9pm Compilation

October, 2021

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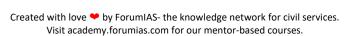
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General Studies Paper - 1

General Studies - 1

1. The founder of a Mini India

Source: This post is based on the article "The founder of a Mini India" published in The

Hindu on 18h October 2021c

Syllabus: GS1 important contributors/contributions from different parts of the country.

Relevance: To understand the contributions of Sir Syed Ahmad Khan

Synopsis: As India seeks to embark on an inclusive development agenda, it is important to recognize the role of Sir Syed Ahmad Khan.

Introduction

Recently Aligarh Muslim University completed 100 years of its foundation. Its **founder**, **Sir Syed Ahmad Khan** was born on October 17, 1817. His focus was on utilizing education as a tool to build an inclusive society and a progressive nation.

How did he use education as a tool for empowerment?

He believed that National progress depends on the education and training of the people. So we must create a national system of education to educate our people in science and technology. He welcomed everyone in his fight against illiteracy. He wanted to unshackle Hindus and Muslims from medieval thinking towards reason and progress.

How does India know that he promoted inter-faith harmony?

He was living in the era of Hindu Muslim tension being promoted by the British. It was an era of transition where Muslims were left behind as they were still struggling with the debate of religion vs science.

But he was a true advocate of Hindu Muslim unity. Sir Syed led this by example. During the Bismillah ceremony of his grandson Ross Masood, Sir Syed placed him in the lap of his friend Raja Jai Kishan Das. When Sir Syed established a madrasa in Ghazipur, he **elected Raja Dev Narayan Singh as patron of the school**. Sanskrit was one of the five languages taught at this school. The managing committee of MAO College comprised 22 members of whom nine were Hindus.

Sir Syed also laid the foundation of comparative religious studies and revived the spirit of <u>Dara Shikoh's philosophy</u>— to bring major communities of India together by finding commonalities in their religions. Section 5 (2)(b) of the AMU Act empowers the university to promote the study of religions, civilization and culture of India.

What can people learn from Sir Syed?

When India emphasizes the principles of 'nation first' and 'Sabka Saath, Sabka Vikas, Sabka Vishwas', Indians should remember that Sir Syed established AMU with a rational, progressive and scientific mindset. So, the country should also move towards such a mindset.

2. Gandhi and Savarkar shared goal of independence, differed on means

Source: This post is based on the article "Gandhi and Savarkar shared goal of independence, differed on means" published in "Indian Express" on 18th October 2021.

Syllabus: GS1: Modern Indian history significant events, personalities, issues.

Relevance: To understand the contribution of different thoughts of personalities in gaining Indian independence.

Synopsis: How Gandhi and Savarkar shared similarities and dissimilarities for the same cause.

Introduction

The Indian freedom struggle consisted of different ideologies and viewpoints, encompassing the right, left and centre. It was a broad socio-economic, cultural movement to shape the idea of India, besides politically freeing India.

There were reformists, revolutionaries, constitutionalists, loyalists, progressivists and even regressive personalities.

What are the parallels between Gandhi and Savarkar?

Religious identity: Both were conscious of their Hindu identity and were orthodox Hindus.

On language: Both advocated for Hindi as a common language for the unification of Bharat.

Social reformers: Both opposed untouchability. For instance, Savarkar was engaged in social reform project in Ratnagiri. He worked to uproot the caste system, advocated inter-caste dining, inter-caste and interregional marriages, widow remarriage, female education and temple entry for all castes.

Even Gandhiji was for reforming Hinduism from within and eradicating caste-based differences.

As authors: Both were authors and wrote extensively on contemporary political and social issues. Both wrote books in the same year, 1909. Gandhi's "**Hind Swaraj**" and Savarkar's The "**Indian War for Independence**" on the 1857 uprising.

Partition: Both were against the idea of dividing India.

What were the differences in their opinions?

State: Gandhi championed the cause of **Ramrajya**-an ideal state where equality and justice prevail. For Savarkar, it was the **Hindu Rashtra** in which anyone who is born in the motherland and loves his country is a Hindu irrespective of their religion.

For him, Hinduness was not sectarian or religious, but a cultural identity emanating from a shared history and bloodline.

Complete independence: Savarkar was unambiguous in his conception of independence — complete independence. Gandhi developed the idea of complete independence gradually. The resolution for complete independence moved in 1927 Madras session was even opposed by Gandhiji.

Uprising of 1857: Savarkar hailed 1857 as the first war of independence. Interestingly, Karl Marx also called this the first war of independence in his articles in the New York Tribune. Gandhi did not have any clear enunciation of the uprising of 1857.

Means vs Ends: For Gandhi, the end had to be justified through the means. Non-violence, Satyagraha, "changing the mind of the oppressor" was essential.

For Savarkar, the goal of complete and immediate independence was more important than the means.

On religious rituals: Gandhi was more assertive — he described himself as a Sanatani Hindu and cow worshipper.

Savarkar was more progressive in his approach — he was averse to the ritualistic aspects of the Hindu religion.

In conclusion, any freedom struggle has two aims. One is to achieve independence from colonialism; the other is seeding and nurturing the ideas and values on the basis of which

nation-building is to be done. Irrespective of the differences, the two great personalities gave their contribution for the same purpose of "Bharat".

3. Movers and shapers: On Migrant workers

Source: This post is based on the article "Movers and shapers" published in The Times of India on 20th October 2021.

Syllabus: GS -1 Population and associated issues

Synopsis: Targeted terror attacks in Kashmir have triggered an exodus of migrant workers. But this is not the sole challenge faced by migrant workers in India.

Introduction

Attacks on migrants in Kashmir have received nationwide attention. However, the challenges posed by **nativist politics** for migrant workers have gone unnoticed.

Migrant workers **provide cheap labor to the destination state** and remittances to the home state (source state). But states have chosen to ignore this economic logic.

Haryana passed a bill granting reservation to locals in private jobs. However, due to labor crunch, it faced after the lifting of lockdown, it had to call back migrant labors.

Similarly, many other states have either passed laws or are willing to do so for reserving jobs for locals.

What is the significance of migrant labors for destination states?

In urban and robust agricultural societies, low-paying or back-breaking jobs refused by locals are done by migrant workers.

Alternatively, there are also fast-progressing states short of high-skilled human capital, who require educated migrants.

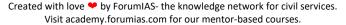
These laws (mentioned above) push up labor costs and drive away, the employers or industrialists.

What is the reason behind the resistance faced by migrant labors?

In the past, the economic stagnation of socialist years (before 1991) triggered the anti-migrant sentiment in states like Maharashtra and Jharkhand.

However, after the acceleration of economic growth after 1991 liberalisation, these sentiments were quieted and accelerated migration.

Similarly, whenever there is an economic slowdown, it increases the competition for jobs and drives the localism emotions up.



General Studies Paper - 2

General Studies - 2

1. India quest for a road to Central Asia

Source: This post is based on the article "India quest for a road to Central Asia" published in LiveMint on 1st October 2021.

Syllabus: GS 2 Bilateral Relations with Central Asian countries.

Relevance: To study India-Central Asian relations and problems associated with it.

Synopsis: India can unlock a lot of economic and geostrategic potential if it can connect with

Central Asian nations.

Introduction

Indian PM in a recently held SCO summit highlighted the importance of Central Asia. He also raised his concern over the connectivity issue with Central Asian countries because of the geographical disadvantage.

What are the challenges India is facing related to connectivity?

India's trade with Central Asian countries was **below \$2bn** in **2018**. Most of the trade was routed through **Iran**, **Russia and UAE**. In contrast, according to the estimates, China's trade was \$5-bn-\$60bn during this period. China has a huge advantage in its geographical location. India is facing issues with connectivity such as:

Pakistan: Route through Pakistan is not possible because of the hostility between both of the countries.

Iran: India efforts went into vain with **USA sanction on Iran** over its suspected nuclear weapon programme.

Afghanistan: With the Taliban capturing Afghanistan, India faced a huge setback.

Importance of Central Asian nations to India

Central Asia includes **fuel-rich countries** that have the potential to fulfil the energy needs of India. Central Asia states are **mineral-rich states**. For example, **Kazakhstan**, a source of **Uranium** is beneficial for India's nuclear power plants.

There is huge scope for collaboration in other sectors like building (power) transmission lines, contract farming, dairy sector, IT and enabled services, pharmaceuticals etc. Indian Sharda and Amity Universities have already set up their universities in Central Asian countries.

These countries are also struggling with terrorism and radicalization. India and Central Asian countries can come together to fight against it.

Must read: India and Central Asia

How India is trying to connect with Central Asia?

In the 1990s, India tried to explore the route through Iran's Bandar Abbas Port and Mashad near the border with Turkmenistan to Central Asia but was unsuccessful.

In 2000, India along with Iran and Russia agreed on a new route which was later known as <u>International North south Transit Cooridor (INSTC)</u>. The pact was again ratified in 2002. According to an ambassador of Azerbaijan to India," **INSTC offers a safe and cost-effective route to EU (European Union)**. It also offers 50% time-saving. In June this year, the **first pilot project** of paper products was successfully delivered from **Finland** via the territory of Azerbaijan **to Nhava Sheva port of India**.

In 2003, India with Iran announced the development of **Chabahar port** to find an alternate route to Central Asia.

The sanctions on Iran by the USA over suspected Nuclear power programmes slowed down the progress of INSTC and its impact was also visible on Chahbahar port. But, the INSTC will be the best option for India to strengthen relations with Central Asian countries, so India should diplomatically push other partners for the faster implementation of INSTC.

2. Making parties constitutional

Source: This post is based on the article "Making parties constitutional" published in The Hindu on 1st October 2021.

