlement procedures.

Essential Commodities (Amendment) Ordinance, 2020: Amends Essential Commodities act (ECA), 1955

- The Central government may regulate the supply of certain food items only under extraordinary circumstances. These include: (i) war (ii) famine (iii) extraordinary price rise and (iv) natural calamity of grave nature.
- A stock limit may be imposed only if there is
 - 100% increase in retail price of horticultural produce
 - 50% increase in the retail price of non-perishable agricultural food items
- Any stock limit will not apply to a processor or value chain participant of agricultural produce if stock held by such person is less than the:
 - Overall ceiling of installed capacity of processing
 - Demand for export in case of an exporter
- Provisions of the Ordinance regarding the regulation of food items and the imposition of stock limits will not apply to any government order relating to the Public Distribution System (PDS) or the Targeted Public Distribution System (TPDS)

Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020: To enable contract farming

- Farming agreements can be made before production between farmers and sponsors.
 - Agreement may provide for mutually agreed terms and conditions for supply, quality, standards and price of farming produce as well as terms related to supply of farm services.
 - This agreement may be linked to insurance services.

- Agreement must mention prices to be paid for farming purchase. There must be a guaranteed price. In addition, bonus or premium may be included
- State government may establish a registration authority for registering farming agreements
- Farming agreements will be exempt from stock limits and state acts regulating sale and purchase of farming produce.
- Dispute settlement: Conciliation process is must through a conciliation board for all disputes. If unresolved after conciliation, a settlement process with Magistrate and appellate authority is available.

Long term benefits of reforms:

- Competition to APMCs: Allowing private trade (direct and electronic) provides competition to APMC's. This will lead to standardization and rationalization of mandi fee structure and limit the commission charged by traders on sale of farmers' produce. This increases farmers' incomes directly.
- Enables One nation, one market. This ensures fair price discovery.
- Private investments in agricultural storage, supply chains and technology as stock limits are removed and contract farming is enabled. This will increase exports and farmers incomes as well as reduce wastage.
- Diversification of crops will be enabled due to contract farming.

Case of ITC in Madhya Pradesh (MP):

ITC was allowed in trade and commerce of select commodities in MP. It has led to gain of farmers due to price competition with APMC's. In addition, APMC's upgraded themselves through electronic weighing and quick payments to remain competitive.

Critique of marketing and trading reforms in ordinances:

- Prices are already market driven: Shantakumar committee observed that only 6% of farmers get MSP – Minimum Support Prices and only 22 crops are procured under MSP. Hence a vast majority of farmers sell produce as per market prices. In such a scenario, ordinances will not bring much changes in marketing.
- Lack of APMCs is the problem and not APMC itself: India has about 7000 APMC mandis. These are grossly inadequate. In such a situation, more than 80% of small and marginal farmers are already selling their produce to unlicensed traders and aggregators. This leaves the farmers open to exploitation.

Also, APMC has been part of the solution as it played a main part in PDS and food security.

- APMC acts are already being reformed by state governments. Uzhavar Sandhai in Tamil Nadu, the Rythu Bazaar in Andhra Pradesh and Telangana, the Apni Mandi in Punjab, the Raitha Santhe in Karnataka and the Krushak Bazaar in Odisha are some such initiatives. But this may be decelerated as ordinance prohibits state governments to levy fees, cesses on trade which deprives them of revenue.
- Complete dismantling of APMCs will result in rural distress. The Bihar case below proves that.

Failure of APMC liberalization in Bihar:

Bihar has revoked APMC act in 2006 and dismantled APMC market infrastructure. This was done to attract private investments in the agricultural supply chain.

But studies have pointed out it resulted in proliferation of private unregulated markets (run by traders and commission agents) which charge a market fee from traders as well as farmers, without any infrastructure for weighing, sorting, grading and storage. Large

organizations have also bought produce from traders and aggregators rather than farmers.

- Other reforms are needed to enable freedom of marketing to farmers: Traders and commission agents provide credit to farmers during production, harvest and supply. Hence without addressing access to credit, inputs, storage, transport, and timely payments, farmers will continue to supply to these middlemen.
- Dispute settlement mechanisms will be disadvantageous for farmers due to greater economic power of traders and contract farming companies.

Hence there is still a need for state regulation and intervention to enable farmers realize better incomes. Other structural reforms must be undertaken to make farming economically and ecologically viable:

- 60% of subsidy (fertilizers, electricity etc) is cornered by 3 crops – Rice, wheat and sugarcane. This has led to depletion of groundwater and loss of biodiversity due to monoculture. In addition, excessive use of chemicals is threatening food chains and biodiversity. Liberalization will only exacerbate this phenomenon. Government regulation must ensure that this is addressed.
- Investments in irrigation and ecological transition must be made. Good example is Andhra Pradesh Community Managed Farming model, which promotes agroecological principles with the use of locally-produced, ecologically-sustainable inputs focusing on soil health, instead of depending on chemical fertilisers. This increases resilience of agriculture against climate related risks.

