

9pm

Compilation

October, (Second Week)

General Studies - 2

1. A 'Taiwan flashpoint' in the Indo-Pacific
2. Let HC Judges retire when SC Judges do, At 65
3. The next step is a constitutional right to health
4. How Delhi came to see Europe as a valuable strategic partner
5. Explained: The Ease of Doing Business rankings controversy
6. The sanctions clouds over India US Ties
7. Sowing better to eat better
8. Aiding Afghans: On G20 meeting on Afghanistan
9. Freebies, handouts and other myths loved by income taxpayers
10. Bombay High Court POSH guidelines risk silencing victims of sexual harassment
11. NHRC's remit: Human rights body has an incredibly important job, Praising govt is not part of it
12. Doctor cure thyself: On revising queerphobic medical textbooks
13. NEET hasn't created the equality of opportunity it had promised
14. Countering the Chinese Threat

General Studies - 3

1. India needs a carbon policy for agriculture
2. Taxing big tech where it earn profits
3. The many questions arising from QES data
4. Privatisation is far more difficult than consolidation
5. Pandora papers reveal legislative limits of preventing tax dodging
6. Public Finance ought to throw its weight by clean energy
7. The monetary policy of RBI has failed to walk its talk
8. Explained: Why launch of Indian Space Association is significant
9. Tackling the climate crisis
10. The great hubris that lay behind the Great Moderation and Reset
11. Taxing multinationals
12. How to get farmers to not burn crop residue
13. Protecting India's natural laboratories
14. We can't stabilise the climate without carbon offsets — so how do we make them work?
15. Diverting rice for fuel blending, a risky venture?
16. The "yes or a no" the court must ask about Pegasus
17. Semiconductors: Why India should not make chips – Instead, the focus should be on other parts of the global value chain
18. Chinese checks: On dealing with border incursions by China
19. Explained: Why govt proposes to redefine forests, and the concerns this raises
20. The state of states: On lack of data on state's finances
21. New laws for our pharma sector must focus on reforms
22. Should we be worried about how technology is changing the human condition?
23. How do we protect children in the Digital Age?
24. Boost tourism through disruption
25. Power Ministry asks thermal units to import coal for minimum 10% blending
26. Nursing the ailing power discoms back to health
27. Free power at a big price
28. You can switch off Siri, but not the State

9 PM Compilation for the Month of October (Second Week), 2021

29. Air India sale opens up a brighter future for aviation
30. Securing the States
31. Proposed amendments to the Forest Conservation Act are a bad idea
32. Tackling the climate crisis
33. It's not fossil fuel: Coal, biomass and degraded land are main contributors to India's air pollution

ForumIAS

General Studies Paper - 2

General Studies - 2

1. A 'Taiwan flashpoint' in the Indo-Pacific

Source: This post is based on the article "A 'Taiwan flashpoint' in the Indo-Pacific" published in "The Hindu" on 11th October 2021.

Syllabus: GS2 – International Relations

Relevance: To understand the issues surrounding One China Policy.

Synopsis: The historic rival claims of territory and independence by China and Taiwan is seeing a new turn with the US questioning the One China policy.

Introduction

Recently the "One China policy" of the People's Republic of China has been **challenged by the USA**, though it still stands with a one-China policy.

In 1979, the USA recognized PRC as the legitimate government in China and thereby ending official relations with Taiwan and also abrogated mutual defence treaty with Taiwan.

Must Read: [Taiwan-China conflict and India's stand on it](#)

The USA-China strategic ambiguity with respect to Taiwan

The USA doesn't support the declaration of independence by Taiwan and sticks to its "one China policy". However, it has reversed the stand of avoiding official level engagements with Taiwan.

In March, the US Pacific commander has warned of the possible invasion of Chinese forces in Taiwan within the next 6 years to cut off US power in Asia.

The USA has declared that it will maintain the ability to come to Taiwan's defense though not committing itself to do so.

China on the other hand is committed to pursuing peaceful unification of Taiwan. But China retains the right to use force if there would be a need for the same. China sees reunification as a historic task that must be completed.

Read more: [Taiwan reunification with China 'inevitable', says Chinese President Xi Jinping](#)

What can be done?

The recent crystallization of "QUAD" and announcement of "AUKUS (alliance between Australia, UK, US)" is seen as a move to counter China in Indo-pacific.

The concerned countries and international forums must ensure that the claims be settled by peace following international practices where none of the parties should act unilaterally.

Read more: [It is time for New Delhi to review its old 'one China' policy stance](#)

Terms to know:

- [One China Policy](#)

2. [Let HC Judges retire when SC Judges do, At 65](#)

Source: This post is based on the article "Let HC Judges retire when SC Judges Do, at 65" published in **Times of India** on 8th October 2021.

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

Relevance: Understanding the reasons behind different retirement ages of HC and Sc judges.

Synopsis: Uniform retirement ages for HC & SC judges is required to reflect the contemporary needs.

Introduction

Today, SC is one of the prestigious institutions in India. Elevation to which is also seen as a matter of great prestige. There is a debate going on between experts to increase the retirement age of High Court (HC) judge's equivalent to Supreme Court (SC) i.e from 62 to 65yrs.

What are the historical reasons for having different retirements ages?

Joint Committee on Indian Constitutional Reform set up before the 1935 act said that different retirement age was necessary to secure the services of the judges from HCs.

So, the **Government of India Act 1935** established the Federal Court of India, which was the predecessor of the present Supreme Court of India. It laid down the retirement age for judges of the Federal Court at 65 years and 60 years for judges of HCs.

Why there is a difference in retirement age justified earlier?

In the opinion of **Abhinav Chandrachud, an HC judge**, during the age of 60 senior judges of HCs would be already in an established position. So, they would not be ready to renounce the rest of their tenure for the junior position in the newly established Federal Court.

How the government tried to increase the retirement age of HC Judges?

14th Law Commission in 1958 said that rules could be established to make it a duty for judges of HCs to accept the offer to serve at SC.

Later, **the Constitutional amendment in 1963** increased the retirement age of HC judges to 62.

In 2010, another constitutional amendment bill was introduced in Parliament to increase the retirement age of HC judges from 62 to 65 but got lapsed.

What should be done?

Presently, on average, HC judges are being appointed at the age of 51. This provides them with a little over a decade before retiring.

The standing committee on the 2010 bill, pointed out that increasing the retirement age would **impact both the vacancies and the high pendency of cases**.

The increased retirement age will allow them to adjust according to the new position and discharge their duties for a longer duration.

3. The next step is a constitutional right to health

Source: This post is based on the article "**The next step is a constitutional right to health**" published in **The Hindu** on **12th October 2021**.

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

Relevance: Understanding the importance of providing the Right to Health to all.

Synopsis: Presently, any investment in health care has failed to translate into a sense of security and sanctuary for many Indians. So, the logical next step would be providing the fundamental Right to Health for all.

Introduction

The present pandemic, not only shows the deficiencies in our health care, but also devastated it further. So, there is a need to provide citizens with a sense of security for their health. This can be done by providing the **fundamental Right to Health** to the people.

Why there is a need for a constitutional “Right to Health for all”?

The pandemic has exposed many cracks in our healthcare system. There are various sections in our society which face the brunt of these cracks.

Farmers: The majority of small and landless farmers fell into the debt trap and bondage when they have to pay for their medical bills from their limited earning. Various employment schemes do not deliver what they ought to be. Implementation of the **Right to Health** will provide them quality health care which they deserve to be.

Women: They are in a disadvantaged position because of patriarchal expectations, socio-economic conditions and other societal norms. **Right to Health** will ensure a guarantee to provide services to women whenever required.

Children: Children who belong to poor families often opt out of school because of their financial conditions. They tend to work in hazardous industries like mines, factories etc. The constitutional guarantee of the Right to Health will help them to prevail medical services without adding any extra financial cost.

What are the benefits of providing the “Right to Health for all”?

It will provide health security and guarantee the well-being of our people.

The constitutional “Right to Health,” will have an **impact on financial saving, investment, and lead to job creation**. This will also help in the realization of the vision of [Ayushman Bharat](#) and act as a **leap for the economic and development progress** of the nation.

What should India do?

The world has understood the importance of policy in the management of health. India, like in Right to Education, should adopt a rights-based approach and make the right to health a fundamental right.

4. How Delhi came to see Europe as a valuable strategic partner

Source: This post is based on the article “**How Delhi came to see Europe as a valuable strategic partner**” published in “**Indian Express**” on **12th Oct 2021**.

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

Relevance: To understand the India-Europe partnership.

Synopsis: The smaller European states and EU as a block has much to offer to India and vice versa, especially in the context of the EU’s Indo-Pacific strategy.

Introduction

EU is considered as one of the most trusted partners, and therefore it would contribute to a sound and stable partnership.

The recent bilateral meetings with Denmark and other smaller European countries is a reminder that smaller countries of Europe have much to offer in India’s economic, technological, and social transformation.

Read more: [EU unveils Indo-Pacific strategy](#)

What one can expect from the EU’s Indo-Pacific strategy?

EU Strategy can work along with the Quad in Indo-Pacific. Further, it can step up security cooperation with a number of Asian partners, including India.

Apart from that, it can have a much greater impact on the region in a wider range of areas like trade and investment, green partnerships, quality infrastructure, digital partnerships etc. What are the prospects of India-Europe relations now?

India's strategy is to **"cultivate Europe"** was not the top priority in the past. But now India is now focussing on developing a strong partnership with the EU and engage all its 27 members. As the deepening confrontation between the US and China begins to squeeze South East Asia, Europe is widely seen as widening the **strategic options** for the Indo-Pacific region.

What does Europe offer to India?

EU outlined a strategy for India in 2018 to focus on **four themes** — sustainable economic modernisation, promotion of a rules-based order, foreign policy coordination, and security cooperation.

EU's Indo-Pacific strategy seeks to promote an open and rules-based regional security architecture, including secure sea lines of communication.

EU and India agreed to resume **free trade talks** and develop a new connectivity partnership that would widen options for the world beyond the Belt and Road Initiative.

What are the advantages for India if engaged with the EU?

It could help strengthen the military balance and contribute to **regional security** in multiple other ways.

It would also be a valuable complement to India's Quad coalition with Australia, Japan and the United States.

Europe — with greater economic weight, technological strength, and normative power — can boost India's own quest for a **multipolar world** and a **rebalanced Indo-Pacific**.

5. Explained: The Ease of Doing Business rankings controversy

Source: This post is based on the article **"Explained: The Ease of Doing Business rankings controversy"** published in **The Indian Express** on **13th October 2021**. **Syllabus:** GS2-Important International Institutions, agencies and fora – their Structure, Mandate.

Relevance: Ease of Doing Business rankings controversy

Synopsis: Recommendations to improve the ranking methodology employed by now scrapped Ease of Doing Business index report.

Introduction

Few days ago, the executive board of the International Monetary Fund (IMF) backed its Managing Director, Kristalina Georgieva, stating full confidence in her. The purpose was to end the long and increased questioning about Georgieva's role in manipulating the World Bank's Ease of Doing Business rankings when she was the chief executive there.

Must Read: [The end of Doing Business report – Explained, pointwise](#)

What is the controversy and how Kristalina Georgieva is linked with it?

In August 2020, the World Bank suspended its EoDB rankings after finding some "data irregularities". "A number of irregularities have been reported **regarding changes to the data in the Doing Business 2018 and Doing Business 2020 reports**, published in October 2017 and 2019. The **changes in the data were inconsistent with the Doing Business methodology**. Kristalina Georgieva was the Managing Director of the IMF at that time.

How can the ranking methodology be improved?

Recently, the World Bank also published the findings of an external panel review of its EoDB methodology. It stated that “the current methodology should be significantly modified, implying a major overhaul of the project.

Some of the key recommendations are:

First, A substantial methodological shift away from hypothetical case studies and in favour of more data collection from representative samples of “actual” business owners and operators on their de facto experiences of doing business.

Second, don't ignore the government functions that provide essential public goods to the private sector: transport and communications infrastructure, a skilled workforce, law and order, etc.

Third, do not rank countries on their tax rates.

Fourth, eliminate the indicators “Protecting Minority Shareholders” and “Resolving Insolvency.”

Five, make the “Contracting with Government” indicator more relevant.

Six, restore and improve the “Employing Workers” indicator, but do not rank countries based on this information.

Seven, improve the transparency and oversight of Doing Business.

6. The sanctions clouds over India US Ties

Source: This post is based on the article “**The sanctions clouds over India US Ties**” published in **The Hindu** on **13th October 2021**. **Syllabus:** GS 2 Effect of policies and politics of developed and developing countries on India's interests.

Relevance: To understand the implication of S-400 deal on India- US relations.

Synopsis: The debate in the US hovers around the efficacy of CAATSA related sanctions against India.

Introduction

India is all ready to welcome the delivery of **S400 Triumf Air Defence system** from Russia as per the schedule. But this can bring drift between the India-USA relations. There is a possibility of imposing sanctions by the USA on India under the CAATSA. USA thinks it's dangerous for any country to use the S400.

What is Countering America's Adversaries through Sanctions Act (CAATSA)?

It is passed in 2016 by the USA to discourage trade in the defence and intelligence sectors of Russia.

Read more: [What is “CAATSA” or Countering America's Adversaries Through Sanctions Act?](#)

What will be the implications of the sanctions on India?

If the USA imposes sanctions on India, it could further push India towards its traditional military hardware supplier Russia.

What are the India defence relations with Russia and the USA?

Russia: Over the last decade, India military purchase from Russia has steadily declined. According to **SIPRI Report**, Russia is the most affected supplier of India. Indian imports of

9 PM Compilation for the Month of October (Second Week), 2021

arms decreased by 33% between 2011-15 and 2016-20. Recently, deals of nearly \$15bn are under negotiation.

USA: The USA designated India as a major defence partner in 2016. It also gave India Strategic Trade Authorization-1, which allows access to critical technologies. India-USA trade also reached \$20bn and deals of \$10bn are under negotiation.

Where does the future lie?

The CAATSA test will determine the trajectory that India-USA relations will take in the coming decades. To improve India – US relations, the US president can provide a waiver for India.

7. Sowing better to eat better

Source: This post is based on the article “**Sowing better to eat better**” published in **The Hindu** on **14th October 2021**.

Syllabus: GS2 – Issues relating to poverty and hunger.

Relevance: To understand the need of reformed Food-Agri system in the light of today's reality.

Synopsis: Understanding the new challenges plaguing the agricultural system and remedies needed.

Introduction

The health of a country's agri-food systems determine the health of its people.

Findings from the first round of the **5th “National Family Health Survey”** suggest that nutrition related indicators have worsened in most States. The survey covers 17 States and five Union Territories, which comprise 54% of India's population.

On the similar issue “**Comprehensive National Nutrition Survey**” (2016-18) has also highlighted the role of micro-nutrient malnutrition.

Addressing the complex problem of malnutrition means India shall need a resilient agri-food system.

What is the current scenario of agriculture in India?

India produces sufficient food, feed and fibre to sustain about 18% of the world's population (as of 2020).

Agriculture contributes about **16.5% to India's GDP** and employs 42.3% of the workforce (2019-20).

What are the new challenges that have emerged in the agri-food system?

COVID-19- This has increased hunger and nutrition deficiency problem in India owing to loss of jobs and logistical issues.