Syllabus: GS 2 Pressure groups and formal/informal associations and their role in the Polity.

Relevance: To study the importance of providing constitutional status to political parties.

Synopsis: The majority of the countries do not provide constitutional status for Political parties. But it is time for making political parties constitutional.

Introduction

Political parties maintain a continuous connection between the people and those who represent them, either in government or in the opposition. But despite that, they do not provide constitutional status.

What are political parties?

It is an organized group of people or bodies who share a common view on governance and act as a political unit. They seek to capture political power through an election in order to run the affairs of a country.

Read more: Difference between Political party and Pressure group

What is their constitutional status?

In spite of their important functioning, political parties do **not have constitutional status in most democracies**. Eg: In **the USA**, The American Constitution does not presume the existence of political parties. In **Britain**, too, political parties are still unknown to the law. **Ivor Jennings** on the British constitution said that "a realistic survey of the British Constitution today must begin and end with parties and discuss them at length in the middle".

In **India** too, political parties are extra-constitutional, but they are the breathing air of the political system.

How the political parties are working in developed nations?

They maintain high levels of internal democracy. For example, In **U.K.**, the Conservative Party has the **National Conservative Convention** as its top body. It has a Central Council and an Executive Committee. The Central Council elects its President, a Chairman and Vice-Chairmen at its annual meeting. It also elects an Executive Committee which meets once a month.

In the **U.S.**, both the Democratic and the Republican parties have the **National Committee** as their top decision-making body. The National Committee plays an important role in the presidential election and agenda-setting.

How the political parties are working in India?

In spite of one of the longest constitutions in the world, the Indian Constitution does **not** provide the right to form a political party. Even the political parties in India are mostly

formed on a religious or caste-based. Their finances are also not done transparently. There are **no periodical in-party elections** in Indian parties except in a few like the CPI (M).

Must read: Electoral Bond and its challenges - Explained, Pointwise

What do we need to learn from the German model?

The Basic Law of the Federal Republic of Germany (1949) gives constitutional status to political parties. Article 21 of the Basic Law deals with their status, rights, duties and functions.

In India, **Section 29(5) of the RPA Act 1951**, is the only major statutory provision dealing with political parties in India. It orders political parties to bear true faith and allegiance to the Constitution of India as by law established.

What should India do?

With political parties being the agent of democracy and safety valves of politics, there is a need to bring reforms in their structure and functioning. It is high time to constitutionalize political parties to ensure in-party democracy, to impart transparency in their finances, and to decommunalize them.

3. The proposal to link Aadhaar with Voter ID is unconstitutional

Source: This post is based on the article "The proposal to link Aadhaar with Voter ID is unconstitutional" published in the Indian Express on 1st October 2021.

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

Relevance: Understand the Aadhaar linking of Voter ID cards.

Synopsis: Recently, ECI proposed de-duplication of Voter ID by linking it with Aadhar. This needs careful consideration.

Introduction

This week marks 3 years of the <u>Puttaswamy judgement</u>. In the Judgement, a constitutional bench of the Supreme Court (SC) had reduced the scope of the Aadhaar project to contain its risks to the privacy of citizens. The government, however, continues to violate the "red lines" that were drawn by the judgement.

How has the Government violated the red lines of SC Judgement?

Within a year of the verdict, the government amended the Aadhaar Act to permit the use of Aadhaar authentication for telecom and banking services. This was done by a **2019 amendment,** which is a pending challenge in the SC.

The amendment also permitted the government to expand the "purposes" that Aadhaar authentication can be used for. And in 2020, the government notified the **Aadhaar Authentication for Good Governance (Social Welfare, Innovation, Knowledge) Rules, 2020 (Good Governance Rules)** to broaden the scope of Aadhaar authentication.

What is the proposal to link Aadhaar with the voter database?

Moreover, according to some reports, the law ministry has approached the UIDAI seeking Aadhaar authentication for voter verification. This was done on the basis of a proposal by the **Election Commission of India** (ECI) to the law ministry, which sought permission to use Aadhaar numbers to de-duplicate the voter database.

How does the ECI's proposal stand against the proportionality test?

The proportionality test was laid down in the right to privacy case (**Puttaswamy case**). It lays strict parameters for state action that infringes on the right to privacy. It states such an action must be backed by law, and this law must be a suitable means in pursuance of a legitimate state aim.

But the government's previous attempts to link voter ID and Aadhaar offer evidence that this may disenfranchise people, and **deprive them of their voting rights**, which is their **constitutional right**.

For this reason in 2015, an SC order halted the **National Election Roll Purification and Authentication Programme, which sought to link Aadhaar with voter IDs**. Despite this order, the governments of Telangana and Andhra Pradesh went ahead and linked the two. As a result, in 2018, at least 55 lakh voters were arbitrarily deleted from the voter database.

Finally, a law can be considered proportional only if it doesn't have a disproportionate impact on the rights holder. Articles 325 and 326 of our Constitution promise **universal adult suffrage**. And we had seen in the case of Andhra Pradesh and Telangana where 55 Lakh people were disenfranchised. Thus, this law can have a significant impact on the rights of people.

What should be done?

The ECI has not shown why traditional verification mechanisms don't work, or how they can be fixed through technology. So the ECI should first explore alternatives than proposing a restrictive law. Thus, this recent attempt of ECI to link Aadhaar and Voter ID needs greater scrutiny.

4. NS2 A win-win proposition: About Nord Stream 2

Source: This post is based on the article "NS2 A win-win proposition" published in The Hindu on 4th October 2021.

Syllabus: GS2 Bilateral, regional and global groupings and agreements involving India.

Relevance: To understand the challenges associated with Nord Stream 2 pipeline.

Synopsis: A consensus on the Nord Stream 2 could benefit Germany, Russia and Ukraine, but many hurdles remain.

Introduction

A 1224 km, underwater **Nord Stream Pipeline 2 running from Germany to Russia across Baltic Sea** has been completed recently despite controversies. It provides the shortest, economical and environment friendly route to double Russia's gas export to Germany.

Must read: Nord Stream 2 pipeline between Germany and Russia

What is the utility of this pipeline?

According to Russian authorities, NS2 has the capacity to transport 55 billion cubic meters of gas each year. It can also cover the needs of about 26 million households, and restock storage inventories.

With the **increase in European gas prices** because of various reasons like **severe winter, post covid economy surge**, many industries and food supply chains are under stress. The pipeline is intended to provide Europe with a sustainable gas supply while providing Russia with more direct access to the European gas market.

What are the fears raised by other countries?

Ukraine: The pipeline has irked Ukraine, as they believe that **Russia will use it as a geopolitical weapon** aimed at depriving Ukraine of political traction and crucial revenue. Once the pipeline is completed, Russia could bypass the existing land pipeline between Russia and Europe that runs through Ukraine and deprive the country of lucrative transit fees.

Here USA seems to have ensured Ukraine that the **USA will impose tougher sanctions on Russia** if it continues to disregard Ukraine's concerns

Read more: Why has the US changed its mind on the Nord Stream 2 pipeline?

Poland and Ukraine: They accused Germany of weakening the EU's political unity and strategic coherence by giving Russia greater leverage through NS2.

Other European countries: Some European politicians accuse Russia of pressure to speed up the start of NS2. But Russian NS2 needs European certification to become operational. This is turning out to be a lengthy process.

What is the assistance provided to Ukraine?

To ease the tensions of Ukraine, Germany has promised assistance for the development of hydrogen energy. But Ukraine has doubts about this promise to be fulfilled.

Despite the uncertainty, Elections in Germany could make things easier if a coalition supporting green energy comes into power, then it could support cleaner gas alternatives compared to other fossil fuels.

5. A Quad alliance for emerging technology

Source: This post is based on the article "A Quad alliance for emerging technology" published in Business Standard on 4th October 2021.

Syllabus: GS2 Bilateral, Regional & Global Groupings & Agreements Involving India and/or Affecting India's Interests

Relevance: To understand the need for technological collaboration between Quad nations in today's time.

Synopsis: To counter China's influence, Quad announced their collaboration in the technology sector.

Introduction

Recently Quad Summit was held. Under this summit, a separate statement on "Quad Principles on Technology, Design, Development, Governance and Use" has been issued which is independent of the main statement. This signifies the focus of Quad countries on technology.

What were the commitments made under the Quad principles?

Quad countries committed themselves to develop critical and development technology to benefit the society while upholding the freedom of expression, respect for universal human rights, shared democratic values and privacy.

Share Information: Quad countries recognized the need to collaborate on areas that were earlier strictly regulated. They agreed to **share research and movement of highly skilled experts.** They also agreed on **reducing barriers to data and knowledge sharing for research projects and greater innovation**, while protecting research security,

Private Sector Collaboration: Quad pledged to support new opportunities for innovation and technology like 5G and commitment to private sector-driven international standards, and commend the initiative to foster STEM education across the countries.

Read more: Quad Leaders' Summit - Explained, pointwise

Why China is a threat, and what are the countries approaches to counter this threat?

China has made rapid advancements in the technological sector. It has invested several billion dollars in emerging tech. It is an emerging nation in cyber hacking, robotics, artificial intelligence etc.

USA: The defence security and technology strategy of the US is now centred around countering China. According to the research of **Rand Cooperation**, the Aim of the **Third Offset Policy of the USA** was to draw on US advanced technologies to offset China's and Russia's technological advances

These efforts were successful as in 2018 National Defense Strategy (NDS) embraced many of the fundamental tenets of technological advances and Organisational changes developed by the Third Offset

India: India has also announced various collaborations in defence security systems driven by emerging tech. These include sectors like drone manufacturing and cyber security.

Read more: Four geopolitical developments and a window of opportunity for India

What should the Quad do?