Conclusion:

Reforms initiated can be the '1991 moment' depending on the nature of the implementation. Appropriate state intervention is needed and not complete deregulation (which is counter productive as seen in case of Bihar). State intervention must promote competition and strengthen the diversity, dynamism, enterprise, and resilience of India's agricultural markets. APMCs must be continued and infrastructurally upgraded. In addition, other structural reforms in irrigation, inputs, subsidies, MSP etc must be undertaken as per M.S.Swaminathan committee recommendations which addresses structural issues and benefit farmers. Only then can we realize the vision of 'Doubling farmers incomes' and reduce urban-rural income gap

Mains question:

Q.1) What are the provisions of Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020? Critically discuss whether it will lead to marketing freedom for farmers? [15 marks, 250 words]

Overcoming the Malaise of DefectionsSource: <https://www.hindustantimes.com>**Introduction:**

Political developments in Rajasthan have brought focus on political defections and anti-defection law. This should be seen in the broader context of political events in Madhya Pradesh, Karnataka, Manipur and other states, where legislators have changed parties. Emergence of 'resort politics' where legislators are herded to protect them from defections shows that malaise of horse trading is alive in Indian political system. This is a constitutional sin which results in the public losing trust in the political system. This has continued despite anti defection law of 1985(10th Schedule of constitution) providing for disqualification of defectors.

Role of all stakeholders involved – Speaker, Governor, legislators, opposition party, ruling party- is suspect in upholding the spirit of the anti-defection law. They are using loopholes in the legal provisions to continue this moral hazard.

Provisions of 10th Schedule:

Disqualification:

- For a legislator elected on a party ticket, voluntarily giving up membership of party or defying party whip on a vote will result in disqualification. If such action is condoned by the party, then no disqualification will be done
- Independent legislators will be disqualified for joining any party
- Nominated legislators can join a political party till 6 months after nomination but not after. If done after 6 months they will be disqualified.

Exceptions:

- Merger where $\frac{2}{3}$ rd members of a party defect will not result in disqualification
- Speaker or chairman can switch parties if the post is demitted.
- Deciding authority: Presiding officer of the house whose decision is final

Circumventing the provision of 10th schedule:

Modus operandi to circumvent the legal provisions have evolved. These are:

- Partisan behavior of the speaker: If defection is to the ruling party, then the speaker (deciding authority) is seen delaying the anti-defection proceedings and judgments. The Supreme court (SC) has highlighted this in the Manipur case (2020) where the speaker's decision was pending since 2017. Such instances are seen in multiple states – Tamil Nadu, Andhra Pradesh etc.
- Promising ministership to destabilize ruling government: To topple ruling government, engineered defections or resignations of legislators are used. Ministership is promised to defectors by the opposition party. 10th Schedule prohibits appointment as ministers for those who are disqualified until reelected. A parliamentary standing committee notes that this is made useless by
 - Defectors resigning from original parties and hence not coming under disqualification. Then they can be appointed as ministers for 6 months before they must be reelected in byelections. This was seen in Karnataka
 - Defectors can be nominated to Rajya Sabha and then be made a minister.
- No confidence motions against speakers: Defectors file such motions to stall proceedings of anti-defection law. In the Nabam Rebia case, SC cautioned speakers already facing prior and serious pending no-confidence motions from deciding disqualification issues against their accusers. This is being misinterpreted as prohibition on deciding cases rather than caution.

- Misuse of position of governor: Governor directing a floor test before anti defection proceedings are completed results in destabilizing government. This prevents the speaker from discharging his/her functions under 10th Schedule.

Plugging loopholes in 10th Schedule:

- Supreme court in Manipur case 2020 has suggested following which need to be implemented:
 - Replacing presiding officer as deciding authority with a tribunal or external mechanism to ensure impartiality
 - Decision in defection cases must generally be done in 3 months. SC can compel speaker in case of undue delays
- Abolishing exceptions present in 10th Schedule: Merging of parties (2/3rd members defect) should be removed as an exception. All anti party activities (inside and outside the house) should result in disqualification.
- Prohibiting appointment as minister: Anyone who resigns or is disqualified anti defection law must be prohibited from appointment as minister for 6 months or 1 year.
- Electing impartial speakers: Adopting British norm of unanimously selecting the speaker before elections by all major parties and not contesting against such pre-elected speaker. This improves the political and moral authority of speaker.
- Restricting the governor's role to prevent interference in affairs of the house.

Conclusion:

Defections as political tools of power must be prevented comprehensively. Legal changes must be brought in the 10th Schedule to plug the loopholes. This must be done expeditiously to protect the faith of the public in the constitutional democracy of India.

