

9pm Compilation

July, 2021 (Fifth Week)

General Studies - 1

1. Uttar Pradesh's draft population bill has an ableism problem
2. It begs the question- Begging is a matter of survival, not choice. Invisibilising destitute solve nothing-
3. No need for a drastic population policy

General Studies - 2

1. Delhi and Tehran can work together on Afghanistan
2. Can SAARC fill the power vacuum left by US withdrawal from Afghanistan?
3. The great convergence and a lag
4. Opposing Sedition Law is Good Optics and Politics
5. Guardrails of Privacy
6. Healthcare privatization has not served India well
7. An emigration Bill that does not go far enough
8. Andhra Pradesh and Telangana water-share war seems far from over
9. Evaluating India's options in Afghanistan
10. Needed, a more unified Asian voice for Afghanistan
11. India can act as a peace Agent in the Security Council
12. Towards a lean tax department
13. Needed: an anti-trafficking law
14. A judgment that must be taken in the right spirit
15. Mending the British-made Assam-Mizoram dispute
16. The Housing Boost
17. The vision of the National Education Policy must be served by its implementation
18. A pandemic-optimized plan for kids to resume their education
19. India-US ties key to anchoring Indo-Pacific region
20. One nation, one police is a reform that is long overdue
21. Corporate Management isn't What Civil Service Needs
22. In the interest of the public
23. Indus Waters Treaty is worth preserving
24. Shared values: On India and the U.S.
25. Law and lawmakers
26. How does a democracy die?
27. How a Supreme court order could render the new co-op ministry a non-starter
28. Quotas don't solve what's really wrong with education
29. EU's vaccine travel pass is highly discriminatory towards low-income countries

General Studies - 3

1. The first principles of commerce should guide e-com policy too
2. It's Part of The Problem
3. What a digital currency from RBI must get right
4. Digging up the ocean floor for metals could prove disastrous
5. A climate risk
6. Implication of EU's new GHG emissions law for Indian industry
7. Are law and technology a solution to fake news?
8. Spooky change
9. IMD may deploy cutting-edge technology to forecast weather events more accurately

9 PM Compilation for the Month of July (Fifth Week), 2021

10. Cloning overcomes prejudices
11. Moon-forming region seen around exoplanet for the first time
12. Wounded mountains
13. Introducing Gross Environment Product in Uttarakhand: A jargon or reality?
14. A framework for microfinance regulation that would suit India
15. What is prepackaged insolvency resolution & how does process work?
16. Beyond corporate deleveraging
17. How the factoring business can help small companies
18. Theatre Commander under Chief of Defence Staff is not a good idea
19. Climate change has raised tricky questions over policy responses
20. Let's make room for the river
21. Stimulus 'inadequate', 25% of MSME loans may default: Panel
22. Oxygen for fiscal federalism
23. How to Exit Farming Risk Trap
24. Govt must not micromanage
25. Richer, and poorer: Inequality will continue to scar the economy long after Covid leaves us
26. Depositors to get up to Rs 5 lakh within 90 days if bank under moratorium
27. Private partners could help RBI run a digital currency
28. Integrated approach for EVs
29. Changes to deposit insurance
30. Why flooding raises alarm over bearing of hydropower plants on the Himalayas
31. It's been 40 years! Update India's flood map NOW
32. The Pegasus nightmare
33. Small state, big brother
34. Patchwork progress
35. Leveraging traditional lo-tech innovations to fight climate change
36. Visualising the Himalaya with other coordinates
37. Cloud over Videocon resolution process points to larger weakness in IBC

General Studies Paper - 1

General Studies - 1

1. Uttar Pradesh's draft population bill has an ableism problem

Source: [The Indian Express](#)

Syllabus: GS 1 – Population and associated issues

Relevance: Population control measures have to be rational and focus on the welfare-based approach

Synopsis:

Apart from UP's population policy's coercive approach to population control, it plays into the widely prevalent notion of the disabled as a burden.

Introduction:

A [new draft Bill prepared by the Uttar Pradesh \(UP\) Law Commission](#) seeks to control the population by introducing a two-child policy.

Read more: [Sudden interest in 'population control' in Assam and UP points to political bad faith](#)

Provision of Disability in the draft bill:

Section 15 of the draft Bill grants exemption to certain classes of individuals from the two-child norm.

Section 15 lays down that, "... an action of an individual shall not be deemed to be in contravention of the two-child norm under this Act **if either, or both, of his children born out of the earlier pregnancy, suffers from a disability** and the couple conceives a third child subsequently".

The Bill **draws from the Rights of Persons with Disabilities Act, 2016 to define disability**. There are 21 conditions listed in the Act. These include impairments like visual, hearing and speech, locomotor, intellectual disabilities as also blood disorders and learning disabilities like dyslexia.

Read more: [Why UP's proposed population control bill is bad as policy and politics](#)

How the bill views disability?

- The bill invokes an ableist mindset and **tends to view the disabled as non-existent** and equivalent to being dead. It **reinforces the belief of disability being a curse**.
- The bill also **infuses the notion of incapability or incapacity of all persons with disabilities** while underlining that having a disabled child is as good as not having one at all.
- It is no coincidence that Section 15 of the draft Bill is titled, "Of **Death or Disability of Child**". It **equates the two**.

The way disability is dealt with in the draft Bill shows a **complete lack of understanding of what constitutes a disability**, as also its heterogeneous status. It reflects sadly on **how the state views persons with disabilities**.

Read more: [Population populism: UP draft population bill fails tests of necessity, intrusiveness](#)

How the bill stack up against the UN Convention?

- The UP draft Bill is in **complete contravention of the United Nations Convention of the Rights of Persons with Disabilities**.

9 PM Compilation for the Month of July (Fifth Week), 2021

- The UNCRPD in its preamble emphasises mainstreaming disability and “**respect for difference and acceptance of persons with disabilities as part of human diversity** and humanity”.
- Among the few other states that have legislated a two-child norm, **Rajasthan adopts an approach similar to the UP** draft Bill. The 2017 Assam population policy also advocates a similar position.

The UP draft Bill and other such approaches **seek to codify and institutionalise an ableist mindset**. It **stigmatises and devalues the disabled as lesser beings**.

Read more: [Population control measures in India – Explained, pointwise](#)

Terms to know:

- [National Family Health Survey \(NFHS\)](#)
- [National Human Rights Commission](#)
- [National Population Policy](#)
- [Total Fertility Rate \(TFR\)](#)
- [Dependency ratio](#)
- [UN Convention on the Rights of Persons with Disabilities](#)
- [Rights of Persons with Disabilities Act](#)

2. It begs the question- Begging is a matter of survival, not choice. Invisibilising destitute solve nothing-

Source – [Times of India](#)

Syllabus – GS 1- Society- poverty and developmental issues, urbanization, their problems, and their remedies.

Relevance – SC has ruled against the criminalization of begging.

Synopsis – The Supreme Court refuses to ban begging amid pandemics.

Introduction-

- The Supreme Court turned down a petition demanding to restrain vagabonds and the homeless from begging at traffic lights, markets, and public places, to prevent the spread of corona virus.
- The Supreme Court also stated that it is a socio-economic issue that requires a compassionate and humanitarian solution. It asked the Centre and State governments to ensure vaccinations for the homeless and providing them with shelter and food amid the pandemic.
- The SC observed that vagabonds, homeless, are compelled to beg on the streets to make a living owing to a lack of education and work.

Begging law in India-

- There is no central law on begging and destitution. Most states [20 states and two UTs] have adopted the Bombay Prevention of Begging Act, 1959, which criminalizes begging or has modeled their laws on it.
- The Bombay Prevention Act allows the police and social welfare departments to simply seize homeless people, or indeed anyone who looks destitute, and send them to detention centers.

Previous stance over begging-

In 2018, Delhi High Court decriminalized begging in the national capital and pointed out that nobody begs out of choice or to shirk other employment.

Way forward-

In a society where the government is unable to provide food or work, how can begging be considered a restraint or an offense? It is immoral to turn the poor into criminals until the government can offer good livelihoods for everybody.

3. No need for a drastic population policy

Source: [The Hindu](#)

Syllabus: GS 1 – Population and associated issues

Relevance: Population control measures have to be rational and focus on the welfare-based approach

Synopsis:

Data from Assam and Uttar Pradesh show that fertility rates have been reducing over time.

Introduction

The [Uttar Pradesh Population \(Control, Stabilisation and Welfare\) Bill](#) of 2021 promotes a two-child policy. A [similar law has also been proposed in Assam](#) as well. The Assam CM announced a **'population army' to curb the birth rate in Muslim-dominated areas in lower Assam.**

Read more: [Why UP's proposed population control bill is bad as policy and politics](#)

Decreasing fertility rates in India:

The population projection published by the Union Ministry of Health and Family Welfare in 2019 mentioned that U.P. will reach a replacement rate (the rate at which women give birth to enough babies to sustain population levels) of 2.1 by 2025, and Assam by 2020.

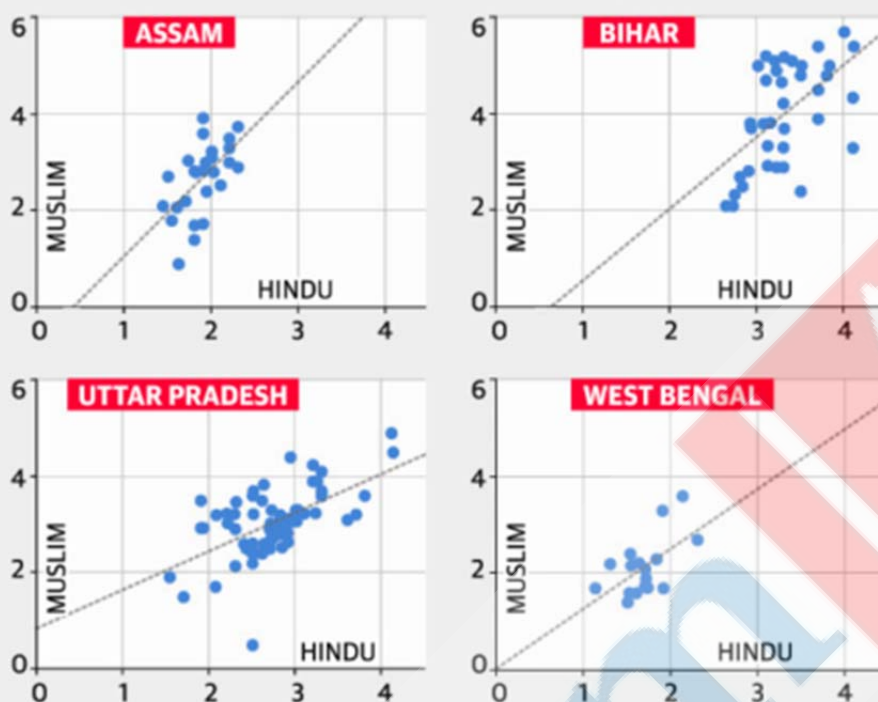
- According to the National Family Health Survey (NFHS)-2 data, the total fertility rate (TFR) in 1998-99 in U.P. was 3.87. It was decreasing in UP. The NFHS-5 data for 2019-20 for U.P. has not been published.
- The fertility trend for Assam is even starker. According to NFHS data, Assam had a TFR of 3.5 in 1992-93, which decreased to 1.9 in 2019-20.

Read more: [Population populism: UP draft population bill fails tests of necessity, intrusiveness](#)

Does the fertility rate depend on religion?

The **fertility rate does not depend on religion.** It depends on **socio-economic characteristics** like education, income, maternal and child health conditions, and other associated factors.

Fertility rates of Hindus and Muslims in select States across districts (2015-16)



Source: Fourth round of NFHS, 2015-16; calculated by the authors

Source: The Hindu

The district-wise fertility rates for Hindus and Muslims in four States: U.P., Assam, West Bengal, and Bihar have shown in the graph. It is clear from the graphs that there is a **positive relationship between the fertility rates of Hindus and Muslims**.

In other words, in districts where Hindus have a high fertility rate, the fertility rate of Muslims is also high.

Problem of ageing

As per the population projection report, the proportion of people aged 60 years and above will increase from 13.8% in 2011 to 23.1% in 2036.

Conclusion

India's decades-old population policy has achieved replacement level fertility in the country without taking any coercive measures. Governments should have faith in these time-tested policies and respect the choices of people, rather than impose warped and motivated ideas regarding demography on the people.

Read more: [Population control measures in India – Explained, pointwise](#)

Terms to know:

- [National Family Health Survey \(NFHS\)](#)
- [National Human Rights Commission](#)
- [National Population Policy](#)
- [Total Fertility Rate \(TFR\)](#)

Created with love ❤ by ForumIAS- the knowledge network for civil services.
Visit academy.forumias.com for our mentor-based courses.

General Studies Paper - 2

General Studies - 2

1. Delhi and Tehran can work together on Afghanistan

Source: Indian Express

Syllabus: GS2 – International Relations (IR)

Relevance: India and Iran can work together to restore order in Afghanistan

Synopsis: Ensuring a legitimate and peaceful rearrangement in Afghanistan is of common interest to both India and Iran.

Indo-Iran co-op on Afghanistan

Delhi and Tehran are trying to find common ground amid the deepening crisis in Afghanistan. Following events indicate growing frequency and intensity of contact between the two establishments:

- India's External affairs minister, Subrahmanyam Jaishankar, **stopped over in Tehran on his way to Moscow** where he held consultations with Iranian foreign minister. The external affairs minister also had the privilege of being the first foreign dignitary to be received by the president-elect, Ebrahim Raisi.
- Tehran has invited India to participate in the swearing-in ceremony of Raisi on August 5.
- Shared geography with Afghanistan has always made Afghanistan an important subject of mutual interest for India and Iran.
- But, that was not always the case.

Evolution of Iran's Afghan view

- In the 1970s, Delhi was deeply concerned by the joint efforts of Iran (under the Shah) and Pakistan to **destabilize Afghanistan**.
- Iran turned inwards after the Islamic revolution of 1979 and was stuck in a debilitating war with Iraq in the 1980s.
- It was only in the 1990s that the Islamic Republic of Iran looked towards Afghanistan and by the middle of the decade found itself on the same side as India.
- If Delhi was alarmed by the Taliban's capture of Kabul with the support of the Pakistan Army, Tehran was animated by the groups' Sunni extremism and its oppression of the Shia and Persian-speaking minorities in Afghanistan.
- Delhi and Tehran made common cause with Moscow to support the so-called Northern Alliance that was fighting the Taliban.

Moscow now seems eager to embrace the Taliban.

Iran's future Afghan policy

- As it intensifies the engagement with Iran, Delhi should expect that Iran's views might not be completely unanimous with its policy. Sharing a long border with Afghanistan, Iran is eager to keep its channels of communication open with the Taliban.
- India, in contrast, does not share a physical border with Afghanistan and can afford to wait.
- **Common ground**
- Delhi and Tehran have a common interest in ensuring a legitimate and peaceful rearrangement of the current order in Afghanistan.

- Neither India, nor Iran, wants to see the restoration of the Taliban's hegemony over Afghanistan.
- They also have a stake in preventing Afghanistan from becoming a safe haven for international terrorism.

They can pool their resources to help the current Afghan government against the Taliban's offensive backed by Pakistan.

2. Can SAARC fill the power vacuum left by US withdrawal from Afghanistan?

Source: [Indian Express](#)

Syllabus: GS2 – International Relations (IR)

Relevance: Understanding SAARC's potential in bringing together leaders on one common platform.

Synopsis: Revival of SAARC is necessary and it can also contribute positively to the current Afghan situation.

Background

South Asia is the world's most complex and closely watched region. There are unsettled territorial disputes, and various trans-border criminal activities. It remains a theatre for ethnic, cultural, and religious tensions and rivalries.

South Asia – emerging trends

A current **rise in ultra-nationalism** is taking place against the backdrop of a bloody history of repeated inter-state wars and intra-state conflicts. Nuclear-armed neighbors India and Pakistan are in conflict again.

- **Cross-border terrorism** has again made the region, as former US President Bill Clinton once deemed it, "the world's most dangerous place."
- US military withdrawal from Afghanistan has fuelled fears of intensification of these trends.
- **SAARC has been sidelined**
- In 1985, at the height of the Cold War, leaders of South Asian nations — namely Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka — created a regional forum.
- The South Asian Association for Regional Cooperation (SAARC) was established. Its goal was to contribute "to mutual trust, understanding and appreciation of one another's problems."
- Afghanistan was admitted as a member in 2007.
- However, SAARC has remained sidelined and dormant since its 18th summit of 2014 in Kathmandu. No alternative capable of bringing together South Asian countries has emerged.

Potential of SAARC

In 36 years of existence, SAARC has developed a dense network of institutions, linkages, and mechanisms.

- The **3rd SAARC summit** in 1987 adopted a **Regional Convention on Suppression of Terrorism** and updated it in 2004 with the signing of an additional protocol. These instruments demonstrate the collective commitment to rid the region of terror and promote regional peace, stability, and prosperity.

- **In March 2020**, Indian Prime Minister convened a **video conference of SAARC leaders**. They underscored the need for cooperation on a regional basis for fighting the pandemic. If the proceedings had not taken place under the SAARC banner, leaders from the eight countries would not have come together so readily on such short notice.
- **Development of civil society and track-two initiatives**: SAARC has made significant contributions to the development of civil society and track-two initiatives.
- **An informal platform for leaders**: Though SAARC's charter prohibits bilateral issues at formal forums, SAARC summits provide a unique, informal window for leaders to meet without aides and chart future courses of action.

Such capacity to bring member-states together shows the potential power of SAARC. As the largest regional co-operation organization, SAARC holds importance in stabilising and effectively transforming the region.

Implications of a failed SAARC

Allowing SAARC to become dysfunctional and irrelevant will greatly effect our ability to address the realities and challenges facing SAARC nations.

- The failure of South Asian nations to act together will lead to discord and escalating tensions with jihadi militias at the forefront. It will place the entire region in turmoil.
- SAARC is needed as institutional support to allow for the diplomacy and coordination between member-states for addressing the numerous threats and challenges the region faces.

How can SAARC contribute in Afghanistan?

- **Joint-SAARC peacekeeping force**: SAARC members are among the top troop-contributing countries to UN peacekeeping missions. A joint peacekeeping force from the SAARC region under the UN aegis could be explored to fill the power vacuum that would otherwise be filled by terrorist and extremist forces.

If arch enemies of World War II, France and Germany, can come shed their differences and come together under the aegis of European Union then there is no reason why India and Pakistan cannot do the same.

Conclusion

SAARC has the capacity to bring nations together. As Nelson Mandela said, "If you want to make peace with your enemy, you have to work with your enemy. Then he becomes your partner."

Also Read: [Importance of reviving SAARC](#)

Terms to know:

- [SAARC](#)

3. The great convergence and a lag

Source: [Indian Express](#)

Syllabus: GS 2 – International Relations

Synopsis:

India and the US have an expansive new agenda for discussion. This includes not only democracy and human rights, but also Afghanistan, the Indo-Pacific region, reform of global economic institutions, climate change and vaccine diplomacy.

Background:

- The Indian leadership will review US ties this week with the visiting Secretary of State, Antony Blinken.
- Prime Minister Narendra Modi and US President Joe Biden have already agreed on an ambitious agenda for bilateral, regional, and global cooperation between India and the US.
- That ambition, in turn, is based on the unprecedented convergence of Indian and American national interests.
- However, the discourse within India's strategic community continues to be anxious.

India's Anxiety:

- **First, the country is unsure about the US's approach towards the Kashmir issue.** It fears that the US president wants to mediate on Kashmir or the American talk of democracy and human rights may derail Delhi's relationship with the US.
- **Second, there is a contradictory fear over the China issue.** On one hand, India is not able to trust the US for extending full support to contain China. On the other hand, the country also worries that the US may be trying to "entrap" India into an alliance.
- **Third, as India's relative weight in the international system continues to grow, it creates much room for giving and taking between India and the US. Yet, a small state syndrome continues to grip the foreign policy elite.**
 - **For instance, on the economic front,** India is now the sixth-largest economy in the world, but there is unending concern about Washington imposing globalisation on Delhi.
 - Similarly, even as India's salience for solutions to climate change has increased, Delhi's debate remains deeply defensive.

While the government seems quite self-assured in dealing with differences that were traditionally seen as irreconcilable, **the gap between Indian policy and discourse still continues.**

Reasons behind this gap:

- **First, the Indian elite's entrenched ideological suspicion of the US** has been continuing since independence.
 - Successive prime ministers in the last few decades (from Rajiv Gandhi to Narendra Modi) have invested political capital in improving ties with the US. But the suspicion continues in sections of the elite.
- **Second, the public debate in India narrowly focuses on bilateral relations.** This prevents an assessment of the larger forces shaping American domestic and international politics. That, in turn, limits the new possibilities for the bilateral relationship.
- **Third, the problem is reinforced by Delhi's under-investment in public understanding of American society.** Unlike India, Russia and China have put large resources in American studies at their universities and think tanks.
- Through the last six months of the Biden presidency, there has been little informed debate in India on the extraordinary policy shifts that are unfolding in Washington.

Policy Shifts in Washington:

- Biden has also joined Trump in questioning **America's uncritical economic globalisation of the past.**
- Trump talked of putting America First, Biden wants to make sure that America's foreign and economic policies serve the US middle class. **As a result, he does not plan to sign any free trade treaties in the near term.**
- **On the democratic front,** Biden recognises that renewing American democracy is the most powerful way of supporting democracies around the world. **For this,** he has underlined the **importance of –**
 - **Confronting institutional racism** within America,
 - Reducing the mindless gun violence by limiting the constitutional right to bear arms, and
 - Preventing discrimination on voting rights for minorities.
- Washington is also witnessing **big changes in US foreign policy.** The emphasis on rebooting the American economy is driven in part by the perceived **need to vigorously compete with China.**
- Biden is also focused on renewing the traditional US alliances to present a united front against China. He is also seeking to **overcome Washington's hostility to Russia by resetting ties with Moscow.**

Way Ahead:

A comprehensive discussion and deliberation should take place on an expansive new agenda. It would cover the issue of Afghanistan, the Indo-Pacific region, reform of global economic institutions, climate change and vaccine diplomacy.

4. Opposing Sedition Law is Good Optics and Politics

Source: [Times of India](#)

Syllabus: GS 2 – Structure, Organisation, and Functioning of the Executive and the Judiciary

Synopsis:

With Section 66A and Article 35A ended, the government should do the same for Section 124A. It would prevent harassment of dissent and uphold the right to free speech under Article 19 of the constitution.

Background:

- The Supreme Court (SC) had recently asked the Centre the rationale behind not scrapping the sedition law (S-124A of Indian Penal Code).
- The time given for providing rationale has now expired, and the center should now take a call on its scrapping.

Opinion of Court on Sedition:

- The SC believes that the sedition law has had a **'chilling effect' on free speech.**
- Further S-124A is a colonial vestige of a **repugnant design to silence advocates of India's right to self-determination.**
- A concerned SC judge recently **held law enforcement agencies guilty of hounding 'dissidents' using 124A** in violation of guidelines set in legal stone to limit the potential for its misuse.

- Lower courts have also wagged a censorious finger at state-level authorities for the same reason.

Why should the government abolish it?

- The recent Pegasus attack has put fresh allegations on it for assaulting civil liberties using insidious spyware.
- It will result in **upholding the right of free speech under Article 19** of the constitution.
- It will showcase a **progressive attitude of the government towards citizens and the constitution**.
 - Acknowledgment of the overbearing nature of Section 66A and its decision to scrap the discriminatory Article 35A are some progressive steps taken in the past.
 - Section 66A of the IT Act was struck down by SC in 2015, calling it “open-ended and unconstitutionally vague” as it muzzled free speech on the internet.
 - Article 35A of the Indian Constitution was an article that empowered the Jammu and Kashmir state’s legislature to define “permanent residents” of the state and provide special rights and privileges to them.
- It will **prevent harassment of opposition members in the future**. The current government should understand that eventually, after some years, they would take the opposition seat and wouldn’t want to get harassed under sedition laws.