Climate change- India's bio-security remains vulnerable to disasters and extreme events.

Agricultural technologies- the outdated and obsolete technology needs a change in order to improve productivity and minimise agri-losses.

What is the way forward?/What kind of agri-systems we need?

In light of the ongoing hunger and malnutrition challenges and the added impact of climate events on agri-food system, we need a “**sustainable agri-food system**”.

– A sustainable agri-food system is one in which a variety of sufficient, nutritious and safe foods are made available at an affordable price to everyone, and nobody remains hungry or

suffers from malnutrition. Under such a system, less food is wasted, and the food supply chain is more resilient to shocks.

The agri-food system should not only enhance **farm incomes** but also ensure **dietary diversity** by sowing safe and nutritious food crop.

It needs to be reoriented to **minimise cost on the environment and the climate**.

Diff erent combinations of integrated crop-livestock- forestry- fishery systems can help farmers produce a variety of products in the same area, at the same time or in rotation.

Post-harvest losses needs to be minimized.

Safety net programmes should be more nutrition sensitive. Women's empowerment, enforcement of standards and regulations, **Awareness** regarding water, sanitation and hygiene, nutrition education. Effective use of **digital technology**.

What steps have been taken in this regard?

FAO in collaboration with **NITI Aayog** and the **Ministry of Agriculture** convened a national Dialogue for the transition to a more **sustainable agri-food systems by 2030** and thereby enhancing farmers' **income** and achieving **nutritional security**.

Additionally, **FAO** has been engaged with the Indian government for mainstreaming agrobiodiversity, greening agriculture, promoting nutrition-sensitive agriculture and strengthening national food security.

8. Aiding Afghans: On G20 meeting on Afghanistan

Source: This post is based on the article "**Aiding Afghans**" published in "**The Hindu**" on **14th October 2021**.

Syllabus: GS2-International Relations: India and its neighborhood- relations.

Relevance: to understand the unfolding Afghanistan humanitarian crisis.

Synopsis: Owing to the Taliban takeover of Afghanistan the shortage with regard to fund and food availability has multiplied the crisis.

Introduction

At a meeting of G-20 countries, PM of India highlighted about the looming humanitarian crisis in Afghanistan. He also called for the international community to provide Afghanistan with immediate and unhindered access to humanitarian assistance.

The meeting came as the **UNHCR** published a new appeal for funds. The report states that **half the population** (more than 20 million people) is in **need of "lifesaving humanitarian assistance"**, and the UN has received **only 35% of the funds** needed for its relief operations.

What is the current financial situation of Afghanistan?

As a result of the Taliban takeover, most **direct aid** to the Afghan government has been **stopped**; its **reserves have been frozen by the U.S.**, making it impossible for salaries to be paid.

The Taliban government's refusal to allow women to work and its stopping girls from schooling have made the situation more problematic.

As the recognition of the Taliban and any governmental engagement is still a long way off, the world is faced with a critical choice of ensuring that Afghanistan does not suffer further.

What is the strategic ambiguity faced by India?

Taliban took over of Afghanistan, with support from Pakistan while maintaining links with terror groups including those that target India.

9 PM Compilation for the Month of October (Second Week), 2021

This leaves the Government in an ambiguous position of increasing engagement or sending aid directly to the new regime.

How can India help?

India could **contribute to international agencies** that are working with displaced Afghans, particularly for about one million children at the risk of starvation.

It could also **help Iran and the Central Asian states** that are housing refugees with monetary assistance.

The Government could also consider **liberalising its visa regime for Afghans**, which at the moment has cancelled all prior visas to Afghan nationals, and is releasing very few e-visas for Afghans desperate to travel here.

As a goodwill gesture, India could once again **send food aid**, including wheat, grain, fortified biscuits and other packaged food, **directly to Kabul**.

What is the way forward?

As pointed out by UN Secretary General this is a “make or break” moment for the Afghan people.

If the international community, which includes a regional leader like India, does not help in coming out of the unfolding humanitarian crisis, not only Afghans but also the rest of the world will pay a heavy price.

9. Freebies, handouts and other myths loved by income taxpayers

Source: This post is based on the article “Freebies, handouts and other myths loved by income taxpayers” published in **The Hindu** on 14th October 2021. **Syllabus:** GS 2 Government Policies and Interventions for Development in various sectors and issues arising out of their Design and Implementation.

Relevance: Understanding the purpose of freebies offered by the government to their people.

Synopsis: Instead of blaming the government to offer freebies, people should decide what all services/ benefits they want from the government.

Introduction

Recently, the idea has been floated by an income tax officer to have a “taxpayers union”. A section of the people welcomed this idea as they think that income taxpayers are the main funders of government.

They also think that their hard-earned taxes are mostly routed on undeserving poor through populist programmes announced before the election.

What is wrong with this idea and belief?

Income taxpayers are not the main funder: Presently, less than one-third of the combined spending of state and central governments in India is raised through income tax.

It's the **taxes on commodities** that meet more than half the expenditure of the government and these taxes are paid by all citizens whether rich or poor or accused of using freebies. The rest of the spending comes from borrowings, grants, disinvestments and various non-tax revenues.

The demand for taxpayer's union is like **demanding an exclusive veto power** over spending decisions by paying only one-third of the government bill. So, it is not feasible.

India already has a “taxpayers” union: All the voters (including those who pay income tax) elect the legislators. They form India’s taxpayer’s union. They approve government budgets after a lengthy debate in state assemblies and Parliament.

How government provide various benefits to citizens?

In the 1990s, the government compiled and published a budget annexure called “Tax Expenditures”. The annexure explains clearly how the government subsidise various citizens’ groups.

The government uses different methods to help the beneficiaries. They spend more on one section, give subsidies to the other, or reduce the prices on items needed by the poor. It is not that they give **all the facilities to a particular section**. This can be understandable from the following examples:

Taxes: Government demands lower taxes from different taxpayer groups. The income tax code has as many exemptions aimed at different professions for promoting various kinds of economic activity as the expenditure budget.

Tax deduction benefits target only a selected few. And this standard deduction is in fact seen as a subsidy by businessmen and farmers.

Subsidised food grains, power etc: There is a need to rethink the subsidy models. The reduced price given on cooking gas and food grains to poor households can be called as subsidies. But giving free power to all households, which also include well-off households, cannot be called a subsidy.

What citizens can demand from the government?

Citizens should collaboratively decide what they want from the government. For Example, citizens can demand sufficient numbers of **good quality schools and clinics**. These things will not consider as Freebies as these facilities will be available to everyone and have the capacity to make the citizen productive and efficient and raise the growth rates for GDP and per capita income.

10. Bombay High Court POSH guidelines risk silencing victims of sexual harassment

Source: This post is based on the article “**Bombay High Court POSH guidelines risk silencing victims of sexual harassment**” published in **Indian Express** on **14th October 2021**. **Syllabus:** GS 2 Mechanisms, Laws, Institutions & Bodies Constituted for Protection & Betterment of These Vulnerable Sections.

Relevance: Understanding the problem with POSH.

Synopsis: There is a need to take a deeper look into the POSH Act after the guidelines given by the current judgement.

Introduction

Bombay High Court in **P v. A & Ors** has released guidelines to protect the identities of those involved in POSH (prevention of sexual harassment) trials.

What are these guidelines?

Disclosure: It prohibits the disclosure of the identities of the victim, accused and witnesses. It also prohibits the parties from disclosing any information relating to such trials (including the final order/judgement) to the media or publicizing the same via social media, without securing permission from the Court.

9 PM Compilation for the Month of October (Second Week), 2021

Limited Access: It limits the entry of the people with only court stenographer, plaintiff, defendant and their lawyers to be present. Even court orders and judgements will not be delivered in open court.

Judgments in POSH cases will no longer be published or uploaded for public consumption without the permission of the court. Even if the court allows to do it, the publication can be done only in an anonymized version. For any lawyer to access this judgment, a court order will have to be obtained.

Hearing: It mandates all the hearings to be held in-camera or in Judges' Chambers. Breach of these conditions will be contempt of court.

What is Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act)?

It mandates government and private organizations to redress matters quicker than the judicial process.

Read more: [Sexual Harassment of women at the workplace – Explained pointwise](#)

What is the problem with the current judgement?

Physical Attendance: The revised guidelines mandated to appear physically in order to keep the proceedings confidential. This can bring delay in the judicial process and further discourage victims from pursuing the trials.

Confidentiality: Like in the case of sexual abuse complaints, the identity of the victims should be kept secret to prevent ostracisation from society. This is expressly prohibited by **Sec 228 A** of the **Indian penal code**. However, in the case of POSH, this is not done expressly as the complainant and respondent can reveal their identity.

Moreover, POSH Act requires the company to reveal in its annual audit report are the actions it has taken (without revealing the names of parties) against individuals who have indulged in the Act of sexual harassment. This blanket ban by the court on revealing the identity of perpetrators of crime can result in the perpetrators operating under the radar and carrying out their heinous acts.

Transparency: Keeping the judgments out of reach of lawyers or media goes against the norm of transparency. Since India follows the principle of common law, the judiciary relies on the previous judgements to make current judgements. So making judgements publicly available is important.

What should be the way forward?

As the #MeToo movement had shown, such sexual harassment goes unnoticed and unspoken. Making such judgements inaccessible will only further lead to the silencing of such movements.

11. NHRC's remit: Human rights body has an incredibly important job, Praising govt is not part of it

Source: This post is based on the following articles:

- **"NHRC's remit: Human rights body has an incredibly important job, Praising govt is not part of it"** published in **Times of India** on **13th October 2021**.
- **"Human rights and basic needs are one and the same thing-PM Modi's sequencing is fraught"** published in **Indian Express** on **14th October 2021**.

Syllabus: GS2 – Human rights.

Relevance: Understanding the role of NHRC.

Synopsis: NHRC as an institution, need to keep a check on the government and executive and not shower praises or seem compromised in its job.

Introduction

The government of India enacted the **National Human Rights Act** in 1993. As a result of which, the **National Human Rights Commission (NHRC)** and State Human Rights Councils were created. Their job was to uphold human rights and protect against abuses of human rights by the government or its agencies or any other body.

This is an important mechanism of check and balances which is vital for the survival of any vibrant democracy

What is the recent issue or controversy?

Recently the Prime minister of India made remarks that human rights are viewed from political ends. Such selective human rights programmes often target and malign India's image on international platforms.

Recently the chairman of NHRC praised the government for its effort to contain the foreign conspiracy to malign India's human rights record. He also praised India's efforts in bringing peace to Jammu and Kashmir.

Why are these considered controversial?

The job of NHRC is to uphold human rights and not praise the government for saving from international conspiracies. That is the job of other ministries. Coming to peace in Jammu and Kashmir and the issues of **Articles 370** and **Article 35 A**, it is to be decided by the stakeholders and not by NHRC.

What should be the way forward?

In India, human rights violations see little or no action is taken by the agencies. This is evident in the **Lakhimpur Kheri incident**, Where farmers were killed by an SUV. It was under these circumstances that the **Supreme Court called NHRC a toothless tiger**.

NHRC needs to be strengthened, and it needs to keep a check on the executive and uphold human rights in all spheres of public and private life. This is a crucial element in the realization of the goal of "Sabka Saath Sabka Vikas and Sabka Vishwas"

12. Doctor cure thyself: On revising queerphobic medical textbooks

Source: This post is based on the article "**Doctor cure thyself: On revising queerphobic medical textbooks**" published in the **Times of India** on **16th October 2021**. **Syllabus:** GS 2- Mechanisms, Laws, Institutions & Bodies Constituted for Protection & Betterment of These Vulnerable Sections.

Relevance: To understand the reason behind the stigmatization of the bisexual community under the medical profession.

Synopsis: The social issues in India are not just societal problems, but also ingrained deepens our educational system.

Introduction

Recently National Medical Commission has issued an advisory to all medical universities and colleges. It asked them to **bring changes in the teaching methods** and opt methods that are not derogatory to the LGBTQIA+ community.

What is the discrimination faced by LGBTQIA+ in the medical profession?

The medical profession mostly **treats homosexuality as an illness**. This plays a significant role in the stigmatization of non-heterosexual identities. Madras High Court in its recent judgement also raised concerns as it tells **“queerphobia continues to be rampant in medical education”**

Read more: [Madras High Court guidelines for mainstreaming LGBTQIA+ community](#)

The medical curriculum describes lesbians as “mental degenerates” and force them to conversion therapy. There are various medical practices that continue to try to alter various sexual orientations instead of recognizing them as a normal variant of human sexuality. According to **American Psychiatric Association**, these kinds of treatments are unethical as they can cause depression and self-destructing behavior.

Read more: [Need to ban the Conversion therapy of the LGBTQIA+ community](#)

What needs to be done?

Our medical institutions still propagate the age-old band practices like the two-finger virginity test. So, change needs to be brought not just in the curriculum but in the mindset.

13. NEET hasn't created the equality of opportunity it had promised

Source: This post is based on the article **“NEET hasn't created the equality of opportunity it had promised”** published in the **Indian Express** on **16th October 2021**.

Syllabus: GS-2 Issues Relating to Development & Management of Social Sector/Services.

Relevant: Understanding the issues related to NEET.

Synopsis: The recent move of the Tamil Nadu government to bypass the NEET exam requires careful analysis of the issues surrounding the NEET.

Introduction

The government of India cleared the way for making NEET a common entrance examination for all medical colleges across India. This was opposed by many states including Tamil Nadu.

What steps have been taken by Tamil Nadu?

The government of Tamil Nadu appointed a **committee under Justice AK Rajan**. The committee found that NEET is **biased towards the pattern of the CBSE syllabus**.

Based on the recommendations, the government of Tamil Nadu passed a law that provided that NEET is not the only means through which admission can be secured in medical colleges in Tamil Nadu. The bill, however, has not yet received the President's assent.

Read more: [National Entrance cum Eligibility Test\(NEET\) – Issues and Significance- Explained, pointwise](#)

What are the challenges created by NEET?

The first challenge is the **inequality of participation**. NEET assumes that all students have the same social-economic background and are equally placed. This is what political philosopher and **Nancy Fraser** called **“parity of participation”**.

According to him, maldistribution of resources is an impediment to parity of participation. With regard to NEET, socio-economic inequalities and the absence of objective conditions are unfair because they hinder the parity of participation.

Secondly, it crushes what sociologist **Arjun Appadurai** called **“capacity to aspire” of Marginalised students**. The report stated that coaching institutes create an impression that

these exams cannot be cleared without repeated coaching sessions. Given the price and cost of these coaches, they remain out of reach for a majority of the students.

Read more: [Inequity and injustice writ large – Regarding NEET](#)

What can be the solution?

National Education Policy ,2020 provides some initiatives which can solve the problem. It **focuses on multi-lingual learning**. It also focuses on educating in the **mother tongue** as that is regarded as the best medium to learn any subject or concept.

There is also a **need to restructure the focus of NEET** such that it can encompass the varied school curriculum and regional languages. The methodology should be innovative and should not require repeated coaching.

All the steps taken together can solve the challenges related to NEET and also help realize the vision of national education policy.

14. **Countering the Chinese Threat**

Source: This post is based on the article **“Countering the Chinese Threat”** published in **Business Standard** on **16th October 2021**.

Syllabus: GS 2 Effect of policies and politics of developed and developing countries on India's interests.

Relevance: Understanding the policies/strategies of China in the Indian context.