The fear of Chinese domination in advanced technologies has brought the governments together. But most countries have their own independent technological solutions to take on the challenge. There is a need to bring in greater synergy between the QUAD countries to form a combined front against China.

6. Reimagining food systems with lessons from India

Source: This post is based on the article "Reimagining food systems with lessons from India" published in The Hindu on 4th October 2021.

Syllabus: GS 2 Issues relating to poverty and hunger.

Relevance: To understand global food insecurity

Synopsis: Given the worsening situation of global hunger, ensuring food security is the need of the hour.

Introduction

The first <u>United Nations Food Systems Summit (UNFSS)</u> 2021 was held in September 2021. It was conceived in 2019 by UN Secretary-General António Guterres to find solutions to transform the way the world produces, consumes, and thinks about food and help address rising hunger.

The food system transformation is essential in achieving the Sustainable development agenda of 2030. This action agenda also covers 11 Sustainable Development Goals (SDGs) out of 17.

What is the need for this summit?

Global food systems – The networks that are needed to produce and transform food, and ensure it reaches consumers, or the paths that food travels from production to plate – are in a state of crisis. The flaws in food systems are affecting nearly 811 million people in the world, who go to bed hungry each night.

The COVID crisis further exposed the vulnerabilities of the global food systems. An alarming escalation in global hunger was reported in the world hunger in 2020, much of it likely related to the fallout of COVID-19.

How does the summit help?

The summit created a mechanism for **serious debates** involving UN member states, civil society, non-governmental organisations to evolve transformative ideas for reimagining food systems. The summit also provided a historic opportunity to **empower all people to leverage the power of food systems** to drive our recovery from the COVID-19 pandemic.

How has India contributed to the summit?

India constituted an inter-departmental group with representatives from the Ministries of Agriculture and Farmers' Welfare, Rural Development, and other agencies namely the <u>Food and Agriculture Organization (FAO)</u>, the <u>World Food Programme (WFP)</u>, and the <u>International fund for Agricultural Development(IFAD)</u>.

This group conducted national dialogues with various stakeholders of agri-food systems to explore national pathways towards creating sustainable and equitable food systems in India.

How is India helping the developing world?

India's long journey from chronic food shortage to surplus food producer offers several interesting lessons for other developing countries in Asia, Africa, and Latin America. They can learn lessons from the steps taken by India in the area of land reforms, public investments, institutional infrastructure, new regulatory systems, and intervention in Agri markets and prices and Agri research and extension.

Further, the period between 1991 and 2015, saw the diversification of agriculture towards horticulture, dairy, animal husbandry and fishery sectors.

India's greatest contribution to equity in food is its <u>National Food Security Act,2013</u> that spearheads the Targeted Public Distribution System (TPDS), the Mid-Day meals (MDM), and <u>Integrated Child Development Services (ICDS)</u>.

Food safety nets and inclusion are linked with public procurement and buffer stock policy. This was visible during the global food crises 2008-2012 and during the COVID-19 pandemic fallout. The vulnerable and marginalized families in India continued to be saved from the food crises by its robust TPDS and buffer stock of food grains.

What should be the way forward for ensuring equity and sustainability?

The world is on the cusp of a transformation to make the world free of hunger by 2030. This will require strong cooperation and partnership between governments, citizens, civil society organisations, and the private sector.

7. Let us revitalize multilateralism: The future of the world is at stake

Source: This post is based on the article "Let us revitalize multilateralism: The future of the world is at stake" published in LiveMint on 4th October 2021.

Syllabus: GS2 Bilateral, Regional & Global Groupings & Agreements Involving India and/or Affecting India's Interests

Relevance: To understand the need required to bring reforms in multilateral institutions.

Synopsis: The great political task of our times is to bolster a rule based global order with a stronger and more inclusive UN at its core.

Introduction

Last year, the United Nations conducted worldwide consultation. It was found that the views of most of the people are almost similar. All they want is better access to services like education, health, sanitation, relief for people who are hit by the pandemic etc. They are worried about

climate change, biodiversity crisis and want more global cooperation to deal with all the challenges.

Following this, UN released "Our Common Agenda", which follows on UN75 Political declaration adopted by all UN members.

Why there is a need for joint efforts to solve the crisis?

With the recent pandemic, it is clear that people live in an interconnected and interdependent world. Thus, to solve any challenges, there is a need for joint efforts across various levels.

Why there is a need to modernize multilateral Institutions?

To solve present-day challenges: They are only built to solve inter-country challenges. They do not deal with the problems such as financial crisis, pandemic, terrorism, crime networks etc. So, there is a need to modernize multilateral institutions. For this, we can start with:

Renew commitment: There is a need to include all stakeholders like academia, civil society, young people etc so that all the different voices can be heard. There is also a need to enhance cooperation among the UN, regional organization, international finance institution at both policy and operational levels.

Implement the agenda: There is a need to act on the UN general agenda to revive and strengthen our capacity to fight against issues like poverty, equal participation, biodiversity loss, justice etc

Strengthen International Cooperation: Countries should use various opportunities to set up joint efforts to strengthen international cooperation.

Read more: A crisis of multilateralism and Asia's rising stake in it

8. Peace at the heart of education

Source: This post is based on the article "Peace at the heart of education" published in The Hindu on 4th October 2021.

Syllabus: GS 2: Issues relating to development and management of Social Sector/Services relating to Education.

Relevance: Education can promote peace and create social equity.

Synopsis: Pandemic has increased the social divisions. To overcome social divisions and promote peace, India should promote education.

Introduction

On **October 2**, everyone gathers to celebrate the ideals of peace by marking the birthday of **Mahatma Gandhi**. The day presents an opportunity to **explore the causes of violence** and reassert a commitment to building a culture of dialogue through education.

How the pandemic increased social divisions?

The COVID-19 pandemic has introduced new forces of division globally. Levels of hate speech and fear of the 'other' have grown, as people have assigned blame for the virus.

Forms of structural violence – economic, racial and gendered forms- have been aggravated as marginalised groups have been disproportionately affected during the pandemic.

What are the root causes of human animosity?

In 'Pathways for peace', a flagship 2018 report by the World Bank and the United Nations, it was shown that many of the world's conflicts arise from exclusion and feelings of injustice.

How one can promote peace?

Promoting education: UNESCO advocates education as a way to strengthen social equity. As it can impart the skills and values necessary to recognise and prevent potential conflicts and promote tolerance.

According to an educator, "Preventing war is the work of politicians, establishing peace is the work of educationists"

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How India is promoting peace through education?

The <u>National Education Policy (NEP)</u> of 2020 presents a unique opportunity to contribute to strengthening equity, justice and social cohesion. The policy has a broad focus on value-based and experiential education, including promoting critical thinking, cultural exchanges, teaching in regional languages, and a commitment to education for all.

As schools reopen, peace education can be even more integrated within national curricula and the broader learning environment to promote non-violence.

Read more: One year of National Education Policy - Explained, pointwise

How can India promote peace through education?

Providing necessary skills: Teachers and educators need to be equipped with skills to promote peace through experiential and interactive methods.

Adopting global best practices: UNESCO's work to promote media and information literacy and sports for peace equips youth with skills to eradicate harmful stereotypes and stand up against injustice. So, India can also provide skills to youth.

Further, India can **focus on inclusion**. UNESCO highlights the need to recognise and improve opportunities for disadvantaged groups, like women and girls and persons with disabilities.

Beyond discussions around innovation, technology and smart future schools, India needs to understand the potential of education systems and schools in building peaceful societies.

Terms to know:

United Nations Educational, Scientific and Cultural Organization (UNESCO)

9. Digital health mission in a click? Not yet

Source: This post is based on the article "Digital health mission in a click? Not yet" and "Digital health ID concerns" published in Business Standard on 4th Oct 2021.

Syllabus: GS2 – Health infrastructure in India.

Relevance: Understanding various dimensions of Ayushman Bharat Digital Health Mission (ABDM)

Synopsis: Experts have stated that though ABDM is a step in the right direction, India needs a commensurate push towards establishing a robust infrastructure that'll be required for its success.

What are some issues with the pilot?

Public health experts are not very confident about the pilot that was run in six Union territories as the benchmark for a national roll-out. The pilot was launched in August 2020 in Chandigarh, Ladakh, Dadra and Nagar Haveli and Daman and Diu, Puducherry, Andaman and Nicobar Islands, and Lakshadweep.

- The piloting may not necessarily reveal all the glitches because they have been done in relatively sterile conditions where the central government has direct control over the

administration. When this gets rolled out in larger states, its not known how well the system will function or the quality of data that will emerge.

How ABDM aims to achieve security and privacy?

According to sources, the scheme plans to achieve security and privacy 'by design' through three building blocks:

- **Consent manager**: The goal of the consent manager would be to ensure the patient is in complete control of the data.
- **Anonymizer**: The anonymizer takes the data from health datasets, removes all personally identifiable information to protect the privacy, and provides the anonymized data to the seeker.
- Privacy operations centre

What is the way forward?

- i). Govt should test the technology in four to five different sites and socioeconomic groups to get the spatial and demographic dimensions spread over a year. Health is not like a ration card or a bank credit card. There are seasonal, behavioural, cultural, and fiscal dimensions that go into health-seeking behaviour
- ii). The data-entry interface has to be user-friendly for doctors to be able to key in patient data. This will specially be required if the plan is to rope in accredited social health activist (or ASHA) workers and cover the rural health care system.
- **iii).** It should be possible for users to opt out of the health ID and ADBM and still receive health care. Also, user-consent for every granular access of the PHR and of the demographic data should ideally be built in.

10. Explained: Why do the Pandora Papers matter?

Source: This post is based on the article "Explained: Why do the Pandora Papers matter?" published in The Indian Express on 4th Oct 2021.