Terms to know:

- [Section 124A of the penal code](#),

5. Guardrails of Privacy

Source: [Indian Express](#)

GS2: Important Aspects of Governance, Transparency and Accountability

Synopsis: The allegations of targeted surveillance have a **chilling effect on personal and civil liberties** that are crucial for a democracy to function.

Introduction:

- The recent allegations and reports by **Arsenal Consulting and Amnesty International** on targeted electronic surveillance of selected activists, politicians, journalists, businessmen, and even scientists are worrying.
- The sophistication of the attacks **engenders a sense of resigned helplessness**.

How the recent reports reveal the vulnerabilities?

1. First, as per Arsenal reports, in Bhima Koregaon case there is clear evidence that the **incriminating files were planted in the hard disks** by unknown entities.
 - This was done even before the disks were seized.
 - The offending files were apparently injected by planting a **Trojan malware called NetWire** by orchestrating some kind of **phishing attacks**.
 - The presence of NetWire can apparently even be detected by some of the commonly available virus and malware scanners.
 - Given that such attacks are a reality today, governments and legal authorities need to ensure that digital evidence arising out of such forensic analysis is admissible in courts.

2. Second, the **Pegasus attacks described in the Amnesty International report are significantly more sophisticated.**
 - They are **“zero-click”** attacks that do not even require a mistake by a victim to be successful.
 - It is **difficult to detect attacks like Pegasus** because they frequently change methods and signatures.
 - Pegasus was apparently also designed to **self-destruct on detection attempts.**
 - But according to the Amnesty report, it did not entirely succeed and left traces.
3. Third, **data protection law is not sufficient** to help victims seek redressal and hold the perpetrators accountable, as suggested by Justice BN Srikrishna.
 - Stealth attacks are not only difficult to detect but are also difficult to prove and easy to deny, so **ex-post redressal will always be uncertain.**

Way forward:

- Data protection law is still required.
 - A framework is essential for **defining the contours of lawful surveillance and data processing.**
- Need surveillance reforms and data protection standards.
 - **To analyze the proportionality** of the surveillance requirements.
 - To address the operational aspects of the legal and technical standards necessary for an effective privacy protection architecture.
 - **Clear standards** for defining authorisation chains.
 - Maintaining tamper-proof logs, regulatory oversight, and audit.
 - Ensure **ex-ante prevention** rather than ex-post detection of violations.
- Opposition from within the organisations as well as **strong public outrage and disapproval** can be effective deterrents for misadventures like Pegasus.
- Neither law nor technology can be of much help. However, the society has to repose faith in constitutional morality.

6. Healthcare privatization has not served India well

Source: [live Mint](#)

Syllabus: GS 2 – health-related issues

Synopsis: Our failure to invest in public health facilities has resulted in a disproportionately large role for private services in this industry.

Introduction

India opened its markets to private participation 30 years ago. Overall, sectors dominated by private players boast of a reasonable degree of competitive intensity. The value delivered for prices charged or value for money has increased.

However, two crucial sectors are the cause of concern: education and healthcare. They require oversight because neither can operate on a relaxed model and provide us with the human capital base required for long-term economic success.

What is the state of India's healthcare?

The current Oxfam Inequality Report 2021 indicated India's sad state of healthcare. It draws on data from the National Family Health Survey and the National Sample Survey to show large differences in health and healthcare access.

1. **Firstly**, these discrepancies occur along with parameters that are not surprising. **The wealthy are healthier than the poor**, just as the general population outperforms Scheduled Castes and Tribes, etc. **Nearly two-thirds of our health infrastructure is located in Indian towns** and cities, which serve just approximately a third of our population.
2. **Secondly**, **one major disadvantage is a socially perceived aversion** among chief household decision-makers to seek medical help for women. Our poor data on maternal mortality and female life expectancy at birth, unequal sex ratio, indicate the inadequacy of women's care.
3. **Thirdly**, **some of these issues are beyond the scope of fiscal allocations**. However, greater utilization of public funds can make a significant effect.

What should be done?

States that spend more money on healthcare appear to have less inequitable outcomes. These states have a greater recovery rate from covid, according to Oxfam research.

- **The Indian government has adopted the 15th Finance Commission's recommendation** to roughly double public investment to 2.5 percent of GDP by 2025 in order to attain universal health care by 2030. It should be implemented in letter and spirit.
- While health may be the province of state governments, **it is up to the federal government to lay forth a comprehensive plan** that moves the focus from insurance coverage to actual service delivery.

Conclusion

- For millions of people, it's still partly a nutrition issue. Recent studies, however, imply that prior advances in human development indexes have been lost. A major overhaul of public healthcare is required. Covid should have an electoral appeal now that it has alerted voters to this neglected area.

Terms to know:

- [15th Finance Commission](#)
- [National Sample Survey Organisation](#)
- [The Inequality Virus report](#)
- [National Family Health Survey \(NFHS\)](#)

7. An emigration Bill that does not go far enough

Source: [The Hindu](#)

Syllabus: GS2 – International Relations (IR)- Indian diaspora

Relevance: The emigration bill and other reforms are essential to protect Indian workers abroad.

Synopsis:

The new emigration bill is better than the Emigration Act 1983, but more reforms are needed to protect Indian workers.

Introduction:

In early June 2021, the Ministry of External Affairs invited public inputs to the Emigration Bill 2021. The Bill could be introduced in Parliament soon and presents a long-overdue opportunity to **reform the recruitment process for nationals seeking employment abroad**.

How Emigration is governed at present?

Labour migration is governed by the **Emigration Act, 1983**.

- The Act **sets up a mechanism for hiring** through government-certified recruiting agents – individuals or public or private agencies.
- The Act outlines **obligations for agents to conduct due diligence of prospective employers**.
- It also sets up a **cap on service fees** and **establishes** a government review of worker travel and employment documents (known as **emigration clearances**) to 18 countries. These include mainly in West Asian states and South-East Asian countries.

Why does India need the Emigration bill?

- **Serious exploitative practices:** For years, independent investigations into migrant worker conditions have underlined serious exploitative practices. Such as large recruitment charges, contract substitution, retention of passports, non-payment or underpayment of wages, poor living conditions and ill-treatment, etc.
- In recent months, **media reports have highlighted** how the majority of migrant worker **deaths in the Arab Gulf States/West Asia** are **attributed to heart attacks and respiratory failures**, whose causes are unexplained and poorly understood.
- The Emigration Bill 2021 is an **improvement over the 1983 Act**. This is due to the following reasons.
 - The bill launches a **new emigration policy division**
 - It also establishes **help desks and welfare committees**
 - The bill requires **manpower agencies to conduct pre-departure briefings for migrants**
 - It also **increases the accountability of brokers and other intermediaries** who are also involved in labour hiring.

What are the challenges with the emigration bill?

- The bill **lacks a human rights framework** aimed at securing the **rights of migrants and their families**. Progressive labour regimes do so. For example, the **Philippines explicitly recognises** “the dignity and fundamental human rights and freedoms of the Filipino citizens”.
- **Against ILO Convention:** International Labour Organization’s (ILO) Private Employment Agencies Convention No. 181 **mentions that the employers**, not workers, **should bear recruitment payments**. This includes the costs of their visas, air travel, medical exams, and service charges to recruiters. The bill, on the other hand, **permits manpower agencies to charge workers’ service fees**, and even **allows agents to set their own limits**.
 - Large-scale surveys by the ILO and the World Bank show that Indian workers pay exorbitant charges for their jobs. For instance, Indians in Saudi Arabia paid on average \$1,507 in recruitment charges.
- The Bill permits **government authorities to punish workers by canceling or suspending their passports** and imposing fines up to ₹50,000 for violating any of Bill’s provisions.
 - This can be used as a tool to crack down on workers who migrate through unregistered brokers or via irregular arrangements, such as on tourist visas.

- But it runs contradictory to the purpose of protecting migrants and their families and **violates international human rights standards**. As **migrant workers**, in general, are **unaware of the law** and **recruiters influence them**.
- **Recruiters and public officials** could **misuse the law to instil fear among workers and report or threaten to report them**.
- This Bill **does not also adequately reflect the gender dimensions of labour migration**. Women having limited agency in recruitment but are more likely to be **employed in marginalised and informal sectors** and/or isolated occupations in which **labour, physical, psychological, and sexual abuse** are common.
- The Bill also provides **limited space for worker representation or civil society engagement in the policy and welfare bodies** that it sets up.

Suggestions:

- The Ministry of External Affairs must start at the top, and draft a clearer purpose which explicitly recognizes
- The contributions of Indian workers
- The unique challenges they face
- Uphold the dignity and human rights of migrants and their families.

8. Andhra Pradesh and Telangana water-share war seems far from over

Source: [Business Standard](#)

Syllabus: GS 2 – Issues and Challenges Pertaining to the Federal Structure

Relevance: Interstate water disputes are a threat to national unity. Therefore, their resolution is of utmost importance.

Synopsis:

The Krishna-Godavari rivers may have their respective management boards now, but the tussle between Andhra Pradesh and Telangana over water-sharing seems far from over.

Background:

- The Jal Shakti Ministry on July 15 issued a notification regarding the Krishna and Godavari river management boards.
 - It calls for **transferring the operation of all projects in the two river basins** in Andhra and Telangana to the boards from October 14.
- The notification came seven years after the constitution of the river management boards under the provisions of the Andhra Pradesh Reorganisation Act.

About the notification:

- The notification will enable the boards to limit states' share of water as per their requirements.
- It brings 35 projects in the Krishna basin and 71 in the Godavari basin within the purview of the boards.
- To make sure the boards are unbiased, the Centre has made it clear that **no person from Telangana and Andhra Pradesh shall be appointed chairman, member-secretary, members, and chief engineers**.
- The boards will also advise the two-state governments on the release of water to mitigate disaster, drought, or flood.

Timeline of Dispute:

- The Krishna Water Disputes Tribunal was set up in 1969.
- Before the state was divided, the tribunal had said that Andhra Pradesh would get 45-thousand million cubic feet (tmc ft) water from the total 80-tmc ft water that was to be diverted from Godavari to Krishna.
- The rest had to be shared between Maharashtra and Karnataka.
- **Telangana now has a share in the water** allocated to Andhra Pradesh.

What's next?

- When states share a basin, there are issues. Rivers and the environment get zero due, and **states are only interested in taking more water for political reasons.**
- The boards need to have a **clear framework to not just resolve disputes, but also take proactive measures to avoid environmental and climate disasters.**
- Further, the boards have to ensure seamless data-sharing with respect to groundwater levels and telemetry.

9. Evaluating India's options in Afghanistan

Source: [The Hindu](#)

Syllabus: GS 2 – International Relations

Relevance: Future course of action for India vis-a-vis situation in Afghanistan

Synopsis: With the West done with Afghanistan, New Delhi needs to adopt a layered approach in finding a political solution. It has to work with Eurasian powers to protect its interests and stabilise Afghanistan.

Background

- The U.S. is retreating from Afghanistan as part of a grand strategy to take on China in maritime Asia. It has failed to defeat the Taliban but has been successful in killing Osama Bin Laden and disrupting al-Qaeda networks.
- The Taliban is currently gaining more and more territory, which raises a crucial question in front of India regarding its future engagement in Afghanistan.

Evolution of Indo – Afghan relations

- Barring a brief period in the 1990s, India has historically enjoyed good ties with Afghanistan, which go back to the **1950 Treaty of Friendship.**
- Indian interests and influence suffered when the Taliban, backed by Pakistan, captured Kabul in 1996. But India was back in action as soon as the Taliban were ousted from power after the U.S. invasion in 2001.
- India has made huge investments and commitments ever since, which run into over \$3 billion. It has cultivated strong economic and defence ties with the Afghan government.
- Now, its again facing uncertainty in Afghanistan.

Also Read: [India's future Afghan policy – Explained](#)

What can India do?

- **Talking with the Taliban:** It would allow New Delhi to seek **security guarantees** from the insurgents in return for continued development assistance or other pledges. It will also explore the possibility of the Taliban's autonomy from Pakistan.

9 PM Compilation for the Month of July (Fifth Week), 2021

- India should not overlook the deep ties between Pakistan's security establishment and the **Haqqani Network**. It is a major faction within the Taliban that's driving the successful campaigns on the battlefield.
- However there is **no guarantee** that India's quest for engagement with the Taliban would produce a desirable outcome.
- **Enhance support towards Afghan Government:** New Delhi should also enhance aid to Afghanistan's legitimate government and security forces as Taliban is quickly expanding its territories.
 - India should urgently step up training Afghan forces and provide military hardware, intelligence and logistical and financial support. This would enable Kabul to continue its efforts to defend the cities.
- **Regional Cooperation:** It should work with other regional powers for **long-term stability** in the country. There is a convergence of interests between India and **three key regional players** in seeing a political settlement in Afghanistan.
 - For **China**, whose **Xinjiang province shares a border with Afghanistan**, a jihadist-oriented Taliban regime would not serve its internal interests. **India should talk with China**, with the objective of finding a political settlement and lasting stability in Afghanistan.
 - **Russia**, which fears that instability would spill over into the former Soviet Republics, has already moved to secure its Central Asian perimeter. Russia has cultivated links with the Taliban in recent years. **India would need Russia's support** in any form of direct engagement with the Taliban.
 - **Iran:** For the Shia theocratic **Iran**, a Sunni Deobandi Taliban with which it had almost gone to war in 1998, will continue to remain an ideological, sectarian and strategic challenge. **Building strategic ties with Iran**, irrespective of the U.S.'s policy towards the Islamic Republic, is essential for India's Afghan bets.

10. Needed, a more unified Asian voice for Afghanistan

Source: [The Hindu](#)

Syllabus: GS2 – International Relations

Relevance: Central Asia's role in dealing with the situation in Afghanistan and how India can play its part.

Synopsis: In order to emerge as a key player in the post-US Afghanistan, India needs to collaborate actively with Central Asian republics.

India has been left out

Events of the past few years, and the decisions of the Troika (three powerful states of US, China and Russia) have kept India out of a leading role in Afghanistan.

- **Pak role is recognized:** Since 2019, the Troika has met with Pakistan (Troika plus) in order to discuss Afghanistan's future, one in which the Taliban gains an important if not controlling role in Kabul.
- **New formation on regional connectivity:** The U.S. has announced a new, surprise formation of a "Quad" on regional connectivity — U.S.-Uzbekistan-Afghanistan-Pakistan that **does not include India**. The United States Agency for International Development (USAID) is conducting trial runs of truck convoys from Tashkent to Karachi and back.

Why India is not a part of the global Afghan reconciliation process?

India's efforts to build on trade with Afghanistan, construction of various development projects, and educational and training opportunities for Afghan youth have been appreciated. But India's efforts could not transform into something big enough to convince the world of it being a major player in Afghanistan. This happened due to various limitations:

- **Hesitation to open talks with Taliban:** New Delhi's original hesitation in opening talks with the Taliban, which even Afghanistan President Ashraf Ghani had suggested, has cut India out of the current reconciliation process.
- **Limited access to Afghanistan:**
 - **End of dialogue with Pakistan:** The end of any formal dialogue between India and Pakistan since 2016 and trade since 2019, have resulted in Pakistan blocking India's over-land access to Afghanistan.
 - **A costly alternative:** India's alternative route through Chabahar, though operational, cannot be viable or cost-effective also long as U.S. sanctions on Iran are in place.
 - **Tensions with China:** India's boycott of the Chinese Belt and Road Initiative (BRI) in 2017, and now tensions at the Line of Actual Control after the Chinese aggression in 2020, make another route to Afghanistan off-limits.
- And without being a major player in Afghanistan, one cannot expect to be a part of the reconciliation process now.
- India can hope to change this scenario by collaborating with the 'Stans' (five Central Asian republics of Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan and Uzbekistan).

View of the Stans

Afghan Strategy of the Five Central Asian republics is based on following three parameters:

- **Access through Afghanistan:** Prosperity for these land-locked countries can only flow from access through Afghanistan to the closest ocean, i.e. the Indian Ocean.
- **Guarantee of a safe passage by Taliban:** All transit through Afghanistan depends on guarantees of safe passage from the Taliban, backed by the group's mentors in Pakistan.
- Each of the "Stans" are now a part of China's BRI, and tying their connectivity initiatives with Beijing's will bring **investment** and a **control over Pakistan** to a degree.

Common concerns

India and Central Asian countries share some common concerns:

- Afghanistan overrun by the Taliban and under Pakistan's thumb
- Battles at their borders
- Safe havens for jihadist terror groups inside Afghanistan
- the spill-over of radicalism into their own countries.

Suggestions/Measures

- **Financial assistance:** It is necessary for India to work with Central Asian republics, and other neighbors to ensure finances for the government in Kabul, particularly to ensure that the government structure does not collapse.
- **Support against terror:** As part of the SCO's Regional Anti-Terrorist Structure (RATS), India must also step up its engagement with the Central Asian countries on fighting

terror. India can support the Afghan National Defense and Security Forces (ANDSF) in terms of air power.

Conclusion

Discussions with Taliban will be fruitless unless a less tactical and more strategic engagement with Pakistan is also envisaged. A more tightly knit South Asia, which is critical for peace and order in Afghanistan, can only transpire if India & Pakistan sort address their issues first.

Terms to know:

- [RATS](#)

11. India can act as a peace Agent in the Security Council

Source: [TOI](#)

Syllabus: GS2 – IR: Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Relevance: Understanding how India can act as an agent of peace amidst conflict.

Synopsis: India's role as an agent of peace as it undertakes the presidency of the United Nations Security Council. A look at its ongoing efforts and how it plans to take forward its agenda of global peace.

Background

On January 1 India returned to the United Nations Security Council for two years.

- It is scheduled to undertake the rotating Presidency of the UN Security Council on August 1. It will be the country's first Presidency during its 2021-22 tenure as a non-permanent member of the Security Council.
- India will again preside over the Council in December next year, the last month of its two-year tenure.

Conflicts have only increased during the pandemic, putting considerable pressure on UN resources even as the Council is deeply divided on major issues on its agenda.

In this light, India's presidency could not have come at a better time. India can act as an agent of peace amidst an increasingly conflict-ridden world.

Also Read: [Way forward for India at UNSC](#)

India's contribution

1. **Helping the Afghan peace process:** India's chairing of the crucial Taliban Sanctions Committee will continue to be a factor in giving direction to the Afghan peace process and preserving the gains of the last two decades, especially with respect to women and minority rights.
2. **Saving Africa from sanctions:** On Africa, which dominates the agenda of the Council, India's views have been sensitive to local priorities and needs. This is in line with India's determination to ensure that the countries under sanctions get help to come out of them rather than be burdened with unrealistic benchmarks. India's chairing of the **Libya Sanctions Committee** has come at a time when there is an active peace process being pursued.
3. **Role in the Middle East:** In the Middle-East, India has made use of its strong and historical links to convey its views on Palestine, Yemen, Syria, Lebanon and Iraq. When tensions rose in Gaza, India took a well-considered and principled stand. On Syria,

India stood firmly for humanitarian assistance throughout the country without discrimination, politicisation or any preconditions.

4. **Maritime matters:** For India's presidency in August, three main themes have been identified – **maritime security, technology, and peacekeeping and counter-terrorism**. A comprehensive approach to maritime security is necessary to safeguarding common prosperity. This encapsulates India's vision of SAGAR – Security and Growth for All in the Region.
5. **Protecting the protectors:** India has upgraded peacekeeping hospitals in Goma, Democratic Republic of Congo, and in Juba, South Sudan to combat Covid. Further, it has supplied vaccines to all peacekeepers. India has also pledged helicopter units for peacekeeping in Mali and the Sahel region. India will be sponsoring and collaborating actively with the UN to roll out **UNITE AWARE technology software**, initially in four UN peacekeeping missions. This would involve using modern technology to help the missions maintain situational awareness, carry out their mandates and protect themselves.
6. **Fighting terrorism:** India has consistently flagged the issue of terrorism both inside the Council and outside. In fact, it has been at the forefront to conclude the **Global Counter-Terrorism Strategy** adopted by the UN General Assembly recently.
7. **Development cooperation:** India's cooperation with small states, especially during Covid, has been robust under the [India-UN Development Partnership Fund](#). UNDP has acknowledged the human-centric initiatives of India, including India's concept of aspirational districts, as global models. India's contribution to women-related issues has been substantial and India was recently elected to the prestigious UN Commission on the Status of Women.
8. **On climate action**, there is acknowledgement of India's strides in renewable energy, our ambitious climate goals for 2030, and our leadership of the International Solar Alliance.

Terms to know:

- [UNDP](#)
- International Solar Alliance (ISA)
- [UN Commission on Status of Women](#)
- [SAGAR](#)

12. Towards a lean tax department

Source: [Business Standard](#)

Syllabus: GS2 – Governance

Relevance: Filling of vacancies is not necessary always. Technology can ensure that a high operational efficiency is maintained even with a lean workforce.

Synopsis: Worries about vacant positions in the Income Tax (IT) department and their impact on tax collection may be misplaced in a world of technological disruptions.

Background

As per news reports, almost 80% of the posts of chief commissioners in the income tax department have been lying vacant for several months. Some of the vacancies had not been filled for as long as about a year.

- Against 91 approved positions of chief commissioners, only 18 had been filled.
- The total number of vacancies at the level of commissioners and above was about 400.

Performance of IT department

If one looks at the following factors, it becomes clear that filling the vacancies is not needed.

No adverse impact on Direct tax collection

- Due to the pandemic in 2020-21, direct tax revenues collected saw a contraction of about 10% last year.
- In 2019-20, when there was no pandemic and the income tax department presumably did not suffer from large-scale vacancies, collections of direct taxes had dropped by close to 9% over those in 2018-19.
- Direct tax collections, net of refunds, in April-June 2021 were 43% higher than those in the same quarter of 2020.

Use of technology

The government has introduced technology in a big way to reduce the extent of physical interface with taxpayers.

- **Faceless scrutiny and assessments** can be completed much faster, with fewer people, with the use of technology.
- The preliminary processing of tax returns is already undertaken with the help of technology.
- Also, globally, there has been a trend of reducing the number of officials employed by the direct taxes department.

Way forward

Instead of filling vacancies finance ministry should refocus its energies appropriately on other aspects of tax collection and administration.

13. Needed: an anti-trafficking law

Source: [The Hindu](#)

Syllabus: GS 2 – Welfare schemes for vulnerable sections of the population by the Centre and States.

Relevance: Eliminating Human trafficking altogether is a moral and constitutional responsibility

Synopsis:

Human trafficking is a crime in itself, but it is also the propeller of several other crimes

Introduction:

Bachpan Bachao Andolan (BBA) and various civil society groups have campaigned for decades for a strong **law to end this menace of human trafficking**. In 2017, thousands of trafficking survivors marched a Bharat Yatra alongside students, governments, the judiciary, multifaith leaders, businesses and civil society to demand such a law.

COVID-19 and Trafficking:

COVID-19 has **further intensified the need for the law. Traffickers are taking advantage of prolonged school closures and loss of family livelihood**. BBA with government agencies has **rescued almost 9,000 children from trafficking since the first lockdown**. In comparison, about half this number of children were rescued during the same time period of 14 months preceding the pandemic.