Synopsis: India should adopt a multi-level approach to counter the encircling of China.

Introduction

Over the period of time, China has made its position stronger and has now emerged as a threat to India. Recently, RSS Chief in his Vijaydashami speech also raised concerns over the China-Pakistan-Taliban-Turkey nexus.

How China emerges as a threat to India?

China has successfully encircled India, and now it is in the process of making its grip tighter. Following are the few instances where India can see it happening:

Friendly relations: It has successfully built friendly relations with India's neighboring countries like Pakistan, Sri Lanka, Bangladesh, Nepal and now Afghanistan. China is also intensifying its relations with Iran, Turkey and some Central Asian republics.

But Pakistan and its economy are in their worst state. Taliban have not been recognized by the world. And Turkey, at its best, can sell few drones to Pakistan, provided Pakistan pays for it.

Propaganda: Recently, China released a series of videos from the **Galwan clash** of June 2020. These are Indian soldiers who were captive for three days. This is complemented by **warlike commentary** in Global Times or other Chinese weapons of psychological warfare. The reaction from Beijing to Vice-President Venkaiah Naidu's visit to Arunachal Pradesh is one such example.

Border engagement with Bhutan: Chinese media claims of a border engagement with Bhutan. The reaction shows that these talks will happen with or without India.

Ladakh position: In the 13th Corps Commander level talks, China presented its hardstand and issued offensive statements with a **“take-it-or-you-won't-even-have-it”** like attitude.

Other surface areas: China has bought various dormant regions like the **Barahoti plains in the Central sector and Tawang in the east to life**. It has also increased its deployments in Ladakh and is in the progress of making it permanent.

9 PM Compilation for the Month of October (Second Week), 2021

Russia: Recently Russian President praised China for its stronghold as it does not need to use force to take Taiwan. This shows the emerging strong position of China.

Trade: According to **Pia Krishnankutty report**, in trade relations, China has a surplus of about \$47 bn. It also seems poised to break the record of \$63.05 billion

How India is tackling the Chinese threat?

First, In Ladakh, China attained the dominant position through the use of the first-mover advantage. They no longer have this advantage, as was found out by China when they tried similar tactics in Tawang.

Second, every harsh step by China is pushing India closer to the USA and away from Russia. That is the reason India signed **LEMOA and other strategic agreements** with the USA. C Raja Mohan also anticipated that India can sign a similar deal with the French as well.

What India should do?

It is true that India needs to secure its borders to tackle the challenge. But India needs to focus on building alliances to counter the rising Chinese threat. Thus, at this critical juncture, India cannot afford a polarised society. India can fight China, but not with a divided house.

General Studies Paper - 3

General Studies - 3

1. India needs a carbon policy for agriculture

Source: This post is based on the article “**India needs a carbon policy for agriculture**” published in The **Indian Express** on **11th October 2021**.

Syllabus: GS3- Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment,

Relevance: A carbon policy for India’s agriculture sector

Synopsis: The share of agriculture in India’s total emissions has gradually declined. However, in absolute terms emissions from agriculture have increased to a level similar to China’s. India needs to take steps to address this issue.

Introduction

In its recent assessment report, Intergovernmental Panel on Climate Change (IPCC) has issued “code red” to humanity as we rush towards a 1.5-degree Celsius hotter planet by 2040.

In light of this background, India needs to do more to decrease its agricultural emissions.

Must Read: [IPCC 6th Assessment report – Explained, Pointwise](#)

What is the current emission scenario in the world and of India?

Per capita emissions: US has the highest per capita emissions (15.24 tonnes), followed by Russia (11.12 tonnes). India’s per capita emissions is **just 1.8 tonnes**, significantly lower than the world average of 4.4 tonnes per capita

Emission intensity: If one takes emissions per unit of GDP, of the top five absolute emitters, **China ranks first** with 0.486 kg per 2017 PPP \$ of GDP, which is very close to Russia at 0.411 kg per 2017 PPP \$ of GDP. India is slightly above the world average of 0.26 (kg per 2017 PPP \$ of GDP) at 0.27 kg, while the USA is at 0.25, and Japan at 0.21. *(You don’t have to remember the figures. Given here for information only)*

Greenhouse gas emissions: According to the Global Carbon Atlas, **India ranks third in total greenhouse gas emissions** by emitting annually around 2.6 billion tonnes (Bt) CO₂eq. China and US are in top positions in this case.

Effect of weather events: As per Germanwatch, in 2021 **India ranked seventh on the list of countries most affected due to extreme weather events**, incurring losses of \$69 billion (in PPP) in 2019.

Sector-wise emissions: Sector-wise global emissions show that **electricity & heat production** and **agriculture, forestry** and other **land use** make up 50% of the emissions.

– For India, the **energy sector** has the largest share (**44%**), followed by the **manufacturing and construction sector** (**18%**), and **agriculture, forestry and land use sectors** (**14%**), with the remaining being shared by the **transport, industrial processes** and **waste sectors**.

– **Share of agriculture:** The share of agriculture in total emissions has gradually declined from **28% (1994) to 14% (2016)**. However, in absolute terms, emissions from agriculture have increased to about 650 Mt CO₂ in 2018, which is similar to China’s emissions from agriculture.

What are the factors behind agricultural emissions in India?

Agricultural emissions in India are **primarily from the livestock sector (54.6%)** in the form of methane emissions. The reason being-

-fermentation that takes place in the digestive system of the animals

-use of nitrogenous fertilisers in agricultural soils (**19%**) which emit nitrous oxides;

- rice cultivation (17.5%) in anaerobic conditions and,
- livestock management (6.9%) and burning of crop residues (2.1%).

On what lines India's carbon policy be structured to reduce agricultural emissions?

Carbon credits to farmers: Along with reducing emissions in agriculture, farmers should be rewarded with carbon credits which should be globally tradable.

Better feeding practices: With the world's largest livestock population (537 million), India needs better feeding practices with smaller numbers of cattle by raising their productivity.

Switching to less water intensive crops: Direct seeded rice and alternative wet and dry practices can reduce the carbon footprint in rice fields. But the real solution lies in switching areas from rice to maize or other less water-guzzling crops.

-opening up corn for ethanol and rewarding farmers for this switch by making corn more profitable than paddy, can help not only reduce our huge dependence on crude oil imports but also reduce the carbon footprint.

We need to use **better alternatives of nitrogen fertilizer** to reduce nitrous oxide emissions from agricultural soils. We need to promote fertigation (*mixed with water*) and subsidise soluble fertilisers. Ultimately, the government should incentivise and give subsidies on drips for fertigation.

2. Taxing big tech where it earn profits

Source: This post is based on the article “**Taxing big tech where it earn profits**” published in **Indian Express** on **11th October 2021**.

Syllabus: GS3 Indian Economy and issues relating to Planning, Mobilization of Resources, Growth and Development.

Relevance: Understanding the impact of Global Minimum Corporate Tax.

Synopsis: India signed a deal to enforce GMCT in India, but it has to alter its taxation system to bring respective reforms.

Introduction

India with another 135 countries agreed to enforce a pact to **impose a minimum corporate tax rate of 15%**, and an **equitable system of taxing profits** of big companies in markets where they are earned. Kenya, Nigeria, Pakistan and Sri Lanka have not yet joined the deal.

What are the rules prescribed under Global Minimum Corporate Tax and the challenges associated with it?

Must Read: [Global Minimum Corporate Tax and India – Explained, pointwise](#)

To whom does this rule apply?

It will cover firms with global sales above 20 bn Euros (\$23 billion) and profit margins above 10%. A quarter of any profits above 10% is proposed to be reallocated to the countries where they were earned and taxed there.

What are the concerns of India?

According to New York Times reports, it said that India, China, Estonia and Poland are worried that **minimum tax could harm their ability to attract investment** with special lures like research and development credits and special economic zones that offer tax breaks to investors.”

According to OECD, Multilateral Convention (MLC) will “require all parties to **remove all Digital Services Taxes and other relevant similar measures** with respect to all companies,

and to commit not to introduce such measures in the future. In this context, India may have to withdraw its digital tax or equalisation levy if the global tax deal comes through. So India is still figuring how to balance its interests.

3. The many questions arising from QES data

Source: This post is based on the article “**The many questions arising from QES data**” published in “**The Hindu**” on **11th October 2021**.

Syllabus: GS3- Issues related to employment

Relevance: To understand the issues in employment.

Synopsis: The first quarter data of QES talks about different employment statistics

Introduction

Recently, the Labour Bureau has released the results of the All-India Quarterly Establishment-based Employment Survey (QES) for the first quarter of 2021 (April to June). The Sixth Economic Census serves as the basis of the QES survey.

The survey covers establishments employing 10 or more workers in the organised segment in nine sectors. These sectors account for 85% of the total employment in establishments employing 10 or more workers as per the Sixth Economic Census (EC).

What are the key findings of this QES?

Nearly 75% of the estimated establishments employing less than 40 workers

87.5% of the estimated workers were **regular workers** and just about 2.1% (12.5% in construction) were casual workers.

Excluding health and financial services, around 24-35% of the establishments were operational from March 25 to June 30, 2020.

66-86% of estimated employees received **full wages** including in the construction, trade and hospitality industries.

The report concedes a **decline in the share of female workers** from 31% in the Sixth EC to 29% in FQ2021.

What can be inferred from the QES Data?

The **overall growth rate** is **incongruent with macroeconomic factors** and other labour market portrayals.

The QES provides very broad employment figures — “3 crores and 8 lakhs approximately” for FQ-2021. But due to low employment demand, cost-minimising manufacturers the statistics in QES are arguable.

What more could have been done for the report?

At any rate, the F12021 QES must be considered as a starting point of the new data set rather than as a continuum of the Sixth EC as the **Seventh EC would enable sensible comparisons**.

Like the Sixth EC, it could have **collected data on social aspects** like caste and religion as the pandemic would have had differential impacts on the social statuses of workers.

Instead of five segmented employment surveys (QEP's), the Labour Bureau can put in place a **high-frequency labour market information database** like most advanced economies.

4. Privatisation is far more difficult than consolidation

Source: This post is based on the article “**Privatisation is far more difficult than consolidation**” published in **Business Standard** on **11th Oct 2021**.

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

Relevance: To understand the issues associated with the Privatisation of PSBs.

Synopsis: The government is looking to privatise the PSBs for strengthening the banking sector. But the Privatisation of PSBs is a complex one.

Introduction

Recently, the Finance Minister mentioned that India needs more banks to match the scale of the nation’s largest lender, the State Bank of India. This is because India (Asia’s third-largest economy) is shifting to a different plane in the post-pandemic world. India also needs bigger and stronger banks to meet those challenges.

The government is readying to start consultations with the RBI to put in place a framework to screen the potential bidders of public sector banks. The process will start with the strategic divestment of IDBI Bank. But the Privatisation is far more difficult than consolidation of PSBs.

About the consolidation of Banks

The consolidation drive brought down the number of public sector banks(PSBs) from 27 to 12 in three years between 2017 and 2020. Yet, the State Bank is the lone India representative in the list of 50 largest banks globally.

What powers does the government enjoy with PSBs?

The government enjoys more powers than a majority stakeholder should in any board-run company. For example,

- i) The government now **has the absolute power** to appoint the managing director and CEO of a public sector bank and its whole-time directors and non-executive chairman
- ii) The government has the **power to liquidate** any bank **and** also for the **merger** of public sector banks.
- iii) Under **Section 8** of the **Bank Nationalisation Act**, the government can **issue directives to the banks in the public interest** after consulting with the **Reserve Bank of India (RBI)**.

Note: Department of Financial Services, an arm of the finance ministry, does this often without keeping the RBI in the loop.

Is divestment of PSB can lead to Privatisation of PSB?

No, Privatisation is very different from divestment. Divestment doesn’t necessarily bring the government stake below 51%. The government divests its stake in public sector undertakings to make money.

Since 1994, the government has pumped in **Rs 4.51 trillion** in PSBs as capital. Over the years, the government stake in many banks has been rising. For example, the government is having a 97.70% stake in Punjab & Sind Bank and 62.93% in Canara Bank. In the latest Budget also has announced Rs 20,000 crore recapitalisation in the current year.

What are the challenges in Privatising PSBs?

To pave the path for privatisation, the **Bank Nationalisation Act** has to be amended.

Further, the government stake needs to come down below 51%. This will ensure that the government **will stop using public money** to keep them alive.

Privatising the PSBs is **different from other Privatisation drives**. Banks can not be sold to the highest bidder, the profile of the bidder is the most important criterion for a licence to the bank. So, the potential buyers will have to meet the RBI's fit-and-proper criteria.

In conclusion, merely bringing down the government stake below 51% will not excite the prospective bidders unless the governance norms are overhauled

5. [Pandora papers reveal legislative limits of preventing tax dodging](#)

Source: This post is based on the article "**Pandora papers reveal legislative limits of preventing tax dodging**" published in **Indian Express** on **11th Oct 2021**.

Syllabus: GS – 3 – Indian Economy – Issues relating to planning, mobilization, of resources, growth, development.

Relevance: To understand the legal issues associated with taxing Offshore Investments.

Synopsis: Pandora Papers reveal complex issues associated with offshore investments.

Introduction

Pandora Papers consist of as many as 12 million documents belonging to 14 global corporate services firms, which set up about 29,000 off-the-shelf companies and private trusts in obscure tax jurisdictions.

Must read (Only new points are covered in this article): [Pandora Papers and Illegal offshore investments from India – Explained, pointwise](#)

What are the global challenges in curbing illegal offshore investments?

Many countries have not adopted common reporting standards: The OECD introduced the common reporting standard, using which countries could partner better to exchange the financial information of their residents. Today, 110 jurisdictions are signatories to the standard.

But many countries have not signed up for this framework. For example, the **United States** (it employs the Foreign Account Tax Compliance Act or FATCA to receive information), the Philippines, Thailand and Vietnam.

So, the tax authorities may not be able to procure substantive evidence if a country is not obligated to exchange such information.

Financial secrecy laws: The latest information from the **OECD** on country-by-country operations by select multinational companies reports that more than 40% of the entities are located in the **British Virgin Islands, the Isle of Man, Bermuda and Mauritius** due to their financial secrecy.

Financial secrecy laws are not only present in some island nations alone, but also in countries like the US. For example, **The Tax Justice Network** reports that the **US ranked second** in the world, before Switzerland and after the Cayman Islands, in financial secrecy. States such as Delaware and South Dakota are hotbeds for offshoring.

Proof of burden on Tax administrators: Corporate entities are treated as an entity separate from the shareholders by various tax-havens. This places the burden of proof on tax administrators to prove the transaction details. But, there are limits to traceability due to non-cooperative jurisdictions. So, it is often challenging to unveil their transactions.

What can be done?

The scale of the offshore leaks reaffirms the sense of inequality in taxation. So, holistic and all-around attack from within and outside the country is the need of the hour. Internally, for a tax

system to be truly reformed, **socially unacceptable tax avoidance** must be made legally impermissible.

6. Public Finance ought to throw its weight by clean energy

Source: This post is based on the article “**Public Finance ought to throw its weight by clean energy**” published in **Livemint** on **11th October 2021**.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Transitioning towards renewable energy (RE).

Synopsis: With the world trying to achieve the Paris climate target, there is a need to bring more financial commitments and change in policies to achieve this target.