Mains Question:

Q.1) What are provisions of anti-defection law? Are they successful in preventing defections in India? Suggest measures needed to uproot the malaise of opportunistic defections in India? [15 marks, 250 words]

Achieving Equality for Scheduled CastesSource: <https://indianexpress.com>**Introduction:**

Indian constitution in its preamble has provided that India will uphold Justice, Equality and Fraternity. In pursuance of this, socio-economic empowerment of scheduled castes(dalits/SC) is promoted by various provisions. Reservations in education, public employment, legislatures (Articles 15,16, 330); National commission for Scheduled castes – NCSC (Article 338), Scheduled caste sub plans (SCP -15% of spending of ministries) in budget, are major ones. Discrimination against dalits is also punished through Scheduled Castes and Tribes (Prevention of Atrocities) Act or SC/ST act; Protection of civil rights act (PCRA), 1955.

To advance this vision of socio-economic empowerment and equality of dalits, new actions and ideas are needed. NCSC can be the catalyst for the same. It is one of the functions of NCSC to participate in socio-economic planning for SC welfare.

New actions to realize right to equality of dalits:Strengthening legal and judicial protection of dalits:

- Developing standard operating procedures (SOPs) for filing and investigation of cases under SC/ST act. These SOPs must be made available at all police stations in regional languages to improve information accessibility to victims.
- Rewarding prosecutors who obtain conviction in cases. This will provide incentive to improve low prosecution rates in cases under SC/ST act.
- Online reporting and tracking of crimes against dalits. This provides data on areas of high crime incidence which can be used for appropriate steps.
- Sensitization, training and capacity building of lawyers, judges and police.
- Internal committees within organizations to receive complaints of discrimination, to minimize criminal procedures. Internal complaints committee for sexual harassment can be a replicable blueprint.
- Researching and implementing new types of punishment other than imprisonment to prevent future crimes.

Improving outcomes of existing government efforts:

- Identification of 5 priorities (skill development, employment etc) across all schemes and using Scheduled Castes Sub plan (SCP) to improve these.
- Promoting collaboration and convergence in achieving outcomes efficiently. Steps like an empowered group of joint secretaries, pooling of resources, must be taken under this. Such collaboration must extend to states.
- Dashboard for tracking (monthly, quarterly etc) of outcomes of SCP. This can be used to reward departments which achieve best performance and rank states for their impact and efficiency.
- Success stories in advancing Dalit empowerment should be taught in training of higher civil services (IAS, IPS etc)

Jan andolan for the cause: Social change must be catalyzed with participatory approach

- Creating platform for engagement of civil society groups working on dalit issues.
- Participation of dalit legislators, dalit youth, women must be promoted. This will provide voice to dalit issues and promote resolution of the same.
- Targeted communication campaigns to reduce social practices which still segregate and discriminate against dalits. Students, teachers, companies, gram sabhas must be involved in this.

Promoting economic empowerment:

- Strengthening reservations in public procurement. This will facilitate entrepreneurship of dalits. Departments in which such targets of reservation are met, must be rewarded.
- Dalit alumni of IIT and IIM's can be roped in to promote equality in their organizations to advance socio economic empowerment of dalits.
- Skill training: Management training for SC entrepreneurs and skill training for service economy can be provided.
- Mentoring for small business development. This is to enable dalit enterprises compete in markets. Considering lack of land ownership, this hand holding is needed for integration with markets.

Promoting cultural advancement:

- Rewarding film and content makers (photographers, artists etc) for highlighting issues faced by dalits. Movies like 'Article 15' are examples.
- I&B ministry to fund TV programs highlighting dalit issues.
- Encouraging movies around different themes like the Mahar regiment of army.

Preparing for future challenges: Challenges due to climate change, gig economy and their impact on dalits must be studied. This will help in preparing for future challenges.

Conclusion:

Actions which promote equality of dalits will require sustained efforts. NCSC must innovate, collaborate and facilitate this socio economic advancement to achieve the vision of equality and fraternity.

Mains question:

Q.1) What are the functions of the National Commission for Scheduled Castes (NCSC)? How can NCSC facilitate socio-economic advancement of scheduled castes?

[15 marks, 250 words]

Transforming Curriculum of Higher EducationSource: <https://www.thehindu.com>**Introduction:**

COVID 19 pandemic has disrupted education at all levels. Lockdowns and restrictions on movement has resulted in closure of schools, colleges and universities. To adapt to this disruption, solutions are being analyzed to deliver inclusive and affordable home-based learning. Online classes (broadcast-based learning), WhatsApp based notes etc are some tools being adopted.

This disruption also presents an opportunity to initiate reforms for quality higher education in India.

Learning outcomes of higher education and failure in India:

Higher education serves as a bridge between formal education and employment. Broadly speaking it has 3 main learning outcomes:

- Imparting knowledge of relevant discipline to students
- Imparting skills needed for employment or research after higher education
- Imparting skills and values needed for students to play a constructive role in society

Following trends in India show poor learning outcomes in Indian higher education:

- India skills report (by People Strong, CII, UNDP, AICTE and AIU) says only 47% of Indian graduates are employable. Employability is declining in BTech, Engineering, MCA graduates, Technical & Computer-related courses.
- No Indian university in top 100 ranks of QS college and university rankings of 2020.
- Decreasing importance of liberal arts and life skills in curriculum.