About the Trafficking in Persons (Prevention, Care and Rehabilitation) Bill:

The Government of India has proposed the Trafficking in Persons (Prevention, Care and Rehabilitation) Bill, 2021. This Bill aims to **tackle all aspects of trafficking including the social and economic causes** of the crime, punishment to traffickers, and the **protection and rehabilitation of survivors**.

How essential is the legislation?

- Human trafficking is a crime in itself, but it is also the propeller of several other crimes. It **creates a parallel black economy** that fuels **child labour, child marriage, prostitution, bonded labour, forced beggary, drug-related crimes, corruption, terrorism and other illicit businesses**.
- Further, the architects of our Constitution established the severity of the crime of trafficking by making it the **only offence punishable under the Constitution** of India itself, **besides untouchability**.
 - So, a **strong anti-trafficking law is the moral and constitutional responsibility** of our elected leaders, and a necessary step towards nation-building and economic progress.

Suggestions to end trafficking in India:

- To protect and rehabilitate the trafficked persons, the Bill has to include the **necessary checks and balances** against potential misuse of power by agencies, **periodic reviews** of the law, and **adequate allocation of resources** for effective implementation.

Terms to know:

- [Trafficking in Persons \(Prevention, Care and Rehabilitation\) Bill](#)

14. A judgment that must be taken in the right spirit

Source: [The Hindu](#)

Syllabus: GS 2 – Indian Constitution—Historical Underpinnings, Evolution, Features, Amendments, Significant Provisions, and Basic Structure.

Relevance: Judgment is related to the procedures and steps required to enact a particular bill.

Synopsis:

The striking down of the 97th Amendment is a reminder that the power to regulate cooperatives must stay with States.

Background:

- The 97th Constitutional Amendment came into effect on February 15, 2012, and brought about **many changes to the legal regime of cooperative societies**.
- However, it was recently **struck down by the Supreme court in a limited manner in the Union of India vs Rajendra N. Shah** case.

About the 97th Constitutional amendment:

- The amendment added “cooperative societies” to the protected forms of association under **Article 19(1)(c)**, elevating it to a fundamental right.
- It also inserted **Part IXB in the Constitution** which laid down the terms by which cooperative societies would be governed, in more granular detail than was palatable.

How to amend the constitution?

- It can be amended only by the procedure provided in **Article 368**.
- The amendment procedure requires **a majority of the total strength of each of the Houses of Parliament and two-thirds majority of those present and voting**.
- A proviso to the Article lists out **some articles and chapters of the Constitution, which can be amended only by a special procedure**.
- The special procedure requires that the amendment will also have to be **ratified by the legislatures of half of the States**.

Why was the amendment challenged?

- The challengers pointed towards the procedural lacuna in passing the amendment. They said the **government failed to ratify the amendment from at least half the states** as per the proviso of Article 368.
- The proviso desires ratification whenever there is a change in the distribution of powers between the Centre and the States.

Judgement of Courts:

- **Gujarat High Court (2013):** It struck down the amendment in 2013 on the grounds that it had **failed to comply with the requirements under Article 368(2)**. Because it **was not** ratified by the States.
- It had also given an additional finding that **the 97th Amendment violated the basic structure** of the Constitution.
- The Union Government challenged the Gujarat High Court judgment before the Supreme Court. It argued that the amendment neither directly nor effectively **changed the scheme of distribution of powers between the Centre and the States**.
- **Supreme Court (July 2021):** The court took the example of the 73rd and 74th Amendments which introduced the chapters on panchayats and municipalities, respectively. Those amendments, similar in impact on the legislative power of the States, had been passed by the special procedure involving ratification by State legislatures.
- The court noted that **the procedure had not been followed in this case**. It **did not go into the question** of the amendment being violative of the **basic structure of the Constitution**. Hence it struck down provisions related to it.

Way Forward:

- The cooperative sector has always been in the domain of the States or provinces.
 - **The organising principles and mechanisms of these cooperatives differ from area to area**. They depend on the industry or crop which forms the fulcrum of the cooperative.
- Hence, it is best that the Government takes this judgement in the right spirit. It should stay away from further meddling in the cooperative sector, notwithstanding the creation of the new Ministry.

15. Mending the British-made Assam-Mizoram dispute

Source: [Times of India](#), [Indian express](#)

Syllabus: GS 1 + 2- Regionalism , issues and challenges pertaining to the federal structure

Synopsis:

Northeast needs creative solutions like building economic and technology hubs in contested zones. Further, the contested areas should be administered by a central agency to prevent future claims and counter-claims.

Background:

- Recent border clashes on Assam-Mizoram Border and Assam-Meghalaya border points to the failure of central and state governments to solve the boundary issue.
- Today the borders between Assam-Meghalaya, Assam-Mizoram, Assam-Nagaland and Assam-Arunachal Pradesh are all hotly contested spaces and marked by frequent bloodbaths.

Read more – [Assam Mizoram Border Dispute – Explained, Pointwise](#)

Reasons behind continued tensions:

1. **First**, the boundary division in colonial times was done to **serve the commercial interests of the British**. While post-independence, it was more focused on administrative convenience. Thus, in both scenarios, **the tribal rights were not given much respect while undertaking the demarcation exercise**.
2. **Second**, there is a tussle between **adherence to the constitutional boundary versus obedience to the cultural boundary**. The people of new states like Mizoram, Meghalaya (which have been carved out of Assam) show greater respect to cultural boundaries. For the tribes of the Northeastern states, the word 'country' is restricted to their respective homelands. A nation is a place where they are free to live the way their ancestors lived. However, **Assam is tilted towards the constitutional boundaries**, which gives it more control over forest regions that have been historically under the control of tribals.
3. **Third**, the state and center governments have **failed to focus on long-lasting solutions**.
 - In the past, Assam had inflicted economic blockades on Mizoram and Nagaland after every border tussle. No central government has taken these border disputes seriously, much less tried to resolve them.

Way Ahead:

- In the past, there were proposals to turn the disputed areas into economic zones, which would benefit the states concerned.
- Disputed borders can also become educational hubs, IT parks, health centres, and tourist destinations. Here **investments can come from DoNER** and the benefits will be shared by people on both sides.
- Further, it would be in the interest of all concerned if these contested areas were administered by a central agency to prevent future claims and counter-claims.
- Politically mediated practices of "fixing" borders and enclosure of the forest commons need to be centred around people, their longstanding practices, and concerns for forest commons.

16. The Housing Boost

Source: [Indian Express](#)

GS2: Welfare Schemes for Vulnerable Sections of the population by the Centre and States

Synopsis: The Model Tenancy Act can benefit homeowners and tenants.

Introduction:

India is set to **double its urban population between 2018 and 2030**. By 2028, New Delhi would become the most populous city on the planet. Thus, large-scale migration to urban centers in India is bound to create pressure on housing markets.

As per the Report of the **Technical Group (TG-12) on Estimation of Urban Housing Shortage** (2012), the economically weaker sections and low-income groups currently face 96 percent of the total housing shortage in India.

Policy bottlenecks:

First, homeowners prefer to keep their homes vacant instead of renting them out due to the existence of **pro-tenant rent control laws**. As per the National Sample Survey Organization's data of 2012, 71 percent of households living in rented accommodations did not have a written contract.

Second, judicial delays in case of disputes. In India, an average commercial civil suit was disposed of in 1,445 days in a district court, as per World Bank's Doing Business Report in 2018.

How the Model Tenancy Act, 2021 can significantly boost India's rental markets?

- First, the Act calls for the **repeal of existing rent control laws** in all states and Union territories. It also seeks to remove monetary ceilings on the rent amount.
- Second, the Act **addresses various challenges** such as the fear of illegal occupation/eviction, arbitrary security deposit and structural maintenance-related demands, and high transaction and legal costs.
- Third, the Act facilitates special fast-track courts to settle rental disputes. It envisions **improved contract enforcement** through a three-tier dispute redressal mechanism. The adjudicatory bodies at the second and third-tier of appeal are required to dispose of cases within a 60-day timeline.
- Fourth, the private sector can enter into affordable rental housing markets through models like **"Build to Rent"** and **"Rent to Own"**. Under the **"Build to Rent" model**, private residential properties can serve as a reliable option for prospective tenants. Under the **"Rent to Own" model**, the owner agrees to sell the house to the tenant in the future and the initial contract contains the necessary clauses to affect the future transfer of ownership. This model is popular in the United Kingdom, Middle East, and Africa.
- Lastly, the Model Tenancy Act, 2021 provides a promising framework for tenancy agreements. The **meagre rents under the rent control laws** are the reason behind many housing units and chawls. This points to the need for a separate mechanism beyond the Model Tenancy Act that ensures the provision of safe and good quality rental units for tenants.

The states should use this opportunity to unlock the economic value of vacant housing and increase access to good-quality housing.

17. The vision of the National Education Policy must be served by its implementation

Source: [The Indian Express](#)

Syllabus: GS 2 – Issues relating to development and management of Social Sector/Services relating to education

Relevance: National Education Policy (NEP) has to learn from public policy challenges for transforming education in India.

Synopsis: To successfully implement the National Education Policy (NEP), India needs to learn from public policy challenges

About the National Education Policy:

On July 29 last year, the Government of India (GoI) announced the National Education Policy (NEP) 2020 as a pathbreaking initiative to reimagine the future of education.

It “proposed the revision and revamping of all aspects of the education structure, including its regulation and governance, to create a new system that is aligned with the aspirational goals of 21st-century education.

Ever since the announcement of the NEP, the government is focused on laying the foundation for its implementation. But, before we work towards implementation, there is a strong need to understand why policies fail and what we need to do to ensure their success.

Public policy and its challenges

- Public policies **do not settle in equilibrium** and are **hard to predict**: The history of the evolution of failed public policies is filled with predictions that went wrong.
- Further, Public policies **evolve and coevolve**: The evolutionary nature of public policy needs to be recognised and accepted.
- Apart from that, the **public policies are embedded in complex systems**. A complex system is one in which diverse agents linked in networks interact selectively following simple rules without centralised control, and from which emerge (often unpredictable) patterns, structures, uses, and functionalities. The Indian education system is also positioned itself in this complex system.
- Public policies are **subject to cognitive biases**: The dominant thinking while designing public policy is a rational choice theory (assumes decision-making as a part of rational human behaviour). But it is time that we recognise that there are pre-existing biases, prejudices, and opinions.
- Also, public policies are subject to reactivity and the Lucas critique. This will **result in policy-altering behaviour** after some time of policy implementation. Lucas critique is about the **limitations of predicting the effects of change** in economic policy **through historical data**.

To become successful, the NEP has to address the above challenges.

How NEP will get implemented?

The implementation of NEP should be based on the following five initiatives.

1. There is an urgent need to **establish a new organisational structure**, the **National Education Policy Commission**, whose sole mandate is to work towards implementing the NEP.
2. **Accountability of public officials**: India needs **institutional checks and balances** that will ensure that the **NEP's responsibility goes along with the powers and functions of the individuals and institutions** entrusted with the tasks.

3. **Establishing institutional mechanisms and empowered steering committees**, within the existing mandate of the Ministry of Education. The UGC and other such state and central level regulatory bodies can **continuously monitor the implementation**.
4. **Providing the necessary financial resources:**
 - a. A **special purpose vehicle (SPV) needs to be created** to ensure NEP funds are available and that the implementation process is not delayed.
 - b. India also needs to **promote private philanthropy for funding** both public and private higher education institutions.
 - c. **New and additional forms of tax incentives** and other forms of incentives need to be evolved.
5. **Empowering institutions of eminence and other institutions:** The policy of selecting and empowering “institutions of eminence” in India with a view to propelling them to become world-class institutions is a landmark and transformative idea. But there is a lot that needs to be done for fulfilling the vision of the NEP.

Terms to know:

- [National Education Policy](#)

18. A pandemic-optimized plan for kids to resume their education

Source: [Livemint](#)

Syllabus: GS 2 – Issues relating to development and management of Social Sector/Services relating to education

Relevance: To improve education, reopening the schools is the way forward.

Synopsis:

India’s hard-won educational gains could be lost if India still did not reopen schools.

Introduction

Schools must reopen and our children must return to education. **Some systematic state efforts and voluntary initiatives** by teachers for in-person engagement, including mohalla classes, **have been laudable but grossly inadequate, to compensate for closed schools.**

Why do we need to reopen schools?

This pandemic has driven education into an unprecedented crisis.

- Children have not only lost over a year of education, but they have also lost a lot of what they had learned before—the phenomenon of learning loss.
- Economic devastation, combined with a break in habit, may result in large numbers of students dropping out.
- Children are being **‘promoted to the next class, without addressing the lost year of education.**
- **Careless and misinformed decisions**, the kind of which we have seen too often for **comfort during the pandemic, would be disastrous for education.**

How to reopen schools?

- **No school should be opened till all its teachers and other team members have been fully vaccinated.** This is to protect them and minimize the risk of their being carriers of the covid virus to children. **Vaccination priority** should be accorded to school staff.

Read more: [Recognising teachers as front line workers](#)

9 PM Compilation for the Month of July (Fifth Week), 2021

- Schools will have to be **opened even though children have not been vaccinated**. But we should **plan our vaccination program for children**. This should include trials and approvals, the procurement and delivery of vaccines, mobilization, including efforts to address any hesitancy.
- **Decisions to open schools should be taken for geographic units** that encompass relatively proximate communities, and certainly not for an entire state or district simultaneously. As a default option, these units can be panchayats in rural areas and wards in urban areas.
 - Schools serving **tight and small communities can open with relatively low levels of vaccination** of the relevant population. This is because children and adults from such communities intermingle anyhow, and thus open schools do not materially increase the risk of transmission.
 - Schools that serve dispersed communities would require higher levels of vaccination before they open.
 - In general, **early opening of primary and middle schools**, particularly in rural areas, with **higher classes having to wait longer**, especially in large cities.

Overall, India must open schools at the earliest, but it must do so with rigorous procedures along with genuine expert advice, and recognise that **the biggest priority today for education is vaccination**.

19. India-US ties key to anchoring Indo-Pacific region

Source: [Livemint](#), [Indian Express](#)

Syllabus: GS2 – International Relations

Relevance: Indo-US ties under the new Biden administration

Synopsis: US Secretary of State Antony Blinken's first visit to India after the Biden administration took office in January 2021. Key points that were discussed and the significance of the visit.

Relevant points

During talks the emphasis seemed to be on building on the convergences and not allowing irritants – like India's alleged record on minority rights and freedom of the press – to overshadow ties.

- **Meeting with Tibetan spiritual leader:** Blinken also met with a representative of the Tibetan spiritual leader the Dalai Lama in New Delhi, Geshe Dorji Damdul, a move that could elicit an angry response from China. It should be noted that The US supports the Tibetan leader the Dalai Lama with many thousands of Tibetan refugees seeking asylum in the US.
- **On Indo-US partnership:** Blinken also said that strengthening the partnership with India is one of the US top foreign policy priorities, stating that this partnership will be critical to delivering stability and prosperity in the Indo-Pacific region and beyond
- **On Afghanistan:** It was agreed that the peace negotiations should be taken seriously. It is the only way to create a lasting solution and that the diversity of Afghanistan must be taken into account for finding that lasting solution

Significance of the visit

- **Expansion of strategic partnership:** The visit highlights the commitment of Delhi and Washington to expand the scope and intensity of their strategic partnership while avoiding a potential split over the question of human rights.
- **Concerns over India's democratic deficit:** Visit assumes importance due to America's apprehensions of India's democratic backsliding in terms of rising of majoritarian politics and the undermining of institutions. Such concerns were expressed by President Barack Obama too during his visit to India in January 2015. But the idea that India has become an illiberal democracy has gained much ground since then.
- **Meeting of the QUAD:** the Visit to New Delhi is also aimed at laying the groundwork for an in-person meeting of the leaders of the four Quad countries – i.e. the US, India, Australia, and Japan – who back a free and open Indo-Pacific.

20. One nation, one police is a reform that is long overdue

Source: [Indian express](#)

Syllabus: GS 2 – Structure, Organization, and Functioning of the Executive and the Judiciary

Relevance: Police reforms are necessary to ensure a just criminal justice system.

Synopsis:

Several state governments have passed Police Acts that are against the Supreme Court verdict on police reforms, and Centre too, has failed to legislate a model Act. Thus, there is a need to focus on the idea of one nation, one police.

Background:

- The Government of India has been talking of “One Nation, One Ration Card”, “One Nation, One Registry”, “One Nation, One Gas Grid”, and even “One Nation, One Election”. These ideas are laudable and would contribute to an integrated scheme in different facilities and networks across the country.
- However, in Police related matters, we are confronted with a situation where states are legislating different Police Acts. Eighteen states have already passed Police Acts.

Need for One Nation, One Police:

- **First**, many states have passed their respective acts to give legislative cover to the existing arrangement. This has allowed them to **circumvent the implementation of judicial directions** on police reforms given in the **Prakash Singh case, 2006**.
- **Second**, the **archaic police structure continues** is not able to meet the democratic aspirations of the people. In recent times, we saw the unseemly spectacle of the Mumbai police. The police commissioner accused the state home minister of using the police **as an instrument for extortion**.
 - In West Bengal, the **police have been a mute spectator to the state ruling party's attack** on those who voted against their party. The Centre, through a fiat, gave protection to all the MLAs of its party.
- **Third**, a **greater uniformity was observed in colonial times for better policing**. The Police Act legislated in 1861 applied to almost the whole of India.

Suggestions:

- The attempt at uniformity, however, should consider local factors and special features. As long as the regional characteristics are retained and recognised, the same system in its broad outlines would be welcomed by states.
- The central government is also delaying enacting a law based on the Model Police Act 2006. It could **at least legislate for the UTs** and then **persuade the states to pass similar legislation where its party is in power**. This way, we can achieve some uniformity in 10 to 12 states.
- Enacting a similar law in the other states could be **incentivised by linking their passage with the modernisation grants made available to the states**.
- Until this happens, the best option would be for the central and state governments to respect each other's turf in a spirit of **cooperative federalism**.

21. Corporate Management isn't What Civil Service Needs

Source: [Times of India](#)

Syllabus: GS 2 – Role of Civil Services in a Democracy

Relevance: The article is related to civil service reforms in India.

Synopsis:

Administrative reforms can only be delivered by a change in executive goals, not by a change in personnel.

Background:

- There is a new attempt at administrative reform on the anvil. **SD Shibulal** has reportedly been appointed chairman of a three-member task force to bring about **“major bureaucratic reforms through [Mission Karmayogi](#)”**.
 - He is an Indian business executive. He was the chief executive officer and managing director of Infosys, and one of its seven founding members.
- Earlier, another HR consultant had been appointed chairman of a capacity-building mission under the Union personnel ministry.
- However, many experts believe that the assumption, that corporate managers will dramatically transform the administration of India, is highly misplaced.

Why is corporate management not a panacea for the administration?

1. The ultimate goal of **every corporate manager is profit maximisation**. However, the scope of government responsibilities is much wider.
2. A civil servant has to **produce outcomes that are equitable and not only efficient**. For instance, the focus is on providing health services to all citizens and not merely selling medicines to only those who can pay the price.
3. Further, civil servants **need to have a touch with grassroots reality**, which is not a necessary condition for a corporate manager.
4. Civil Servants **bring to the central government, knowledge about the social, political, economic, and cultural peculiarities of states** and diverse ministries. **This knowledge is far more valuable** when it comes to successfully designing and implementation of schemes for public welfare. Rather than the domain expertise which a private sector individual brings to the table.

Way Ahead:

- In the last seven decades, several governments have launched hundreds of programs and missions. Many of them had been successfully steered by a resilient and adaptable administration.
- The Shibulal task force should understand that **the problem lies not with individual players, but with the team and the management of the team.** This includes the political, judicial, and investigative arms and the whole gamut of laws, rules, and jurisprudence.
 - Governance requires **a system change**, not really a change of personnel. It can improve if goals are clear and well-defined. For this to happen, a continuous engagement with the states and with political parties is desired.
 - Once there is consensus on goals, the administration can be channeled towards their achievement.
- The task force should also suggest ways to **bolster the sagging morale and pervasive fear that seem to haunt top-level administrators today.** There has to be clarity of purpose, confidence in political support, and the return of professionalism in administration.
- The task force should confine itself to **overarching changes**, not bits and pieces reforms, as many commissions and committees have attempted to do in the past.

22. In the interest of the public

Source: [The Hindu](#)

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

Synopsis:

Compulsory vaccination is legal and does not violate anyone's fundamental rights.

Background:

- In **Registrar General v. State of Meghalaya**, the Meghalaya High Court ruled that compulsory vaccination can't be coerced by the state government. The government had ordered shopkeepers, local taxi drivers, and others to get the COVID-19 vaccines before they resume economic activities.
- In response to the court's order, the State government released a new order stating that the requirement of vaccination was merely a direction and not mandatory.
- The case raises important questions of how the government can overcome widespread vaccine hesitancy and bring the pandemic to an end.

Why did the Meghalaya High Court revoke compulsory vaccination?

- It ruled that the government's order intrudes upon **one's right to privacy and personal liberty**, as it deprives the individual of their bodily autonomy and bodily integrity.
- It found that the government's order is **not maintainable in law as there is no legal mandate for mandatory vaccination.**
- It relied on the Central government's frequently asked questions, which specify that COVID-19 vaccination is voluntary.
- The court concluded that the State, rather than adopting coercive steps, must persuade the people to get themselves inoculated.

Compulsory Vaccination:

- It has often been deployed in India and abroad. The **Vaccination Act, 1880**, allowed the government to **mandate smallpox vaccination** among children in select areas.
- Similarly, several State laws, which set up municipal corporations and councils, empower local authorities to enforce compulsory vaccination schemes.
- Contrary to the High Court's opinion, **compulsory vaccination has passed the muster of judicial review in several national and international courts** abroad.
- In **Vavřička and Others v. Czech Republic**, the European Court of Human Rights (ECtHR) said that the compulsory COVID-19 vaccination scheme is **consistent with the right to privacy and religion**.
- The ECtHR cites case laws in France, Hungary, Italy, the U.K., among others to show that **several constitutional courts have validated compulsory vaccination** and ruled that it has an overriding public interest.

Can India go for compulsory vaccination?

According to the order in Justice **Puttaswamy v. Union of India**, a restriction on privacy can be justified if it passes a **three-prong test**.

- **First**, the restriction **must be provided in the law**. State governments have the authority to mandate vaccines under the Epidemic Diseases Act, 1897. It allows them to prescribe regulations to prevent the spread of an epidemic disease.
- **Second**, the **restriction must have a legitimate aim**. Compulsory vaccination pursues the legitimate aim of protecting the public from COVID-19.
- **Third**, the restriction **must be proportional to the object pursued**. With more than four lakh reported deaths and a looming third wave, the current scenario counts as a pressing social need.

Suggestions:

- Violations of rights from **mandatory administration of a vaccine cannot be termed so grave as to override the health rationale** underlying the government's order.
- Nevertheless, the government could provide appropriate accommodation for persons based on genuine medical reasons.

23. Indus Waters Treaty is worth preserving

Source: [Business Standard](#)

Syllabus: GS2 – Bilateral agreements involving India

Relevance: Differences over water-sharing under Indus Water Treaty (IWT)

Synopsis: Indian experts need to clarify exactly to what extent India is not yet using its fair share of waters from the three Eastern rivers namely, the Ravi, Beas, and Sutlej, and discuss it with Pakistani counterparts.

Background

On July 5, the Indian Jal Shakti Minister was reported to have stated India is working on exercising its rights to stop excess water flowing to Pakistan, under the Indus Waters Treaty (IWT) of 1960, to irrigate its own lands.

Indian government sources have made similar observations in the past, and Pakistan has often said that India has not acted fairly in sharing waters according to this Treaty.