Introduction

Solar power is now the cheapest form of electricity in history. Over 90% of power-generation capacity added around the world last year was in renewables

But to stand a chance of limiting global warming to 1.5° Celsius above pre-industrial levels, the world’s energy systems must transform even faster. And that needs governments and public financial institutions to **stop supporting fossil fuels** and instead support the clean-energy transition.

Is RE sector being adequately financed?

To meet the 2015 Paris climate agreement’s 1.5°C target, the global energy transition needs to progress 4-6 times faster than currently. Fossil fuels still supply 84% of the world’s energy and account for over 75% of global emissions.

The **International Energy Agency’s ‘Net Zero by 2050’** roadmap shows that global energy systems must be fossil-fuel-free by 2040.

Yet, since Paris, G20 governments have provided more than **three times more public finance for fossil fuels** (\$77 billion) than for renewables every year.

What favorable factors now exist in the RE sector?

Investments in RE sector have always been riddled with high upfront costs and lack of large scale adoption issues, but the situation is now changing.

Dramatic cost reduction: Wind and solar are now cheaper than new coal and gas power plants in two-thirds of the world. The dramatic cost reduction over the decade has transformed options, particularly in poor countries, where renewables-based mini grids offer opportunities to alleviate energy poverty and provide energy access.

Why investment in RE sector is necessary?

New jobs: Investment in R.E helps in creating new jobs which further drives the economic growth. According to the **International Renewable Energy Agency** deploying Renewable at scales could help create 42 mn jobs worldwide by 2050.

Air pollution reduction: It also helps to reduce Air Pollution.

What is the global contribution?

Various governments and organizations have made commitments to end the use of fossil fuels and to boost the use of RE sources.

G7: Members states made a commitment to cease all of their international funding for coal projects by end of 2021.

South Korea, Japan and China: These countries also agreed to stop funding coal projects overseas in spite of being the world's largest providers of international coal financing.

Paris Agreements: More than 85 countries have submitted updated national climate pledges. This shows the trend towards higher renewable energy use and lower reliance on fossil fuels by 2030.

European Investment Bank (EIB): EIB also became the 1st multilateral bank to announce an end to all financing for fossil fuel projects by 2021. EIB also provides support to a wind farm in Africa, which provides clean and affordable energy.

UK: It provides end to new public support for overseas international fossil fuel energy projects, fully shifting investments into renewables.

What should we do?

In the **upcoming COP 26 summit**, the focus should be on making more commitments to align International public support fully with the Paris goals.

Government and Financial Institution should **provide resources** to provide cheaper, cleaner energy and to end international support for fossil fuel-based power.

To ensure that every community benefits from the transition in RE, it is important to **carefully design the policies**. There is a need for global solidarity where, everyone has access to necessary technologies, expertise, investment support and financial strategies.

7. The monetary policy of RBI has failed to walk its talk

Source: This post is based on the article “**The monetary policy of RBI has failed to walk its talk**” published in **Live Mint** on **11th October 2021**.

Syllabus: GS 3 Indian Economy & Issues Relating to Planning, Mobilization of Resources, Growth, Development.

Relevance: Understanding the status of the Indian economy.

Synopsis: A disconnect between the commentary and policy action of RBI's repo rate-setting panel could cost us dear in time to come.

Introduction

According to RBI Governor, the Indian Economy is recovering from the impact of Covid. But still, there is a need to work on inflation, so that it will remain within the targets defined.

Is the Indian Economy improving in real terms?

Yes. According to **the Finance Minister**, the Indian economy is on a “**Sustained path of revival**”. As per **RBI** also, indicators for Q2: 2021-22 have **gained momentum**. International rating agency **Moody** has also revised its rating outlook for India **from negative to stable**.

What are the present challenges of the Indian Economy?

Inflation: There are various factors linked to it like **elevated global crude oil** and other commodity resources, **Acute shortage of key industrial components** and **high logistics costs** etc

Measures taken by RBI during the pandemic

During the pandemic, RBI had taken **various steps to infuse liquidity**. RBI took steps like **ending G-SAP (Government Securities Acquisition Programme)** and a **VRRR** (variable-rate reverse repo) auction calendar, but the system still has surplus liquidity.

9 PM Compilation for the Month of October (Second Week), 2021

During the pandemic, the RBI widened the repo rate to 65 basis points from 25 basis points. RBI also infused 2.37 trillion dollars of liquidity into the economy.

What should be done?

Recently, the RBI ended the G-SAP. But ending G-SAP alone is not enough. The economy with high liquidity today can lead to a high rate of interest tomorrow, so the RBI has to take enough steps to prevent it. The measures adopted during the time of pandemic need to change, evolve as the economy unfolds.

8. Explained: Why launch of Indian Space Association is significant

Source: This post is based on the article “Explained: Why launch of Indian Space Association is significant” published in **The Indian Express** on **12th Oct 2021** and “**PM to launch Indian Space Association on 11th October**” & “**PM launches Indian Space Association**” published in **PIB** on **9th** and **11th Oct 2021** respectively.

Syllabus: GS3 – Science and Technology, Awareness in the field of space.

Relevance: Developing India’s space sector

Synopsis: Indian Space Association has been launched by the Prime Minister of India. The industry association will act as an independent and “single-window” agency for enabling the opening up of the space sector to start-ups and the private sector.

What is ISpA?

ISpA is the Premier Industry Association of Space and Satellite companies, which aspires to be the collective voice of the Indian Space industry.

It will undertake policy advocacy and engage with all stakeholders in the Indian Space domain, including the Government and its agencies.

Echoing with the vision of Aatmanirbhar Bharat, ISpA will help in making India **self-reliant, technologically advanced** and a leading player in the space arena.

ISpA is represented by leading home grown and global corporations with advanced capabilities in space and satellite technologies. Its founding members include Larson & Toubro, Nelco (Tata Group), OneWeb, Bharti Airtel, Mapmyindia, Walchandnagar Industries and Ananth Technology Limited. Other core members include Godrej, Hughes India, Azista-BST Aerospace Private Limited, BEL, Centum Electronics, Maxar India.

What is the significance of establishment of ISpA?

Space exploration: Ever since the race to reach the space and then land on the Moon began between the US and the erstwhile USSR, governments across the world have poured millions of dollars towards exploration of the edges of the space. With time, governments and government agencies collaborated to explore newer planets and galaxies in search of life forms that exist outside Earth.

In the recent past, private sector companies such as Elon Musk’s SpaceX, Richard Branson’s Virgin Galactic, and Jeff Bezos’ Blue Origin have taken the lead in spaceflight, promising to start tourist flights to space.

Though India too has made significant strides in space exploration over time, state-run ISRO has been at the centre and front of this progress. Several private sector companies, however, have shown an interest in India’s space domain, with space-based communication networks coming to the fore.

9 PM Compilation for the Month of October (Second Week), 2021

Satellite internet: In India, the space-based communications network is being seen as the next frontier to provide high-speed and affordable Internet connectivity to inaccessible, hilly and remote areas. This includes SpaceX's StarLink, Sunil Bharti Mittal's OneWeb, Amazon's Project Kuiper, US satellite maker Hughes Communications, etc.

What is the aim of the ISpA?

One of the main goals of the organisation is to **supplement the government's efforts** towards making India a global leader in commercial space-based missions. Of late, ISRO's rockets have been carrying the payload and communication satellites of various countries; now, private players will also look to enter this space with the new organisation.

ISpA will also work towards **building global linkages** for the Indian space industry to bring in critical technology and investments into the country to create more high skill jobs.

ISpA will be focussed on **capacity building and creation of space hubs as well as incubators** in the country for private space start-ups. It will work in tandem with NSIL, a central public sector enterprise under the Department of Space (DOS), which functions as the commercial arm for ISRO and secures launch contracts from customer satellites.

The association will also work with **IN-SPACE**, which acts as a regulator facilitating the use of government facilities to private companies.

9. [Tackling the climate crisis](#)

Source: This post is based on the article "**Tackling the climate crisis**" published in **The Hindu** on **12th Oct 2021**.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Climate risk adaptation and mitigation

Synopsis: India is doing its part towards climate risk mitigation, but it also needs to develop adaptation strategies and look towards building resilience.

Introduction

[IPCC's 6th assessment report](#) has warned India against more intense heat waves, heavy monsoons and rise in weather extremes in the future. Hence, the pressure to speed up mitigation and adaptation is at an all-time high.

What steps is India taking towards fulfilling its mitigation commitments?

India is doing well in achieving its mitigation commitments of reducing emission intensity and enhancing renewable capacity.

– India is targeting **450 gigawatts of renewable energy capacity by 2030** and it has launched mega solar and green hydrogen missions.

– The [Shoonya programme by NITI Aayog](#), which aims to accelerate adoption of electric vehicles, is yet another effort towards adoption of clean technologies.

Note: **Adaptation** can be understood as the process of **adjusting** to the current and future effects of climate change. **Mitigation** means making the impacts of climate change less severe by **preventing or reducing the emission** of greenhouse gases (GHG) into the atmosphere

With increasing climate risks, India needs to develop adaptation strategies and build resilience.

What steps should India take to develop adaptation strategies and build resilience?

India has some dedicated initiatives towards adaptation, such as the National Action Plan on Climate Change and the National Adaptation Fund. However, a breakthrough on adaptation and resilience actions is needed to save hard-earned developmental gains and adjust to new climate conditions.

India can take the following steps:

Improved early warning systems: It can be more prepared for climate change with high-quality meteorological data. With improved early warning systems and forecasting, we can tackle the crisis better. Premier research institutes can be roped in to develop regional climate projections

for robust risk assessments.

Markets for environmentally-friendly products: For sustainable production systems, it is necessary to develop well-functioning markets for environmentally friendly products and disseminate them for the desired behavioural change.

Private sector participation: It is important to encourage private sector participation for investment in adaptation technologies and for designing and implementing innovative climate services and solutions.

Utilizing traditional knowledge: We need to protect mangroves and forests to address climate-related risks by blending traditional knowledge with scientific evidence and encourage local and non-state actors to actively participate.

Major social protection schemes must be climate-proofed. India has an opportunity to create resilient infrastructural assets, diversify the economy and enhance the adaptive capacity of rural households.

Effective feedback mechanism: For continuous monitoring and evaluation, effective feedback mechanisms must be developed for mid-course correction. Periodic fine-tuning of State Action Plans on Climate Change is crucial.

What is the way forward?

Proactive and timely need-based adaptation is important. Without it, there will be a huge fiscal burden in the future. A more collaborative approach towards climate change adaptation is crucial. Next-generation reforms will promote new business and climate service opportunities across several sectors and thus create a sustainable economy.

10. The great hubris that lay behind the Great Moderation and Reset

Source: This post is based on the article “**The great hubris that lay behind the Great Moderation and Reset**” published in “**Live Mint**” on **12th October 2021**.

Syllabus: GS3 -Issues related to Energy sector and its cascading effects on Indian Economy

Relevance: Green growth and the resulting energy crisis

Synopsis: Faulty assumptions of rosy economic scenarios have resulted in an energy crisis.

Introduction

Post-covid, there has been talk of a great reset. It has many elements. Important among them is **green growth**, an effort to decarbonize the world and attain net zero carbon dioxide emissions.

For instance, The International Energy Agency (IEA), in a road-map published in May 2021, called to eliminate the use of fossil fuels by 2050.

Unfortunately, it will negatively impact oil-importing economies. Because, the Great Reset has resulted in global fuel shortages and soaring energy prices.

How the 'Great reset' is impacting global fossil fuel supply ?

European governments are now desperate to bring down natural gas and coal at any cost. The EU's own climate policy requires the purchase of carbon permits, whose prices have doubled since the start of the year, heaping more pressure on the cost to consumers.

Pension funds in **Norway** dropped hydrocarbon fuel companies from their portfolios.

In case of **China**, strict probe over entire country had deterred coal producers from overproduction to avoid a potential follow-on anti-corruption investigation. Further China enacted a new criminal law amendment that criminalizes those individuals held accountable for mining-related accidents. Ahead of the CCP's 100th anniversary this year, a large number of coal mines across China were shut down to avoid deadly accidents.

Non-OPEC oil supply has fallen by over 2 mm barrels per day from its 2019 peak and [their] oil supply growth will turn negative as we progress through this decade. This will result in a structural gap between supply and demand.

How rising price of fossil fuel will impact India?

Inflationary effect and its impact on monetary policy: Recent rise in fuel price has made the Reserve Bank of India think hard about withdrawing its accommodative stance. Higher oil prices are both inflationary and contractionary.

Demand supply mismatch: India faces the issues of coal shortage and power generation has come under stress.

What should India do?

Oil producing countries like Mexico routinely **hedge their price risk with derivatives**. India should also adopt the same practice.

Our governance structures and procedures must change to make this happen. If oil prices keep climbing in the winter months, two things must happen.

- The appropriateness of our current exchange-rate policies must be re-examined.
- And India's fiscal and monetary policy stances must be re-calibrated for the former to address growth and the latter, overheating.

Note: *An overheating economy is an economy that is expanding at an unsustainable rate.*

11. [Taxing multinationals](#)

Source: This post is based on the article "**Taxing multinationals**" published in "**Business Standard**" on **12th October** 2021.

Syllabus: GS3 – Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Relevance: Global agreement on taxing multinational corporations.

Synopsis: Global agreement on taxing multinational corporations and way forward for India

Introduction

After several years of negotiations, 136 countries, representing over 90 per cent of global output, finalised the agreement last week to tax multinational corporations. Since almost all members of the OECD's framework on base erosion and profit shifting have agreed, tax avoidance for multinational corporations would become difficult once it's implemented.

The two-pillar tax solution will now be presented before the finance ministers of the G20 countries this week and later at the G20 leaders' summit.

Must Read: [Global Minimum Corporate Tax – Explained, pointwise](#)

What is the need for such Agreement?

A global agreement on taxing multinational corporations had become necessary because of a variety of reasons.

Increasing Tax evasion: With the increasing dominance of digital technology and intellectual property, it became easier for large corporations to avoid taxes in their home countries or where the income was being generated by shifting profits to low-tax jurisdictions. The US has said it will end the race to the bottom in terms of corporate taxation

Need for increased fiscal resources: The agreement was also being driven by the need to raise more revenue to finance the increasing demands on national budgets in several countries, particularly after Covid-19.

To ease friction between countries: The deal is expected to provide stability to the international tax system and reduce overall friction.

What is the way forward for India?

Through **equalisation levy** India has collected about Rs 1,600 crore in the current fiscal year so far. India will need to withdraw such taxes once the agreement is implemented.

Given the potential for digital services in the country, it is important to make sure that the government doesn't lose out on revenue, and that multinational firms pay their fair share in India.

Once the new tax rules are accepted and implemented, it will be extremely difficult to get them changed. Thus, India should use the upcoming G20 meetings to press its position.

12. How to get farmers to not burn crop residue

Source: This post is based on the article "**How to get farmers to not burn crop residue**" published in "**Indian Express**" on **12th October 2021**.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation,

Relevance: Stubble burning and its associated environmental costs

Synopsis: Steps to be taken to push farmers away from resorting to stubble burning

Introduction

Farmers across northern India burn stubble to clear fields for the winter wheat sowing season. It is both a health and an environmental hazard that repeats every year. A 2018 Lancet study reported this as the number one reason for premature deaths in India.