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

Relevance: the issue of pandora papers

Synopsis: There are at least 380 persons of Indian nationality in the Pandora Papers. The papers consist of as many as 12 million documents from 14 companies in offshore tax havens with details of ownership of 29,000 offshore companies and Trusts. A look at various dimensions of the issue.

What are the Pandora Papers?

These are the leaked files from 14 global corporate services firms which set up about 29,000 **off-the-shelf companies** and **private trusts** in obscure tax jurisdictions and in countries such as Singapore, New Zealand, and the United States, for clients across the world. These documents relate to the ultimate ownership of assets 'settled' (or placed) in private offshore trusts and the investments including cash, shareholding, and real estate properties, held by the offshore entities.

The trusts are set up in known **tax havens** such Samoa, Belize, Panama, and the British Virgin Islands, or in Singapore or New Zealand which offer relative tax advantages, or even South Dakota in the US, the biggest economy.

What do the Pandora Papers reveal?

The Pandora Papers reveal how the rich, the famous and the notorious, **set up complex multi-layered trust structures** for estate planning, in jurisdictions which are loosely regulated for tax purposes, but characterized by air-tight secrecy laws.

The purpose for which trusts are set up are many is two-fold:

i) to hide their real identities and distance themselves from the offshore entities so that it becomes near impossible for the tax authorities to reach them and

ii) to safeguard investments — cash, shareholdings, real estate, art, aircraft, and yachts — from creditors and law enforcers.

What is a trust?

A trust can be described as a fiduciary arrangement where a third party, referred to as the trustee, holds assets on behalf of individuals or organizations that are to benefit from it.

It is generally used for estate planning purposes and succession planning. It helps large business families to consolidate their assets — financial investments, shareholding, and real estate property.

A trust comprises three key parties: 'Settlor' — one who sets up, creates, or authors a trust; 'trustee' — one who holds the assets for the benefit of a set of people named by the 'settlor'; and 'beneficiaries' — to whom the benefits of the assets are bequeathed.

A trust is **not** a **separate legal entity**, but its legal nature comes from the 'trustee'. At times, the 'settlor' appoints a '**protector'**, who has the powers to supervise the trustee, and even remove the trustee and appoint a new one.

Is setting up a trust in India, or one offshore/ outside the country, illegal? No.

The Indian Trusts Act, 1882, gives legal basis to the concept of trusts.

While Indian laws do not see trusts as a legal person/ entity, they do recognise the trust as an **obligation of the trustee** to manage and use the assets settled in the trust for the benefit of 'beneficiaries'.

India also recognises offshore trusts i.e., trusts set up in other tax jurisdictions.

Why are trusts set up?

- i). Maintain a degree of separation: Businesspersons set up private offshore trusts to project a degree of separation from their personal assets. This way, he insulates these assets from creditors.
- **ii). Hunt for enhanced secrecy**: Offshore trusts offer enhanced secrecy to businesspersons, given their complex structures. The Income-Tax Department in India can get to the ultimate beneficial owners only by requesting information with the financial investigation agency or international tax authority in offshore jurisdictions. The exchange of information can take months.
- **iii). Avoid tax in the guise of planning**: Businesspersons avoid their NRI children being taxed on income from their assets by transferring all the assets to a trust. The ownership of the assets rests with the trust, and the son/ daughter being only a 'beneficiary' is not liable to any tax on income from the trust.

11. An inclusive plan for healthcare systems to be built back better

Source: This post is based on the article "An inclusive plan for healthcare systems to be built back better" published in Livemint on 4th Oct 2021.

Syllabus: GS2 – Issues Relating to Development and Management of Social Sector/Services relating to Health.

Relevance: Emergency preparedness and response

Synopsis: Need to strengthen and transform our health systems by making them more equitable, resilient and sustainable for all.

Introduction

Countries in the **World Health Organization's South-East Asia Region**, continue to respond to the pandemic aggressively, battling new and more transmissible variants.

In addition to covid-19, the region faces a range of pressing threats, from emerging and reemerging diseases to natural disasters and climate-related weather events. For instance, in 2021 alone, India, Indonesia and Timor-Leste have had to respond to **floods**. Indonesia and Nepal responded to **earthquakes**.

In all countries of the region, the need of the hour is to strengthen capacities to prevent, prepare for, respond and recover from covid and other health emergencies, and to accelerate progress in all areas of health.

Why resilient health systems are important?

Resilient health systems are the bedrock of emergency preparedness and response, and ensure that when acute events occur, essential health services can be maintained.

Strong health systems that are primary health care (PHC)-oriented, and which leave no one behind, resulting in populations that are healthier, more productive and financially secure.

What are the action plans agreed by the south Asian member countries?

Action plans agreed by South Asian member countries at the 74th Session of the WHO Regional Committee to build back better essential health services:

First, full recognition of the need for a health-in-all-policies approach that addresses social, economic and environmental determinants of health, and which empowers communities. Governance of the health sector in particular will be strengthened, including through greater oversight and engagement with the private sector and civil-society organizations.

Second, increased public investments in health that are allocated towards strengthened PHC services, enhanced human resources for health, and increased access to essential medical products. Investment in PHC could also accelerate progress on other SDG targets, like zero poverty, decent employment and gender equality. Since 2019, the WHO has advocated that all countries globally increase spending on PHC by at least 1% of gross domestic product.

Third, better integration of health emergency and disaster risk management strategies, as well as public health emergency preparedness and response capacities, with PHC services. This will help in reducing response times, empowering local networks, and responding to onthe-ground needs as and when they arise.

Fourth, taking advantage of the potential of **traditional systems of medicine**, as well as key innovations in digital and disruptive health technology.

Fifth, strengthening partnerships. Covid has shown that robust and reliable bilateral, multilateral and public-private partnerships are critical to emergency responses and to maintain essential health services. Such partnerships will also aid in supporting India's overall vision that is cohesive, and which is aligned with our long-term targets and goals.

12. Hello Taiwan: New Delhi should boost ties with Taipei not just because of Chinese threat. There are other benefits

Source: This post is based on the article "Hello Taiwan: New Delhi should boost ties with Taipei not just because of Chinese threat. There are other benefits" published in Times of India on 4th October 2021.

Syllabus: GS-2 Bilateral, Regional & Global Groupings & Agreements Involving India and/or Affecting India's Interests

Relevance: To understand the need for engaging with Taiwan.

Synopsis: India should review its acceptance of the One China Policy and engage more with Taiwan for mutual benefits.

Introduction

China sent more than 100 warplanes into Taiwan's air defence identification zone over the weekend. The latest round of provocative manoeuvres began when China celebrating its 73rd national day. This is a clear threat to peace and stability in the Indo-Pacific

Why there is more provocation in recent times?

China sees Taiwan as a renegade Chinese province ever since 1949 when Taiwan – officially Republic of China – was formed. But Taiwan, so far, has maintained a separate identity and evolved into a successful multiparty democracy.

Democratic Progressive Party came to power in Taiwan in 2016. They refused to accept China's 'One China' policy. This is the recent trigger for the sustained Chinese military, diplomatic and economic pressure on Taiwan.

Read more: Taiwan reunification with China 'inevitable', says Chinese President Xi Jinping

Why India and Taiwan should work together?

Both Taiwan and India are **frontline Asian democratic states**, facing Chinese aggression, targeted by Beijing's **grey-zone tactics**. These tactics aim to provoke and intimidate, instead of all-out conflict. This should actually bring India and Taiwan closer.

Taiwan's **New Southbound Policy** seeks to boost ties with **South and Southeast Asian nations**, including **India**. But the progress has been relatively slow, with the Indian side still cautious about boosting ties with Taiwan given Chinese sensitivities.

Must Read: Taiwan-China conflict and India's stand on it

Why India should review its acceptance of the One China Policy?

India should review its acceptance of the One China policy for the following reasons,

Increased Chinese intrusions: After the Galwan valley clashes last year, repeated Chinese intrusions across the LAC are taking place.

Benefits from Taiwan: Boosting ties with Taiwan also has standalone benefits. It is a semiconductor powerhouse and reportedly bilateral talks are underway to bring chip manufacturing – a key strategic sector – to India.

Read more: Need of Indigenous Semiconductor Manufacturing Facilities in India – Explained Pointwise

Further, cooperation can also be achieved in green technology, IT, digital healthcare, and telecom with Taiwanese companies as they are looking to relocate their operations from China. So, embracing Taiwan for the strategic and economic interests of India will elevate ties between both.

Read more: It is time for New Delhi to review its old 'one China' policy stance

Terms to know:

• One China Policy

13. An alphabet soup New Delhi need to sift through

Source: This post is based on the article "An alphabet soup New Delhi need to sift through" published in The Hindu on 5th October 2021.

Syllabus: GS 2 Bilateral, regional and global groupings and agreements involving India.

Relevance: To understand the relevance of various bilateral, multilateral, regional groupings.

Synopsis: India needs to reconsider the plethora of alliances it is in and rationalize them after a reality check.

Introduction

There are a lot of international, bilateral, multilateral groupings which either became dormant or lose their relevance in today's scenario.

Why these multiple organizations are a cause of concern?

At present, there are more than 100 groupings from the EU to ASEAN.

There is a **lack of ideological homogeneity** and **questionable outcomes** with many of these organizations.

Further, the amount of **expenditure and energy spent on bureaucracy** and organizing these functions is also high.

Another important **difficulty is to find the agenda** for these organizations. Even they were found, their rationale is unclear.

Few organizations and their associated challenges

BRICS: During its formation, it was feared that it was an anti-America group. China quickly assumed the leadership of BRICS. It tried to seek changes in the international economic system by establishing a bank, with the possibility of credit for its members.