Water sharing as per IWT

Water sharing arrangement as per Indus Water treaty is as follows:

- **To be used by India:** Waters of the Eastern rivers, the Sutlej, Ravi, and Beas.
- **To be used by Pak:** Waters of the Western rivers, the Indus, Chenab, and Jhelum.

Thus, To sort out differences over water sharing for irrigation, the following suggestions can be implemented.

Suggestion

Experts in India and Pakistan should assess how much of the waters in the East and West rivers are snow or rain-fed within their respective territories. Such estimates would add to the accuracy of each side's dependence on the other in sharing the waters of these rivers.

Way forward

IWT has stood the test of time. Given the flawless record of this treaty and being a responsible upper riparian state, India needs to be extremely careful. It should clarify exactly to what extent it is not yet using its fair share of waters from the three Eastern rivers namely, the Ravi, Beas and Sutlej. If it is indeed the case, then Indian experts should discuss how they have arrived at this conclusion with their Pakistani counterparts.

Further, the Indian side should also make **public its estimates of unutilized hydropower**.

Conclusion

Both India and Pakistani sides should iron out their differences over water sharing and use the East and West rivers to their fullest potential.

Terms to know:

- [Indus Water Treaty](#)

24. Shared values: On India and the U.S.

Source: [The Hindu](#), [TOI](#), [Business Standard](#)

Syllabus: GS2 – International Relations (IR)

Relevance: Indo-US relationship post-US exit from Afghanistan

Synopsis: India and US have their differences when it comes to the Afghan peace process. A strong Indo-US partnership in tech sector should be the way forward to out-compete China.

Background

US. Secretary of State Antony Blinken's day-visit to Delhi. Most of the discussion b/w Mr. Blinken and India's External Affairs ministers, was focused on Quad cooperation in the Indo-Pacific, Afghanistan, and in discussing the state of democracy and rights.

Difference of views

Over Afghanistan

Although both India and the US agree that there is no military solution to conflict, and that neither country would recognize a Taliban regime that takes Kabul by force, differences persist. Like,

- **Continued engagement with Taliban:** The U.S. continues to engage the Taliban in talks for a power-sharing arrangement, despite the Taliban leadership's refusal to enforce a ceasefire, and stop attacks against civilians in areas they take over.

- Perhaps the greatest worry for India is, the **U.S.'s refusal to hold Pakistan to account for having given shelter to the Taliban.**
- U.S.'s announcement of a new "Quad" with Uzbekistan-Afghanistan-Pakistan on connectivity, but this is another cause for worry.

Views on QUAD

As per the US, Quad was not a military alliance, and that's how India prefers to describe the grouping too. There is a wide scope of possible cooperative activities that the Quad can undertake, from vaccines to infrastructure to supply chain resilience.

- The question, however, is how much of this can be **operationalised at short notice.** The Quad summit earlier this year, for example, promised that the US would help manufacture the Johnson & Johnson vaccine in India for export to Southeast Asia and elsewhere. This has not yet materialised.
- **Cooperation on infrastructure** has also been slow to get off the ground, in spite of efforts by Japan and by the US in the past.
- Whether New Delhi likes it or not, Washington's eyes have turned eastward from Afghanistan, and, therefore, more pressure will be put on the Indo-US partnership.

Taliban-China

All this comes as Wang Yi, the Chinese foreign minister, was meeting a nine-member Taliban delegation led by Mullah Baradar in Beijing.

The Taliban's focus is to get China to pledge "non-interference" while China wants to get the Taliban to "fight" and clear out the Uyghur group, ETIM.

India's future strategy

1]. US and India together can out-compete China: The US is not getting out of "forever wars" in Iraq and Afghanistan to engage in another one with superpower China. Similarly, India is not about to get into an armed conflict with China either.

- But both countries together have a chance to 'out-compete China'. India, therefore, needs to pay much greater attention to the most important **working group of the Quad – on critical and emerging technologies.**

2]. De-risking tech from China: India began de-risking (*taking steps to make something less risky*) its tech sector from Chinese influence only in 2020, because that was the first time we acknowledged the dangers of China's "civil-military fusion" policies. That process is underway and has gathered traction. US recent tech and trade sanctions, and laws, makes it pretty clear that America is headed the same way.

For the moment, the quest is to make up for the global shortage of chips, semiconductors, and other hardware as well as 5G. There, the US is looking at working with **Japan, Taiwan, and South Korea.**

- **What is the military-civil fusion policy of China?** The Chinese government's military-civil fusion policy aims to boost **innovation and economic growth** via policies and other government-supported mechanisms, including venture capital (VC) funds, while taking advantage of the fruits of civilian innovation for China's defense sector.

3]. Indo-US tech partnership: Not too long ago, Blinken outlined a US tech-foreign policy, which could be a huge opportunity for India. This includes reducing national security risks from emerging tech, building resilient and secure supply chains, and building tech partnerships.

India is a natural partner as it has a tech universe that just needs less government and more facilitation. For instance, Bangalore is doing more work on 6G than is generally known.

Terms to know:

- [Comprehensive Global Strategic Partnership](#)

25. Law and lawmakers

Source: [The Hindu](#)

Syllabus: GS 2 – Parliament and State Legislatures — Powers & Privileges and Issues Arising out of these.

Synopsis:

The Supreme Court held that a legislative privilege cannot be extended to provide legal immunity to criminal acts committed by lawmakers.

Background:

- On March 13, 2015, six members of the legislative assembly (MLAs) from LDF party in Kerala tried to interrupt the presentation of the Budget. Their action resulted in destruction or damage to some items, amounting to a loss of Rs. 2.20 lakh.
- Based on the Assembly Secretary's complaint, the police registered a case and later filed a charge sheet against them.

About the case:

- The MLAs were booked for committing mischief and trespass under the IPC and destroying public property under the Prevention of Damage to Public Property Act, 1984.
- This year, the Chief Judicial Magistrate, Thiruvananthapuram, had rejected the application by the public **prosecutor for withdrawal of the prosecution case**. This order was affirmed by the Kerala HC. Later, the Supreme Court also concurred with this decision.

About the Supreme Court Directive:

- A legislative privilege can not provide legal immunity to criminal acts of lawmakers.
- This ruling by Supreme Court is a step in the right direction, because,
 - It is an unacceptable argument that the alleged vandalism took place as part of the legislators' right to protest on the floor of the House.
 - An alleged act of destroying public property within the House **cannot be considered "essential"** for their legislative functions.
- It is the court's duty **to decide whether the prosecutor's withdrawal is in good faith and in the interest of public policy. Further, the withdrawal shouldn't aim at thwarting the process of law.**

26. How does a democracy die?

Source: [Indian Express](#)

Syllabus: GS 2 – Indian Constitution—Historical Underpinnings, Evolution, Features, Amendments, Significant Provisions, and Basic Structure.

Relevance: This article highlights few examples that can turn a country in a failed democracy.

Synopsis:

Democracies die when democratically elected governments cease to be held accountable by a society weakened by poor health, low morale, and joblessness. In such a scenario, political leaders are prone to blindness and incompetence, they pay minor regard towards the promise of a dignified life for every citizen.

Background:

- Global surveys are everywhere reporting dipping confidence in democracy and marked jumps in citizens' frustrations with government corruption and incompetence.
- Most worrying are the survey findings for India, which is fast developing a reputation as the world's largest failing democracy.
 - In its **Democracy Report 2020**, Sweden's V-Dem Institute noted that **India "has almost lost its status as a democracy"**.
 - It ranked India below Sierra Leone, Guatemala, and Hungary.

Understanding Democracy:

- Democracy is much more than pressing a button or marking a box on a ballot paper. It is a whole way of life and involves **freedom from hunger, humiliation, and violence**.
- Democracy is saying **no to every form of human and non-human indignity**. In a healthy democracy, citizens are not forced to travel in buses and trains like livestock, wade through dirty water from overrunning sewers or breathe poisonous air.
- Democracy is **public and private respect for different ways of living**. It is a willingness to admit that impermanence renders all life vulnerable, that in the end nobody is invincible, and that **ordinary lives are never ordinary**.

Political scientists have often pointed out that democracies fade in two connected ways. Some have suffered sudden death. But death by cuts is more common.

Two Ways in which Democracy dies:

1. **Military Coup:** Democide or military coup is usually a slow-motion and messy process. Wild rumours and talk of conspiracies flourish. Street protests and outbreaks of uncontrolled violence happen. Fears of civil unrest spread.
 - The armed forces take control. The emergency rule is declared, but things eventually come to a boil.
 - As the government weakens, the army moves from its barracks onto the streets to quell unrest and take control. Democracy is finally buried in a grave it slowly dug for itself.
 - During the past generation, around three-quarters of democracies met their end in these ways. These include military coups against the elected governments of **Egypt (2013), Thailand (2014), Myanmar, and Tunisia (2021)**.
2. **Destruction by Social Emergencies:** The judiciary becomes vulnerable to cynicism, political meddling, and state capture. Massive imbalances of wealth, chronic violence, famine, etc. destroy people's dignity.
 - The victims stop believing themselves worthy of rights, or capable as citizens of fighting for their own entitlements, or for the rights of others.
 - This **social indignity undermines citizens' capacity** to take an active interest in public affairs and to check and humble the powerful.

- i. Citizens are forced to put up with state and corporate restrictions on basic public freedoms.
 - ii. This makes them used to big money, surveillance, baton charges, preventive detentions, and police killings.
- o But the scandal doesn't end there. **When millions of citizens are daily victimized by social indignities, the powerful are granted a license to rule arbitrarily.**
- o When this happens, **demagoguery** comes into season. It refers to political activity or practices that seek support by appealing to the desires and prejudices of ordinary people rather than by using rational argument.
- o The leaders can even convince people that they can turn lead into gold. They make **careless, foolish, and incompetent decisions that reinforce social inequities.** They license Big industry and government players to decide things, which in turn breeds corruption.
- o **Finally, in the absence of redistributive public welfare policies that guarantee sufficient food, shelter, security, education, and health care** to the downtrodden; democracy morphs into a mere façade.

27. How a Supreme court order could render the new co-op ministry a non-starter

Source: [Business Standard](#)

Gs2: Issues and Challenges Pertaining to the Federal Structure, Devolution of Powers and Finances up to Local Levels and Challenges Therein.

Synopsis: Supreme court order has huge ramifications on the functioning of the newly-formed cooperative ministry

Background

- Recently, the Supreme Court of India in a landmark judgment struck down parts of the 97th amendment to the Constitution.
- The 97th amendment to the Constitution sought to reduce the powers of the state governments over their cooperative societies.
- The judgment could have huge ramifications on the functioning of the newly-formed cooperative ministry, headed by none other than the country's Home Minister.

Why parts of the 97th amendment to the Constitution were struck down?

Read Here: <https://blog.forumias.com/federalism-and-cooperatives/>

What are the options available for the center?

The Centre is believed to be exploring multiple options to ensure that the functioning of the newly formed ministry of cooperation is not hampered.

- **The first option** is to abide by the Supreme Court's interpretation and let its jurisdiction remain only in respect of Multi-State Cooperative Societies (MSCS).
 - o In that case, the newly formed ministry of cooperation will only be responsible for managing the affairs of the 1500 odd MSCS.
 - o Whereas around 800,000 cooperatives will be left outside its scope, barring the Urban and State Cooperative Banks, which are being regulated by the RBI as per amendments made to The Banking Regulation Act, 1949 in 2020.
- **The second Option** is to validate that part of the original amendment that seek to violate state powers, by getting the same ratified by at least half of the state legislatures.

- **Third and more radical approach** will be to adopt the same process of getting an amendment ratified by state legislatures to put cooperation into the Concurrent List.
 - Winding up of cooperatives is in the state list, and putting it in the concurrent list will empower the Central government to legislate on matters related to the cooperatives.

28. Quotas don't solve what's really wrong with education

Source: [Times of India](#)

GS2: Welfare Schemes for Vulnerable Sections of the population by the Centre and States

Synopsis: Recently, the government announced 27% reservation for OBC and 10% for EWS candidates in the all-India quota for medical admissions.

Introduction:

- The proportional **increase in overall seats** continues the trend of entrenching reservations.
- Now this government can claim bragging rights, just like in 2006 government did after introducing OBC reservations in central educational institutions.
- Also, by upholding EWS quotas too, the government has theoretically **pacified most social groups**.

Issues:

- First, **politics of quotas is such that no one will ask even basic questions**. Such as,
 - How soon will an increase in medical seats to accommodate new quotas happen?
 - What will be the quality of education after that increase?
 - How will putting more stress on this system produce a better outcome?
- Second, there is **already-existing shortcomings in medical education** which restrict the output of thoroughly trained doctors.
 - Policy makers **have failed to provide high quality school education** or facilitate job creation.
- Third, there is no clarity on how to attract entrepreneurs who value creating institutions and also does rigorous performance reviews of medical colleges.
- Fourth, **quota balancing will now be an added job** for medical regulators not known for their commitment to excellence.
- Lastly, there is **more politics on quota and little policy aimed at quality**.
 - For instance, without economic growth or learning outcomes, OBC groups, sandwiched between the general category and SC/STs, were rallied on the promise of quotas.
 - Now, groups within the OBC quota are clashing over who benefited or lost out, and even the GoI-appointed **Rohini Commission** is struggling to reconcile claims.

Hence, we need many more quality medical institutions to increase the supply of quality medical professionals otherwise quota along with lack of skilled human capital will subdivide the shrinking pie.

29. [EU's vaccine travel pass is highly discriminatory towards low-income countries](#)

Source: [Indian Express](#)

Syllabus: GS2 – Effect of Policies and Politics of Developed and Developing Countries on India's interests

Relevance: Implications of Green Pass scheme

Synopsis: Green Pass scheme is discriminatory towards low income countries. Issues involved and way forward.

Background

In a recent guideline, the World Health Organization (WHO) has recommended its member states not to seek proof of Covid-19 vaccination or recovery as a mandatory condition for entry to or exit from a country. In this direction, many countries like China and Israel have introduced vaccine certificates that ease the process of entering and traveling across the destination country for vaccinated travelers.

Though these certificates can be looked at from the lens of trade facilitation, they can potentially act as a trade barrier if they encourage discriminatory treatment.

The recent and the most contentious issue in this regard is the European Union's "Green Pass" scheme.

Also Read: [What is EU's Green Pass Scheme? – Explained](#)

Issues with Green Pass Scheme

Discriminatory in nature

The EU's approach creates a divide between low and high-income countries due to the following reasons:

- **The difference in the vaccination rates across the globe:** Vaccine doses administered per 100 people are 1.4 for low-income countries as compared to 93.2 for high-income countries. This makes travelers from low-income countries ineligible to avail these certificates.
- **Type of vaccines administered in a country:** As the Green Pass scheme includes only four selected vaccines approved by the European Medicines Agency (EMA), it makes travellers from countries administering alternate vaccines ineligible for certification.
 - **Discrimination faced by Indian citizens:** Initially, the policy did not allow AstraZeneca's Indian-manufactured vaccine, Covishield. Due to the immense pressure, 16 EU countries have now accepted Covishield. However, despite this inclusion, travel rules vary across the region and in some cases, are still discriminatory — for instance, travellers from India vaccinated with Covishield **still need to quarantine in the Netherlands**, as India is considered a high-risk country. The only relief for them is the removal of any possible restriction on their movement within the destination country.

Against COVAX policy

It goes against the policy of COVAX, which has stated that "any measure that only allows people protected by a subset of WHO-approved vaccines to benefit from the re-opening of travel into and with that region would effectively create a two-tier system... (and) would **negatively impact** the growth of economies that are already suffering the most".

Indirect cost burden

Countries not administering any of the EMA-approved are mostly low and middle-income countries, including India. Along with African and South Asian regions, this population also includes South East Asian countries. Nationals from many of these countries also serve in the hospitality industries in countries across the world, including Europe.

With these exclusion criteria, an indirect cost burden is put on their domestic service sectors that are already suffering due to the pandemic.

Against Globalization

With such discriminatory intervention, the EU policy also goes against the globalization policy of collective welfare.

Suggestions

To achieve the desired goal, countries need to **cooperate on vaccine production** to accelerate the global vaccination process.

The COVID vaccine supply chain can involve more than 100 components, and it is important to **strengthen the global supply chain**. This makes **lifting trade barriers on raw materials** for vaccine production critical.

Steps taken

COVID vaccine makers across the world have **created a platform**, led by the Coalition for Epidemic Preparedness Innovations, to connect with key raw material suppliers needed for boosting production.

Also, in a recent declaration, **WTO members have agreed to review and eliminate unnecessary existing export restrictions** on essential medical goods needed to combat the pandemic

General Studies Paper - 3

General Studies - 3

1. The first principles of commerce should guide e-com policy too

Source: [Live Mint](#)

GS-3: Indian Economy and issues relating to planning, Mobilization of Resources, Growth, Development, and Employment.

Relevance: E-commerce has become one of the most important segments of the global economy. Any attempt to regulate it, will have implications for the economy of the country.

Synopsis: Over-stringent [e-com regulations](#) would lower consumer welfare, work against small businesses, and also stifle innovation.

Concerns Regarding Growth of E-commerce in India

- India's e-commerce sector is set to expand into an oligopoly with the entry of Reliance, Tata, and a revamped Snap deal from a near-duopoly of Amazon and Walmart-owned Flipkart at present.
- An oligopolistic market can indeed see its players join hands to form a cartel and act against consumer interests.
- There are oligopolies that exist in other industries; for example, cement, where producers have been punished by the Competition Commission for operating illegal cartels.
- However, at present, there is no evidence of such anti-competitive practices in the e-commerce sector.

Proposed E-commerce rules are flawed

- If enacted into law, India's e-commerce regulations would shift the burden of liability for the products sold on these platforms onto e-commerce companies, instead of sellers.
- Further, the proposed rules would come down heavily on promoting their own brands, among several other restrictions.
- It would also lower consumer welfare as well as the ability of small sellers to expand their market reach. Further, it will also reduce innovation by lowering the ability of newer e-commerce companies to take risks.

Significance of E-commerce entities to India

- **Increase Competitiveness of Indian goods:** They offer discounted prices to small sellers for their raw material and lower their cost of production.
- **Increase Exports:** These platforms have increased the reach of small businesses nationwide and even helped them address export markets.
- **Efficient service delivery:** For customers, they have made product returns hassle-free and improved product quality and variety.
- **Improved Logistics:** They have revolutionized the country's logistics industry and supply chains.
- **Employment Generation:** Their contribution to employment generation is now significant.
- **Increased Disbursal income for poor households:** The lower prices that e-commerce companies offer is an indirect real income increase, especially for our relatively low-income households.

Way forward

- Encourage market entry and ensure that there is no excessive regulation.
- More e-commerce companies entering the market should result in more choices for small sellers in terms of the platforms they want to list on, depending on the listing fees, commission, and so on.
- Further, many of India's small-business owners should be gainfully employed elsewhere; large numbers are into subsistence entrepreneurship because of a lack of jobs.
- E-commerce platforms cannot engage in such price discrimination, like any other retail shop. So, they should be allowed to offer discounts for limited periods on specific goods.

2. It's Part of The Problem

Source: [Indian Express](#)

GS3: Effects of Liberalization on the Economy.

Relevance: The article highlights the issues in the Public Sector companies, compared to the private sector.

Synopsis: There are questions about the state's proactive and productive role in helping its citizens.

Introduction:

- The typical Indian worker in **1983** had three years of education.
- It means India delivered glorified illiteracy to the majority of Indian workers in 36 years of post-Independence governance.
- In this regard, 1991 reforms resulted in the doubling of GDP growth and the lifting of over 200 million people out of poverty in the two decades that followed.

This was the effect of **less controlled regulatory conditions**.

Poor delivery of Public goods by the State:

- **Education:** The educational situation began to improve only after the reforms of 1991.
 - By 2012, the average urban worker had secondary education while her rural counterpart had attended middle school. A large part of this improvement was **facilitated by private schools**.
 - This rise of the private sector in education was driven by the inability of public education to meet the demand.
- **Health:** As late as 2020, there were **five hospital beds per 10,000 Indians**.
 - The situation in terms of doctors was not much better, with nine doctors per 10,000 Indians. For comparison, the corresponding number was 10 for Pakistan and Sri Lanka, while Brazil had 22 and China 20.
 - Wealthy Indians living in urban areas tap into the **private health network**. The urban poor and rural Indians essentially are left to the vagaries of the **under-funded and under-serviced public health system**.
- **Electricity:** **Electricity distribution utilities** are routinely close to **bankruptcy**. The state hands out freebies in the form of free or subsidised electricity, while the state sits on subsidy bills.
- **Public Sector banks:** NPAs of these entities have routinely exceeded 10 percent with borrowers relying on the state patronage networks.
- **Vaccine delivery:** the recent performance on vaccine planning and delivery has been shambolic.

- **Taxation:** The design and delivery of the much-touted GST network continue to hamstring large parts of the economy five years after it was introduced.

Way forward:

- The government should play a role in **providing social safety nets** for unfortunate health and labour market outcomes. It should provide a clear regulatory framework that generates an equal playing field for all.

Hence, the state is part of the problem, not the solution. That is why, State should do its duty towards citizens, not interfere in their economic lives.

3. What a digital currency from RBI must get right

Source: [The Hindu](#), [Live Mint](#), [Business Standard](#)

Gs3: Indigenization of Technology and Developing New Technology.

Relevance: central bank digital currencies (CBDCs) are becoming reality. However, before their adoption, a proper cost-benefit analysis will require.

Synopsis: The RBI must consider the following issues before rolling out Central Bank Digital Currency.

Background

Today, many of the world's central banks are racing to launch their own virtual currencies, or central bank digital currencies (CBDCs). In India too, an inter-ministerial committee, 4 years ago, recommended that India should launch fiat money in digital form.

In line with its recommendation, RBI is currently working towards a phased implementation strategy and examining use cases that could be implemented with little or no disruption. Further, the much-awaited **Cryptocurrency and Regulation of Official Digital Currency Bill, 2021**, is yet to be introduced.

What is CBDC? – [Read in detail](#)

Developments around the world

- According to the **BIS survey of central banks 2021**, 86% were actively researching the potential for such currencies, 60% were experimenting with the technology, and 14% were deploying pilot projects.
- The **PwC Global CBDC Index** shows more than 60 central banks in various stages of launching a digital currency.
- China had already engaged in pilot projects for its digital RMB, and it is planning a major roll-out soon.

Reasons for the creation of Central Bank Digital Currencies

1. India is witnessing the emergence of **cryptocurrency exchanges**, which are using gray zones of regulation. Most of these exchanges are asking people to invest and trade in cryptos without providing basic information about the product and the inherent risks.
 - Even more dangerous is the aggressive outreach to retail investors, who stand to lose a large proportion of their savings, in case of market reversal.
2. Cryptocurrencies are not backed by any commodity. They do not have any intrinsic value, and, their tradeable value is determined by an artificial shortage that has led to extreme volatility.

3. Further, with the rapid spread of technology and growing acceptance of alternative payment solutions, there is indeed a growing need for virtual currencies and e-wallets.

Points to be taken care of by RBI before launching CBDC in India

1. **One**, the design of the currency with regard to how it will be issued, the degree of anonymity it will have, the kind of technology that is to be used, etc., needs to be sorted out. For instance,
 - Whether CBDCs be used only in retail payments, or also in wholesale transactions?
 - Should CBDCs be issued via a distributed ledger (synchronised between the RBI and scheduled banks) or a centralised ledger held by the RBI?
 - Should each CBDC be validated and identified by a unique serial number or token, or else how would validation be done?
 - Distribution only through the RBI, or via banks?
2. Two, possible **impacts of an official digital currency on people, the monetary policy, and the banking system**. For instance, if CBDCs are indeed efficient vehicles for retail savers, this could adversely affect bank deposits and eventually the growth of bank credit.
3. Three, risks emerging from **cyberattacks** need to be considered.
4. Four, given the public preference for cash and the comfortable blanket of anonymity it offers, CBDCs have to create foolproof systems for privacy protection.
5. Five, central banks will have to figure out how to manage cross-border flows vis-à-vis CBDCs.