Higher education has largely become a tool of acquiring a degree rather than learning. This is the case of the majority of institutes except few top institutes like IISc etc.

Gap between employable skills and higher education curricula is in particular important. It is well known that on the job training is more useful than years of higher education in learning job skills. Considering this, excessive focus on completing rigid syllabus in college wastes precious time during college. It also imposes additional economic costs as students need to be trained again during employment.

Hence there is a need to reimagine curriculum in higher education. COVID 19 pandemic presents such opportunity.

Bridging the employability skills gap in curriculum:

Following steps can bridge the gap:

- Re-evaluating curriculum periodically. This enables the syllabus to adapt to changing technologies and employment opportunities. Industry, teaching professionals and research institutions can partner to create a syllabus which is relevant and up-to-date.
- Industrial internships and vocational trainings should be increased as a proportion of curriculum. Classroom teaching must be confined to basic essential concepts.
- Current practice of overemphasis on exit exams must be transformed into continuous evaluation. Performance evaluation must be based on regular assignments and industrial internships, rated by both college and industry. To evaluate basic concepts, a light home-based proctored exam can be conducted.
- Development of life skills, values and social attitudes must be focused upon for a fulfilling life. Time saved due to reduced classroom-based pedagogy can be used for this purpose.

Conclusion:

High proportion of the working age population (more than 60%) presents India an opportunity for 'Demographic dividend' based growth. But to realize this higher education must be transformed effectively to provide jobs to youth entering the workforce. Else India will face 'demographic disaster' with large unemployable youth burdening the economy. Hence opportunity presented by the present crisis must not be missed in heralding bold reforms in higher education. Only then can we achieve the Sustainable Development Goal – 4 of 'Quality education'.

Mains question:

Q.1) Higher education in India has failed to achieve learning outcomes. Critically comment? What steps can be taken to improve learning outcomes in higher education?

[15 marks, 250 words]

Arguments for Presidential System of Government in India

Source: <https://indianexpress.com>

Introduction:

Horse trading of legislators as alleged in Rajasthan, Madhya Pradesh and Karnataka has brought focus on declining values in politics and political parties in India. Limitations of parliamentary system in India is cited as the underlying reason for this phenomenon.

Parliamentary system's limitations in India:

Parliamentary system was devised in Britain whose population and diversity is low. Political traditions in Britain makes parliamentary democracy a workable system.

- Each party in Britain has a set of policies, preferences, ideals which differentiate it from other parties.
- Politicians prescribe to policies and ideals of a certain party. Moving between parties is seen negatively both by people and parties.
- Legislature is seen as vital to uphold government accountability rather than path to executive power.

Political trends in India show different traditions:

- Legislative power is seen as a bridge to executive power. Parliamentary system with the executive drawn from the legislature is aiding this.
- Focus on politics rather than governance: Governments with small majorities makes them prone to engineered political defections. This makes parties more focused on politics rather than governance.
- Multiplicity of political parties without any set ideals and only based on self-interests. In a coalition system this becomes a hindrance to decision making and destabilizes the government with changing coalitions.
- Due to lack of set ideals of parties, people vote for individuals. This is leading to the rise of populism and authoritarianism. Instead of evaluating individual candidates in constituencies, people are voting based on caste, religion and candidates for chief minister or prime minister.

In particular, focus on executive power as main goal of politics leads to following challenges:

- Horse trading and defections where ministership is offered to defectors.
- Legislation suffers as legislators become rubber stamps. Whips by parties with and voting on party lines limits legislators in upholding accountability of the executive to people.
- As voting occurs along party lines, outcome is predetermined. Hence parties view debates as useless and resort to disruptions. It can be seen in reduced time of debates on bills, in question hour and other avenues for discussions.

In addition, as the parliamentary system draws the executive from the legislature, it limits the choices for people to be appointed in executive. Executive positions are depending on who is electable and not who is able. Although Rajya Sabha has provision for experts, it is being used to elect full time politicians rather than experts.

Considering this, the Parliamentary system is seen by critics as a failure in Indian setting. Presidential system is suggested as an alternative to overcome the limitations in Indian political culture.

Presidential system – a solution and its counter points:

- A directly elected chief executive at all levels – Centre, state and local would provide security of tenure to them. This leads to focus on governance rather than political management
- Executive can be drawn from experts all over the country.
- Voters can differentiate between legislators and the executive. They can vote for a president and evaluate him/her based on their performance.

Counterpoints to presidential system in favour of parliamentary system are:

- Presidential system can result in authoritarian and dictatorial presidents.
- But in India's parliamentary system with centralized parties, prime ministerial dictatorship is possible as legislatures turn into rubber stamps.
- Further, powers of the president can be balanced by powers of directly elected state chief executives.
- Parliamentary system has enabled participation of Indians in the political process and kept the nation together.
- But this is due to democratic right of voting and participation rather than parliamentary system.

Considering this, the presidential system presents an alternative to the parliamentary system.

Conclusion:

Declining values of the political system is leading to loss of trust of people. We need to have a democracy which delivers governance and progress to people. Hence the solution of the presidential system in addressing issues must be carefully studied. If found suitable to India, political will must be shown to change the system.