The result of this development was **undermining** the relevance of another, less ambitious, group of **India-Brazil-South Africa (IBSA)**, which had several common interests.

In the recent summit also, countries, although able to reach conclusion on the issue of Afghanistan, but with different conditions. Russia and China were more sympathetic towards Afghanistan than the other BRICS nations.

Shanghai Cooperation Organisation (SCO): It started as a friendly group of China, but with the inclusion of India, Pakistan, and Iran it becomes the diverse one and struggled to reach a consensus. Even, with the meetings between India and China, it failed to reach any solution to the Ladakh standoff.

<u>South Asian Association for Regional Cooperation (SAARC)</u>: India joined SAARC with various conditions like the exclusion of bilateral issues, decision-making by voting, and holding of meetings without all members being present etc.

Despite the imperative for cooperation in vital fields, SAARC became an arena for India – Pakistan dispute. Today, SAARC became a liability as it was clear that the region was not mature enough to have a regional instrumentality.

Also read: Importance of Reviving SAARC

Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC): This group also remained dormant for many years till it was revived a few years

ago as an alternative to SAARC. Though it has an ambitious agenda for sectoral cooperation, it has not gained much momentum.

Indian Ocean Rim Association(IORA): The organization was first established as the Indian Ocean Rim Initiative in Mauritius in March 1995 and formally launched in 1997 (then known as the Indian Ocean Rim Association for Regional Co-operation). It also drags on without any significant progress.

Quadrilateral Security Dialogue (Quad) and AUKUS: India's reluctance to strengthen QUAD has led to the USA joining hands with Australia and creating an AUKUS alliance.

Even though India was not interested in <u>Wassenaar Arrangement</u> and the <u>Australia Group</u>, it received membership in them. On the other hand, the other active groups like <u>Asia-Pacific Economic Cooperation (APEC)</u> and <u>Nuclear Suppliers Group (NSG)</u> did not admit India as a member, despite its various efforts.

14. Why India's ancient republics need to be recognised for their place in world history

Source: This post is based on the article "Why India's ancient republics need to be recognised for their place in world history" published in Indian Express on 5th October 2021.

Syllabus: GS 2 Democracy.

Relevance: To understand the origin of Democracy

Synopsis: In the current political thought, Democracy is considered a western idea. But given the evidence from India, this thought needs to be reconsidered.

Introduction

Indian Prime Minister while addressing the UN General Assembly in New York made an important historical point: **India is not just the world's largest democracy, but also the "mother of democracy**". This thought would certainly challenge the present notion of western thoughts being the progenitor of democracy.

Why is such reorientation important?

In recent years, there has been a move to recognise contributions in science made in the past by non-Western societies. For example, the Pythagorean Theorem was well known in ancient India. Further, it would be historically accurate to refer to the Fibonacci numbers, perhaps, as Pingala's numbers or Hemachandra's numbers.

Riding on the same idea, we should also explore the non-western roots of ideas like democracy.

What is the historical evidence of Democracy from the Indian past?

Firstly, The evidence for republics in ancient India is abundant. In **Mahabharata's Shanti Parva**, republics (ganas) are mentioned as essential features of administration. The Vedas describe at least two forms of republican governance.

- i) The first is that of **elected kings**. This early form of democracy was later practised in Europe.
- ii) The second form described in the Vedas is **ruled without a monarch**, with power vested in a council or Sabha. The membership of such Sabhas often comprised people who had distinguished themselves by their actions. There is a hint of the modern bicameral system of legislatures, with the Sabha sharing power with the Samiti, which was made up of common people.

Both women and men took part in these Sabhas, This is a far cry from the Greeks who did not admit women (or slaves) as full citizens of their "democracies".

Secondly, Other sources: Ashtadhyayi of Panini, the **Arthashastra of Kautilya**, as well as a variety of ancient Buddhist and Jain writings mentioned democracies.

For example, **Buddhist and Jain texts** list 16 powerful states or **Mahajanapadas** of the time. After Alexander's invasion in 327 BCE, **Greek historians also record** Indian states that did not have kings. E.g. The **Lichchavi state of Vaishali**.

Further, **Kautilya provided the theory of state** where the power is not concentrated. The first three elements of this Saptanga theory are swami or the king, Amatya or the ministers (administration) and Janpadas or the people. The king must function on the advice of the Amatya for the good of the people. The ministers are appointed from amongst the people (the Arthashastra also **mentions entrance tests**).

Thus, this system divided power and made the King receptive and accountable to the people. As per the Arthashastra, in the happiness and benefit of his people lies the happiness and benefit of the King.

What are the criticisms to recognize democracy in India?

First, that the **primitive system was too simple**. But it would be unreasonable to expect republics in ancient India to have full-fledged democratic institutions as we have them today. But as with scientific advancement, democracy remains and will always be a work in progress. Another criticism would be that there is **no surviving connection or continuity** between the ancient ganas and the modern republic of India. However, the same applies to ancient Greek city-states. Thus, what survives is the way of thinking.

With its rich history of democracy, India cannot just lead, but also define the future of democratic principles and global governance.

15. If Data Is Poor, Governance Will Be Poorer

Source: This post is based on the article "If Data Is Poor, Governance Will Be Poorer" published in Indian Express on 5th October 2021.

Syllabus: GS 2 issue with governance.

Relevance: To understand the importance of quality data.

Synopsis: Efficient data led to good policymaking and yield better results

Introduction

Today data emerges as a golden asset that is required to frame various strategies, government policies, and other things.

How did the adequate data capture help people?

Adequate data capture can help people in many ways. This is evident from various examples:

India: Odisha is able to manage cyclones much more effectively with almost zero loss of lives. This is possible because of precise monitoring of the cyclone path by IMD. It provides information of accurate forecasts of the place and time of landfall, wind speed and other parameters, which helps to understand the situation better.

But accuracy of production depends on the accuracy of data that is fed to the systems. Artificial intelligence and machine learning systems can give faulty predictions if data sets are not accurate.

World: Policy responses to the pandemic have relied on data sets such as the number of tests, daily death toll, etc to understand the spread of the virus and its nature. Through statistical computation methods, forecasting models have been generated. It helps policymakers to predict the waves of Covid-19, its peak, and the fatality rate.

What are the issues associated with data in India?

India still uses the age-old bureaucratic ways that led to compromise the quality of data. For example, during the 1st wave of the Covid pandemic, India struggles to have data on migrants. Post pandemic also, there are instances of delay in reporting of Covid-19 deaths along with delays in the audit of data about deaths.

Apart from these problems, there are various **systematic issue**s that failed to capture accurate data of covid deaths in villages and panchayats.

What should government do to improve the quality of data?

National Guidelines for Data Quality recommended that an essential checklist and advanced monitoring to improve the quality of data. There are other steps that government should need to focus on:

Systematic strategy: Provision should be made to capture accurate data at the village, panchayat, district, state and national levels. There is need to use the latest technological tools for capturing this data, where chances of contamination are high. Data should be collected directly from its primary location, where it is in its most sacrosanct form.

Standardized model: The second step is to create a task force that will create standardized models. These models will then be implemented across entire India and all the states. This supplements the need for data-driven evidence-based policymaking.

Thus, one can say that better situation awareness through better availability of data can help in better crisis management and disaster preparedness.

16. India and the geopolitics of the moon

Source: This post is based on the article "India and the geopolitics of the moon" published in The Indian Express on 5th Oct 2021.

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

Relevance: Geopolitics around the moon, increasing lunar activity and India's way forward

Synopsis: Delhi should take a hard look at the emerging challenges to the current space order and its interests on the moon, and develop strategies to pursue them through a national lunar mission.

Introduction

Space-faring powers are seeking routine access to the moon. Moreover, their attention has now turned to what is called the cis-lunar space, or the volume between the orbits around the earth and moon. As technological capabilities grow, nations are looking beyond the near-earth space to inter-planetary probes and deep space research.

The growing commercialisation and militarisation of outer space has also triggered the interest of the Quad leaders.

What are the trends indicating a renewed global lunar activity?

Signing of Artemis Accords: A year ago, eight countries led by the United States signed the **Artemis Accords**. The accords are an agreement to abide by a broad set of principles to guide the expanding human activity on the moon – ranging from mining resources to setting up lunar colonies. The eight signatories were from Australia, Canada, Italy, Japan, Luxembourg, United Arab Emirates, United Kingdom, and the United States. Since then, many others have joined like, Brazil, South Korea, New Zealand, and Ukraine.

US invites India to join the accords: The US has invited India to join the accords and some preliminary official discussion on the issue took place between the two sides when Indian PM met US President at the White House for the bilateral summit last month (Sept 2021).

Quad working group on outer space: Separately, at the summit of the Quadrilateral Forum that followed the bilateral discussion, Modi and Biden, along with the Australian and Japanese premiers, agreed to set up a new Quad working group on outer space.

Must Read: China's lunar activity in the recent years

How are China and Russia partnering on space-cooperation? Collaboration with Russia:

Russia has also joined hands with China on the ILRS. It is reviving its Luna series of probes to the moon to complement the Chinese efforts.

- Luna 25, 26 and 27 will work in tandem with Chang'e 6,7 and 8 to undertake expansive reconnaissance and develop techniques for ultra-precise landings on the moon.

As geopolitical considerations drive Russia towards China, space cooperation has become a part of their strategic partnership against America.

How is USA planning to jumpstart its lunar activity again?

Shaken by Beijing and Moscow's space cooperation, USA has announced plans to put astronauts back on the moon by 2024. The new project is named **Artemis**, after the Greek goddess and twin sister of Apollo.

Artemis involves the construction of a permanent space station orbiting the moon, called **Lunar Gateway**, and a surface presence at the South Pole of the moon that is supposed to have ice and could sustain future human activity.