Why farmers across northern India resort to stubble burning?

One, Short interval for field clearing and sowing of winter crops.

Two, financially strapped farmers often can't afford other methods of crop residue management.

Despite government interventions why farmers continue the practice of stubble burning?

First, farmers perceive the **alternatives to burning as too expensive**, even though the central government has subsidised equipment for crop residue management. For them, the subsidies have not changed the calculus that moving away from burning hurts their bottom line.

Second, farmers state a preference for ex-situ management equipment such as balers over in-situ machinery such as the Happy Seeder and the Super SMS. They **prefer to remove the paddy stubble from the field** rather than working it into the field.

Third, pertains to the best format of **cash transfers**. It was critical to offer some of the payment upfront. Cash rewards worked only if a portion of the payment was given at the beginning. Partial upfront payment builds trust. Without it, farmers do not trust that they will

get the promised payment afterwards. It also gives farmers some financial cushion given they need to pay for the equipment rental.

What is the way forward?

First, the government could restart conditional cash payments. Our study shows that this strategy can work, if the policy is designed correctly.

Second, the government can subsidise ex-situ equipment such as biogas plants. This could reduce the net cost of ex-situ management because farmers can sell the crop residue also it encourages innovation.

Lastly, the **rewards farmers are offered need to cover their costs of managing stubble without burning**. Based on studies, as, a subsidy of about Rs 2,500 per acre should be able to achieve a marked reduction in burning.

13. Protecting India's natural laboratories

Source: This post is based on the article “**Protecting India's natural laboratories**” published in “**The Hindu**” on **12th October 2021**.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Significance of Geo heritage sites.

Synopsis: India needs to take measures to protect and conserve Geoheritage sites.

Introduction

India has a very unique geodiversity. India has tall mountains, deep valleys, sculpted landforms, long-winding coastlines, hot mineral springs, active volcanoes, diverse soil types, mineralised areas, and globally important fossil-bearing sites. It is long known as the world's ‘**natural laboratory**’ for geo-scientific learning.

India's geological features and landscapes evolved over billions of years through numerous cycles of tectonic and climate upheavals and are part of the country's heritage.

However, the lack of interest in the government and our academic circles towards geological literacy is unfortunate at a time when we face a crisis like global warming.

Why Geoheritage sites are important and needs to be protected?

Geo-heritage sites are educational spaces. They commemorate unique geological features and landscapes and promote geo-tourism that generates revenue and employment and they are of great scientific value.

For example, the **Kutch region in Gujarat** has dinosaur fossils and is our version of a Jurassic Park. The **Tiruchirappalli region of Tamil Nadu**, originally a Mesozoic Ocean, is a store house of Cretaceous (60 million years ago) marine fossils.

Learning from the geological past, may serve as an analogue for future climate.

The awareness generated through educational activities in geo-heritage parks makes it easier for us to memorialise past events of climate change and appreciate the adaptive measures to be followed for survival.

What are the issues and challenges faced in conservation of Geo heritage sites in India?

Despite international progress in this field, the concept of geo-conservation has not found much traction in India.

Apathy towards geological literacy: Indian classrooms view disciplines like environmental science and geology with disdain compared to how they view other 'pure' subjects like physics, biology, and chemistry.

No policy for conservation: Countries like Vietnam and Thailand have also implemented laws to conserve their geological and natural heritage. Unfortunately, India does not have any such legislation and policy for conservation

Not a single geo-park in India which is recognised by the UNESCO: Though the Geological Survey of India (GSI) has identified 32 sites as National Geological Monuments. This is despite the fact that India is a signatory to the establishment of **UNESCO Global Geoparks**.

Must Read: [Global measures to conserve Geo-heritage sites](#)

How the issue of development is threatening geological heritage sites in India?

Many fossil-bearing sites have been destroyed in the name of development. We are inching towards the disappearance of most of our geological heritage sites due to **unplanned and booming real estate business**.

Unregulated stone mining activities have also contributed to this destruction.

For example, the high concentration of iridium in the geological section at Anjar, Kutch district, provides evidence for a massive meteoritic impact that caused the extinction of dinosaurs about 65 million years ago. This site was destroyed due to the laying of a new rail track in the area.

Similarly, a national geological monument exhibiting a unique rock called **Nepheline Syenite** in Ajmer district of Rajasthan was destroyed in a road-widening project.

The Lonar impact crater in Buldhana district of Maharashtra is an important geo-heritage site of international significance. It is under threat of destruction, although conservation work is now in progress under the High Court's supervision.

What is the way forward?

First, the current situation calls for immediate implementation of sustainable conservation measures such as those formulated for protecting biodiversity.

Second, the protection of geo-heritage sites requires legislation. Geo-conservation should be a major guiding factor in land-use planning. A progressive legal framework is needed to support such strategies.

14. We can't stabilise the climate without carbon offsets — so how do we make them work?

Source: This post is based on the article " **We can't stabilise the climate without carbon offsets — so how do we make them work?** " published in **The Down to Earth** on **11th October 2021**.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: regarding carbon offsetting and issues involved.

Synopsis: Carbon offsetting affords an opportunity to achieving net-zero emission targets but only if its done with full integrity.

Introduction

Carbon offsetting has been in news lately. The Grattan Institute released a new report on the role of offsetting in achieving net zero targets.

Carbon offsetting is a difficult part of the climate change conversation worldwide and, because of past problems, there's understandable cynicism about its potential.

What is offsetting?

Offsetting refers to **reducing emissions or removing carbon dioxide from the atmosphere in one place to make up for emissions** in another.

Though it aims to lower the costs of reducing emissions, in worst case it can increase the costs and give us false confidence about our progress towards net zero emissions.

Offsetting is often done through a **system of credits or offsets** — units that represent one tonne of emissions reductions achieved, or one tonne of carbon dioxide removed from the atmosphere.

Must Read: [More companies pledge net-zero emissions to fight climate change, but what does that really mean?](#)

For instance, a **mining company** with a net-zero target, might be able to partially reduce its emissions through adjusting its operations, but could find it still has emissions that are too expensive or technically impossible to reduce. In this case, it might buy an “offset” to cover these emissions. The **offset could come from another company** with plenty of options to reduce emissions (such as a landfill owner), or it might come from an activity like tree-planting.

What objections are frequently raised against carbon offsetting?

- Some see it as an **excuse for polluting companies** to delay reducing emissions.
- Others say it **destroys the fabric of rural communities** because it encourages farmers to turn farming land into places for tree-planting and other carbon-storage activities.
- Some international schemes have been **criticised for crediting offsetting activities that aren't “additional”**. This refers to activity that would have happened anyway, such as rewarding a landholder for maintaining vegetation that was never going to be cleared, or rewarding a manufacturer for investing in low-emissions technology when that would have occurred regardless.
- Moreover, if there are **too many emissions reduction or removal activities** that are credited but didn't actually happen (“hollow” offsets), then we get a **false sense of progress** towards net zero. This limits the market's effectiveness. If buyers aren't sure they're getting what they pay for, they won't pay as much. This pushes prices down, which limits the number of producers willing to do offsetting, because they won't be paid as much.

What is the way forward?

Investment in research and development: Governments should invest in research and development and early-stage technology development, such as direct-air carbon capture and storage.

Stronger policies to reduce emissions: Steps should be taken to cut emissions from transport, industry and agriculture.

15. [Diverting rice for fuel blending, a risky venture?](#)

Source: This post is based on the article “**Diverting rice for fuel blending, a risky venture?**” published in **The Livemint** on **12th October 2021**.

Syllabus: GS3- Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Using rice and sugar for ethanol blending

Synopsis: Government's plan to promote ethanol, its benefit to the country, various effects of this plan, its impact on crop diversification and food security and way forward.

Introduction

India is planning to use surplus rice, besides sugarcane, to meet its bio-fuel target of blending 20% ethanol with petrol. Could this pose problems for India's crop diversification goals or worsen nutritional indicators?

What's the govt's plan to promote ethanol?

The government has planned to divert **17 million tonnes of surplus rice from its food stocks of 90 million tonnes to produce ethanol**. This is in addition to the 2 million tonnes of sugar which is already being diverted to produce ethanol.

-India is estimated to achieve about 8.5% blending with petrol by this year, which it plans to increase to a **mandatory 20% blending by 2025**.

How would ethanol blending benefit India?

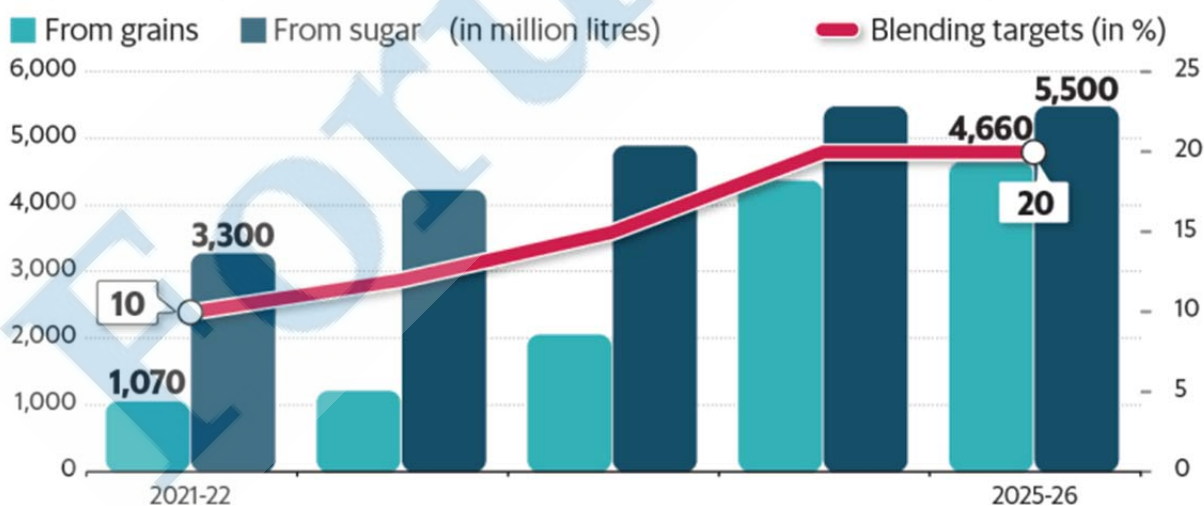
Lower import of petroleum products: According to NITI Aayog, a successful biofuels programme can save India \$4 billion or about ₹30,000 crore every year by lowering import of petroleum products.

Emission reduction: Ethanol is less polluting and offers equivalent efficiency at a lower cost than petrol.

The Centre expects that rising production of grains and sugarcane and feasibility of making vehicles compliant to ethanol-blended fuel makes its biofuels policy a strategic requirement.

Cost savings

According to federal think-tank Niti Aayog, a successful biofuels programme can save India \$4 billion or about ₹30,000 crore every year by lowering import of petroleum products (India currently imports 85% of its fuel requirements).



Source: Report of Expert Committee on Roadmap for Ethanol Blending, Niti Aayog and MoPNG, June 2021

What are the unintended effects of the policy?

More stress on water- Increasing reliance on biofuels can push farmers to grow more water-intensive crops like sugarcane and rice, which currently use 70% of the available irrigation water.

Impact on hunger situation in India: Experts have further raised concerns that the move could impact India's hunger situation by limiting the coverage of the food security schemes.

Negative impact on crop diversification: Although the biofuels policy stresses on using less water-consuming crops, farmers prefer to grow more sugarcane and rice due to price support schemes.

Diversion of sugar could be used as a temporary measure to reduce excess stocks of sugar, but in the long run, it would push farmers away from crop diversification strategy of growing more pulses and oilseeds which are less water-intensive.

Ethical concerns: As per some experts, it is unethical to use edible grains to produce ethanol in a country where hunger is severe. India, with 14% of its population undernourished and more than a third of its children stunted, ranks 94th out of 107 countries in the Global Hunger Index 2020.

Rise in food prices: Diversion of mass consumption grains can push food prices up and can worsen our hunger problem.

What is the way forward?

Government needs to review its policy and plans to overcome the various others issues arising out of it and making its plan a success.

16. The" yes or a no" the court must ask about Pegasus

Source: This post is based on the article "**The" yes or a no" the court must ask about Pegasus**" published in **The Hindu** on **12th October 2021**.

Syllabus: GS 3 basics of cyber security.

Relevance: Understanding the Pegasus spyware issue.

Synopsis: Given the seriousness of the matter and the right to privacy of citizens, the judiciary must hold the executive accountable in the matter.

Introduction

Earlier this year, a global coalition of media organisations revealed that the Pegasus was being used in a number of countries to surveil journalists, activists, dissidents, and political leaders. Pegasus is a malware that once installed on an individual's phone, can collect and transmit data, track activities such as browsing history, and control functionalities such as the phone camera.

Read more: [Pegasus spyware issue – Explained, pointwise](#)

Why is the Pegasus scandal controversial?

Pegasus is **manufactured by an Israeli cyber-arms firm called the NSO Group**. The NSO Group claims that its only clients are vetted governments. This indicates the possibility of the government's abuse of its power to spy on its citizens.

What was the government reaction to Pegasus?

In countries like **France**, government-ordered **inquiries into the matter**. In **India**, however, the government has **not taken any strict action**. Even the RTI is filed on seeking government response on whether the government had purchased the Pegasus was met with the response is like no information available. The government was tight-lipped in Parliament and even a Parliamentary inquiry into the matter was quashed.

Given the inability of Parliament to hold the executive accountable, many have approached the courts for the matter. But unfortunately, no concrete action or steps have come out of the Supreme Court yet.

What are the legal challenges in the court?

The matters are petitions before the courts challenge the Pegasus in many aspects. Did the government authorize spying on its citizens? If yes, was there any legal justification for taking this action? If not, why did the government take sufficient steps to protect its citizens from such potentially dangerous malware?

The government's response has been that of evasion. It has not even filed a written affidavit in the matter. And the government has refused to answer questions, stating that it would endanger national security.

What should be the way forward?

Given the seriousness of the matter and violation of fundamental rights of the citizens, with Parliament fails to hold the executive accountable, it is imperative for the courts to protect the rights of the citizens.

17. Semiconductors: Why India should not make chips – Instead, the focus should be on other parts of the global value chain

Source: This post is based on the article “Semiconductors: Why India should not make chips – Instead, the focus should be on other parts of the global value chain” published in “Tines of India” on 12th October 2021.

Syllabus: GS3- Science and Technology- Awareness in the fields of IT, Nanotechnology.

Relevance: To understand the issues regarding demand and the global supply crisis in semiconductors and their global value chain.

Synopsis: There is a burgeoning Electronics market, and also there is a consequent fight over the major powers to control the semiconductor industry. India can use this opportunity to improve to achieve digital India targets.

Introduction

The global supply crisis in semiconductors has led many to suggest India should create chip fabrication facilities (fabs). The feasibility of this industry in India in light of raw material availability, technology and skilled manpower remains to be seen.

Why is there a global chip fight?

This tussle is mainly led by two countries, the **US and China**. On the one hand where the US controls the IP, design and technology, **China**, on the other hand, is the largest chip buyer, consuming 60% of all chips produced globally.

The US, using export control laws in 2019, stopped its firms from helping Huawei (a China-based company) to restrict the export of design, fabrication among other technologies.

What are its impacts on the world's geopolitics?