Mains Question:

Q.1) What are the limitations of the parliamentary system in India? Can the presidential system be an alternative to overcome these limitations? Discuss. [15 marks, 250 words]

COVID 19 Exacerbating Patriarchal StereotypesSource: <https://indianexpress.com>**Introduction:**

COVID 19 pandemic has brought great disruptions in multiple sectors. Economy, healthcare, working patterns, education etc are adapting to movement restrictions and lockdowns. This disruption induced adaptations have a great impact on women.

Evidence shows that patriarchal gender roles are deepening due to disruptions. This is resulting in setbacks to progress made in gender equality.

Deepening patriarchal stereotypes:

Unpaid care work is predominantly done by women in patriarchal societies. Globally, women and girls perform 75% of unpaid care and domestic work and in India this is 91%. Such work is not seen with respect and instead shown disdain as per stereotypes. COVID 19 is exacerbating this.

Additional burden on women for unpaid care work is being imposed due to following COVID responses:

- Lockdowns, school closures and presence of more family members at home increases domestic work.
- Home based personal healthcare for home quarantined family members, need constant monitoring and care.
- Online education needs parents to aid children in children with classes and assignments.
- Work from home increases the need for domestic care work.
- Avoidance of external domestic workers due to fear of infections. Resident Welfare organizations stopping them is an example. This prevents help to handle extra care burden.
- Elderly are most vulnerable to pandemic and need greater monitoring and care.

This reduces leisure time and personal care of women, resulting in reduced well-being of women.

In addition, economic independence is negatively impacted due to pandemic:

- Sectors like tourism, hospitality, retail are large employers for women. But they are the most impacted by COVID with potential long-term closures.
- Domestic work is a major employment source for urban women. Yet movement restrictions and infection fears have reduced this sector substantially

This leads to layoffs and reduction of opportunities. As a result, it pushes women back into domestic care work where they are financially dependent on men.

Declining incomes of households combined with patriarchal attitudes will impact women substantially:

- Reduction in investment of girl child education, nutrition, due to views that girl child education is not important.
- Reduction in spending on menstrual health, sexual and reproductive services, due to less priority given to such needs of women. This impacts the health of women.
- Increase in child marriages when girls are seen as a burden on incomes.

Hence COVID 19 can deepen gender inequalities.

Conclusion:

Disruptions induced by COVID 19 have long term consequences for gender equality and well-being of women. State response must be cognizant of this phenomenon and take steps to promote gender equality.

Expansion of economic activities where women are predominant (healthcare services, textiles etc) must be undertaken. Further, health services must be delivered to women on priority basis. In addition, communities must be sensitized on the principle of sharing of domestic work. Only by taking such steps can we maintain the progress in achieving SDG (Sustainable Development Goal) – 5 of gender equality.

Mains question:

Q.1) Discuss the impact of COVID 19 on women? What steps must be taken to prevent the negative impact of pandemic on women and promote gender equality?

[15 marks, 250 words]

Factors Responsible for Troubled Neighbourhood Relations

Source: <https://www.thehindu.com>

Introduction:

India's relations within its immediate and extended neighbourhood are seeing a downturn.

Following recent events show evidence for the same:

- Ongoing standoff between armies along LAC with China.
- Nepal's constitution amendment to update maps in the border row and increased political rhetoric against India.
- Afghanistan peace talks have seen minimal role for India despite billions of dollars of development contribution since the early 2000's.
- Iran going ahead with Chabahar – Zahedan railway without Indian collaboration by citing delays and also excluding Indian PSU from Farzad B gas field development.
- Increased Chinese infrastructure activities in Sri Lanka and Bangladesh. Latter has conveyed displeasure against India's CAA – Citizenship amendment act.
- SAARC has not been functional since 2016

This is in contrast to vibrant ties prior to 2013 where India was seen as a natural leader in the South Asia and Indian ocean region.

Global geopolitics and policies adopted have an impact on regional ties which results in ups and downs. But the downturn in India's soft power in the neighbourhood is a serious concern. Hence it has to be examined to understand the underlying factors for decline.

India-US partnership and impact on other relations:

India has deepened cooperation with the USA since the early 2000's.

- Civil nuclear agreement
- Defense and military cooperation:
 - Signing foundational agreements like LEMOA (logistics agreement)
 - Increased military exercise on large scale like Malabar exercise
 - DTTI – Defence Technology and Trade Agreement; Defense framework agreement
- Strategic cooperation in multilateral fora like FATF, UN, Quadrilateral grouping
- People to people ties (students, immigrants)

While deepening this partnership, India has maintained that it pursues strategic autonomy and will not be part of any alliance system.