Way forward

Other central banks have started experimenting with either retail or wholesale CBDCs. RBI too needs to create a sandbox, with limited participants and pre-specified uses, before launching its own digital currency. Only then can the rupee hold its own against other currencies.

4. Digging up the ocean floor for metals could prove disastrous

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

Syllabus: GS 3 – Conservation, environmental pollution, and degradation.

Relevance: Marine life will be endangered if seafloor mining got commercialised.

Synopsis:

The seafloor contains potato-sized rocks that contain many metals needed to make electric-car batteries. Many perceive that seabed mining as a green alternative to land-based mineral extraction—and potentially a hugely lucrative business. But it is not completely true.

Introduction:

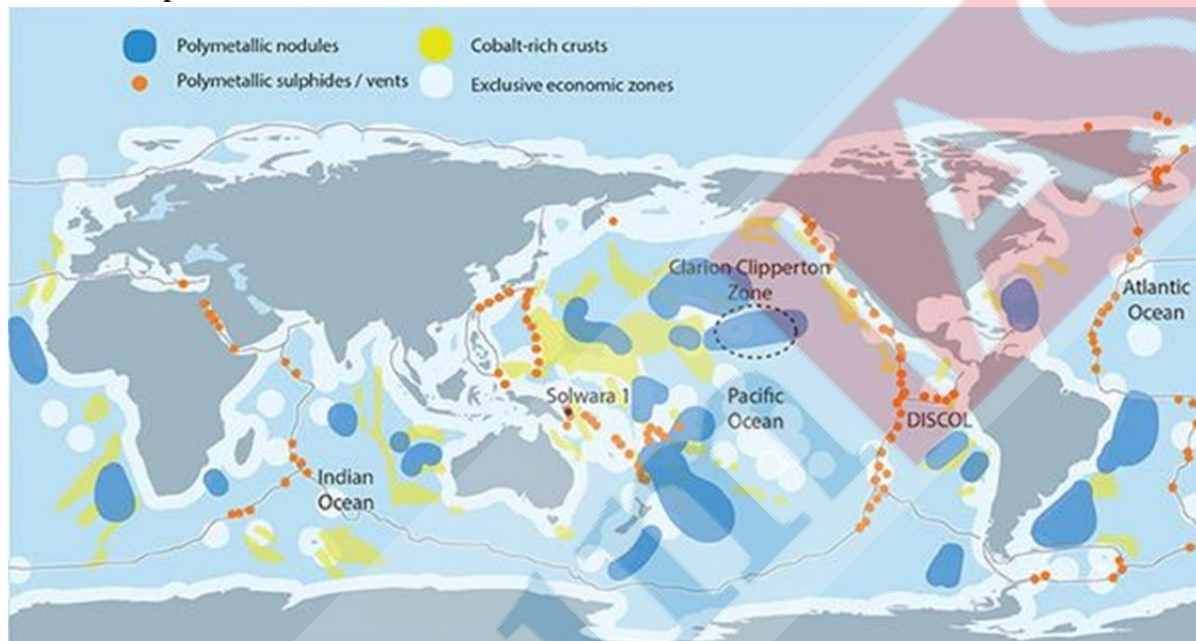
A startup, The Metals Co, holds prospecting rights over 90,000 square miles of seabed and plans to indulge in seabed mining.

Since June, 530 marine science and policy experts from 44 countries have signed a statement warning that **seabed mining would result in environmental damages** “irreversible on multi-generational timescales.

That should alarm not just investors, but policymakers charged with protecting the oceans.

About Polymetallic nodules:

- These are rocks that are rich in cobalt, copper, manganese, nickel, rare-earth elements and titanium.
- The Pacific basin is thought to contain more than 30 billion tonnes of polymetallic nodules
- Scientists and entrepreneurs have been researching methods of extracting them since the 1960s.
- In 1994, the International Seabed Authority was established to regulate mining efforts and protect the seabed environment.



Challenges in seafloor mining

- The seafloor is arguably the **least resilient ecosystem** on the planet.
- In 2017, a report **commissioned by the UK government** warned that [seabed mining](#) could lead to the “**extinction of unique species** which form the first rung of the food chain.”
- The damage wouldn't be confined to the ocean floor. Plumes of sediment will have a dire effects on sea life accustomed to clear water.
 - Further, the plumes might also include toxins that can pass on to Fishes.
 - The plumes might also **reduce the ocean's ability to sequester carbon**—or even release stored carbon into the atmosphere—thereby **worsening climate change**.

Suggestions:

The UN should call for a moratorium on seafloor mining. Further, countries should consider **challenging any permits at the International Tribunal for the Law of the Sea and other legal forums**.

Terms to know:

- [International Seabed Authority \(ISA\)](#)

5. A climate risk

Source: [The Hindu](#)

Syllabus: GS- 3 – Disaster Management

Relevance: The article highlights the impacts of Climate Change on the seasons of India.

Synopsis: Only adequate planning can protect against nature's unavoidable extremes.

What changes have occurred in the climate trends over the Arabian Sea? State the reasons for the same.

In the previous two decades, the frequency and intensity of cyclones over the Arabian Sea have grown.

- **According to a new study published in Climate Dynamics**, there has been a 52 percent increase in the frequency of cyclones over the Arabian Sea from 2001 to 2019. Whereas a drop of 8% over the Bay of Bengal was observed, compared to 1982-2002. The Bay of Bengal has historically seen the most cyclones.
- **The duration of these cyclones has also grown by 80%.** More cyclones are carrying moisture from the Arabian Sea are contributing to heavy rainfall events along the western coast. For example, Cyclone Tauktae in May was one of the strongest cyclones to hit Mumbai, with winds of 185 km per hour. It was **responsible for storm surges that overwhelm the coast.**
- According to studies, a warming globe has boosted atmospheric moisture levels, resulting in short, powerful rainstorms.
 - **The interplay between warming, rainfall, and temperature is complicated**, and variables including aerosol emissions, particulate matter pollution, agricultural, and forestry patterns must all be taken into account.

What should be done to deal with the changing climate trends?

Extreme events such as bursts of heavy localized rainfall, lengthy droughts, and heatwaves **are likely to become more common.** It emphasizes the importance of good forecasts that can predict such events at least three to five days ahead of time.

- **Climate-proofing is required in the most vulnerable areas and** take scientific risk assessments seriously. Evacuations in advance of a flood or a hurricane are not always effective, thus limited construction should be allowed in areas designated as vulnerable.
- **Thirdly, it is difficult to predict a significant quake**, effective planning can protect against nature's unavoidable extremes.

Conclusion

- International climate change accords to reduce greenhouse gas emissions would only help the world in the long run, but what is done now will determine whether we survive or thrive.

6. Implication of EU's new GHG emissions law for Indian industry

Source – [The Indian Express](#)

Syllabus – GS 3 – Environment – Conservation, environmental pollution, and degradation, environmental impact assessment.

Relevance: EU's emission law will have implications for India as well.

Synopsis – Key features and advantages of EU's new carbon emission law and its implication on India and its industries.

Introduction –

- **Fit To 55** – Recently, The European Commission adopted the Fit for 55 Package of proposals. It aims to make the EU's climate, energy, land use, transportation, and taxation policies fit for lowering greenhouse gas emissions by 55% by 2030 (relative to 1990 levels).
- The Fit for package opens new markets for the Indian industry, for example, electric vehicles. However, **it also introduces a globally unprecedented carbon border adjustment mechanism (CBAM) for pricing imported carbon.**
- **It also includes a major overhaul of the Emissions Trading System (ETS)** where polluting industries can purchase carbon credits to offset their carbon emissions. The changes will drive the price of carbon credits higher and will tax polluting industries more harshly.

What is CBAM [carbon border adjustment mechanism]?

CBAM will impose a border fee on imports in carbon-intensive sectors like steel, cement, and fertilizers from nations with lower environmental standards than the EU. The scheme would start in 2023 with a transition period until 2025.

Advantages of CBAM-

1. **Mechanism will reduce carbon leakage.**
2. **Provide EU manufacturers a level playing field** – This will offer EU manufacturers, that are paying the expenses of legally mandated decarbonization, a competitive advantage over foreign competitors who can create products at a cheaper cost and with higher emissions.
3. **Encourage producers to invest in cleaner technologies-** With fit for 55, the foreign producers will be required to pay for the carbon released while making their products under CBAM. Manufacturers will be encouraged to invest in greener technologies as a result of this.

What are the impacts of CBAM over India?

India does not have its own carbon tax or cap. So, CBAM should be a cause for concern, as it would result in an increase in existing duties payable on Indian exports of certain products to the EU. **According to UNCTAD STUDY** – India will lose \$1-1.7 billion in exports of energy-intensive products such as steel and aluminum.

What should the Indian industry do to prepare for the new regulations?

1. **First, the Indian industry should start clean technology partnerships with the European industry.**
2. **Second, Indian companies should invest in more renewable electricity and energy efficiency.**
 - Indian industries can adopt science-based targets for emission reduction and internal carbon pricing to incentivize low-carbon options.
 - The government can extend the perform-achieve-trade scheme to more industries and provide financial assistance to MSMEs to upgrade to clean technologies.
3. **Third, India can try to diversify its exports to other markets and products.**

- For example- India could increase its market share of crude steel compared to more carbon emission intensive producers like China, Russia, and Ukraine.

7. Are law and technology a solution to fake news?

Source: [The Hindu](#)

Syllabus: GS 3 – Role of Media and Social Networking Sites in Internal Security Challenges

Relevance: Importance of historical thinking for tackling fake news.

Synopsis:

Stakeholders are attempting to find a robust and effective solution to filter fact from fiction. In this regard, some experts have suggested the inculcation of historical thinking amongst the masses in order to curb the menace of fake news.

Background:

- Fake news and its associated social problems have been a major concern. The Indian government has been attempting to **bring in several legal amendments to deal with its creation, propagation, and effects**.
- Social media companies, too, are **investing billions of dollars into technological solutions such as Artificial Intelligence (AI)** to identify fake news and its proliferation. However, such measures aren't fully effective to tackle fake news.

Issues in tackling Fake News:

- **First**, the rising cases of fake news in the country testify that **formulation of laws only does not prevent a wrong action**. The legal system needs to become more robust before it can be considered an effective solution.
- **Second**, the AI models use enormous amounts of power and leave a **huge carbon footprint**.
 - A 'Transformer' model, as of January 2019, used 6,56,347 kilowatt-hour (kWh), producing a carbon footprint of 6,26,155 lbs of CO₂ equivalent.
 - It incurred a cloud computing cost between \$9,42,973 and \$32,01,722 for a single training of the AI model.
 - Further, since the models tend to use text already present on the Internet, there is a tendency for the AI to **reflect strong negative human biases**.
- **Third**, the problem is aggravated by **the decline in history learning programs worldwide**.
 - While the National Council of Educational Research and Training (NCERT) curriculum has elements of historical thinking, **State boards are primarily focused on the memorization of content**.
 - The majority of contemporary conflicts in India are rooted in historical claims around politics, culture, and religion. These will intensify if the historical assumptions and data behind related fake news are not analyzed.

Suggestions:

- While the National Education Policy, 2020, captures the needs of the nation, it misses out on historical thinking. We need to **inculcate historical thinking to tackle the menace of fake news** and uphold Article 51A(h) of the constitution.
 - **Article 51A(h)** – It shall be the duty of every citizen to develop the scientific temper, humanism, and the spirit of inquiry and reform.

- Historical thinking is the set of thinking skills required for learning history. It consists of concepts like points of view, evidence, validity and reliability of the source, contextualization, and corroboration, apart from other skills.
- **Historical Thinking in the case of fake news:** A person should be able to read a piece of news, **examine the source for bias and ascertain whether the claims being made are factual or whether they constitute deliberate misinformation.**
 - Since fake news is designed to appeal to emotion, it becomes all the more important that a person is skilled at interrogating evidence, contextualising the information, and corroborating it with alternate sources.

8. Spooky change

Source: [Times of India](#)

Syllabus: GS 3 – Various Security Forces and Agencies and their Mandate

Synopsis:

The alleged spying attack (Pegasus) on opposition leaders, journalists and protestors has raised questions over the accountability and independent functioning of intelligence agencies. In this context, a private member bill is introduced for allowing parliamentary oversight over them.

Background:

Congress MP Manish Tewari has revived his private members' bill to give legal backing and parliamentary oversight to intelligence and security agencies. It includes the Research and Analysis Wing (R&AW), Intelligence Bureau (IB) and National Technical Research Organisation (NTRO). The idea, first mooted by Tewari in 2011, is excellent and **merits cross-party support.**

Rationale behind its introduction:

- **Augment Accountability:** There is no constitutional or statutory backing of IB, or even a formal charter, apart from a law of 1985, restricting some of its rights. There's no independent oversight or external scrutiny.
 - It is essential to lay out an intelligence agency's remit, the range of actions permitted to the minister it reports to, and protections for the agency's director. Such safeguards will help in preventing Pegasus-like attacks in the future.
- **Upholding Democracy:** It is essential for intelligence agencies to be accountable to the public through the legislature, instead of a report to the executive alone.
 - Secrecy is needed for security and intelligence work but in democracies, safeguards to prevent illegal or dubious practices are as important.
 - For example, there has to be **clear demarcation between public duties and information-gathering of political nature** that seems ultra vires of constitutional liberties.
- **Preserving Independence:** There must be institutional safeguards to allow officials to **refuse unreasonable instructions from the political executive.**
- **Regaining Trust:** Given intelligence agencies' enormous new powers of surveillance and enhanced instances of spying, the bill is essential to re-establish their credibility.

Global Scenario:

All over the world, scandals and rights abuses led to reforms.

- **U.S:** In the mid-1970s, shocked by CIA spying, the US enacted oversight mechanisms, including congressional scrutiny.
 - In the US, congressional intelligence committees, which work within a ring of secrecy, must be informed in advance of special operations.
- **Australia and Canada:** They enacted safeguards in the 1980s. In Canada, for instance, ministerial instructions have to be put in writing and made available to the oversight committee.
 - In Australia, reporting is done to an independent inspector-general, who further reports to the leader of the opposition.
- **U.K and Norway:** In the UK, the intelligence and security committee's oversight is limited to policy and finance. In Norway, to matters of human rights and the rule of law.

Way Ahead:

Parliamentary oversight doesn't mean the whole House. A specialised parliamentary committee to exercise systematic and focussed oversight is what India needs. India could do well by following the US model of parliamentary oversight.

9. IMD may deploy cutting-edge technology to forecast weather events more accurately

Source: [Business Standard](#)

Syllabus: GS 3 – Disaster Management

Relevance – Weather forecasting is important for disaster management and reducing farmer's crop loss.

Synopsis:

The ability of **India Meteorological Department (IMD)** is looking for the adoption of cutting-edge technologies like Artificial Intelligence (AI) and machine learning (ML) for improving weather forecasting.

Background:

- The standing crop of Ujjain farmers got destroyed recently due to poor weather forecast by the India Meteorological Department (IMD).
- However, now IMD has decided to increasingly use cutting-edge technologies such as **artificial intelligence (AI) and machine learning (ML) in forecasting**.
- This would help avoid such glitches and help counter the disruption of normal seasonal patterns as a result of climate change.

Enhancement in IMD's Data collection and processing:

- There are nearly 20 weather buoys and advanced weather station-equipped ships that collect data from the depths of the ocean. While over 25 Doppler radars monitor climatic conditions on land.
 - All this gives the Met department accurate data on sea surface temperatures, wind speed, and high- and low-pressure systems.
- The launch of two high-powered weather satellites, **INSAT-3D and INSAT 3D-R** in 2013 and 2016, respectively, has also given a fillip to the IMD's observation and data collection capabilities.

- The ability to **process observational data has also undergone a vast improvement due to a manifold increase in its computing power from 1 teraflop to 8.6 teraflops.**
 - Now it can come out with a forecast within three hours of the data being fed in, whereas earlier, this would take anywhere from 12 to 14 hours.

Impact of enhanced data collection and processing capabilities:

- The accuracy for predicting heavy rainfall has gone up from **60% to 80% in the last 10 years.** Similarly, cyclone trajectory can now be accurately predicted in the range of 30 km, earlier it was 200 km.
- Until 2012, the department did not have much success in forecasting **thunderstorms** accurately. But now it has **achieved 80-85% accuracy** in forecasting them three hours before the event.
- One area where the IMD has so far not had much success is, in predicting the occurrence of lightning. Predicting lightning accurately is very difficult, because it happens over a small area in a short span of time.

Path towards adoption of AI and ML by IMD:

- It has formed various **internal sub-groups of senior officials** and meteorologists to decide on **optimum use of AI and ML.**
 - It would analyse the usage in predicting cyclone intensity, and in making short-range weather forecasts (those valid for up to three hours) as well as long-range forecasts.
- The IMD, **along with the ministry of earth sciences, has also tied up with the Indian Institutes of Information Technology (IIITs)** at Allahabad and Vadodara, and with IIT-Kharagpur. The collaboration is aimed to hone its strategy of using AI and ML in weather forecasting.
- Moreover, it is **working closely with global tech giants** such as Google and others to fine-tune its use of AI and ML.
 - Google has been using IMD's automated alerts to immediately disseminate information on weather events such as heat waves, thunderstorms, rainfall and cyclones. These alerts show up on Google Maps and Search.

Once AI and ML have been adopted into the IMD's systems, deaths due to lightning (which number around 2,000 annually in India) are also likely to come down.

10. Cloning overcomes prejudices

Source: [Business Standard](#)

Syllabus: GS 3 – Science and Technology

Relevance: Use of technology for the betterment of agriculture

Synopsis:

The development and popularisation of cloning technology can be a boon for the Indian livestock sector, which relies heavily on buffalo milk.

Background:

- **Dolly (a sheep)** was the first cloned mammal created at the Roslin Institute in Scotland on July 5, 1996. Since then countless genetically exact copies of various animals have been generated around the world.

- But **only a few countries have adopted cloning as a means of developing elite populations** of commercially important livestock species. In this regard, India has performed well, especially in the case of buffaloes.

India and Cloning Technology:

- Workable indigenous cloning technology was developed in the late 2000s.
- The first cloned buffalo calf was born at **the Karnal-based National Dairy Research Institute (NDRI) on February 6, 2009**. It was named “**Samrupa**” (meaning lookalike) and died seven days after its birth due to a lung infection.
- It had put the very technology in the dock, but only until the **second cloned calf, called Garima**, was born four months later on June 6, 2009. Furthermore, it survived and even produced healthy progeny. The country **now excels in buffalo cloning**.
- **For the first time in the world**, seven cloned copies of an elite breeding buffalo bull (identified as M-29) and a re-cloned calf of an earlier cloned bull called Hissar-Gaurav were evolved last year.
 - They were developed at the Hissar (Haryana) based Central Institute for Research on Buffaloes (CIRB).
 - All these eight clones were born from different foster mothers between October 2019 and January 2020. This institute has used these bulls to produce thousands of doses of semen.

Utility of Cloning for the livestock sector:

- In India, **livestock rather than crop farming forms the mainstay of the livelihood** of small and marginal farmers and landless rural people.
- The development and popularisation of cloning can be a boon for the Indian livestock sector, which relies **heavily on buffalo milk**.
- At present, **five cloned buffalo bulls are already being used for the production of semen to be used for artificial insemination**. Further, 13 more would start doing this by December 2021.
 - The availability of **an adequate number of duplicates of such bulls can facilitate a mass-scale genetic upgrade of buffaloes**.
- The buffalo is getting preference over the cow also because it is a **milch-cum-meat animal**.
 - It **yields more milk and with a higher fat content** than an average cow does.
 - There are **no legal bars or taboos** concerning the disposal of aged animals.
 - Focusing on buffaloes would raise the production of both milk and meat, which has become a **key export item**.

Hence, the future of the Indian livestock sector lies truly in the promotion of well-bred buffaloes, apart from elite breeds of desi (indigenous) cows and crossbred animals.

11. Moon-forming region seen around exoplanet for the first time

Source: [The Hindu](#)

Syllabus: GS 3 – Science and Technology

Synopsis:

Scientists for the first time have spotted a Moon-forming region around a planet beyond our solar system. The research offers a deeper understanding of the formation of planets and moons.

Background:

- A study published in the Astrophysical Journal Letters has for the first time spotted a Moon-forming region around a planet beyond our solar system.
- More than 4,400 planets have been discovered outside our solar system, called exoplanets.
- However, no circumplanetary discs had been found until now as all known exoplanets resided in “mature” (fully developed) solar systems, except the two infant gas planets orbiting PDS 70.
- **Findings of the study:**
- The researchers used the ALMA observatory in Chile’s Atacama Desert to detect the **disc of swirling material accumulating around** one of two infant planets seen orbiting a young star called PDS 70.
- The disc around PDS 70c possesses enough mass to produce up to three moons, of the size of Earth’s moon.
- It is called a **circumplanetary disc, and it is from these that moons are born**. The discovery offers a deeper understanding of the formation of planets and moons.

About PDS 70:

- The orange-coloured star PDS 70, roughly the same mass as our Sun, is about 5 million years old. The star is approximately 370 light-years from Earth.
 - A light-year is the distance light travels in a year, about 9.5 trillion km.
- The system has two planets (PDS 70b and PDS 70c) around it which are even younger. Both planets are similar (although larger) to Jupiter, a gas giant.
- It was around one of the two planets, called PDS 70c, that a Moon-forming disc was observed.

Birth of a moon:

- Stars burst to life within clouds of interstellar gas and dust scattered throughout galaxies. Leftover material spinning around a new star then combines to form planets and circumplanetary discs surrounding some planets similarly yield moons.
- The dominant mechanism thought to underpin planet formation is called “**core accretion**”.
- In this scenario, **small dust grains, coated in ice, gradually grow to larger and larger sizes through successive collisions** with other grains.
- This continues until the grains have grown to the size of a planetary core. Once the core is formed, the young planet develops a strong enough gravitational potential to accrete gas which will form its atmosphere.
- Some nascent planets attract a disc of material around them and the process of core accretion begins which eventually leads to the formation of moons around planets.

12. Wounded mountains

Source: [The Hindu](#)

Gs3: Disaster and Disaster Management.

Synopsis: Tourist tragedy in Himachal Pradesh points to the importance of preserving ecology

Background

- The tragic death of nine tourists in a landslide in Kinnaur district of Himachal Pradesh is another example highlighting the fragility of the ecology of the Himalayan States.
- Encouraging an incompatible model of development in the hills, represented by big hydroelectric projects and large-scale destruction of forests and damming of rivers, will erode its ecology.
- Sooner, the Himalayan States may be entering a phase of irreversible decline because of losses to their ecology and frequent landslides may become inevitable.

Impacts of Hydropower Projects

- **The Parliamentary Standing Committee on Energy during 2018-19** noted that the State could more than double its existing harnessed hydropower potential of 10,547 MW.
- But one scientific estimate warns that predatory tapping of the river through all planned projects would result in nearly a quarter of its waters in dams and a staggering 72% through tunnels.
- Other researchers, studying the 2015 Nepal earthquake, point to high seismicity causing fatal landslides and severe damage to hydropower structures in the Himalayas.
- It is clear that the cost of power produced was underestimated, while the potential was overestimated.
- Also, the costs to people and communities, together with the loss of pristine forests that weak afforestation programmes cannot replace, are not taken care of.