US has pressurised Taiwan Semiconductor Manufacturing Company (TSMC) and others not to make chips for China. As, this step will cripple Chinese electronics and the advanced technology industry, China responded by violating Taiwanese airspace many times this year.

What are the reasons India should not involve in chip-making?

Investment– Chip fabrication facilities (fabs) are not a one-time investment.it needs huge annual investment as electronics technology is fast changing.

Chipmakers like Intel, TSMC each spends over \$20 billion in R&D, process improvement and new fabrication machinery every year.

Technology- Fab technology is complex with very high failure rates. China is a case in point that even significant investments are no guarantee of success.

World's fab capacity– World will soon have surplus fab capacity. The US-China rivalry has spurred large investment in new fabs. The US government will spend \$50 billion on chip manufacturing. Intel, TSMC is also spending huge on new fabrication technologies. Many other proposals are being discussed.

Read more: [Need of Indigenous Semiconductor Manufacturing Facilities in India – Explained Pointwise](#)

What is the way forward for India?

India should focus on other things in the **chip value chain except for fabrication**. These contribute to 40% of the value chain revenue.

Chip **design and assembling, testing, and packaging** (ATP) are the two segments of interest for India. Chip design involves using software tools to simulate the physics of chip circuitry. India may leverage this skill set.

The US which is a major player in semiconductors is seeking **allies** to develop a new supply chain, excluding China. India being an active Quad member, must participate in the fabless segment of the chip value chain.

What are the advantages for India?

The ATP industry generates millions of **jobs** and has **low barriers** to entry. Besides, it will give a push to **Digital India** mission, **Make in India** and the skilled manpower it will create.

18. Chinese checks: On dealing with border incursions by China

Source: This post is based on the article “ **Chinese checks** ” published in **The Business Standard** on **13th October 2021**. **Syllabus:** GS3- Security Challenges and their Management in Border Areas

Relevance: Dealing with China

Synopsis: India urgently needs a fresh strategy for handling the broader dispute along the Sino-Indian border.

Introduction

In June last year, clashes took place between India and China in the Galwan Valley, which resulted in fatalities on both sides. The Chinese have steadily encroached on Indian territory along the Line of Actual Control (LAC). Despite some pullbacks, the People's Liberation Army (PLA)- Chinese Army controls more territory than it did before the intrusion.

The recent failure of the corps commander-level talks on troop pullbacks in eastern Ladakh, suggests that a new strategy for handling the Sino-Indian border dispute is required.

What steps has India taken to deal with Chinese border incursions?

India's strategy has been to talk tough, ban Chinese apps and investment, and increase military resources along the LAC.

9 PM Compilation for the Month of October (Second Week), 2021

Recently, India has increased the troops along the LAC by 40%. It also increased the artillery pieces and prepared Rafale fighter jets equipped with long-range missiles for any kind of future events that may arise.

What is the future Chinese strategy?

As per some reports, PLA is **making fresh incursions** into areas it had vacated in the Galwan Valley.

It is also attempting intrusion into **Arunachal Pradesh** and **Uttarakhand**.

It is also **upgrading communication equipment and roads**, weaponry and logistics along the LAC, notably in the Galwan Valley — and have increased the number of patrol boats on its side of the Pangong Tso.

It also has three **forward fighter bases in Tibet** and that can cover the entire border.

Overall, PLA is **augmenting its attack capabilities**. China spends much more than India on such infrastructure and technologies.

What is the way forward?

Chinese border activity has increased and this demands a more robust response from India.

Past surveys of infrastructure and capabilities on the border have indicated that the Indian military does, in fact, have several strong points along its length and it can exploit them in the same way as China has done this past year and a half. China's withdrawal from Pangong Tso, the only area it has completely vacated after last year's incursion, was an example of the Indian army effectively leveraging its superior position in the region to force the issue. All of this, of course, **needs investment**.

That **China outspends India** by several orders of magnitude is well known. Pressures on the Budget from the pandemic have added to India's constraints.

Engaging in constant negotiations is the most desirable solution to military conflict. But as China has shown, talking and carrying the proverbial big stick work better.

Note: Carrying the proverbial big stick means caution and non-aggression, backed up by the ability to carry out violent action if required.

19. **Explained: Why govt proposes to redefine forests, and the concerns this raises**

Source: This post is based on the article " **Explained: Why govt proposes to redefine forests, and the concerns this raises** " published in **The Indian Express** on **13th October 2021**. **Syllabus:** GS3 – Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Proposed amendment to the Forest Conservation Act

Synopsis: Need of amendment to the Forest Conservation Act, 1980, the proposed amendments and various concerns associated with this amendments.

Introduction

Recently, the Ministry for Environment, Forests and Climate Change (MoEFCC) published proposed amendments to the Forest Conservation Act, 1980. It proposed **easing diversion of forests and exempting certain categories of development from the need to take clearance from the Ministry**.

Must Read: [Govt proposes changes to Forest Conservation Act](#)

What are the proposed amendments?

First, all land acquired by the Railways and Roads Ministries prior to 1980 be exempted from the Act. These lands had been acquired for expansion, but subsequently forests have grown in these areas, and the government is no longer able to use the land for expansion.

If the amendment is brought in, these Ministries will no longer need clearance for their projects, nor pay compensatory levies to build there.

Second, for individuals whose lands fall within a state-specific Private Forests Act or come within the dictionary meaning of forest as specified in the 1996 Supreme Court order, the government proposes to allow “construction of structures for bona fide purposes” including residential units up to 250 sq m as a one-time relaxation.

Third, Defence projects near international borders will be exempted from forest clearance.

Fourth, Oil and natural gas extraction from forested lands will be permitted, but only if technologies such as Extended Reach Drilling are used.

Fifth, doing away with levies for non-forestry purposes during the renewal of a lease,

Sixth, Strip plantations alongside roads that would fall under the Act will be exempted.

What are the concerns?

Corporate ownership: the relaxation of forest rules will facilitate corporate ownership and the disappearance of large tracts of forests.

Threat to tribals and forest dwelling communities

Negative impacts on wildlife: Exemption for Roads and Railways on forest land acquired prior to 1980 will be detrimental to forests as well as wildlife

Fragmentation of forests, one time exemption for private residences on private forest will lead to fragmentation of forests, and open areas such as the Aravalli mountains to real estate

20. The state of states: On lack of data on state's finances

Source: This post is based on the article “**The state of states**” published in **Business Standard** on **13th October 2021**. **Syllabus:** GS3 – Indian Economy and issues relating to Planning, Mobilization of Resources

Relevance: Significance of data on states' finances

Synopsis: Data of the Union Govt's finances is made available at the end of every month. We need a similar kind of set up for states too.

Introduction

The Union government's finances are routinely analysed and critically appraised, when its revenue and expenditure data are released by the Controller General of Accounts at the end of every month. These are unaudited and provisional numbers, but they do provide a broad idea about the state of the Centre's finances.

On the other hand side, little analysis of the state governments' finances takes place during the year. This is unfortunate.

What is the current scenario?

The data for the Centre's revenue and expenditure are available for the first five months of 2021-22.

But **only about 20 states have so far released their unaudited and provisional budget data** for April-August 2021.

These cover all the major states except West Bengal, Bihar, Assam, Delhi and some of the smaller states, including a few in the north-east.

9 PM Compilation for the Month of October (Second Week), 2021

A quick analysis of the way these 20 states spent and collected their revenue in April-August 2021 shows how different their approach to budgeting is from the Centre's.

What does the data of states' finances show?

Increased overall expenditure than the Centre: In April-August 2021, their total expenditure grew by 13% over the same period of 2020 and by 11% over the same period of 2019.

In contrast, the **Centre increased its expenditure only by about 2%** over the last year and by 9 per cent over 2019.

During pandemic: Against the Centre's 6 per cent rise in its total expenditure, the states' spending had contracted by 2 per cent in April-August 2020. The rise in the states' spending is contrary to the general impression that the states squeezed their expenditure in the first five months of the current year.

Higher revenue expenditure: The bulk of the rise in the states' spending this year is on account of higher revenue expenditure.

In contrast, the Centre has kept a tight hold on its revenue expenditure, which contracted by about 1% year-on-year and rose by just 6% over the same period of 2019.

Collections of tax revenue: The contraction in tax revenue for both the Centre and these 20 states was about 30 per cent in April-August 2020.

Why is it important to have data on state governments' finances?

Growing size of economy: Since the last 10 years, the combined size of state budgets has been higher than that of the Centre's budget. The size of state budgets exceeded that of the Centre's budget for the first time in 2011-12 by about 4 per cent. In 2020-21, the state budgets were about 22 per cent more than what the Centre spent.

Role in central finances: For instance, when governments are expected to spend more during or immediately after a pandemic, the focus is largely on the Centre's expenditure pattern. Little attention is paid to the states, whose expenditure size has more firepower.

Accountability: the latest information on state budgets is not easily available and hence it cannot be used as an input for analysis, tracking the impact of the Centre's revenue or expenditure on the economy.

What is the way forward?

First, there is need of centralised agency that compiles the data on finances of all the 30 states and makes them available on a monthly basis. The Reserve Bank of India does bring out a study of state budgets, but that being an annual publication becomes slightly dated.

Second, an early diagnosis of the slippage in the states' fiscal performance should help. But the first task should be to ensure that all the states' budget data are released with the same monthly frequency as has become the practice for the Centre.

21. [New laws for our pharma sector must focus on reforms](#)

Source: This post is based on the article "[New laws for our pharma sector must focus on reforms](#)" published in **Livemint** on **13th October** 2021.

Syllabus: GS3 – Government Policies and Interventions for Development in various sectors

Relevance: Reforms needed in pharma-sector

Synopsis: With govt agreeing to take a look at the pharma sector laws, our legislative framework for drugs, cosmetics and medical devices may be in for a complete reset.

Introduction

9 PM Compilation for the Month of October (Second Week), 2021

The government has considered to take a fresh look at the decades-old law governing the pharmaceutical sector and issued an order to constitute a committee.

The committee will examine the Drugs and Cosmetics Act (DCA) and previously framed drugs and cosmetics bills, and then submit draft documents for a de-novo Drugs, Cosmetics and Medical Devices Bill by 30 November 2021.

What is the current scenario of India's pharma-sector?

India has been a prime source for the manufacture and supply of affordable and efficacious generic medicines across the world and there has been a steady flow of foreign direct investment in this sector, with India's pharmaceutical industry being the third-largest globally by volume.

According to the Economic Survey of 2020-21, the Indian pharmaceuticals sector is expected to expand multi-fold and become a **\$ 130 billion industry by 2030**.

Also, medicine spending is projected to grow rapidly leading India to become **one of the top 10 countries** in terms of such expenditure.

How pharma-sector is governed in India?

Legislative framework: Currently, the Drugs and Cosmetics Act (DCA) of 1940, read together with the Drugs and Cosmetics Rules of 1945, are the primary legislations governing the import, manufacture, distribution and sale of drugs and cosmetics in India.

Rules made by the Centre: there are other industry-specific rules and regulations around medical devices, prices of essential notified drugs, narcotic and psychotropic drugs and substances, development of new drugs and undertaking clinical trials.

What are some of the key aspects the committee should consider for the country's proposed new legislation?

Digital health: New-age technologies and internet-based business models such as e-pharmacies are major drivers of growth. But specific regulations for such business models are necessary to provide a clear and predictable regulatory framework that would aid further investment in this segment.

Medical devices: The Medical Devices Rules of 2017 govern medical devices but there is still dependence on the DCA and the Central Drugs Standard Control Organization (CDSCO). There have been efforts in the past to enact a separate legislation governing medical devices and the newly set-up committee could consider adopting a similar approach in the proposed legislation.

Ambiguity in licensing issues: One of the conditions under various licences issued under the DCA is a requirement for fresh licences if there is a change in the constitution of the firm operating under earlier issuances.

However, what constitutes a change in constitution is not explained which leads to contradictory interpretations by regulators in different states. Such ambiguity impacts merger and acquisition modalities and timelines in this sector.

Sandbox regime: Regulators across the globe are considering novel ways in which the start-up ecosystem can be encouraged. Regulators in this sector could also adopt the approach of providing a 'sandbox' for innovation that's backed by a suitable regulatory regime around it.

Foreign direct investment: India's regulatory regime for FDI in this sector limits overseas investment in brownfield pharmaceutical ventures to 74% of equity under the automatic route. Moreover, there are sector-specific conditions such as no 'non-compete' restrictions that are likely to have a knock-on impact on FDI inflows.

While FDI-norm reforms may not directly fall within the purview of the proposed bill but the committee may consider with a view to pushing for further relaxations in this area to boost investment.

22. Should we be worried about how technology is changing the human condition?

Source: This post is based on the article “Should we be worried about how technology is changing the human condition?” published in **Indian Express** on **13th October 2021**. **Syllabus:** GS3 – Science and Technology- Developments and their Applications and Effects in Everyday Life.

Relevance: Social media regulation.

Synopsis: Fears about algorithms designed for addiction, advances in AI are grounded in recent revelations about corporate greed and government surveillance.

Why expecting the social media corporates to self-regulate themselves is an absurd idea?

Inaction of social media corporates: Social media corporates are well aware of the moral uncertainty towards the consequences of their products and the agnosticism (*an agnostic approach is the one which is interoperable across the systems and there are no prejudices towards using a specific technology, model, methodology or data*) that is built into the design of the algorithms.

Take, for instance, the effect of Instagram on the mental health of adolescent girls, or the role WhatsApp and Facebook have played in promoting ethnic violence in places as diverse as Myanmar, parts of Africa and India.

The corporation that runs all three apps was well aware of these consequences and yet, it did little to stop them.

Large scale use of the social media: The apps are so deeply intertwined with how we live and work that a competitor is likely to fill in the space vacated by any one company.

Finally, social media’s entire architecture is based on maximising screen time and the data so collected. What the algorithm does is find what will keep people hooked the most, and for the longest duration. Expecting social media giants to regulate the very thing that their profits are based on is absurd.

If self-regulation is out, is government regulation the answer?

Unfortunately, the actions of even democratically-elected governments often inspire little confidence.

Take just two recent examples, the **Pegasus snooping scandal** and the **Arsenal Consulting findings**. From both, it seems clear that for many governments, the use of technology to breach individual rights is an intrinsic part of how they function.

Governments can now deploy “**zero-click**” **spyware** that can easily bypass security mechanisms. And that such capabilities have been deployed against journalists, political friends and opponents, defence personnel, businessmen citizens with an inalienable right to privacy and dignity.

Unfortunately, the Pegasus scandal is only the tip of the iceberg. By using **voice cloning technology**, advanced robotics it will soon be possible to create a simulacrum (*an image or representation of someone or something*) of deceased loved ones.

In future, with technology development it is possible to use a doctored video to jail activists or to establish the chanting of “anti-national”, “seditious” slogans.

In this context, the dangers flagged by the Arsenal Consulting that evidence was likely planted on the computers of academics, lawyers and activists in the **Bhima Koregaon case** become all the more frightening.

Given that governments have at least as much interest in maintaining power as corporations do in making profits, they can hardly be expected to be impartial arbiters of the limits of technology.

23. How do we protect children in the Digital Age?

Source: This post is based on the article “How do we protect children in the Digital Age?” published in **Indian Express** on **13th October** 2021.

Syllabus: GS3 – Science and Technology- Developments and their Applications and Effects in Everyday Life.