Yet US policies and Indian response to them are one of the factors in the downturn of relations with Indian neighbours. Following are cases of such:

- **Iran:** Chabahar port and central asian connectivity has Iran as a pivotal partner for India. Despite agreement for chabahar development in 2003, it got delayed initially due to US sanctions on Iran till P5+1 deal in 2015. After the P5+1 deal India has accelerated the work through tripartite agreement with Iran and afghanistan. But USA has exited the P5+1 deal and reimposed sanctions. Under these sanctions, India has reduced oil imports from Iran to zero. This has been criticized as loss of strategic autonomy and severely impacting traditional ties with Iran. Temporary exclusion from the railway line and Farzad B gas field is seen as Iran's response to India adopting the US line.
- **China:** Chinese are perceiving that Indian defense and military cooperation with US is to contain and counter China. This has resulted in Chinese adopting a more aggressive attitude towards India to signal its displeasure. This is reflected in Doklam, 2017; Galwan clashes of 2020.

Domestic politics impacting relations:

CAA (Citizenship amendment act) has offered faster citizenship to persecuted minorities in muslim majority Afghanistan, Pakistan and Bangladesh. By doing so, it has regionalized domestic problems of countries. Due to this tie with Afghanistan and Bangladesh are impacted directly. In addition, countries with Muslim majority nations like Malaysia, Iran have voiced concerns. Bangladesh in particular has protested CAA and National Register of Citizens (NRC) as well as extreme political rhetoric against Bangladeshis in India.

Abrogation of special status to J&K (Jammu and Kashmir) and bifurcation of state into two UT (Union territories) has impacted India's relationship with China. Chinese view this as a change in status quo. Chinese aggressive moves in Ladakh can be seen in this context. In addition, prolonged imposition of restrictions on fundamental rights (movement etc) has given propaganda tool for Pakistan.

Perceived highhandedness:

Nepal's nationalism has become synonymous to anti Indianism. Political rhetoric and perceptions are that India behaved high handedly during its constitutional crisis in 2015. Further, an updated map of India released in 2020 is shown as evidence of this.

While domestic political considerations in Nepal do play important in rising anti India rhetoric, India must resolutely defend its interests in neighbourhood in a more effective manner. Perceptions of highhandedness must be countered else downturn in relations may ensue.

Use of any forceful methods must be carefully weighed upon. Rising powers must first establish themselves before using more forceful methods as is seen in Chinese strategy from 1970 to 2010.

Conclusion:

India has to address the current downturn in ties. Proactive diplomacy must be improved. Foreign policy trajectory must be evaluated continuously to ensure India achieves its strategic goals and autonomy. India's nuclear deterrence, large military force, naval dominance in Indian ocean region makes it a big power which can influence global events. This strength must be backed up by more strategic depth.

Mains question:

Q.1) Discuss the impact of US policies on Indian foreign policy interests?

[15 marks, 250 words]

Need to Reform Contempt Jurisdiction of Judiciary

Source: <https://www.thehindu.com>

Introduction:

SC (Supreme court) has initiated suo moto criminal contempt proceedings against Prashant Bhushan, an advocate and an activist. His tweets on Chief Justice of India (CJI) are cited as evidence of intention to scandalize the court and CJI's office.

Critics point out that this action by SC is being oversensitive to criticism and hence this is against freedom of speech. Let us examine the contempt powers of the judiciary and their critique.

Contempt powers of judiciary:

SC and HCs (High courts) are courts of record as per Articles 129 and 215 respectively. This provides them the powers of contempt. For subordinate courts, respective HCs will take up contempt proceedings. Courts can suo moto initiate contempt proceedings.

Contempt of court act, provides for:

- Civil contempt: When judicial orders are not followed wilfully or violation of undertaking given to court
- Criminal contempt: When there is obstruction to justice or scandalization of court or intention of scandalization of court.
- Truth and good faith is valid defense in contempt proceedings. This was added in 2006.

These contempt powers are given with the objective of safeguarding public confidence in administration of justice and thereby public interest.

Critique of criminal contempt in India:

Experts point out following problems in criminal contempt in India:

- Extremely wide jurisdiction with broad definition. Terms like scandalizing the court can be interpreted very loosely to prevent valid criticism of conduct of judges and judiciary
- Against civil liberties of freedom of speech and expression which is a fundamental right. While Article 19 provides contempt as a restriction on freedom of speech, a democracy does not prevent valid criticism. Reasonableness must be maintained even in restrictions. Oversensitiveness of courts to criticism will lead to loss of this right.
- While truth and good faith are added as valid defenses, in practice this is not being upheld.
- In times of social media, where unregulated commentary is seen, courts pursuing all comments will waste precious time.

Hence, suo moto powers in initiation of proceedings combined with broad definition of criminal contempt leads to chilling effect on free press and valid criticism of judicial functioning. Considering this there is a need to reform contempt jurisdiction in India.

In other countries, criminal contempt for scandalizing the court is being read down or discontinued:

- UK has abolished it in 2013
- Canada evolved contempt test as real, substantial and immediate threat to administration of justice
- US courts do not use contempt for comments on judges or legal matters

Conclusion:

Judiciary must not be oversensitive in invoking contempt and should give broad scope for criticism of its functioning. Silencing criticism will not result in respect but rather in resentment and suspicion. Hence judiciary should move towards accountability and impartiality in receiving criticism.