Like China, the US too has decided that it cannot go alone and is looking for partners for its Artemis programme.

What are the consequences of the growing lunar activity?

One of the consequences of the growing lunar activity is the **pressure on the current international legal regime** — centred around the 1967 Outer Space Treaty. The OST says outer space, including the moon and other celestial bodies, "is not subject to "national appropriation by claim of sovereignty, by means of use or occupation, or by any other means". Many **provisions of the OST are increasingly subject to competing interpretations and vulnerable to new facts** on the moon created by the first movers. The breakdown of the post-Cold War harmony among the major powers has added fuel to the fire on the moon and set the stage for a prolonged geopolitical contest for the moon.

What is the way forward for India?

The Artemis Accords would hopefully push Delhi to develop strategies to pursue them through a stronger national lunar mission and deeper partnerships with like-minded countries. Delhi must also legislate a **strong regulatory framework** to promote India's space activity and

protect its international interests.

17. Lessons from the death of the ease of doing business index

Source: This post is based on the article "Lessons from the death of the ease of doing business index" published in The Indian Express on 5th Oct 2021.

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

Relevance: The end of Ease of Doing Business (EoDB) report

Synopsis: This article explains issues and problems associated with the Ease of Doing Business report, why it gained so much importance, and should we reform the index or bring a new one in its place?

Introduction

The Ease of Doing Business Index (EoDB) is dead. The flagship product created by the World Bank came under attack on grounds that its data was modified in response to pressure from countries like China and Saudi Arabia. As a result of an independent audit, the index has now been abandoned by the Bank.

Must Read: The end of doing business report - Explained, pointwise

Why the EoDB index report was developed?

World Bank researchers developed the EoDB ranking system under the assumption that better laws and regulatory frameworks would increase the ease of doing business and improve economic performance.

What were some issues with the EoDB report?

- EoDB was a crude measure that poorly captured the business climates of complex and informal economies like India. **Most of the questions focused on hypothetical cases** about limited liability companies. However, the World Bank's own enterprise survey shows that 63% of Indian enterprises are sole proprietorships and **only 14%** are **limited partnerships**. Once we include unregistered enterprises, this number is likely to be even smaller. Thus, focusing on protecting minority owners' rights in this tiny segment of Indian industries and using it to rank the business climate in India does not seem particularly useful.
- A bigger problem is that it had **acquired such power that countries competed to improve their rankings.** Why does the index matter so much that countries stoop to pressure the World Bank to improve their rankings? For example, India ranks 139th out of 149 on the World Happiness Index, yet we pay little attention to it while climbing the ranks on the EoDB ladder has been made an explicit policy goal.
- The presumed economic consequences, as well as political benefits associated with improving the rankings, encouraged many countries to try and "game" the system. They made superficial improvements on indicators that were being measured and, when that failed, by putting explicit pressure on the World Bank research team as the current debacle shows.

Why countries competed to rank better on EoDB index?

The answer lies in the potential consequences of ranking. Countries assumed that their EoDB ranking **will attract foreign investors**.

Since foreign investors often have no real way of assessing the underlying business climate in any country they may use the rankings as a signal in making their investment choices. **Empirical evidence about this presumed impact is questionable.**

There is indeed some evidence that the score on EoDB is associated with FDI, but this association exists mainly for more affluent countries. Studies show that this association is weak for poorer countries.

For instance, in 2020, China was the largest recipient of FDI despite ranking 85th on the EoDB.

Should we try to reform the index or give up on it?

The decision rests on the answer to two questions.

First, are there universally acceptable standards of sound economic practices that are applicable and measurable across diverse economies?

Second, if the indices are so powerful, should their construction be left to institutions like the World Bank that bring not just knowledge but also wield the heft of global economic power?

18. The challenge of going back to school

Source: This post is based on the article "The challenge of going back to school" published in The Hindu on 6th October 2021.

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

Relevance: To understand the issues in the current learning system.

Synopsis: Guidelines on re-opening schools focus more on health measures than on addressing learning difficulties.

Introduction

Covid pandemic has impacted severely the education of children. With the reopening of schools, governing students is more concerned with providing sanitation and safety measures. There is less focus on bridging the study gap.

What are the issues surrounding the school education system?

State policies: Despite the shock to the education system, a review of the **State governments' Standard Operating Procedures/guidelines on school re-opening** shows that government emphasis is more on health and sanitation measures. There is very little discussion on the practical approaches required to ensure that every child returns to school and to address the learning difficulties that children will face.

Additional funding: A recent study by the **World Bank and UNESCO** shows that, in countries across the world, the average annual education budgets not only increased post-COVID-19 but increased at a higher rate than before COVID-19. But, in the case of **India**, it reduced its **spending by over 9%**. This came when there was already a 2% decline in education spending in India in the previous year. The share of spending on education in the overall budget also declined to 2.6%, while most countries either maintained or increased this share.

No proper planning: States only introduced bridge courses of approx 45 days, to quickly resume the textbook syllabus of current grade. Even the examination timetable has not been altered. This will further degrade the quality of student learning, as mentioned in the **SCHOOL Survey**.

Language Learning: Students are already struggling to learn in their native language. It was found that students learning in English medium schools are facing difficulties to learn in the English language. It is also because of the teacher's less proficiency in English and no home exposure to that language.

Research from the U.S. during the early stages of the pandemic showed that the proportion of English language learners' obtaining 'failing grades' increased dramatically within just a few months of school closures and despite the provision of structured online learning

Mathematical Skills: Studies from other countries show that learning losses over the summer break of about two months are more severe in mathematics compared to reading (in the native language). This loss involved forgetting mathematics procedures rather than general concepts.

What approach should teachers adopt?

Teachers should adopt a **coaching model instead of a mass teacher training programme**. They should include additional learning materials, formative assessment tools and techniques to improve the quality of education. The focus should be more on language learning, core Mathematical skills and socio-emotional learning. If required, the government should mobilize retired teachers and volunteers also.

19. NIRF ranking does not give full picture of higher education in India

Source: This post is based on the article "NIRF ranking does not give full picture of higher education in India" published in Indian Express on 6th October 2021. Syllabus: GS 2 Issues relating to development and management of Social Sector/Services relating to education.

Relevance: To understand the structure of NIRF ranking.

Synopsis: Recently released NIRF ranking showcased its <u>limitation</u> in comparison to other global rankings.

Introduction

Ministry of Education has released **National Institute Ranking Framework (NIRF) 2021**. Various lacunas are visible in the structuring of this ranking, which makes the ranking impactless.

Read more: Fund and Faculty count in higher education rankings

What are the different ranking institutes worldwide?

There are at least 20 global ranking agencies that measure quality on various parameters.

The Centre for Science and Technology Studies at Leiden University: It maintains European and worldwide rankings of the top 500 universities based on the number and impact of Web of Science-indexed publications per year.

QS World University Ranking: It is published annually since 2004. In 2009, QS even launched the QS Asian University Rankings in partnership with the Chosun Ilbo newspaper in South Korea.

Ranking of Rankings: It is launched in 2017. It aggregates the results of five global rankings, combining them to form a single rank. It uses THE World University Ranking (22.5%), QS World University Ranking (22.5%), US News Best Global University (22.5%), Academic Ranking of World Universities (22.5%), and Reuters World Top 100 Innovative Universities (10%).

What are the issues associated with NIRF rankings?

Parameters: Present NIRF ranking missed the important parameters which need to be included in the list. For example, the ranking **doesn't include the financial health and size** of the institution as a criterion. It also **doesn't include financial benefits** accrued to the stakeholders, especially the students.

One size fits all approach: There is huge diversity in our education system. Universities are ranging in various levels like research-based, language-based, innovation-based technology social science institutes, etc. The boundary conditions in which they operate are also very different. But, the NIRF is making the same mistake that the global ranking system was once accused of i.e to rank all the universities on the same level.

Disengagement: Disconnect is clearly visible between the ranking and accreditation. Several universities have earned a **National Assessment and Accreditation Council (NAAC) A**

Grade but figure poorly in the ranking system. NIRF should take into consideration both things.

Our Accreditation and ranking approach is not up to the mark. India can adopt the model of the USA i.e **accreditation and Quality Assurance (QA)**. In it, stakeholders are allowed to sue the universities if they are not able to deliver what they claim. A Bill to introduce such accountability was introduced in 2011, but it never saw the light of day.

Read more: Higher education in India & QS World University Rankings- Explained, pointwise

What is the way forward?

There are two main factors that differentiate us from the global ranking systems are our lack of international faculty and students and the inadequacy of our research to connect with the industry. International students/faculty will come to India if they will see some quality in our institutions. Similarly, Industry connect will happen only when the research translates into improved or new processes and products

For this to happen, NIRF should bring top experts not only from India but from outside also in its core committees.

20. On Digital Health ID, proceed with caution

Source: This post is based on the article "On Digital Health ID, proceed with caution" published in The Indian Express on 6th Oct 2021.

Syllabus: GS2 - Health infrastructure in India

Relevance: Understanding various issues related to Ayushman Bharat Digital Health Mission (ABDM)

Synopsis: Government must weigh all pros and cons, learn from experiences of other countries to ensure that a good policy does not die due to poor implementation.

What are some potential benefits of ABDM?

- Well-organized data repositories that enable **easy access to records** can stimulate much-needed **research on medical devices and drugs**. This storehouse of patient data can be invaluable for clinical and operational research.
- Digital Health ID under ABDM can have a transformative impact in promoting ecosystems that function as paperless facilities. Direct electronic linkages between the patient registration process, doctor, laboratory and pharmacy will help in reducing delays and enhancing efficiencies.

What are the issues with ABDM implementation?