Relevance: Digital world and Children safety

Synopsis: Protecting children has become far harder in the digital era.

Introduction

Recently, a whistle-blower of Facebook, **Frances Haugen**, accused Face book of hurting children and harming democracy by promoting social divisions.

She tried to reveal the technical depths of the problem that the young consumers of Facebook face. For instance, she tried to explain how the company entices its customers to linger on content, enabling advertisers to target more accurately, and so on.

One among Haugen’s charges is the impact Facebook makes on its teenage clients’ self-image. She advocated that the existing legal restraints on hi tech giants like Facebook will have to be tightened further.

On same lines, Maria Ressa (Noble laureate), in an interview to the BBC has mentioned the behaviour modification effects of social media and other offerings of the internet as the factors that led to the decline of liberal democracy in the Philippines.

Today, digital industries have successfully invaded both home and school and no one knows how to protect children from exposure to things they ought not to see and messages they must not receive.

What are the challenges that needs to be addressed to protect children from the evils of social media?

The first challenge is, how children can be protected from inappropriate content. Different varieties of such content ranging from hateful material to pornography are freely available now. Further they focus on children because they believe, that “catching them young” guarantees long-range benefits.

The second is to save children from the effects of addiction to the digital media. The addictive effects of digital inducement at an early age are potentially dangerous. The situation now is far worse and the pandemic has exacerbated it by compelling children to learn online.

Third, is to protect children from the adverse effects of falsehood and hateful propaganda of different kinds. False facts, hoaxes and rumours circulate through social media and serve as sources of profit for the companies that control these media.

Fourth, Predatory activity apart, the injurious potential lurking in communication networks has greatly increased with children’s own participation in these networks.

24. [Boost tourism through disruption](#)

Source: This post is based on the article “**Boost tourism through disruption**” published in “**The Hindu**” on **13th Oct 2021**.

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

Relevance: To understand the role of the tourism sector as a potential sector for employment and India’s overall development.

Synopsis: Tourism infrastructure has huge untapped potential in India especially with respect to jobs. The government has to take steps to unleash the full potential.

Introduction

As per the **Travel and Tourism Competitiveness Report of 2019**, India improved from 65th position in 2013 to 34th position in 2019. However, the Indian tourism and hospitality sector was adversely affected by the COVID-19 pandemic and saw substantial job loss.

Why does India need to focus on the tourism sector?

As per the estimates of the erstwhile “**Planning Commission**”, an investment of ₹1 million generates 78 **jobs** in the tourism sector. In the manufacturing sector, it results in just 18 jobs and in the agriculture sector, it is 45.

The growth in this sector has multiplier effects on **income generation** as it is employment-intensive with **less capital investment** and that too without any industrial gestation period.

The **India Skill Report, 2019**, estimates the Indian workforce to increase to about 600 million by 2022, from the current 473 million. In light of these facts, the tourism sector has the potential to absorb some new entrant workforce.

Read more: [The potential of rural tourism in India](#)

What steps does the government of India has taken?

During the pre-pandemic period: Many initiatives were adopted to promote the tourism sector, such as providing e-visas under various categories for people from particular countries, Global Media Campaigns, the Heritage Trail and the Paryatan Parv celebration.

During the Pandemic: The government announced financial support for more than 11,000 registered tourist guides/travel and tourism stakeholders.

It also said once international travel resumes, the first five lakh tourists will be issued visas free of charge.

How India’s tourism sector can improve further?

Though these measures are commendable, India needs other long-term measures too, to tap the potential of this sector.

India needs a **groundbreaking innovation strategy** that has the potential to create employment opportunities and increase revenue through private sector growth. For that, support from the government for ideation and access to **finance** are required.

There is a need to **train** the workforce in India so that workers can develop the **skills** to perform jobs in the travel and tourism sector.

The **international arrivals** have remained comparatively low, at around 9 to 10 million. Thus, there is a need to highlight the significance of public-private partnership to improve **infrastructure** and tackle the problem of **end connectivity**, which negatively affect the experiences of international travellers.

9 PM Compilation for the Month of October (Second Week), 2021

The travel and tourism industry in India is also fragmented, hindering the ability of the sector to achieve its potential. This area needs to be worked upon.

India should take a cue from **best practices** across the world, especially with regard to the use of **technology**. There are examples worldwide on blockchain-based money solutions to kick-start local tourism industries.

25. Power Ministry asks thermal units to import coal for minimum 10% blending

Source: This post is based on the following articles

- “**Power Ministry asks thermal units to import coal for minimum 10% blending**” published in “**Business Standard**” on **13th October 2021**.
- “**Power crisis: Lessons for India from China’s power policy changes**” published in “**Business Standard**” on **13th October 2021**.

Syllabus: GS – 3 – Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Relevance: To understand the present challenges in the Coal sector.

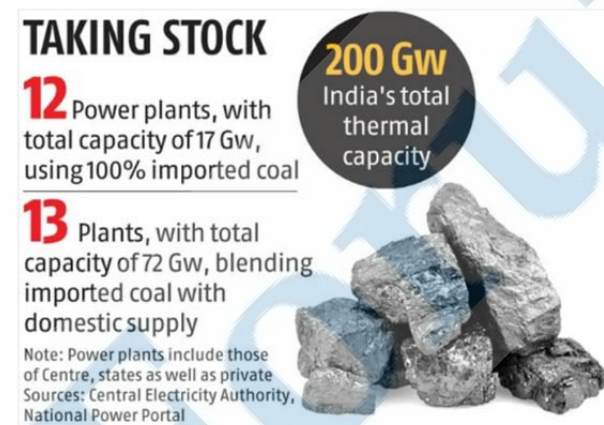
Synopsis: The present problems in the coal sector need a long-term solution to avoid such issues in future.

Introduction

To meet the increased power demand in the country, the Centre has asked thermal power generators to **import coal** for at least 10% blending, citing a shortage of domestic coal supply. This is a sharp reversal of its earlier directive of using domestic coal.

Note: The Centre in 2017-18 had tried for zero coal imports, but it led to a shortage, compelling thermal units to resume the import of coal later.

Why the government permitted imports?



Source: Business Standard

The share of coal-based generation increased from 62% in 2019 to 66% in the August-September period. Total coal consumption during the same period increased 18% over the corresponding period in 2019.

Currently, 16.8 gigawatt (GW) of power generation capacity has zero days of coal stock and 25 GW has less than three days of coal. So, the government decided to permit imports.

What is the reason for the mismatch in demand and supply of power?

Increased demand-As per the power ministry, the revival of the economy had led to an increase in demand and consumption of electricity.

Inadequate supply- supply from Coal India is not commensurate with the requirement.

9 PM Compilation for the Month of October (Second Week), 2021

The Centre mentioned that some states are not supplying power to consumers and imposing load-shedding in some areas. On the other hand, several states were **selling unallocated power** from central generating stations on power exchanges “**at a high price**”.

Panic buying: With coal supply and electricity shortage looming, several power distribution companies are panic buying on the power spot market.

The issue of “Power purchase agreements”: PPA is a legal and commercial document between a power producer as seller and the wholesale energy purchaser like the state electricity boards, as a buyer. Under this, the producer will agree to produce and deliver power to specified users for a fixed price.

The PPA’s mandates power **not to be sold on exchanges** and also that it usually runs for around 15-20 years, the sudden eventuality is not taken care of, hurting the producer of electricity.

Imported coal-based plants argued that it was absolutely ‘unviable to’ have a fixed-price agreement.

Read more: [Coal crisis in India – Explained, pointwise](#)

What is the government target with regard to coal import?

As part of the ‘Aatmanirbhar Bharat initiative’, the government decided to reduce the import of coal. Union Minister for Coal said India would have **zero coal imports by 2023-24**

What can be done to improve the situation?

India can **permit supplying the power through power exchanges** so that whenever there are such fluctuations in the market, the generators have the flexibility.

India can **follow steps like China**. Recently, China announced a major policy change for its crisis-ridden power sector by allowing coal-fired power plants to charge their industrial and commercial customers **market-driven prices**. This is being done to pass on the high costs of coal to the users. India can also permit such bold moves.

26. [Nursing the ailing power discoms back to health](#)

Source: This post is based on the article “**Nursing the ailing power discoms back to health**” published in the **Indian Express** on **13th October 2021**. **Syllabus:** GS 3 – Inclusive growth and issues arising from it.

Relevance: Understanding the challenges facing DISCOMS.

Synopsis: Despite the UDAY scheme, the condition of DISCOMS is critical. This demands a closer analysis.

Introduction

The DISCOMS provide power to households by connecting power producers to households. Though this seems a good economic proposition, the condition of DISCOMS in India is fragile.

What are the causes for the fragile economic health of Discoms?

Their precarious financial position is due to the **high level of aggregate technical and commercial (AT&C) losses**, the levy of **inadequate or lesser tariffs** when compared to the cost of power supply, and **insufficient subsidy support from state governments**.

Their annual losses are estimated to be around 45,000 to 50,000 crore and the overall debt is around 6 lakh crore.

What steps have been taken by the Government?

In budget 2021-22, the Union government had announced the launch of a “**reforms-based and results-linked**” scheme for improving the financial health and operational efficiency of discoms.

Revamped Distribution Sector Scheme was notified with an overall outlay of Rs 3.03 lakh crore. Under the scheme, **AT&C losses will be brought down to 12-15% by 2025-26, from 21-22%**. Operational efficiencies of discoms will be improved through smart metering and upgradation of the distribution infrastructure, including the segregation of agriculture feeders and strengthening the system.

The scheme has **two parts**. **Part A** will focus on upgradation of distribution infrastructure and smart metering. **Part B** is focused on training and capacity building.

How will the scheme work?

Under this scheme, DISCOMS will have to sign a **tripartite agreement with the Central and State government** to avail the benefits. The action plan to be submitted to Government will have two parts.

i) The **first part** will contain the root cause analysis and steps needed to reduce the AT&C losses. An inter-ministerial committee will finalize the “Results Evaluation Framework” which will incorporate the parameters proposed by the DISCOMS. A loss-making DISCOM will not be eligible for the benefits until its plans are approved by the central Government.

ii) The **second part** of the plan will list out the steps to reduce losses and improve operational efficiency.

What are the factors still impacting the finances of the DISCOMS?

One major factor impacting the health of DISCOMS is the **determination of the tariffs**. Currently, 19 out of 28 states issued orders declaring delays in the tariff determination process.

Moreover, India’s power supply is overly dependent on coal, and given the issues of coal supply and pricing, maintaining predictability is a big challenge.

What can be the way forward?

While the government has taken many reforms in the past, the key to success lay in their timely implementation.

27. Free power at a big price

Source: This post is based on the article “**Free power at a big price**” published in **The Hindu** on **13th October 2021**.

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

Relevance: Understanding the long-term impact of distributing free electricity.

Synopsis: The promise of free power to households/ other activities cannot be sustained.

Introduction

With elections coming near in many states, political parties started offering a lot of freebies to the people. Promises such as free power up to 300 units /month for households, free households, free households etc have been made. These all have adverse impacts in the long term.

Some states provide subsidized electricity as low as less than ₹1/unit while others like Punjab, Karnataka offer free electricity. Although it ensures various benefits like promoting rural livelihood but providing free electricity has its adverse impacts.

What are the problems associated with free power?

Agriculture: Nearly $\frac{3}{4}$ of agricultural connections are unmetered in India. Their **consumption estimates are often inflated** by distribution companies to increase **subsidy demand** and project low distribution losses. Also, the inefficient use of electricity and water, neglect of service quality by DISCOMS led to frequent outages, motor burnouts and a high subsidy burden on state governments.

Small Consumers: Although subsidized low tariff for small consumers is necessary because of the pandemic situation and economic slowdown. It is to be noted that these consumers require only 50-100 units/month to meet their basic requirements. But states like Delhi and Punjab offer 200/units of free electricity, which is not required.

Further, it will also **discourage people to opt for environment-friendly options** like rooftop solar etc

What methods can government/discoms adopt?

Providing free electricity is **only short-term relief**. It should be restricted to those only who are in dire need of it. Government should look for long-term measures on how to provide better services to people.

It can provide a rebate of up to 200/month for residential customers in the electricity bill. This will make a significant impact on small consumers.

Similar rebates can be offered to home-based enterprises. Additional rebates can also be offered to those who used energy-efficient enterprises like TV, Fridge etc.

Initiatives should be taken to **solve the mistrust between consumers and distribution companies**. There should be a quick resolution of queries/complaints.

28. You can switch off Siri, but not the State

Source: This post is based on the article “**You can switch off Siri, but not the State**” published in **Indian Express** on **16th October 2021**. **Syllabus:** GS3- Science and Technology- Developments and their Applications and Effects in Everyday Life.

Relevance: Artificial Intelligence and need for Data regulation.

Synopsis: While there are plans for greater deployment of AI and harvesting of our data for various purposes, the lack of any rights paradigm w.r.t data protection in India is deeply unsettling.

What is ‘Artificial intelligence’ and ‘Deep learning’?

In 1956, **John McCarthy** wrote, “Artificial intelligence is allowing a machine to behave in such a way that it would be called intelligent if a human being behaved in such a way.” Siri, which Apple consumers are dependent on, is an example of artificial intelligence.

Nobel Prize-winning author **Kazuo Ishiguro’s** new book, **Klara and the Sun**, book describes the process of “**deep learning**”. Where, artificial intelligence programmes are able to absorb information and start demonstrating reasoning of the kind which distinguishes us as humans.

How Individual’s data are captured in India?

In the world’s largest democracy of 1.3 billion people, increasingly more and more citizens have vital information on themselves stored as part of state or private data platforms.

Government Data: The government collects information for Aadhaar, for vaccinations on CoWin, from our tax returns, from our driving licence and a host of other instruments.

9 PM Compilation for the Month of October (Second Week), 2021

Private Data: Private platforms like Facebook, Twitter and a host of others collect unique information of our opinions, our likes and dislikes, our ideologies on their platforms.

How the Data is put to use and what are the concerns associated?

Based on this data, algorithms drive news and information that aligns with our beliefs to our Twitter or Facebook selves. **For instance**, Algorithms on OTT platforms like Amazon Prime, Netflix or Hotstar recommend movies or serials we like based on our prior viewing.

But the use of algorithms is not just restricted to movie recommendations. It is being used in many other areas. **For instance**, the U.S uses AI to predict recidivism likelihood amongst prisoners and, therefore, to grant sentences based on machine predictions.

However, there are inherent issues associated with AI. For instance, the data being fed to create the algorithms reflects the opinions of the programmers feeding the information. For instance, is the zip code of where a person lives likely to indicate chances of committing fresh crimes.

What are the issues/challenges faced in India w.r.t Data collection and processing?

One, In India, citizens have no rights over their data or protection from its extraction and in general, against its misuse.

Two, there is no data protection law in place, even though a Bill is being discussed by the Parliamentary Committee on Information Technology.

Three, only protection at present is the **Supreme Court's Judgment in the Puttaswamy case**, where it ruled that citizens have rights to informational privacy. Yet, in the absence of legislation, this proves difficult to implement.

Rightly, **Niti Aayog** notes that impediments to the greater use of AI include the lack of access to data, concerns for privacy and security.

Why the absence of Data protection laws in India is a concern?