Contempt powers are needed in genuine cases like civil contempt or real obstruction of justice (threats to the lives of judges etc). But criminal contempt for scandalizing the court has no relevance in contemporary democracies. It was evolved in monarchical times when royalty used to deliver judgments. In current times, principles of accountability and impartiality are important for institutions. Hence criminal contempt for scandalizing the court has to be removed and contempt laws must be reformed.

Mains Question:

Q.1) Critically comment on the need for contempt powers of the judiciary?

[15 marks, 250 words]

FPO's Can Revitalize Indian Agriculture Using New Agri Reforms

Source: <https://www.financialexpress.com>

Introduction:

Agricultural reforms have been a major focus area for economic revival in India post COVID pandemic induced slowdown. In particular, agricultural supply chain and marketing are the focus areas of these reforms.

Major steps taken in this regard are:

- New features on e-NAM for farm produce sales without visiting mandis
 - Warehouse based trading module using e-NWR (Negotiable Warehouse Receipts)
 - FPO (farmer producer organizations) trading module to enable them sell produce at their collection centres rather than going to APMC's
- Direct buying facility for bulk buyers outside APMC's
- Farm ordinances:
 - Farmers Produce Trade and Commerce Ordinance: Enables freedom of marketing to farmers where they can sell their produce anywhere permitting interstate and intrastate trade.
 - Farmers Agreement on Price Assurance and Farm Services Ordinance: To enable contract farming. This ensures predictable sale and incomes from produce.
- Scheme for setting up 10000 FPO's by 2023-24 with motto of "One district, One product" (ODOP)

FPO as an enabler:

FPO's are registered cooperative institutions with farmers as shareholders. They have immense potential in Indian agricultural supply chain and marketing. Following trends in Indian agriculture shows need of FPO's

- Nearly 86% of Indian farms are small and marginal with average landholding of 0.58 hectares
- Small and marginal farmers face challenges of:
 - Access to inputs: Technology, finances, quality seed, fertilizers, pesticides
 - Marketing and supply chains as they have a small amount of produce. Transportation, grading, sorting etc will be more costly per unit of produce

In such a scenario, FPO can provide economies of scale by aggregating input purchases and farm produce collection supply chain. FPO can then become part of an integrated value chain that links small and marginal farmers to markets.

Recognizing this, there are about 7000 FPO's being promoted by various agencies like NABARD. Government has announced a new scheme to set up 10000 FPO's by 2023-24.

Operational guidelines under 10000 FPOs scheme are:

- Minimum of 300 farmer members and 50 percent of them should be small, marginal and landless tenant farmers with maximum possible representation from women farmers. In hilly areas and north eastern states, 100 members is the minimum limit.
- Financial grants for formation, equity and administrative expenses. Financial support till 2027-28.
- Credit Guarantee Funds (CGF) to be setup by NABARD and NCDC (National Cooperative Development Corporation)
- Agri-Market Infrastructure Fund can be used for assisting FPO's in creating marketing and farm level value addition infrastructure.

- 10% limit on maximum shareholding by a single member to prevent capture of profits by rich farmers.

These guidelines can aid in formation of sustainable FPO's.

Other steps which can enable creation of sustainable FPO's:

- Linking FPO's to CBBO's (cluster-based business organizations) and KVKs (Krishi Vikas Kendras). CBBOs can promote administrative expertise whereas KVK can provide technical assistance to FPO.
- FPO members from contiguous areas: This enables better cohesiveness and regular meetings which are important for success of FPO
- Federating FPO's: Creating umbrella institutions at district or mandal level ensures that scalability is achieved. Further it promotes backward and forward linkages as well as ODOP vision.
- Standardization of farm produce by FPOs: Uniform size, color, taste, quality is needed for better price realization in markets and exports. FPO's must evolve such standards for vegetables, fruits, cereals for better marketability.
- End to end supply chain management by FPO for identified crops in their area.
- FPO's must be output centric for identified crops in their area.
- Shareholding must be equitable to prevent cornering of profits by a few.
- Aggregation of inputs and farm produce: This is yet to be done by many existing FPO's. Support must be provided to enable aggregation and use of FPO trading module on e-NAM for price discovery.
- North eastern region (NER) must be developed as a single market to enable growth. Current production in NER is primarily for local demand. Hence FPOs there must focus on crops which are in demand in the region.

Conclusion:

FPOs have the potential to transform subsistence farming of small and marginal farmers into commercial farming. Implementation of FPO scheme must be effective to realize this objective. In addition, other reforms related to land and tenancy must be enacted to promote commercial agriculture.

Mains Question:

Q.1) FPO's are vital for Indian agri produce supply chain. Comment? What steps must be taken to enable FPO's in India? [15 marks, 250 words]

National Education Policy, 2020 – Provisions and SignificanceSource: <https://www.thehindu.com>**Introduction:**

The Union cabinet has approved the NEP (National Education Policy), 2020 recently. It is based on recommendations of Kasturirangan and T.S.R.Subramanian committees. NEP, 2020 lays emphasis on reforms in education at all levels from pre-primary to higher education. It aims to bring transformation in the education system of India in line with contemporary needs.