Mega hydropower projects could alter several aspects of ecology, rendering it vulnerable to the effects of extreme events such as cloudbursts, flash floods, landslides, and earthquakes

13. Introducing Gross Environment Product in Uttarakhand: A jargon or reality?

Source: [Down to Earth](#)

Gs3: Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Synopsis: The Uttarakhand government may introduce a well-defined concept of ecosystem services **Gross Environment Product' (GEP)** its objectives.

Background

- Degradation of ecosystems had led to adverse impacts on more than 60 per cent of services we get from the ecosystems.
- The idea of valuation of the components of environment got impetus following rapid degradation of ecosystems.
- Recently, the Uttarakhand government has announced that it will initiate valuation of its natural resources in the form of '**Gross Environment Product' (GEP)**, along the lines of Gross Domestic Product (GDP).

Ecosystem Services

- The term "**ecosystem services**" was coined in 1981.
- According to Costanza, ecosystem services are the benefits human populations derive, directly or indirectly, from ecosystem functions.

- Ecosystem services represent the benefits humans get: Forests, lakes and grasslands; timber and dyed; carbon sequestration and nutrient cycling; soil formation and productivity; and tourism.
- Degradation of ecosystem services, increased risks, and the exacerbation of poverty for some groups of people.
- These problems, unless addressed, will substantially diminish the benefits that future generations obtain from ecosystems.
- Ecosystem services are now the well-defined field of research worldwide.

Ecosystem Services provided by Uttarakhand

- Uttarakhand holds a distinct position historically on social awareness towards the importance of ecosystems
- It may be emphasised that because of the river connection, Uttarakhand has a special place in providing soil and water to the Gangetic plains.
- Harnessing hydropower potentials is an aspect that demands wider scope of ecosystem services.
- Further, Himalayan rivers not only drain down water but also carry millions of tonnes of sediments.
- However, the ecological regime of the hills of Uttarakhand and other Himalayan states is being destroyed with little or no benefit to regions from where they are being harnessed.

Concept to measure Ecosystem Services

- According to the recommendation of the 12th and 13th Finance Commissions, grants were transferred to forest-rich states in amounts corresponding to their forest covers.
- However, considering only the forest cover in transferring funds to states is inadequate.
- If the payments are to reflect the true value of the services provided, then Ecosystem services need to be measured and assigned unit values.
- Singh introduced the **concept of service providing** (example, the Himalayas) and **receiving zones** (example, the Gangetic Plains).
- It should be understood that while valuing ecosystem services, the population size served is important.
- That is why Uttarakhand, which substantially serves Gangetic Plains, is far more important than Sikkim, which has only a small population to serve in plains.
- Singh and his team suggested a system to valorize ecosystem services in the Himalayan states of India, in a way that is consistent with the national mission on Himalayan ecosystems.
- According to them, ecosystem services of a state benefiting the rest of the country and world should be valued, and these values should be incorporated into national accounting.
- The main argument is that since the market does not perform money transfers from regions that benefit from ecosystem services to regions that produce them, the central government should perform this transfer.

Way forward

- The decision of Uttarakhand government to incorporate GEP appears to be a welcome step. But the purpose of introducing GEP is not transparent.

- Is it a process of simple valuation of state's ecological wealth? or
- It is an attempt to claim budget from the centre against ecosystem services the state provides to the rest of the country? or
- it is a process of providing benefits to its own residents is not clear
- Introducing a new term **Gross Environment Product' (GEP)**, with no clear-cut narrative invites serious doubts on the intention of the government.
- So, it is important that the state should be steady in approach, focussing on Ecosystem Services, which have global acceptance and a strong knowledge base.

14. A framework for microfinance regulation that would suit India

Source: [Live Mint](#)

Gs3: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Synopsis: The proposed framework for microfinance regulation by RBI is a great leap forward and reflects bold thinking. Yet, expanding it to cover other elements can usher in responsible retail lending that includes but transcends microfinance.

Background

- The **Malegam Committee Report** of 2011 helped establish micro-finance as a legitimate asset class,
- After 10 years then, the Reserve Bank of India (RBI) had released its Consultative Document on Regulation of Microfinance in June 2021. This has several bold and fresh elements.
- Public policy would take a huge leap forward if other policy institutions adopt a similar approach on archaic laws and rules.

Evaluation of RBI's major proposals?

- **First**, RBI is considering to remove the following
 - Limits on loan amounts, tenures
 - Limits on the number of non-bank finance company-microfinance institutions (NBFC-MFIs) lending to a borrower,
 - Its minimum 50% income-generation requirement,
 - its pricing cap for NBFC-MFI loans.
- These are welcome, given the maturing nature of the sector.
- **Second**, RBI is considering a common definition for 'microfinance' to mean 'collateral-free' loans to households with annual household incomes of ₹125,000 and ₹200,000 for rural and other areas, respectively.
 - The feature of equal monthly repayments seems to have been left out.
 - However, it's not clear whether all other loans to these households, such as agriculture, Agri-equipment and gold loans, housing and two-wheeler loans, will fall outside this definition.
- **Third**, the idea of assessing household income and formal debt and not lending beyond a debt-to-income cut-off needs more deliberation.
 - According to **Dvara Research study of Indian household income**, Expenditure as a proportion of income is quite high for the bottom three quintiles.
 - So, providing consumption credit may be unsuitable for a household with, say, 30% debt as a proportion of income.

- Additionally, factors such as high informal debt, or a high likelihood of health or weather shocks, can render debt unsustainable for households that lack insurance, liquidity buffers, etc.
- In such a scenario, the 50% cut-off might be too low and push such borrowers towards expensive informal debt.
- One idea is to define a 'debt-to-disposable income' cut-off, lending beyond which will need to be substantiated by lenders.
- Determining income ranges for various customer segments with the support of industry bodies and using combined bureau reports for loan pricing can lend momentum to sector-wide solutions by the private sector.
- **Finally**, an overarching set of principles to prevent mis-selling by retail lenders is missing in our regulatory lexicon.
 - The **European Banking Authority's Guidelines on Loan Origination and Monitoring, 2020**, have clear lender obligations for consumer credit and prohibitions on unsuitable outcomes. These are worth considering for India.

Terms to know:

- [Malegam Committee](#)
- [NBFC-MFI](#)

15. What is prepackaged insolvency resolution & how does process work?

Source: [Business Standard](#)

GS -3: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development, and Employment.

Synopsis: This article analyses the prepackaged insolvency resolution.

Read about – [Pre-pack insolvency mechanism](#)

What is the prepackaged insolvency resolution?

- Prepackaged resolution is a fast-track process that identifies a resolution plan before the process is admitted by the **National Company Law Tribunal**.
- It is an arrangement where the promoter of the stressed company proposes a resolution plan to the creditors before the company can be taken to bankruptcy proceedings.
- The purpose of this scheme is not just to have a timely and faster resolution mechanism, but also to give legal sanction to a plan agreed among banks, promoters and the buyer.

How does the process work?

- The scheme is currently **available only for MSMEs** and follows a **debtor-in-possession model**.
- The promoter of the MSME can propose a base resolution plan to the **committee of creditors** (CoC).
- If the plan is not acceptable, then the resolution professional would invite other applicants to propose a plan within 90 days.
- The CoC can go for the alternative resolution plan if it is significantly better than the base resolution plan proposed by the promoter.
- It can also ask the promoter to revise its plan.

How is it different from the corporate insolvency process?

- Under **Corporate Insolvency Resolution Process (CIRP)**, the company is managed by the **resolution professional**. Whereas a pre-pack process does not result in the change of the company's management while the process is on. The management would continue to vest in the board of directors or the partners.
- Further, the deadlines have been moved up for the prepackaged scheme compared to CIRP.
- For instance, the corporate debtor has to submit the resolution plan within two days of the commencement of the prepackaged insolvency. Further, the entire process has to be completed within 120 days of the commencement date.

Eligibility for a pre-pack option?

- To be eligible for pre-pack, a company must not be undergoing a corporate insolvency resolution process.
- A pre-pack cannot be initiated within three years of closure of another prepack.

What are the benefits of the prepackaged scheme?

- Expected to involve fewer legal disputes and faster resolution than a CIRP.
- It Will prove to be a quicker, cost-effective insolvency resolution process
- Also, it will be least disruptive to the businesses, ensuring job preservation.
- Similar provisions for large corporate entities can help in resolving stress early and cut resolution time for corporations staring at default.

16. Beyond corporate deleveraging

Source: [Business Standard](#)

Gs3: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment

Synopsis: Without higher exports, India would not be able to attain higher sustainable growth in the coming years.

Deleveraging process in India

- Indian companies are reducing debt on their books and increasing their cash balance. Firms are selling assets and avoiding investment at this stage, to be in a more stable position.
- The deleveraging process, however, is not limited to large companies.
- The Reserve Bank of India's latest **Financial Stability Report**, for instance, showed that the **debt-to-equity** ratio for 1,360 listed private non-financial companies was reduced.

What does this imply?

- A reduction in overall corporate debt and an increase in the cash balance, suggest that firms are not willing to invest and are perhaps preparing for a prolonged period of uncertainty.
- Thus, private investment is likely to remain subdued in the foreseeable future, which will affect India's growth prospects.
- This also suggests that firms would be distributing more dividends and banks will be lending more to the government.

Government resources are constrained

- Private consumption will remain weak, as most households suffered income loss because of the pandemic. Normally, under such circumstances, **higher government expenditure** is used to revive demand.
- As economists Sajjid Chinoy and Toshi Jain of JP Morgan showed in a recent paper, strong government expenditure was a key driver of economic growth in the years before Covid.
- Government consumption went up by an annual rate of 9 percent between 2014 and 2019 and increased to 11 percent since 2017.
- This resulted in a significant expansion in borrowing, and the pandemic further pushed up the fiscal deficit.
- Since the public debt has increased to about 90 percent of gross domestic product, the government's ability to support growth with higher expenditure would remain limited.
- It could push capital expenditure by raising resources through aggressive disinvestment.

Exports are Key to Sustain Growth

- Since private consumption and investment, and government expenditure are likely to remain constrained, only higher exports could drive growth.
- They would also boost consumption and investment, like they did in the first decade of the century.
- Global trade is recovering well and has helped Indian exports in recent months.
- But sustainability could become an issue as higher exports are largely being driven by higher global commodities prices.
- The government must focus on increasing exports sustainably, which would require a serious re-evaluation of trade policy.

17. How the factoring business can help small companies

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

GS3: Mobilization of Resources, Growth, Development, and Employment.

Relevance: Factoring will be one of the measures to revive MSMEs.

Synopsis: Recently, the Lok Sabha cleared the **Factoring Regulation (Amendment) Bill** that aims to support this sector.

Introduction:

Micro, small and medium enterprises (MSMEs) persistently face payment delays from large clients. This hurdle will be tackled by factoring businesses.

What is factoring business?

- When MSME suppliers have to wait long for payments, they sell the purchase invoices to factoring businesses.
- These businesses buy the invoices at a discount so that MSMEs get their money quickly. Thus, factoring helps small firms to manage their working capital cycle.
- **Non-banking financial companies (NBFCs) and firms need a license** to be in the factoring business, but not banks and statutory corporations.

How it is done?

- Factoring is **done manually as well as over the electronic exchange** called Trade Receivables Discounting System (TReDS).
- RXIL, Invoicemart, and M1xchange are three such platforms for online factoring.

What does the new Act seek to achieve?

Read – [Factoring Regulation \(Amendment\) Bill, 2020](#)

Benefits to small businesses:

- Firstly, due to pandemic MSMEs suffering from the stretched payment cycle.
 - It has **lengthened the payment wait** for MSMEs. A vibrant factoring industry will make financing smooth for them.
 - It will improve their ability to purchase from large producers, which will help in repairing the supply chain disrupted by the pandemic and mobility restrictions.
 - More players in the factoring business are expected to **improve competition and efficiency**.
- Secondly, one difficulty MSMEs have in access to credit is the absence of physical assets against which lenders could give credit. A robust ecosystem of factoring in this context assumes significance.

Hence, the number of players, as well as the factoring transactions, is expected to go up once the changes take effect.

18. Theatre Commander under Chief of Defence Staff is not a good idea

Source: Indian Express

Syllabus: GS3 – Various Security Forces and Agencies and their Mandate.

Relevance: Issues pertaining with reorganisation of operational assets of the three services into four theatre commands.

Synopsis: Forming a separate air defence command for the air defence of the entire nation seems an impractical idea considering our resource limitations.

Background

The government is reportedly planning to re-organise the military into a theatre command under the chief of defence staff (CDS). The assets of the Air Force will be split into four and distributed among four operational theatres.

Naresh Chandra Committee

In 2012, the Naresh Chandra Committee suggested the creation of a CDS. It would take overall functions of the chairman, chiefs of committee as well as the responsibilities pertaining to centralized planning, induction, training, intelligence, and logistics.

Operations, according to the committee's suggestion, **would continue to be managed by the respective chiefs of staff**. The CDS was to exercise operational control only of the Strategic Force Command and the Andaman Nicobar Command. The CDS secretariat would handle all responsibilities assigned to the CDS.

Sometime in 2016-17, this idea was modified to organise the operational assets of the three services into four theatre commands, all of which are now proposed to be brought under the CDS.

Concerns

- **Compromise mission effectiveness:** Dilution of the combat assets of the Air Force might **severely affect mission-effectiveness**. The reorganisation project calls for careful study before it's implemented.
- One should not expect the **current level of efficiency** to be maintained if the combat inventory of the Air Force is split into smaller units.
- **Lack of in-depth understanding:** A land theatre command, if given power over the air elements, may not have the confidence to launch an operation like Balakot mission. Because of the lack of in-depth understanding of the organizational complexity and the risks involved.
- **Coping up with inc responsibility:** It is extremely doubtful if the CDS can cope with the enhanced responsibilities that include operations. The idea was to reduce the responsibilities of the chiefs of staff by introducing the CDS who was to take only non-operational responsibilities.
- **No evidence of advantages offered by theatre commands:** There is no white paper on the advantages of the theatre commands or one listing the merits of the CDS being the operational head of the entire military operation. Joint planning is a must, but operations are best undertaken by individual services who know what other services are doing and when.
- **Extensive training:** The land theatre commander will now have to learn to utilise these assets on missions that are not in the "regular books" of land forces. This will now require extensive training, which AWACS (Airborne Warning And Control Systems) would need to participate in regularly. Will a theatre commander from the army be able to manage such tasks?

Why, a separate air defence command, is an impractical idea?

- Forming a separate air defence command for the air defence of the entire nation seems an impractical idea considering our **resource limitations**.
- The current arrangement of a **decentralised air defence organisation** managed by Air Force geographical commands has functioned faultlessly.
- A majority of the combat element deployed for air defence can also perform offensive air defence (counter-air) missions. These could be switched to a striking role, or even a maritime role when required. The existing structures afford better flexibility.

Also Read: [Four theatre commands likely to be raised by year end](#)

Conclusion

We are trying to effect changes at a time the military is deployed actively. The Chinese have dug in hard, and we do not yet know their strategy and, importantly, the capability of their Air Force. Standard Air Force missions may not work. To divide the Air Force into four units at this moment is inadvisable. The Air Force is in the midst of absorbing new inductions and weapons. These are being deployed while training is in progress. In such a scenario, it is inadvisable to initiate organizational changes.

19. Climate change has raised tricky questions over policy responses

Source: [Livemint](#)

Syllabus: GS 3 – Conservation, environmental pollution, and degradation.

Relevance: Mitigation of climate change and its effect is an important topic in the Environment.

Synopsis:

The G20 environment ministers can speak of ambitious goals. But to succeed in mitigation measures towards Climate change, the world has to take some drastic steps.

About the G20 environment ministers meet:

In the recent G20 environment ministers meet, they said that all 20 countries would try to limit global warming to 1.5° Celsius above temperatures before the Industrial Revolution.

This is a more aggressive target than that of the [Paris Agreement](#) in 2015 when almost all countries in the world agreed to keep it below 2° Celsius.

The new G20 agreement comes just before the United Nations Climate Change Conference in Glasgow this November. The sharp drop in economic activity in 2020 caused by the pandemic led to a parallel decrease in carbon dioxide emissions and a big increase in poverty, globally.

Read more: [Progress on Paris Climate Change Agreement: In India and the world](#)

Challenges in mitigating climate change:

- **Large financial costs:** At the very least, it will involve **large financial costs**. **Most of the carbon** pumped into the atmosphere has come **from rich countries**. **Countries like India** still have **low carbon emissions per capita**, as well as low carbon intensity for every unit of GDP.
 - It is unfair to **expect the global poor to share the burden of mitigation equally with the global rich**, especially if it means sacrificing income growth.
- Another aspect of climate justice is also important. I.e. **between current and future generations**. Some argue that **today's generation should only minimally pass on costs to future generations for emissions** that the latter were not responsible for.
 - On the other hand, there are also others who say that **generations to come will be richer than the current one and better able to afford** the bill for a green shift.
- **Challenges with subsidies for green technology promotion:** The use of subsidies leads us to an old question about whether governments are good at picking technologies. For example,
 - **Big subsidies for solar** power or one variant of electric vehicles might make it **harder for other green options to attract investment**.
 - A **carbon tax** is simpler because it punishes polluters, but **makes no distinction between green alternatives available** right now and ones that can potentially emerge later.

Suggestions to mitigate climate change:

- **Meeting the ambitions of generations:** A lot depends on what economists call the **discount rate**, on **how costs are shared between generations**. A low rate will place a higher burden on the current generation. The governments have to decide on discount rates also.

- There are two contrasting ways in which incentives can be used to make the shift to a green economy as smooth as possible.
 - Impose hard pollution quotas decided by a public agency. The government needs to avoid going back to license raj during executing quotas.
 - Use policy levers to change relative prices, either by imposing high carbon taxes or by subsidizing alternatives, or some combination of the two.
- **Investment by private: National action plans should be complemented with private sector commitments.** That could well be an emerging issue in corporate governance. Individual cities or companies can also draw up their own strategies to reach net carbon neutrality by 2050, or even earlier.
 - For instance, when the former US President pulled the US out of the Paris Agreement, individual states, companies, and universities responded with voluntary pledges to cut their carbon footprints.

20. Let's make room for the river

Source: [The Hindu](#)

Syllabus: GS 3 – Disaster and disaster management

Relevance: Mitigation of flood is an important topic in Disaster Management

Synopsis:

The recent floods in Europe are a wake-up call for us to adopt the Dutch mantra, 'live with water, build with nature'.

About the flood in Europe:

Recently, **a month's rain poured in just 24 hours in Germany and Belgium.** This caused multiple rivers to burst their banks and flood parts of the two countries as well as the Netherlands, Luxembourg, and Switzerland. These areas of Europe have not witnessed such heavy rainfall for more than a century.

The floods showed that climate change spares none. Even if a country has adequate resources and advanced infrastructure (physical as well as organisational), it can find no escape from extreme climatic events. It bore an uncanny resemblance to what Kerala experienced in August 2018.

How Climate change can cause floods?

- Experts say the **more CO2 the world emits** into the atmosphere, the **warmer will be the air temperature.** Warmer air holds more moisture and results in excess rainfall, which leads to flooding.
- Additionally, **increasing temperatures at the poles result in slower movement of storms** in the mid-latitudes. As a result, **storms linger longer at a specific place.**
- The combination of a **slow-moving storm and the presence of surplus moisture in the atmosphere results in intense rainfall** in one location within a short period of time.
- In 2018, Kerala, for example, witnessed 414 mm of rain in just three days. Rainfall for the period of August 1 to 19, 2018, in Kerala was **164% more than normal.**

The Dutch example:

After two major floods in 1993 and 1995, the Dutch embarked on several projects to widen riverbanks and reshape the areas around rivers.

The Dutch have **gone beyond their conventional dependence on dikes, dams, walls, and gates** to protect themselves from floods. Their current disaster resilience mantra is to **live with water, build with nature and make room for the river**. They champion **creating adequate space for rivers to overflow by protecting floodplains from human interference, deepening riverbeds, and creating alternate channels for excess water**.

Due to these initiatives, Many towns were submerged in recent floods in the Netherlands. But there are no casualties.

Lessons for India from Floods in Europe:

The floods in Europe serve as a wake-up call to us in India to **adopt pragmatic policies and practices that are nature friendly**.

- Similarly, **low-risk areas** such as playgrounds, maidans, or agricultural fields **should be earmarked to store excess rainwater**.
- **Fulfilling the recommendations of the** United Nations Development Programme-World Bank-European Union's **Post Disaster Needs Assessment report** prepared for Kerala after the 2018 floods. The important recommendations include,
 - Increasing the **drainage capacity** of the rivers and canals of the State **by creating more room for the water to flow**.
 - **Removing obstructions and encroachments from existing water channels**, the proper maintenance of such channels, and **creating additional channels** for water to flow.
- In the short term, **strengthened disaster readiness, planning, and preparation will help us deal with sudden**, intense rain and consequent floods.

21. Stimulus 'inadequate', 25% of MSME loans may default: Panel

Source: [Indian Express](#)

Syllabus: GS-3

Relevance: A legislative group assessed the stimulus package for MSMEs by the Central government.

Synopsis: Concerned about the dire state of small businesses, the committee advised that the government announce a "bigger economic package aimed at increasing demand, investment, exports, and job creation to help the economy, particularly MSMEs."

Introduction

The stimulus package provided by the Central government is "inadequate," according to a legislative group assessing the impact of Covid-19 on MSMEs. The measures were more of loan offerings and long-term, rather than improving cash flow to generate demand as a quick relief. The Department-related Parliamentary Standing Committee on Industry has advocated for soft loans to MSMEs at a low interest rate of 3-4 percent, liquidity assistance for small businesses, and the establishment of a National Electronic Employment Exchange, as well as a new employment policy.

What did the RBI committee found out and suggested after the impact of the pandemic on MSMEs?

According to the study, "it is predicted that over 25% of MSME loans may fail because some MSMEs are having difficulty obtaining working capital from banks," the chambers told the Committee.

- **Firstly, the committee, chaired by a Rajya Sabha MP, recommended that the Reserve Bank of India ease non-performing asset (NPA) classification rules for MSMEs and align them with the payment cycle.**
 - The RBI's 90-day limit for classifying MSMEs' overdue should be increased to 180 days so that MSMEs are not forced to shift their working capital to servicing loan-installments and clearing debts at the expense of normal business operations.
 - This adjustment in RBI criteria will save a substantial number of MSMEs from going bankrupt or closing down. The MSME sector accounts for over 30% of the country's production and nearly half of its exports.
- **Secondly, no comprehensive research has been done** by the Ministry of MSME to determine the actual losses experienced by the MSME sector due to the government's statewide lockdown.
- **Thirdly, in addition to subsidised soft loans for MSMEs, the panel advised that traders and retailers be included in the Emergency Credit Line Guarantee Plan (ECLGS)** and that the existing subordinated debt scheme is restructured.
- **Lastly, the group offered suggestions for promoting domestic production** and reducing import dependency. The availability of soft loans to MSMEs at a low-interest rate with a long repayment term, easier land acquisition, and fewer compliance requirements, could aid in the development of import substitution in the country.

22. Oxygen for fiscal federalism

Source: [The Hindu](#)

Syllabus: GS 2 – Issues and Challenges Pertaining to the Federal Structure

Relevance: This article focuses upon the aspects of Fiscal federalism in India.

Synopsis:

A special GST rate could be levied by using the power under Article 279A. This would enable the States to raise more resources during the pandemic.

Background:

- India has a federation with a strong centralizing policy. Nonetheless, India maintained its limited federal characteristics for a fairly long time.
- However, many experts now feel that federal characteristics are being threatened and undermined in recent times.