Investments required: While technology helps enhance patient experience, there is a **cost attached**. Investments have to be made upfront. In the immediate short run, DHID will **increase administrative costs by about 20%**, due to the capital investment in hardware and software development, technical personnel and data entry servers.

Studies of such reform undertaken in the US in 2009 showed that small and medium hospitals were generally reluctant to adopt EMRs, partly because of the upfront investments that they were required to make. This resulted in the federal government providing subsidies of about \$30 billion as an incentive. Hence, any scaling up of this reform would require **extensive fiscal subsidies** and more importantly providing **techno-logistical support** to both government and private hospitals.

Lack of infrastructure: A large majority of facilities do not have the required physical infrastructure — electricity, accommodation, trained personnel. Cards getting corrupted, servers being down, computers crashing or hanging, and power outages are common in India. The inability to synchronise biometric data with ID cards has resulted in large-scale exclusions of the poor from welfare projects. Such a scenario in the case of health, will cause immense hardship to the most marginalised sections of our population.

Must Read: Ayushman Bharat Digital Health Mission – Explained, pointwise

21. Trade multilateralism at risk

Source: This post is based on the article "Trade multilateralism at risk" published in The Hindu on 7th October 2021.

Syllabus: GS 2- Important International Institutions, agencies and fora – their Structure, Mandate.

Relevance: crisis with WTO's appellate body.

Synopsis: About WTO's crisis, various challenges faced by WTO and the way forward.

Introduction

The World Trade Organization (WTO) is the global trade body. Currently, it is facing a serious existential crisis. The upcoming WTO ministerial meeting which will be held in Geneva, provides an opportunity to save this institution.

What crisis WTO is facing today?

The crisis is related to the vacancies in the Appellate Body of the World Trade Organization (WTO).

The Appellate Body (AB), the highest instance of the WTO dispute settlement, is part of the WTO's dispute settlement mechanism. Since December 2019, the AB has stopped functioning due to rising vacancies. It has led to an increase in number of pending appeals.

Over the years, the U.S. has consistently blocked the appointment of AB members resulting in the present crisis.

The U.S. even rejected the proposal to find a solution to this and also denied the proposal of the European Union to establish an alternative interim appellate arbitration mechanism. With this, countries now have an option not to comply with the WTO panel decisions.

As the Appellate Body is unable to hear new appeals, no disputes can now be resolved at the highest instance, causing widespread concern in the context of escalating global trade protectionism.

What are the challenges that WTO currently faces?

On public stock holding: WTO failed to find a solution of public stockholding for food security purposes as decided in 2015 Nairobi meeting. This is a concern for countries like India that use Minimum Support Price (MSP)-backed mechanisms to procure food grains. The WTO rules allow countries to procure, stock and distribute food. However, if such procurement is done at MSP that is higher than the external reference price, then the budgetary support provided shall be considered trade-distorting and is subject to an overall cap. With rising prices and the need to do higher procurement to support farmers and provide food to the poor at subsidised prices, India might breach the cap. Countries have agreed that legal suits will not be brought if countries breach the cap.

Waiving TRIPS agreement for COVID medical products: The WTO member countries continue to disagree on the need of waiving the Trade-Related Aspects of Intellectual Property

Rights (TRIPS) agreement for COVID-19 related medical products. This waiver would increase the accessibility of COVID-19 medical products, including vaccines.

Regulation of irrational fishing subsidies: WTO is close to signing a deal on regulating irrational subsidies provided for fishing. These subsidies have led to the overexploitation of marine resources by countries like China. This deal should provide a balance between conserving ocean resources and the livelihood concerns of millions of marginal fishermen.

Plurilateral agreements: The deadlock at the WTO has led to the emergence of mega plurilateral trade agreements like the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP) agreement. These plurilateral agreements not only hamper the global governance on international trade but also push the multilateral order to the danger.

What is the way forward?

On public stock holding: In long term, we need to find a permanent solution such as not counting MSP as trade-distorting.

On TRIPS waiver: The WTO needs to adopt a waiver in the upcoming ministerial meeting.

On regulation of fishing subsidies: India and other developing countries should insist on an effective special and differential treatment provision that requisite policy space.

On plurilateral agreements: We need rule based global order. Institutional multilateralism is the remedy to unilateralism and economic nationalism.

Despite many flaws, WTO is the only forum where developing countries like India can push for evolving an inclusive global trading order.

22. The motherhood penalty employers must eliminate

Source: This post is based on the article "The motherhood penalty employers must eliminate" published in LiveMint on 7th October 2021.

Syllabus: GS 2 Social Issues and Social Justice.

Relevance: To understand the status of working women in India.

Synopsis: Government intervention is needed to bring women equal to men.

Introduction

Women in India often faced a lot of discrimination owing to the patriarchy. It does not only impact her social life but takes a toll on her professional one also.

What is the status of women in India?

The gender gap in India has widened by 62.5%. **Low gender parity** can be seen in different spheres like political, economic etc.

The difference is also visible in the pay rate in spite of the same jobs with equivalent qualifications. There is a gap of 34% in **gender pay**.

India, as of 2020 has the **lowest female labour force participation rate** among South Asian nations with many of them neither working nor looking for jobs.

India has also **slipped 28 places** in **Global Gender Gap, 2021** since 2020, and is currently ranked at 140/156 nations.

The recent pandemic has further worsened the gender divide among women, especially mothers. The mothers are facing more discrimination than non-mothers. The main reason behind that is to do the household chores, elderly and child care especially with the closing of the school.

According to **National Sample Survey Organisation**, it was found that women spent nearly 4.5 hours on child care and other responsibilities, while men only 0.88 hrs.

What is the motherhood penalty?

It is the situation where working mothers faced discrimination compared to other employees. It is because of the misconception that they are less professional and incompetent. Also, they faced discrimination on various grounds like less pay rate, rare promotions, less hiring etc. For this notion to be removed, there is a need to reorient workplace norms to make them more gender-equal.

What does the government do?

The government made the amendment to <u>Maternity Benefit Act</u> in 2017. It increased the maternity paid leave from 12 to 26 weeks. In spite of the good efforts, this amendment further strengthens the notion that caregiving is the primary onus of women. So, it raises the risk of women being subjected to the motherhood penalty. Still, there is no similar law for paternity benefits.

What should India do?

India should adopt the policies of other International governments:

Iceland's policy: Iceland makes the mandatory provisions for firms with more than 25 employees to prove every three years that they provide equal pay. Firms get certified according to that. If not certified, they have to pay the daily fine.

Ireland: It asks companies with more than 250 employees to publish data on disparities between average and median hourly wages and bonuses for both genders.

23. Use the latest research to combat child under-nutrition

Source: This post is based on the article "Use the latest research to combat child undernutrition" published in LiveMint on 7th October 2021.

Syllabus: GS 2 Mechanisms, Laws, Institutions & Bodies Constituted for Protection & Betterment of These Vulnerable Sections

Relevance: To understand the status of child health.

Synopsis: Better child health policies are required to improve the malnutrition status of children.

Introduction

Children are future assets for any nation. Thus, it is important to take care of their development. In India, where several children are malnourished, it is important to study the research carefully and then frame the policies according to that.

How has the definition of nutrition changed over the years?

Since the 1940s: Micronutrient deficiency was considered the primary cause of childhood undernutrition.

Till the mid-1950s: Caloric deficiency was considered as a primary cause of child undernutrition.

During the 1970s: Research until the 1950s concentrated on various vitamin deficiencies. In the mid-1970s, the research also **included protein deficiency.** From the **late 1970s**, it was discovered that child malnutrition is more than caloric and micronutrient deficiency, so it **adopted multi-sectoral nutritional planning.**

In 1984: Freedom from Hunger and malnutrition was recognized as basic human rights. This recognition led to the ratification of a set of goals for UN countries.

1992: UN developed a **conceptual framework for child malnutrition**. This was to understand the multi-sectoral factors that affect child health beyond calorific and micronutrient deficiencies.

This framework acknowledged that **inadequate dietary intake and diseases** are the **immediate causes** of child malnutrition. There are another set of causes referred to as **Basic Causes**. It includes basic socioeconomic characteristics like wealth, religious practices and resources available to children.

2010: A paediatrics journal highlights the importance of 1st 1000 days of child health. It showed that the phenomenon of **growth faltering** (Child grow slower than prescribed WHO standard) is more in starting first two years of child life. This led to irreversible cognitive and physical damages and also passed on to the next generations also.

Also, <u>National Family Health survey 4</u> found that nearly 40% of Indian children were stunted in 2015-16, the highest in the world. This led to the start of **India's Poshan Abhiyan**, launched in 2018, with an aim of eradicating malnutrition by 2022.

What are Poshan Abhiyan and the problems associated with it?

Read here: Poshan Abhiyan and challenges associated

What needs to be done?

A **study in Lancet** predicted that a decline of 10-20% in coverage of essential and maternal child health interventions and a 10% increase in wasting of children over 6 months would lead to an additional 250,000 child and 12k maternal deaths. So, it is time that India should update its health policies with up-to-date research.

24. A strategy for India in a world that is adrift

Source: This post is based on the article "A strategy for India in a world that is adrift" published in The Hindu on 7th October 2021.

Syllabus: GS 2 Foreign policy of India.

Relevance: Understanding India China relations in NAM 2.0.

Synopsis: As the global order shifts with the rising of China and the relative decline of the USA, India must act resolutely to secure its place in the global order.

Introduction

During the 90s, tectonic shifts in global politics prompted the dialogue on **Non Aligned Movement** 2.0. Today, again, India stands on a global politics which is in transition. But the principles of NAM still hold relevance today.

The multipolar world

Today's world is not bipolar like in the Cold War days. It is neither unipolar like in the 90s. Today's world can be called a world in transition. This is evident in the failed collective response of the world towards the COVID-19 pandemic. This is also seen in the failure of the world to come together on tackling climate change.