NEP, 2020 will replace existing education policy which was formulated in 1986. Considering vast changes in technology, demography and aspirations of people, this reform is the need of the day. It also aims to address current challenges Indian education system faces like lack of resources, capacity, mismatch between education and skills needed for jobs.

Major provisions of NEP, 2020:**School education:**

- Universalization of education by 2030 through 100% GER (Gross Enrollment Ratio) from pre-primary to secondary.
- Open schooling system (no admission requirements, NIOS is example) for out of school children.
- 5+3+3+4 curriculum system replacing existing 10+2 system.
 - 3-8 years of age: 3 years pre-school education + Classes 1 and 2
 - 8-11 years of age: classes 3 to 5
 - 11-14 years of age: classes 6 to 8
 - 14-18 years of age: Classes 9-12
- Focus on foundational Literacy and Numeracy; extracurriculars; vocational education and multidisciplinary approach to arts, science and commerce in high school
 - Vocational education to start from class 6 with internships
 - Curriculum will include 21st century skills like coding.
- Teaching in mother tongue upto class 5 with no imposition of any language.
- 360-degree holistic progress card for tracking learning outcomes.
- Teacher education:
 - 4 year B.Ed qualification to be mandatory from 2030 for teachers
 - National Curriculum Framework for Teacher Education, NCFTE 2021 to be formulated

Higher education:

- GER to be raised to 50% by 2035.
- Broad based, multi-disciplinary, holistic UG (Undergraduate) education: Provisions of flexible curriculum; integration of vocational education; multiple entry and exit points with respective degrees; UG education period between 3-4 years
- Academic bank of credits to enable transfers of credits between institutions
- Multidisciplinary Education and Research Universities (MERUs) for global quality multidisciplinary education
- National Research Foundation (NRF) as an apex body for research capacity building.
- HECI (Higher education commission of India) as umbrella regulator except for legal and medical education. It will have four verticals of:
 - National Higher Education Regulatory Council (NHERC) for regulation
 - General Education Council (GEC) for standard setting
 - Higher Education Grants Council (HEGC) for funding

- National Accreditation Council (NAC) for accreditation
- Phasing out affiliation system in 15 years
- Graded autonomy to colleges will be provided as per a stage wise mechanism.

Other:

- Increasing public expenditure on education (centre and states) to 6% of GDP at the earliest
- National Educational Technology Forum (NETF) to promote use of tech in education – learning, assessment, planning and administration
- Gender Inclusion Fund for advancing gender equality in education.
- Special education zones for disadvantaged regions and groups. Financial incentives will be given to SC, ST, OBC and other disadvantaged groups.
- Promotion of multilingualism in schools and colleges.
- National institutes for pali, Prakrit and Persian to be set up along with institutes for translation and interpretation, for knowledge creation in Indic systems and languages.

Significance of the policy:

- Recognition of the importance of preschool education in the future of a child through 5+3+3+4 structure.
- Recognizing the importance of mother tongue upto class 5, which has an impact on learning outcomes for the child. In the context of increasing demand for English as a medium of instruction, this brings balance by not neglecting the mother tongue. This promotes multilingualism which is proven to have a positive impact on brain development.
- Emphasis on vocational education since class 6 is needed. With only 30% GER in higher education, the rest of the students need employable skills. Vocational education aids this. Hurdle of blue collarization of vocations in India must be overcome for this to succeed.
- Reforming teacher education is timely as multiple reports on education point to lack of quality in teacher education.
- Multidisciplinary and research approaches to education through MERU's and NRF are crucial for the 21st century. Areas like nano technology, bio technology, robotics, artificial intelligence all need this approach.
- Emphasis on technology can increase access to quality education.
- Recognizing the need for flexibility of education. This is important in the 21st century with high mobility and alternate ways of learning. Steps like Open schooling system, multiple entry and exit points in UG education, use of technological resources aid in this flexibility.
- Regulatory reforms by emphasis on transparency, quality, self-assessment and voluntary declarations. This reduces the regulatory burden on education. A single regulatory body with 4 verticals will aid in this lean but effective regulation.
- No child left behind through focus on gender equality and disadvantaged groups. Gender Inclusion Fund and Special education zones aid in this.
- Focus on long neglected Indian languages and knowledge systems (tribals etc) will advance cultural and scientific knowledge.

Conclusion:

Transformational vision proposed in NEP, 2020 requires huge resources in creation of infrastructure, personnel, institutions. NEP, 2020 has set a target of 6% of GDP as target at the earliest. This is a challenge in the current fiscal position of states and centre due to

COVID pandemic. But political will must be shown to realize the education transformation in NEP, 2020

Mains question:

Q.1) NEP, 2020 aims at transforming Indian education. What are its major provisions? Discuss its significance? [15 marks, 250 words]