Undermining Federalism:

- **First**, the Goods and Services Tax (GST) law assured States a **14% increase in their annual revenue** for five years (up to July 1, 2020). However, the Union government has **deviated from the statutory promise** and has been insisting that States avail themselves of loans. Kerala is entitled to a GST compensation of Rs. 4,041 crore for the financial year 2020-21. But the Union government has been disregarding this obligation.
- **Second, last year, the Union government increased the borrowing ceiling of the States from 3% to 5% for FY 2020-21.** But the conditions are attached to 1.5% out of this 2% increase of ceiling. States will have to bear the burden of welfare and relief measures during the pandemic. These conditions go **against the principle of cooperative federalism.**

- **Third**, the 15th **Finance Commission** had recommended Rs. 2,412 crore as a sector-specific grant and Rs. 1,100 crore as a State-specific grant for Kerala. **But this amount has not been released.**
- **Fourth**, the expenditure rules attached to the **Disaster Management Fund** are **unviable**. This inhibits the state's discretion in doing disaster-related expenditures.

Suggestions:

- **The present GST compensation period will end in 2021-22.** Beyond this period, it is going to be very difficult to convince the Union government to provide compensation, as there is no constitutional obligation to do so to the States.
 - The Union government can consider using its powers under **Section 4(f) of Article 279A** to raise additional resources during the pandemic.
 - **Section 4(f)**: It enables the Goods and Services Tax Council to make recommendations on any special rate or rates for a specified period. In order to raise additional resources during any natural calamity or disaster.
- **The future interest liability of loans** should not be placed on the shoulders of the States. Moreover, the borrowing limit of States, as per the Fiscal Responsibility and Budget Management Act, should not be built into these loans.
- The **Corporate Social Responsibility Fund** could be remitted to the **Chief Minister's Relief Fund** in order to augment disaster management resources.
- These are some urgent necessary measures that are to be taken for pumping oxygen to fiscal federalism in India.

23. How to Exit Farming Risk Trap

Source: [Indian Express](#)

GS3: Issues related to Direct and Indirect Farm Subsidies and Minimum Support Prices

Relevance: The article highlights issues in Indian agriculture

Synopsis: Reforms in agriculture are needed to extract ourselves out of the risk-laden currents of agriculture.

State's interference in agriculture:

Indian agriculture was saved from nationalization due to opposition of Swatantra Party in Parliament against Jawaharlal Nehru's farm collectivization efforts in the 1950s. However, even today, government agencies have a say on all aspects of the farmer's livelihood. It includes **13 central and countless state ministries and agencies** that oversee rural property rights, commodity prices, input subsidies and taxes, agribusiness and research, etc.

The result has been a suffocating mix of **arbitrary and conflicting policy interventions** by both the central and state government agencies. For example, poor and varying levels of provision of basic public goods, including irrigation.

Implications of state's interference:

- First, **relatively low productivity levels** with high levels of **variation in crop yields across the country**. It has resulted in lower levels of individual welfare and higher levels of overall risk. The **large gap in rice and wheat yields** between Punjab and Haryana and the farm districts in the rest of the country remains far from being closed.
- Second, there is **severe unevenness in the provision of common goods**. The absence of well-functioning markets for agricultural land, crops, inputs, poor quality of

education, and slow progress achieved on labor reform **have reduced overall resource mobility**. They have limited the mobility of ideas and technology.

- Third, the real promise of a **decentralised system** has **failed to materialize due to** highly fragmented efforts with different “agricultural models” for different farming districts.
- Four, the **various input subsidies and minimum price guarantee procurement** schemes have worsened the overall levels of productivity. It has **resulted in the degradation** of our water resources, soil, health, and climate. Thus, it is **no surprise** then that the farm households of Punjab and Haryana fear both, the loss of state support for rice and wheat and the higher risks implied by a switch to other crops.

Suggestions

Farm reforms must be **oriented towards minimizing risk** and increasing returns for farmers. Farmers must be free to determine the **best mix of resources, land, inputs**, technology, and organizational forms for their farms. Farmers must be **allowed to enter and exit agriculture** on their own terms and contract with whomever they wish.

24. Govt must not micromanage

Source: [Business Standard](#)

Syllabus – GS-3: Changes in Industrial Policy and their Effects on Industrial Growth.

Relevance: The article highlights lacunas in present government policies for industrial development.

Synopsis: The Centre should focus on a broad policy framework rather than micromanaging the industrial and developmental activities of States.

Background

At present, the Union government has adopted the approach of micromanagement of industrial policy and to develop activities that have to be implemented by the states. Government intervention lies in the belief that **East Asian growth** rested on direct interventions by public officials in the decisions taken by corporations about investment, technology, and trade.

What is Micromanagement?

Micromanagement is when matters that should be left for decision by a lower level are controlled and decided at a higher level. The main problem with this is that the focus on the broad policy framework is lost.

Read about – [What is PLI Scheme?](#)

The PLI reflects a micromanagement approach to policy

- it gives government officials, with little experience of commercial activities, the discretionary authority to define who is eligible for the incentives.
- It is a **business-friendly approach** not a **market-friendly approach** and will lead, sooner or later, to favouritism and possibly even corruption.
- A business-friendly approach based on subsidies may show some immediate gains, as the increase in the domestic production of mobile phones. But a market-friendly approach will lead to broader gains that are not dependent on subsidies.

- A market-friendly approach will set a stable framework of regulations and taxes, macroeconomic stability, and a correctly valued exchange rate and leave it to the market to pick winners and losers.
- In fact, such a market-friendly approach may achieve more than micromanagement by bureaucrats and politicians, as it will offer incentives for all sectors.

Areas where government should involve itself:

- It can address more specific factors that are holding back industrial growth and exports like
 - inadequacies of infrastructure,
 - inadequate research and development in industry,
 - shortages of skilled labor,
 - imperfections in the capital market for MSMEs, and so on.
- If the government had chosen to spend Rs 1.9 trillion on correcting these impediments, we would have achieved much more by way of growth and competitiveness.

Union government Micromanaging the development efforts of states

- Another area is the growing intrusion of the Union government in the development efforts of states through conditional grants given under centrally-sponsored schemes. The budget provision for this has gone up from Rs 3.4 trillion in 2020-21 to Rs 3.8 trillion in 2021-22.
- There is a great diversity between the states, but also within the states. A standardized approach of the Union government for designing public interventions in the agriculture, health, and education sector are not right. Here, policies must suit local conditions. For instance, the terms of a grant for drinking water supply for Kerala and Rajasthan can't be the same.

Way forward

- The Union government must not try and micro-manage what corporate management and state governments have to implement.
- It should recognize that now these lower-level decision-making entities have the competence and will make the right choices.
- It should focus more on building a framework for these decisions that is stable and consistent in a market-friendly and federal economy, and on promoting decentralized collaboration on matters of inter-state significance.

25. Richer, and poorer: Inequality will continue to scar the economy long after Covid leaves us

Source: [Times of India](#)

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

Relevance: COvid pandemic has increased the already huge inequality in the world. Steps to tackle this should be initiated.

Synopsis: There is a high possibility that the post-Covid world would be a more unequal world.

Introduction

Mass deaths reduced the labor force, and post-pandemic labor scarcity resulted in increased pay. Inequality decreased as wages increased disproportionately faster than profits.

- Inequality caused by Covid is a global issue. In the midst of the second wave, when millions of poor people were gasping for oxygen outside hospitals, Mercedes achieved the highest monthly sales of its ultra-luxury SUV in June.
- The number of billionaires in the country climbed from 102 to 140 last year, when the economy saw its worst downturn since independence. 75 million people fell into poverty, accounting for 60% of the global rise in poverty, according to Pew Research.
- Despite last year's strict lockdown, listed company earnings as a percentage of GDP achieved a ten-year high of 2.6 percent. Whereas CMIE data showed the jobless rate had risen to 23.5 percent at the peak of the lockdown.

How has inequality risen during the pandemic?

Sharpening of disparities came from a variety of places and angles.

- **Firstly, people who lived in slums and other densely populated places were more susceptible to the virus**, and they were compelled to spend their savings on treatment and survival. The wealthy could either defend themselves or if they became infected, could afford treatment, isolation, relaxation, and recuperation.
- **Secondly**, poorer people, who work in contact-based industries like restaurants, hotels, travel, and tourism, have seen their **jobs and wages suffer as a result of the lockdowns**. Those in white-collar employment could easily adjust to remote working, have their paychecks safeguarded, and even exploit the lockout to save money.
- **Thirdly, large corporations were able to take advantage of low financing rates and raw material costs**, as well as brutally eliminate jobs. While small businesses and micro-businesses in the informal sector were forced to close.
- **Fourthly**, to maintain financial stability and keep the economy moving, the Reserve Bank of India, like other central banks, **lowered interest rates and injected massive amounts of cash**. Instead of going into productive activity via loans, all of that money has gone into the stock market, fueling an asset price boom. The poor have been hammered hard by inflation, which is already over 6% and above the upper limit of the goal band.
- **Lastly, this heightened inequity will linger long after Covid has passed away**. For example, **online education has widened an already wide digital gap**. Only about a third of the youngsters had access to online classrooms, according to the Annual Status of Education Report (ASER).
 - Learning quality is questionable, given that virtual teaching is a novel experience for both teachers and students, raising fears that school accomplishment levels, which are currently alarmingly low, could be further undermined.

Inequalities are both morally and politically damaging. Our largest growth driver is the enormous consumption base of the lowest half of our population. They will spend more if they earn more, which will result in increased output, jobs, and growth. This virtuous loop is what we need to focus on.

26. Depositors to get up to Rs 5 lakh within 90 days if bank under moratorium

Source: [The Hindu](#) and [Business Standard](#)

Syllabus: GS 3 – Indian Economy and issues relating to planning, mobilization, of resources

Relevance: The DICGC Bill provide big relief to small depositors

Synopsis:

The Union Cabinet has cleared the Deposit Insurance and Credit Guarantee Corporation (DICGC) Bill, 2021 which will allow depositors to withdraw up to Rs 5 lakh in 90 days.

About the Deposit Insurance and Credit Guarantee Corporation (DICGC) Bill, 2021

- The DICGC Bill, 2021, will cover banks that have been already placed under a moratorium and will insure savings deposits, fixed deposits, current and recurring deposits.

Procedure:

DEPOSIT INSURANCE COVERAGE

Insurance limit (in ₹)

Jan 1, '62	1,500	
Jan 1, '68	5,000	
Apr 1, '70	10,000	
Jan 1, '76	20,000	
Jul 1, '80	30,000	
May 1, '93	100,000	
Feb 4, 2020	500,000	

PREMIUM RATES PER ₹100 DEPOSIT

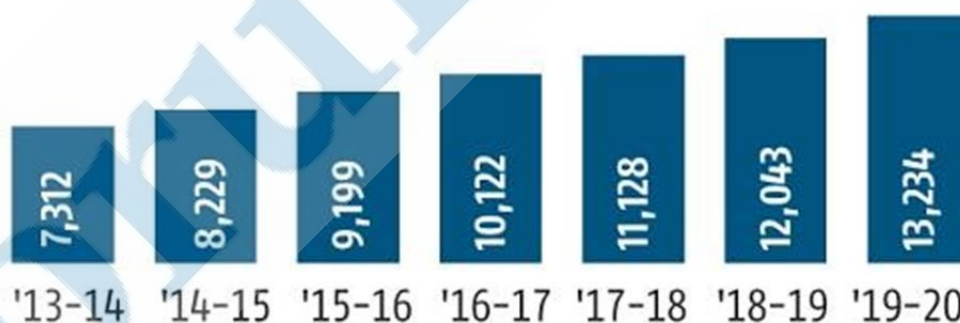
(Premium in %)

Jan 1, '62	0.05	
Oct 1, '71	0.04	
Jul 1, '93	0.05	
Apr 1, '04	0.08	
Apr 1, '05	0.10	
Apr 1, 2020	0.12	

PREMIUM INCOME

₹ crore

Source: DICGC
annual report
2019-20



Source: Business Standard

- Each depositor's balance of ₹5 lakh is guaranteed for both principal and interest.
- In the first 45 days, after the bank is placed under a moratorium by the Reserve Bank of India (RBI), the lender will collect all depositor claims and submit them to DICGC.
- The corporation will process the claims in real time. Within 90 days, the process will be completed, even when the bank resolution is ongoing.
- For delay in payment of premium, the bank is liable to pay interest at the rate of 8 percent above the Bank Rate on the default amount from the beginning of the relevant half-year till the date of payment.

What is DICGC and how it will function?

- DICGC is a fully owned subsidiary of the Reserve Bank of India (RBI) and was established in the year 1978.
- DICGC collects **insurance premiums from the insured banks** for the administration of the deposit insurance system. The premiums to be paid by the insured banks are computed on the basis of their assessable deposits.
- The Insured banks pay advance insurance premiums to the corporation semi-annually within two months from the beginning of each financial half-year, based on their deposits as at the end of the previous half-year.
- The **premiums** paid by the insured banks to the DICGC are required to be **borne by the banks themselves and are not passed on to the depositors**.

What is Deposit Insurance Fund (DIF)?

The amount in **Deposit Insurance Fund (DIF)** is used for the **settlement of claims** of depositors of banks under liquidation, reconstruction and amalgamation.

The DIF is **built out of the premium paid by insured banks and the coupon income received on investments in central government securities**.

Significance of the changes:

- This will be the **biggest relief to small depositors**, nearly covering 98.3 percent of depositors and 50.9 percent of the deposit value.
 - Globally, the deposit insurance coverage was around 80 percent of all accounts and 20-30 percent of the deposit value.
- This would **address the woes of depositors** who were not able to get their funds due to problems of banks.
- Normally, it takes **about 8-10 years, after the complete liquidation of the bank**, to get the depositors' money. But the bill will provide it within 90 days of the RBI's imposition of a moratorium on a bank's operations.

Challenges:

- The **revival of banks facing problems will become difficult** as they will have to return money to the depositors.
- **Although** the change will **cover 98.3 percent of accounts**, there is certainly scope for raising the limit further. Since the **middle-income depositors may still not get full benefit** in the case of a failure of a bank.
 - Currently, they rely upon a merger with another bank as a bailout to take care of customers' money.

27. Private partners could help RBI run a digital currency

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

Syllabus: GS3 – Information Technology

Relevance: Issues in the implementation of a retail CBDC

Synopsis: A two-tiered model for retail issuance of CBDC should be implemented by India. Issues involved and the way forward.

Background

Recently, a deputy governor of the Reserve Bank of India (RBI) announced that RBI is working on a “phased implementation strategy” for the issuance of a central bank digital currency (CBDC), including a possible pilot project in the retail segment.

What is a retail CBDC?

A retail CBDC is a **digital version of a fiat currency** that’s available to the general public. It will be part of the payments ecosystem, which already consists of banks and payment service providers (PSPs).

Issues involved

One significant issue in the design of a retail CBDC is the **role of the private sector**. A retail CBDC issuance will include the

- Introduction of public services needed for customer on-boarding
- Systems for due diligence
- Compliance with anti-money laundering laws
- Transaction authorization and maintenance of cyber security

Such activities mark a departure from existing central bank functions that focus on monetary stability and do not require direct interaction with retail users.

Global models

A recent report by the Vidhi Centre for Legal Policy, notes that globally many central banks are exploring a retail CBDC that involves private-sector participation through a **two-tiered model**. Let us first understand about the direct model.

Direct model

A direct model will **allow the central bank to exercise more control** over the CBDC design. It will also require the bank to assume a **more active role** in payment services for CBDC transactions, raising questions over the **institutional capacity** of a central bank to undertake such activities.

In economies like India’s that have well-developed digital-payment markets, this may lead to the central bank competing with PSPs, which would **raise concerns of disintermediation**.

Note: Disintermediation means the removal of intermediaries from a supply chain, or “cutting out the middlemen” in connection with a transaction or a series of transactions.

Two-tiered model

The two-tiered model seeks to address the concerns of disintermediation. Under this model, a central bank develops the core CBDC system and the private sector takes up operational tasks.

Why this model? – Private-sector PSPs are **“best placed to use their expertise”** to promote innovation and integrate payment services with other financial products and platforms.

Direct model vs two-tiered model

- **Differences:** In a direct model, the central bank is responsible for all aspects of CBDC issuance and its access to end-users while in a two-tiered model a central bank develops the core CBDC system and the private sector takes up operational tasks.
- **Similarities:** Under both models, a CBDC remains a direct central bank liability.

Global examples of two-tiered model

- **Bahamas:** This model has been adopted by the **central bank of the Bahamas** that launched its CBDC (Sand Dollar) in 2020. Financial intermediaries in the private sector (banks, money-transmission businesses, PSPs, etc) provide wallet services for holding and using the **Sand Dollar** issued by the central bank.
- **China:** A CBDC pilot project launched by the People's Bank of China in 2020 relied on a similar model, whereby it issued its **e-CNY** (China's CBDC) through 'authorized operators' such as commercial banks and licensed non-bank payment institutions.

What should RBI do?

In India, to take advantage of the potential of the country's payments sector, **RBI should consider a two-tiered model for its retail CBDC.**

- **Development of oversight & risk management functions:** RBI will have to develop oversight and risk management functions vis-à-vis CBDC intermediaries. It will have to establish systems to address operational failures or cybersecurity breaches.
- **Appropriate regulatory architecture** needs to be established to empower RBI to regulate CBDC intermediaries and oversee the soundness and operational resilience of private entities, while ensuring overall financial stability and the safety of customer funds.

Way forward

A two-tiered model based on public-private partnerships would present us with an opportunity to leverage our private-sector potential to engage customers while promoting CBDC-oriented innovation in the payments sector.

Terms to know

- [CBDC](#)

28. Integrated approach for EVs

Source: [Business Standard](#)

Syllabus: GS 3 – Infrastructure: Energy

Relevance: Electric Vehicles are the future of the automotive industry. A better policy for their promotion is required.

Synopsis:

A reduction in Customs duty wouldn't solely boost the Electric Vehicles (EV) sector, the government needs to adopt an integrated approach towards it.

Background:

Indian cities are among the most polluted in the world, and it makes sense for the government to push EVs as it would help curb vehicular pollution. The government of India has rolled out several initiatives over the past few years to increase the adoption of electric vehicles (EVs).

Considering this, foreign players are inclined to invest in the EVs sector but are restrained by the higher customs duties on the import of EVs. India imposes 60 percent duty on imported cars worth up to \$40,000, and 100 percent on more expensive vehicles.

Government initiatives for EVs:

- The **FAME (Faster Adoption and Manufacturing of Electric Vehicles) scheme** and lowered goods and services tax on EVs.
- A **deduction in personal income tax** on the purchase of EVs.
- It is also providing incentives under the **production-linked incentive scheme** to help increase the production of batteries.
- In terms of reducing Customs duty, there is a case for progressively bringing it down for all cars.

Analyzing the decision to abolish custom duty on EVs:

- Abolition would **make imports cheaper**. There would be a surge in demand for EVs like Tesla. Further, the domestic industry would face considerable competition, thereby inducing them to improve the quality of EVs.
- However, on the flip side, **India may fail to attract investment in the EVs sector**. A high duty induces global firms to set up manufacturing plants in India, leading to the development of indigenous EVs manufacturing.
 - Ola is already building capacity to manufacture e-scooters. India has a significant automotive manufacturing base and should be able to develop a value chain for EVs to a large extent.
- The government **should avoid cutting duty only on EVs. Because it would go against the conventional automotive industry**. It would reduce incentives for firms to produce better cars.
 - For instance, firms may be discouraged to work on better technologies like **hydrogen fuel cells**, which are more environment-friendly. Currently, EVs are predominantly powered by coal.

Other issues with EVs:

- **Robust charging infrastructure:** According to a new report, India will need about **400,000 charging stations** to serve about 2 million EVs that could possibly hit its roads by 2026. India currently has about 1,800 charging stations.
- **Transparent Pricing of Power:** Although the government has issued guidelines for charging and de-licensed charging activity, this may not be enough. At a broader level, **transparent pricing of power** will be a key issue.
 - A significant shift and an increase in power demand at non-commercial rates could affect state-run distribution companies and ultimately damage state government finances.
- Thus, the government should work on the EV ecosystem more holistically as import duty is just one aspect.

29. Changes to deposit insurance

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

Gs3: Issues related to Banking Sector

Relevance: Deposit Insurance Credit Guarantee Corporation (DICGC) bill will protect the interest of consumers.

Synopsis: How the New Amendments to the **Deposit Insurance Credit Guarantee Corporation (DICGC) Act** will help depositors cause?

Background

- Recent events related to Punjab & Maharashtra Co-operative (PMC) Bank, Yes Bank, and Lakshmi Vilas Bank have put a spotlight on the issue **of deposit insurance**.
- Consequently, the Union Cabinet cleared amendments to the **Deposit Insurance and Credit Guarantee Corporation (DICGC) Act**.
- It brings relief to depositors of stressed banks placed under a moratorium.
- The amendment will help depositors access their deposits up to ₹5 lakh within just 90 days if their bank gets in trouble, and is placed under a moratorium.
- The new rule will apply to all commercial banks and branches of foreign banks operating in India.

What is deposit insurance?

- In an unlikely event of a bank failure in India, a depositor can claim a maximum of Rs 5 lakh per account as insurance cover.
- The cover of Rs 5 lakh per depositor is provided by **the Deposit Insurance and Credit Guarantee Corporation (DICGC)**, which is a fully owned subsidiary of the Reserve Bank of India.
- Depositors having more than Rs 5 lakh in their account have no legal recourse to recover funds in case a bank collapse.
- **The depositors enjoy the highest safety on their funds parked with banks**, unlike the equity and bond investors in the banks.

How will the changes benefit account holders?

- First, the depositors normally end up waiting for 8-10 years. Now depositors will get insurance money **within 90 days** in the event of a bank coming under the moratorium, without waiting for eventual liquidation of the distressed banks.
 - Within the first 45 days of the bank being put under a moratorium, the DICGC would collect all information relating to deposit accounts.
 - In the next 45 days, it will review the information and repay depositors closer to the 90th day.
- Second, **this will cover banks already under the moratorium** and those that **could come under the moratorium**. This will be beneficial to depositors of PMC Bank, under moratorium since September 2019, with depositors not being able to access funds beyond Rs 1 lakh.

Who pays for this insurance?

- Deposits in public and private sector banks, local area banks, small finance banks, regional rural banks, cooperative banks, Indian branches of foreign banks, and payments banks are all **insured by the DICGC**.
- The premium for this insurance is paid by banks to the DICGC and **not be passed on to depositors**.
- Banks currently pay a minimum of 10 paise on every Rs 100 worth of deposits to the DICGC as premium, which is **now being raised to a minimum of 12 paise**.

30. Why flooding raises alarm over bearing of hydropower plants on the Himalayas

Source: [Down to Earth](#)

Gs3: Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Article analyses impacts of large hydel-power projects in the Himalayas.

Synopsis: The need of the hour is to put a halt to large hydel-power projects in the Himalayas. Can small hydropower plants offer a sustainable solution?

Hydropower In India

- Hydropower is a renewable and non-polluting source of energy.
- In India, the western Himalayan states of Jammu & Kashmir, Uttarakhand, and Himachal Pradesh are rich in hydropower potential as they have numerous glaciers and rivers.
- India has a viable hydropower potential, which is estimated to be about 84,000 megawatts at a 60 percent load factor.
- Currently, the installed capacity of hydropower in the country is 45,700 MW. India's hydropower capacity is expected to reach 70 GW by 2030, according to MNRE.
- Further, **The Central Electricity Authority** reported that the country has around 13,000 MW of hydropower plants under construction.
- **Small hydel power projects** up to 25 MW in India are under the **Union Ministry of New and Renewable Energy (MNRE)**. Whereas, **large hydel-power projects** exceeding 25 MW are under **the Union Ministry of Power**.