Currently, the state has **unilateral rights** to collect and use our data, it has also given itself the ability to regulate private parties. For instance, the **Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021** are used to mandate that WhatsApp, which uses end-to-end encryption, must enable the identification of the **first originator** of the information.

Further, our government is thinking about the potential and inevitability of the greater use of AI. The 2018 **Niti Aayog National Strategy for Artificial Intelligence** points to the greater need for AI in sectors like education, healthcare and agriculture.

The papers also make clear that the aims of state policy include creating a data marketplace a “deployable model” in which it seeks to bring “buyers and sellers of data together”.

Amid these plans for greater deployment of AI and harvesting of our data, the lack of any rights paradigm provided by law is deeply disturbing.

It violates a constitutional premise that citizens must have their speech, expression, intellectual property and liberty rights protected.

29. Air India sale opens up a brighter future for aviation

Source: This post is based on the article “**Air India sale opens up a brighter future for aviation**” published in **Indian Express** on **16th October 2021**. **Syllabus:** GS3- Infrastructure: Energy, Ports, Roads, **Airports**, Railways etc.

Relevance: Disinvestments in loss making PSU's

Synopsis: Disinvestment of Air India will benefit Indian economy.

Introduction

Recently, the Government of India has successfully disinvested 100 per cent of its stake in Air India, 100 per cent in the low-cost airline Air India Express Ltd and 50 per cent in the Air India SATS Airport Services Private Ltd.

The move reflects the resolve and conviction of the government to revitalise India's loss-making PSUs by changing their governance model.

Why disinvestment in Air India is a welcome move?

One, Air India has become a loss-making PSU. The airline was losing Rs 20 crore each day with its debt having mounted to Rs 65,562 crore by August, 2021. As a result, it had lost more than Rs 5,000 crore each year since 2016. Its accumulated losses of Rs 70,875.98 crore resulted in the complete erosion of the net worth of the company.

Moreover, it has outstanding employee dues of Rs 1,332 crore as per the **Justice Dharmadhikari report** with employee benefit expenses being above Rs 3,000 crore each year. Air India also has a fleet strength of 213 as of August, 2021, and incurs huge costs to maintain this fleet.

Two, Impact of the pandemic on aviation sector. Covid-19 has had a dramatic impact on the aviation sector. A report by the International Civil Aviation Organisation notes that due to the pandemic, the financial losses of airlines across the world have been around \$370 billion.

Three, Poor operational structure. Despite the best efforts of governments over the years, the airline's financial condition continued to worsen in the absence of a competitive operational structure.

Four, ensures a competitive aviation market. While the air ticket fare is already rising, another airline's exit would have further concentrated power in the market. Moreover, a debt-laden airline only adds burden on the industry, while stretching government finances. Thus, the sale of Air India, which is now to be managed by a more competition-conscious organisation, in a free aviation market, is a welcome move.

Fifth, revival of Air India will be possible only with effective professional management. In this context, the Tatas have a proven history of turning around ventures on the brink of collapse, like Jaguar Land Rover.

How it will benefit the government and Indian economy?

One, the government can now shed its tag of being the arbitrary protector of a bleeding enterprises.

Two, Air India will not pose a further burden on the government's finances and taxpayers' money will be put to use in productive asset. For instance, since 2009-10, 1,10,276 crore rupees of tax payers' money has been wasted on the airline.

Three, the move will help government to disprove the allegations of protectionism which it has carried for the last seven decades, foster fair competition, rid the civil aviation market of distortions, and enhance the opportunity for travel.

Four, this move will also help towards revitalising the limping tourism sector.

30. Securing the States

Source: This post is based on the article “**Securing the States**” published in **Indian Express** on **16th October** 2021. **Syllabus**– GS3: Various Security Forces and Agencies and their Mandate

Relevance: Border management and the role of security forces

Synopsis: Border Security Force should be left to do its job.

Introduction

The Ministry of Home Affairs recently issued a notification extending the jurisdiction of the Border Security Force from 15 km to a depth of 50 km along the international borders in three states — Punjab, Assam and West Bengal.

However, the chief minister of Punjab has condemned and called it as the Government of India’s “unilateral decision” to give additional powers to the BSF as a “direct attack on federalism”.

What does the notification say?

Previous notification: The last notification of the MHA (July 3, 2014), defined the jurisdiction of the BSF, stated that the force could operate in the entire states of Nagaland, Manipur, Mizoram, Tripura and Meghalaya without any restrictions.

In Gujarat, it had jurisdiction up to a depth of 80 km and in Rajasthan up to 50 km. In Punjab, Assam and West Bengal, the BSF jurisdiction was up to a depth of 15 km only.

New rules: Under the latest notification, there is no change in the north-eastern states and Rajasthan. In Gujarat, jurisdiction has been reduced from 80 km to 50 km.

Controversial changes: In Assam, West Bengal and Punjab the BSF jurisdiction has been extended from 15 km to 50 km. It is this part of the notification which has generated controversy.

Why is the revision of BSF powers being opposed by Punjab, Bengal?

Share International borders: In the context of recent developments in the Af-Pak region, the radical groups are going to make a determined attempt to destabilise Punjab, where there have been several attempts to drop weapons from drones; for instance, the seizure of 3,000 kg of heroin that originated from Afghanistan and the killing of five army personnel in Surankote (Jammu and Kashmir).

Pakistan-sponsored terrorist groups, particularly the Lashkar-e-Toiba and Jaish-e-Muhammad, will almost certainly renew their onslaught in the border states.

Other reasons: It has already undergone a huge demographic change due to its accommodative attitude towards illegal migrants. Also, Assam faces multiple problems of ethnic insurgencies, smuggling, counterfeit currency, drug trafficking, etc.

What is the need and propriety of the government order?

Previous efforts: In 2011, the UPA had brought a bill to vest the BSF with powers to search, seize and arrest in any part of the country where it was deployed. However, it had to be dropped in the face of opposition to the proposed measure.

State police capacity: the police across the country are in a state of decline and they need the assistance of central armed police forces even for maintaining normal law and order. As such, their effectiveness against the emerging trans-border threats is suspect.

It is in this context that the Government of India decided to extend the jurisdiction of the BSF in three states.

To strengthen cooperation: The latest notification only seeks to reinforce the capabilities of the state police in securing the states under section 139 of the BSF Act, which empowers the members of the force to discharge certain powers and duties within local limits of the areas specified in the schedule.

Role of BSF: The jurisdiction of the state police has neither been curtailed nor its powers reduced in any manner. It is just that the BSF will also be exercising powers of search, seizure and arrest in respect of only the Passport Act 1967, Passport (Entry into India) Act 1920 and specified sections of the Criminal Procedure code.

The BSF would be handing over the accused together with the seized contraband to the local police. The power to register FIR and investigate the case remains with the state police.

31. Proposed amendments to the Forest Conservation Act are a bad idea

Source: This post is based on the article “Proposed amendments to the Forest Conservation Act are a bad idea” published in **Indian Express** on **16th October 2021**. **Syllabus:** Gs3- Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Environmental protection vs Development

Synopsis: Government seek deregulation by reducing scrutiny over certain decisions to deforest, thereby weakening safeguards.

Introduction

Recently, the Ministry of Environment, Forest and Climate Change issued a letter documenting 14 aspects that it seeks to change in the key forest legislation, the **Forest Conservation Act, 1980**. The proposed amendments to the FCA, work to restrict the scope of applicability of the Act.

What is the significance of the Forest Conservation Act, 1980?

This law has been instrumental in reducing deforestation as it requires approval from the central government when forests have to be diverted for non-forestry purposes.

The regulatory mechanism of forest clearances allows the ministry to deliberate on whether deforestation should be permitted or not and what the conditions should be if such a permit is granted.

What is the policy stand of the present government w.r.t environmental safeguards?

The present government has been working towards amending, changing, and recrafting environmental laws in India since 2014 to improve ease of doing business.

Some contentious attempts have been the draft **Environment Impact Assessment notification**, amendments to the **Indian Forest Act, 1927**.

Environment Impact Assessment notification: Government sought to create exemptions to the requirement of environmental clearances for a set of industries.

Indian Forest Act, 1927: it gave the forest department wide discretionary powers, including the power to shoot at sight.

However, these amendments have been revoked because of sharp criticism from environmental movements across the country.

The recent amendments proposed to the **Forest Conservation Act, 1980** cannot be seen in isolation of these other attempts to remake environmental laws in India.

What are the concerns related to the proposed changes in the Forest Conservation Act, 1980?

One, Changes proposed in the current definition of forests. It aims to implicitly define what does not constitute forests by creating a set of exceptions to the Act. These exceptions include forests in border areas where strategic projects need to be built, private land where plantations are to be established, and forest land which was acquired before 1980 for the construction of railways and highways.

Currently, the definition of Forest includes land recognised as forest by the government as well as that which comes under the dictionary meaning of forest land based on the Supreme Court decision in **the T N Godavarman case**.

Two, more emphasis is on creating an enabling regulatory environment for setting up plantations. It argues that these plantations will not attract the provisions of the FCA. But, It does not define what the nature of these plantations should be and where they can take place.

Three, exceptions enable deforestation as opposed to regulating it. The amendments seek to deregulate certain decisions to deforest like the use of extended oil drilling for the extraction of oil and gas. Which the ministry says is environmental-friendly and thus qualifies for a legal exception. There have not been sufficient ecological studies to support this.

Four, it limits citizen participation, prevents citizen oversight on these anti-environmental decisions. The proposed amendments are listed as a set of issues without detailing what the amendments are going to be. This makes it difficult for citizens and experts to partake in a public consultation process. The proposed amendments are not translated into other languages and provide a very short window of 15 days to providing comments.

Fifth, an integral part of the forest clearance process is the requirement of consent of the gram sabha. The creation of exceptions to the requirement of forest clearances directly results in the cancellation of the application of this progressive legal provision.

What is the way forward?

The changes being proposed to the FCA need to be done in consultation with forest-dwelling communities whose livelihoods and rights are likely to be affected by the remaking of this law. In conclusion, the deregulatory approach to changes being made to India's environmental laws needs to be scrutinised.

Limiting deforestation should guide regulatory decision-making, not compensating with plantations.

32. Tackling the climate crisis

Source: This post is based on the article **"Tackling the climate crisis"** published in **The Hindu** on **12th October 2021**.

Syllabus: GS3- Conservation; Disaster and disaster management.

Relevance: To understand the climate crisis.

Synopsis: The climate crisis and the steps needed to be taken in this regard in light of the recent IPCC report.

Introduction

The Intergovernmental Panel on Climate Change (**IPCC**) has recently published its **Sixth Assessment Report**. Working Group of the report has strongly expressed demand for climate action.

Why is there a need for action?

Globally: According to the IPCC report, the past decade (2011-2020) was warmer by 1.09°C than the period from 1850 to 1900, and the 1.5°C global warming threshold is likely to be breached soon.

India specific crisis- IPCC report warns India against more intense heat waves, heavy monsoons and rise in weather extremes in the future.

The **Global Climate Risk Index (2021)** ranked India the seventh-most affected country by weather extremes.

What are the actions taken by India for 'mitigation' of the climate crisis?

India is targeting 450 gigawatts of renewable energy capacity by 2030 and it has launched mega solar and green hydrogen missions.

The Shooonya programme by NITI Aayog, which aims to accelerate adoption of electric vehicles.

What is the need of the hour?

Initiatives such as National Action Plan on Climate Change (**NAPCC**) and the **'National Adaptation Fund'** has been taken among others.

A breakthrough on adaptation and resilience actions is needed to save developmental gains and adjust to new climate conditions.

A **development-centric approach** that aligns climate change, food security, and livelihood perspectives and takes into consideration regional specificities is crucial for reducing poverty and distress migrations.

What are the steps needed to be taken by India?

High-quality meteorological data: With improved early warning systems and forecasting, the crisis can be tackled better. Premier research institutes can be roped in to develop regional climate projections for robust risk assessments.

Well-functioning markets: For sustainable production systems, it is necessary to develop well-functioning markets for environmentally friendly products and disseminate them for the desired behavioural change.

Private sector participation: For investment in adaptation technologies and for designing and implementing innovative climate services and solutions in areas such as agriculture, health, infrastructure, insurance and risk management.

There is a need to **protect mangroves and forests** to address climate-related risks by blending traditional knowledge with scientific evidence and encourage local and non-state actors to actively participate.

Social protection schemes should be climate-sensitive to enhance the adaptive capacity of rural households.

Effective feedback mechanisms- for continuous monitoring and evaluation, effective feedback mechanisms must be developed for mid-course correction.

A more collaborative approach towards climate change adaptation is crucial. Adaptation planning requires governance at different levels to understand, plan, coordinate, integrate and act to reduce vulnerability and exposure.

33. It's not fossil fuel: Coal, biomass and degraded land are main contributors to India's air pollution

Source: This post is based on the article "Its not fossil fuel: Coal, biomass and degraded land are main contributors to India's air pollution" in Times of India on 16th October 2021.

Syllabus: GS 3 Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Relevance: Understanding the problem of Air pollution in Delhi

Synopsis: Instead of announcing various schemes, there is a need to understand the root cause behind increasing pollution.

Introduction

As air pollution became more prominent in Delhi, various political parties have made commitments and release action plans to solve this problem. Recently, the Union road transport minister promised to make Delhi **free of air, water, and noise pollution in three years.**

Delhi CM has also released a **10-point winter action plan.** On the same lines, Environment Minister has unveiled plans for **free distribution of bio-decomposer** to control stubble burning.

What is the status of pollution in Delhi?

According to **National Ambient Air Quality Monitoring Programme**, PM 2.5 levels have increased from 63 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$) in 2012 to 141 $\mu\text{g}/\text{m}^3$ in 2019. Although it has been dropped to 115 $\mu\text{g}/\text{m}^3$ in 2020 due to Covid lockdowns, the PM 2.5 level is still nearly three times the national standards.

What were the steps taken by the government to address pollution?

The government took various initiatives to control the rise of pollution in Delhi. It has banned highly polluting industries and fuels, moved its public transport to CNG, closed power plants, imposed strict emissions norms on vehicles, restricted entry of heavy vehicles, experimented with odd-even, restricted gensets and distributed LPG cylinders etc. But in spite of all these, Delhi's PM2.5 levels have more than doubled in the last decade.

What are the reasons behind the pollution in Delhi?

Pollution from neighboring states: Most of the pollution coming in Delhi is from its neighboring states like Haryana, Punjab, UP, Rajasthan.

Burning of fossil fuel, agriculture waste: In India, at least 85% of air pollution is generated from coal, biomass and garbage while petroleum products and gas contribute less than 15%. In 2019, the country burnt 1,830 million tonnes (MT) of fossil fuels and biomass to meet its energy needs. In addition, about 100 MT of agriculture residues and 10-15 MT of garbage were burnt in the open.

Dust: Dust is the major contributor to PM 2.5. In Delhi, approx 20-30% of PM2.5 is attributed to dust generated from construction sites and roadsides and wind-blown dust from degraded lands in neighboring states.

What needs to be done?

The majority of the air pollution comes from the burning of coal or biomass and not petroleum products alone. So, the initiatives or the 10 point plan announced by the Delhi government to

9 PM Compilation for the Month of October (Second Week), 2021

rid Delhi of pollution will, unfortunately, fail as it addresses only 15% of the problem. So, there is a need to focus on Coal and biomass to effectively tackle the issue.

ForumIAS