Steps taken to increase Hydropower in India

- The country has set a target of 175 GW of renewable power capacity by 2022, including 5 GW of small hydropower.
- The power ministry in its **draft amendment of the Electricity Act** has proposed to include hydropower within the **renewable purchase obligation** targets, set for the state power distribution companies.

Why are large hydel power projects in the Himalayas a cause of concern?

- There has been an increase in extreme weather events in the Himalayan states. Scientists have said many factors contribute to flooding, but the warming of the atmosphere, caused by climate change, makes extreme rainfall more likely.
- For example, the Chamoli disaster in Uttarakhand in February 2021. More than 200 people lost their lives.
- Further, increasing hydel power development in the Himalayas has drastically altered fragile ecosystems.
- By releasing minimal water downstream, large hydroelectric projects have disrupted fish migration, leading to a loss of aquatic biota and diversity.

NEERI research report

- **National Environmental Engineering Research Institute (NEERI)** research has highlighted the detrimental effects of the Tehri dam on the unique capacity of Ganga Jal in the Bhagirathi to purify itself.

- Large storage-based hydro projects also result in the submerging of villages and the displacement of people. Furthermore, they alter the volume of water flow downstream, which affects irrigation.
- The Geological Survey of India reported that 97.42 percent of the area of Himachal is prone to landslide hazards.
- One in four hydropower projects in the Himalayas is at risk from landslides caused by earthquakes and tremors, according to a study released last year by the **Institute of Earth and Environmental Science in Germany**.
- Further, **compensatory afforestation** policies implemented to mitigate the loss of forest lands diverted for hydropower projects have resulted in more physical interference with natural landscapes.

Why small hydropower (SHP) projects are viable options?

- The Union government should halt large hydropower projects in the Himalayas and promote only **small hydropower (SHP)**. In general, SHPs do not encounter the problems associated with large hydel projects, which include the construction of dams, deforestation, and relocation.
- Remote and isolated areas can benefit from these projects. These plants have a long useful life and their generation costs are almost inflation-free. In addition to conserving fossil fuels, the plants reduce carbon emissions because they substitute thermal power.
- They are ideal for powering villages and far-flung or isolated areas. The accessibility of electricity in these areas will boost small-scale industries and thereby improve the socio-economic status of the residents.
- As a result, SHP is one of the most attractive renewable sources of grid-quality electricity.

31. It's been 40 years! Update India's flood map NOW

Source: [Down To Earth](#)

Syllabus: GS 3 – Disaster and disaster management.

Relevance: New flood-prone area map is essential for India's Disaster Management.

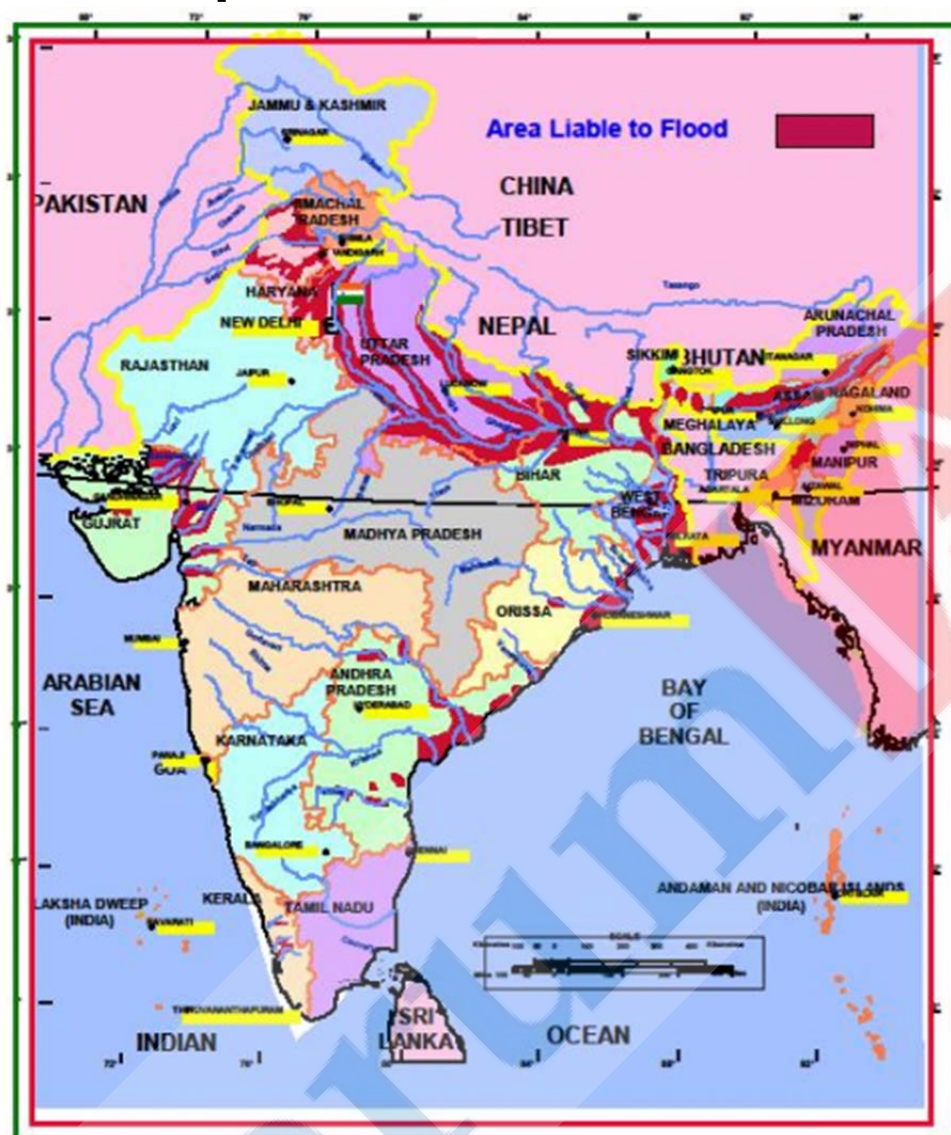
Synopsis:

To mitigate frequent floods, India needs a New flood-prone area map.

About the news:

Recent occurrences of heavy rainfall leading to flooding across India have shown that flood-prone areas in the country go beyond those mentioned in the central monitoring map. This is because the Flood panel, on whose watch India's flood-prone areas were demarcated, was formed in 1980.

About the Flood-prone areas demarcation in India:



Source: Down To Earth

- Regions susceptible to floods, according to the National Disaster Management Authority (NDMA), **lie mostly along the Ganga-Brahmaputra river basin**, from the northern states of Himachal Pradesh and Punjab, covering Uttar Pradesh and Bihar **and stretching to Assam and Arunachal Pradesh in the northeast**.
- The coastal states of Odisha and Andhra Pradesh, parts of Telangana and Gujarat also witness yearly floods, NDMA observed.

Why new flood-prone area map is essential?

- This demarcation is based on estimates made in 1980 by **Rashtriya Barh Ayog (RBA) or National Flood Committee formed four decades ago**.
 - Around **40 million hectares of the geographical area** in India is **vulnerable to floods**, according to the RBA.

- RBA also ascribed the **floods to purely anthropogenic factors** and **not heavy downpours**.
- Over the last four decades, India has been reeling from the effects of climate change. The global rise in temperatures has led to **large periods of no rain followed by extreme precipitation**, an observation that is becoming a trend.
- **Extreme rainfall events have tripled** in central India between 1950 and 2015, according to the science journal Nature.
- In recent times, the **southwest monsoon period has also been causing massing floods** in parts of the country in recent years.
- There will be a rise in the frequency of floods in India due to rising temperatures between 2070 and 2100, according to Climate Change and India: A 4×4 Assessment, a report by the Union Ministry of Environment and Forest.
- Overall, in 2020, **256 districts across 13 states in India reported floods** due to excess rainfall.

So, the shift in the flooding patterns and frequencies demands an updated map of flood-prone areas, factoring in the impacts of climate change.

32. The Pegasus nightmare

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

Syllabus: GS3 – Technology, Cybersecurity

Relevance: Understanding the potential negative impact of cyberthreats and ways to counter them.

Synopsis: Cyberthreats need to be countered with a deeper understanding of cyber technologies. Short term remedies won't work.

Background

Pegasus spyware issue has compelled nations to realize the threat posed by such new age weapons.

Must Read: [Pegasus spyware issue – concerns & way forward](#)

Negative impact of the cybertechnology

The dramatic technological advances that have widened access to computing and internet have also resulted in few unintended consequences:

- **Privacy** has been eroded
- **Internet** has become a powerful weapon in the hands of those seeking to exploit its various facets.
- **Cyberweapons:** Cyber is often referred to as the fifth dimension of warfare — in addition to land, sea, air and space. And cyberweapons are increasingly being deployed to launch remote attacks.
 - **Stuxnet worm:** U.S.- Israeli effort in 2010 helped in unleashing Stuxnet Worm at the Iranian nuclear facility in Natanz, helping disable several hundred centrifuges.
 - **Shamoon virus:** The virus attack on Saudi Aramco occurred in 2012.
 - The 2016 cyberattack on Ukraine's State power grid
 - **NotPetya ransomware:** The 2017 Ransomware attack (NotPetya) which affected machines in as many as 64 countries

- **Wannacry ransomware:** A Wannacry attack, in 2017, on the United Kingdom's National Health Service
- Series of attacks, in 2021, on **Ireland's Health Care System** and in the United States such as '**SolarWinds**', the cyber attack on Colonial Pipeline and JBS, etc.
- Israel, identifies Pegasus as a cyberweapon, and claims that its exports are controlled.

Also Read: [How does Pegasus work? – Explained](#)

Why we need to act against Cyber threats?

- **Destructive capacity:** Cyberweapons have become a weapon of choice even during peacetime. They carry untold capacity to distort systems and structures, civilian or military and, most importantly, interfere with democratic processes, worsen domestic divisions and, above all, unleash forces over which established institutions or even governments have little control.
- **Cyber threats will increase:** As more and more devices are connected to networks, the cyber threat is only bound to intensify, both in the short and the medium term. The instruments of everyday use can be infected or infiltrated without any direct involvement of the target. The possibilities for misuse are immense and involve far deadlier consequences to an individual, an establishment, or the nation.

Suggestions

Short term remedies are unlikely to yield results

- A **deeper understanding of cyber technologies** is needed along with a recognition of the mindsets of those who employ spyware of the Pegasus variety, and those at the helm of companies such as the NSO.
- Work needs to be done beyond India's borders, as the best technology is imported. **We urgently need trans-national treaties** along the lines of the Paris climate accord to collectively make it difficult for rogue governments and corporations to implement surveillance at scale. A new proposal calls for a multi-pronged approach combining a **moratorium on spyware sales** until a global export regime is defined.

33. Small state, big brother

Source: [Business Standard](#)

Syllabus: GS 3 – Internal Security

Synopsis:

Assam-Mizoram violence is an outcome of the central government trying too hard to 'integrate' distinct northeastern states, which has unleashed latent regionalism.

Background:

- Recent border clashes on the Assam-Mizoram Border and Assam-Meghalaya border point to the failure of central and state governments to solve the boundary issue.
 - On 26 July, a violent confrontation took place between police and residents on the Assam-Mizoram border.
 - The clash has left six Assam Police personnel dead and a trail of injuries on both sides.
 - The tension on July 26th followed alleged attempts by Meghalaya to put up electric poles at the Khanapara area of Guwahati.

9 PM Compilation for the Month of July (Fifth Week), 2021

- Today the borders between Assam-Meghalaya, Assam-Mizoram, Assam-Nagaland, and Assam-Arunachal Pradesh are all hotly contested spaces and marked by frequent bloodbaths.

Reason behind such intense border conflicts:

- **First**, four out of six neighbors of Assam were carved out of Assam between 1963 and 1972. The **boundary lines were drawn hurriedly and casually by the civil servants**, just like the approach adopted by Radcliffe in demarcating the India-Pakistan border.
 - This is why such intense border issues do not fester between Assam, Tripura, and Manipur as those two were already territorial entities by themselves and not created by dividing Assam.
- **Second**, there is the existence of a **smaller state syndrome** in 4 states. They believe that their culture, identity, and ethnicity are being subjugated by Assam, the bigger state. It is the same reason which makes Pakistan anxious about India's policy.
- **Third**, the central government is **trying too hard to integrate the Northeast region** as one single monolith. This has awakened **sleeping regionalism**, as every state has a unique culture and diversity of its own.
 - Setting up an organization like the NEDA (Northeast Democratic Alliance) by the ruling party also tries to impose homogeneity over the diverse region.
 - Such an **integrationist approach also defeats the rationale behind the creation of smaller Northeast states**. They were created to address their insecurities about being overwhelmed by outsiders and losing their identity.

Suggestions:

- The dispute can be solved if generosity is shown by the bigger state (Assam) towards the smaller. The smaller states have always resented Assam as the big brother. They didn't want to be dominated by New Delhi nor by Dispur.
- India settled its land and maritime boundaries with Bangladesh. It also settled the **Katchatheevu island dispute with Sri Lanka**. In each case, the larger neighbor showed generosity and large-heartedness. The disputes would not have been solved if India had approached them like Big Brother.

Read more – [Assam Mizoram Border Dispute – Explained, Pointwise](#)

34. Patchwork progress

Source: [The Hindu](#)

GS3: Indian Economy – Money and Banking

Synopsis: The Government has recently introduced changes to 1961 Deposit Insurance and Credit Guarantee Corporation law.

Background

Read here: <https://blog.forumias.com/changes-to-deposit-insurance/>

Benefits for depositors: Added Points

- As per RBI data, ₹76.21 lakh crore or almost 51% of deposits are now insured, but 98.3% of all accounts have balances of ₹5 lakh or less, so they are fully insured.
 - This can be a source of **renewed comfort for people in the banking system** which is important for financial stability

Issues existing:

1. First, making incremental changes in quick succession suggests a **piecemeal approach** to governance rather than a system-wide view.
2. Second, given the rising distress in households and the downward momentum in savings levels due to the pandemic, **this change must be allowed to make it through the din in Parliament.**
3. Third, the **outcome is not satisfactory** for several people with limited financial literacy and access to retirement savings instruments, with lifetime earnings (possibly over ₹5 lakh) parked in a neighborhood co-operative bank.

Hence, just as the latest amendments have an enabling provision, there should have been one modification to raise the insured deposit limit in line with inflation and per capita income trends.

35. Leveraging traditional lo-tech innovations to fight climate change

Source: [TOI](#)

Syllabus: GS3 – Environment

Relevance: Understanding the role of traditional ecological practices as a sustainable solution to climate change problem.

Synopsis: Indigenous technological innovations backed by traditional ecological knowledge is the way forward to fight climate change.

Problem with high-tech

High-tech solutions to climate change are based on an idea of abundance of resources, money and unrestricted scalability. But it is these principles of infinite resources that make this tech **inherently unsustainable.**

High tech vs lo-tech

In contrast, lo-tech is born of **finite resources** and an understanding that **ecosystems have limitations.** Indigenous innovations evolved over thousands of years while dealing with climatic extremes like tidal surges and floods.

This technology has inherent principles which make it truly sustainable.

Idea behind traditional lo-tech innovations

These innovations are based on diverse ecological understanding of indigenous communities.

- **Man and nature are one:** Nature is not seen as being separate from human beings. Human beings are all a part of the nature. Hence, these lo-tech innovations encourage working alongside with natural systems like water, trees and sunlight.
- **Value Stewardship:** These technologies also value stewardship i.e. taking care of the resources. These are not about always extracting from nature or showing a superiority complex regarding biodiversity which often reflects in Western ideology. Instead, lo-tech emphasises symbiosis, working with different life forms and preserving diversity because that makes resilience possible.

Examples of lo-tech

- **Meghalaya's living root bridge system:** Meghalaya has some of the highest rainfall in the world. When the monsoon comes, the rivers rushing by take out all the bridges, except for the living root bridges grown by the Khasi and Jaintia people. The Khasi

community weaves together tree roots to make living bridges that can withstand monsoon storms and floods. These are **built out of rubber fig trees** planted near rivers by the community. They train the trees to grow across rivers and then, using bamboo scaffolding, they weave their secondary root systems together — after some years, you get a living root bridge. There are about 30 such bridges today and they are the most structurally efficient system possible.



- **Kerala's kuttanad system** — it's like the Dutch polder-dike arrangement, with a polder or lake lower than sea level and a dike or barrier which keeps the water out. This helped the Dutch make low-lying lands agricultural. Kerala's kuttanad is similar. It **allows saltwater in**, where shrimp is farmed. When the monsoon comes, this **changes to a freshwater system** which grows crops. For people trying to mitigate sea level rises on land, this is an important innovation. **Kerala's technology is better than the Dutch** because it deals with an intense weather system like the monsoon.



- **Philippines' rice terrace aquaculture:** There is also the Philippines' rice terrace aquaculture, made by the **Ifugao people** in Banaue. These fields are sloped at 80 degrees, so they're near-vertical. These are thousands of years old and incredibly biodiverse, supporting birds, aquatic and terrestrial life, including humans, through the growing of rice. They're acknowledged by UNESCO as some of the most important habitats on Earth.



Way forward

These examples show that conversations about climate resilient technology don't need to be dominated by the West with a narrative that is centered completely around high-tech solutions. We **need such site-specific technologies** to deal with sea level rise, food scarcity, water shortages, etc. Locally developed tech will mitigate these challenges.

We must think about adaptability, flexibility and how to integrate with natural systems and only indigenous technology lets us do this.

Conclusion

We cannot solve climate change with the same approach that created the problem. We need to move from polluting technology to nature-based science and the bridge enabling this important step is indigenous technological innovation.

Terms to know:

- [Living Root Bridges](#)

36. [Visualising the Himalaya with other coordinates](#)

Source: [The Hindu](#)

Syllabus: GS 3 – Conservation, environmental pollution and degradation

Relevance: The countries in the Himalayas has to look beyond geopolitics and security to protect the interest of humanity

Synopsis:

Looking at the Himalayas only through the prism of geopolitics and security concerns ignores its other crucial frameworks.

Introduction:

India and other countries lying in the Himalayas is so far has been examining the Himalayas mainly through the coordinates of geopolitics and security, while relegating others as either irrelevant or incompatible.

Ironically, it is the Delhi-Beijing-Islamabad triad, and not the mountain per se, that defines our concerns about the Himalayas. If during colonial times it was Russophobia, then now it is Sinophobia or Pakistan phobia that in fact determines our concerns over the Himalayas.

Creation of a national Himalayas:

In the case of Himalayan studies, it has given birth to the political compulsion of territorialising the Himalayas. Thus, the attempt to create a national Himalayas by each of the five nations (Nepal, Bhutan, India, Pakistan, and Tibet/China) that falls within this transnational landmass called the Himalaya.

- The Himalayas remains as space largely defined in terms of sovereign territoriality. This is in contrast to alternative imaginations such as community, ecology, or market.
 - For instance, the National Mission on Himalayan Studies under the Ministry of Environment, Forest, and Climate Change is a classic example of that. India is creating policies **only for the**

Indian Himalayan Region (IHR).

- States have dominated the agenda of defining the domain of non-traditional security (such as climate change, human trafficking, migration, etc.) and traditional security threats (such as military, political and diplomatic conflicts) with the help of the Himalayas. But they never initiated work towards the collaboration.

Why the territorialisation of the Himalayas is still prevalent?

- The Himalayas' territorialisation **bears a colonial legacy** that also sets up its post-colonial destiny as played out within the dynamics of nation-states.
- The **arbitration of relationships between and among the five nation-states** falling within the Himalayan landmass has failed to transcend the approach derived from the given categories of territoriality, sovereignty, and difference.
- The fact that the **lines of peoplehood and the national border**, especially within the context of the Himalayas, **never coincided**. This is bound to give tensions while working out projects.
- Given this historical logjam, what we can only **expect is the escalation of territorial disputes** as to the immediate fallout when infrastructure development projects in the border areas.

Suggestions to work on the entire Himalayas:

- Human security cannot be effectively appreciated through the paradigm of sovereign territoriality. So, to protect the interest of humanity, the nation-states have to come together.
- Anthropological, historical, cultural, and ecological ones have to take privilege over the statist meaning (territoriality, sovereignty, and difference)

- The countries have to refer to the Himalayas as one of the largest biodiversity hotspots, the largest water tower of Asia. Similarly, The Himalayas needs to be visualised with an open eye and taken in as a whole instead of in parts, unlike the previous initiatives.
- It is necessary to **address the concerns of trade, commerce, community, ecology, and environmental issues** associated with the entire Himalayan range.
- Further, Policymaking, state-building strategies, and diplomatic relations are worked out in relation to the Himalayas.
- The time has come when we need to take position between the Himalayas as a national space and as a space of dwelling, instead of avoiding our encounter with this ambivalence.

37. Cloud over Videocon resolution process points to larger weakness in IBC

Source: [Indian Express](#)

Gs3: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Synopsis: issues involved in Videocon resolution process

Background

- Videocon was one of the first test cases to examine the prospects of insolvency jurisprudence in India and the first one, for **group insolvency proceedings**.
- On June 8, the NCLT approved a resolution plan submitted by Twinstar Technologies (a wholly-owned subsidiary of the Vedanta Group).
- Twinstar's resolution plan provided for payment of Rs. 2,962 crore (a mere 4.15 percent of Videocon's total admitted debt of Rs 64,838 crore).
- This had raised several concerns, such as
 - Confidentiality obligations of the resolution professional
 - The rights of dissenting creditors.
- Expectedly, the **National Company Law Appellate Tribunal (NCLAT)** stayed the approval granted by the Mumbai bench of the National Company Law Tribunal (NCLT).

What are the issues involved in the Videocon resolution process?

1. Principles of Fairness and equitability ignored

- Under the IBC (Section 30(2)(b)), the resolution plan must provide for payment of debts amongst creditors in a "fair and equitable" manner.
- In the plan submitted by Twinstar, unsecured assenting financial creditors and operational creditors are getting a paltry 0.62 percent and 0.72 percent of their admitted dues.
- This has raised concerns about whether such resolutions are in line with the public policy of the country.

2. Suspicion over the confidentiality of the resolution process.

- Twinstar's bid of Rs 2,962 crore is close to the liquidation value of the Videocon Group, estimated at Rs 2,568 crore.
- This raises legitimate suspicion and concern over the **confidentiality of the resolution process**.
- Regulations 35(2) and 35(3) of the I&B (Insolvency Resolution of Corporate Persons) Regulations, 2016 have provisions related to the confidentiality of the resolution process.

9 PM Compilation for the Month of July (Fifth Week), 2021

- It states that the resolution professional must maintain the confidentiality of the fair market value and liquidation value of the corporate debtor and can only disclose the same to the CoC members after the resolutions plan has been submitted.
- Whilst the CoC members must, on receipt of the information, issue an undertaking of confidentiality, no such obligation falls on the resolution professional.
- Even under Section 25 of the code, titled “Duties of resolution professional”, the specific duty to maintain the confidentiality of sensitive information is conspicuously absent.
- Clearly, the confidentiality rules need to be revisited, especially the rules related to the resolution professional.

3. Delayed Resolution Process

- It has been more than three years since the Videocon group was admitted into insolvency proceedings. This is way beyond the statutory timeline of 330 days.
- **Conclusion**
- The two primary objectives of enacting the IBC were: The conclusion of the insolvency resolution process in a “time-bound manner”, and “maximization of value of assets” of the corporate debtor. The Videocon resolution plan fails both objectives.