This has also created many challenges like rising of China, reverse globalization, formation of regional trade blocks, stalling of initiatives on climate change And an uncertain global order.

What are the challenges & opportunities for India?

Close cooperation in security with the other countries could lead to the strengthening of relations in the field of economy, energy, trade and investment. This could also help in cooperation at the global level in the fields of climate change and emerging technologies.

Today, in the maritime domain, India has great strength in the Indian Ocean. This could enable India to project itself as a strong, reliable partner in this region. India can strengthen this further by the creation of a maritime initiative like the Bay of Bengal commission.

How reviving SAARC will be beneficial for India?

Given India's central position, India can act as a hub of regional integration and consolidation by reviving SAARC. SAARC suffers from over securitisation of national security, which has led to neglect of trade and connectivity.

Strengthening trade relations with SAARC can reduce the dependence of India with China and also ensure that our neighbouring countries do not fall prey to Chinese predatory economics.

What is the way forward?

It is based on the core strategic principles in Non-Alignment 2.0 which is still relevant: independent judgement, developing our capacities and creating an equitable and enabling international order for India's transformation.

However, self-reliance is the key to India's continued growth and prosperity. India should focus on developing its economy and critical technologies to lead the world and secured its place in the global order.

25. The Indian women's movement can only grow by being inclusive

Source: This post is based on the article "The Indian women's movement can only grow by being inclusive" published in Indian Express on 7th October 2021.

Syllabus: GS 2 social Justice and social issues.

Relevance: Understanding the change in the feminist movement.

Synopsis: While learning from previous generations, feminists today must continue to make room for the concerns of persons from different backgrounds and social groups.

Introduction

Recently, Kamala Bhasin, an Indian developmental feminist activist, has passed away. One of her renowned quotes is the "definition of gender means the socio-cultural definition of a girl and boy, man and woman, it doesn't mean caste, it doesn't mean race." This has opened the various debate on how to perceive these words.

What is the difference between the Feminist movement of past and present?

Movement in the 1970s and 1980s: Priority was to make women the focus of politics and demands for justice in various contexts. Their important goal was to show that women had certain common experiences due to patriarchal social structures.

Today: Women of different social backgrounds experience the world differently. So, they connect with others according to their views. Among the many ways, most popular today is **intersectionality.**

In the words of **critical race scholar Kimberlé Crenshaw**, it is how black women's experiences were shaped by them being Black and women and were different from the experiences of both Black men and non-Black women

In India also, the same structure has been followed. Therefore, to understand this feminist ideology, India has to understand how it is shaped by other social structures.

What are the different shifts seen in the feminist movement of India?

During the last few decades, it was seen that feminists are organizing around particular issues and identities rather than simply as "women". For example, Dalit and Muslim women have formed their own organizations and networks. It could be because they understand their issues well.

Over the time, it has been realized that people of all backgrounds and social groups need and deserve equal attention from the feminist movement. It is contradictory to Bhasin's comment that feminism is about getting rid of patriarchy and that transgender and ecological issues are separate from it.

26. The pandemic is a reminder of education being a public good

Source: This post is based on the following articles

- "Teacher, you learn too: Filling school vacancies is essential. So is doing this professionally rather than politically" published in Times of India on 6th October 2021.
- "The pandemic is a reminder of education being a public good" published in Livemint on 7th October 2021.
- "Learning disabilities" published in Business Standard on 7th October 2021.

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

Relevance: To understand the issues in the current learning system.

Synopsis: Indian school education system faces various challenges like large vacancies of teachers, vulnerable private schools, etc. The government must act to improve the public school education system.

Introduction

The recent UNESCO report State of the Education Report (SOER) for India: "No Teachers, No Class", highlighted various challenges associated with school education in India.

Click here to know more about the State of the Education Report (SOER) for India: "No Teachers, No Class"

What are the challenges associated with Teachers and their performance?

Vacancies skewed towards states: The UNESCO report highlighted that India's school system is facing an acute shortage of teachers. According to the UNESCO report, the bulk of the vacancies are in rural schools. But these shortages are skewed towards states with relatively fast-growing populations. For example, Uttar Pradesh, with a shortage of 3,30,000 teachers, Bihar 2,20,000 and West Bengal 1,10,000.

This implies that a large cohort of India's future workforce will be insufficiently educated at a time when technological transitions in both services and manufacturing demand a high minimum standard of education.

Teachers and their non-teaching activities: Teachers are involved in several non-teaching activities too such as coordinating midday meals, registering children for Aadhaar, election duty and vaccination drives.

Interstate differences in recruitment and transfer of teachers: Uttar Pradesh and Jharkhand see rules of recruitment being changed year to year, suggesting political influences, while **Karnataka** and **Tamil Nadu** have "a systematic, technology-based, transparent system of recruitment, employment and transfer".

Further, the spread of teacher eligibility tests is helping to improve standards, but these tests only do subject testing, not teaching practice of individuals.

What are the lessons learned from the pandemic on school education?

The pandemic exposed the vulnerabilities of private schools. Not all private schools are bad. Many are of good quality and are truly bothered about the education and welfare of their students. But an overwhelmingly large proportion of private schools are run only for commercial purposes.

For example, running a private school is a business in India. During the past 18 months, they have done nothing to engage children. But they have always demanded fees.

On the other hand, many government schoolteachers have often reached homes and communities to teach students. So, these schools have lost all trust and a few have even collapsed. This has boosted enrolment in the government (public) school system.

Read more: Long term Impacts of School Closure – Explained, pointwise

What needs to be done to improve school education?

There is no substitute for an equitable, strong and vibrant public education system. So, the energy in the public-school system with this rising enrolment must be effectively harnessed. India now needs to **incentivise smart young people to take up the teaching** profession and train them well. Apart from that, India also needs to **upskill the existing teachers**.

27. Right to protest in and on Lakhimpur Kheri needs to be protected, the legal quibble can come later

Source: This post is based on the article "Right to protest in and on Lakhimpur Kheri needs to be protected, the legal quibble can come later" published in Indian Express on 7th October 2021.

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

Relevance: To understand the issues surrounding right to protest.

Synopsis: The court can question the legal validity of the Acts, but that does not mean that the Right to protest can be halted from implementation.

Introduction

Earlier, the Supreme Court questions the farmers' protests against the Centre's farm laws on grounds that the matter is sub judice(under judicial consideration and therefore prohibited). The court has also asked whether the right to protest is an absolute right.

Must read: Law is clear, road blockades can't go on endlessly, says Supreme Court

Recently, In Lakhimpur Kheri a minister's convoy ran over protesting farmers, killing four of them, and setting off retaliatory violence that killed four more.

These two events again highlighted the issues surrounding the Right to protest.

About Right to protest in India

The right to protest is **not a separate right** in the Indian Constitution. It is **implicit** in **Article 19(1)(a)**, which guarantees the freedom of speech and expression, and in **Article 19(1)(b)**, the right to assemble peacefully.

It is integral to the right to protection of life and personal liberty enshrined in Article 21.

All rights are subject to reasonable restrictions. The right to protest is not just necessary in and of itself — it is also inalienable from the articulation and assertion of other rights and freedoms.

Read more: Right to Protest in India

Why the Supreme Court's decision to question right to protest is ill-judged?

Infringes with Article 32: Questioning the Right to protest will came in conflict with **Article 32**, the right to constitutional remedy. Protest, dialogue and debate, challenge before courts — these are not at odds or mutually exclusive. Taken together, they help to secure the citizen against an arbitrary or transgressing state.

Against its own judgment: In Ram Lila Maidan Incident vs Home Secretary, Union of India and Others, 2012, the court had said: "The people... have a right to raise their voice against the decisions and actions of the government or even to express their resentment over the actions of the government... The government has to respect and in fact encourage exercise of such rights."

Cannot be held as sub judice: The court held that farm laws are under judicial consideration and therefore protests are prohibited. But this is not the right interpretation. Many cases like the constitutionality of electoral bonds to the abrogation of Article 370 are pending before the court. But this does not mean that the people across the country should give up their constitutional right to speak out on these issues.

So, the right to protest needs to be protected, the legal questions on the laws can come later.

Terms to know:

• Article 21

28. <u>Decentralised renewable energy solutions offer great promises for healthcare</u> facilities

Source: This post is based on the article "Decentralized renewable energy solutions offer great promises for healthcare facilities" published in Down to Earth on 7th Oct 2021.

Syllabus: GS2 - Health

Relevance: How decentralized renewable energy solutions can help India's health infrastructure

Synopsis: In facilitating access to affordable RTPV electricity in public healthcare facilities, India can achieve the twin objective of greening the economy and transforming the healthcare infrastructure so that it can provide affordable health services.

Introduction

It has been a big challenge for our health infrastructure to deal with the novel coronavirus disease (COVID-19). Apprehension about a third wave of COVID-19 has many health institutions setting up their own oxygen plants within their premises.

But, the **electricity cost of running these oxygen plants** is around 70-80% of the running cost.

Many health institutions have attempted setting up oxygen plants within their premises under the PPP mode (design-build-finance-operate-transfer). But electricity costs make these projects

unviable and unable to compete with the far larger liquid medical oxygen plants. This has driven away private investors.

In the post-pandemic world, energy access interventions involving **rooftop photovoltaics** (RTPV) can help health facilities and enable them to become 'atmanirbhar' (self-reliant).

Why RTPV systems should be implemented?

The rationale behind adoption of RTPV systems is driven by the following factors:

i). Electricity cost savings: The RTPV system can produce significant savings for daytime electricity consumption. The state of Madhya Pradesh in mid-2018 discovered the electricity tariff for medical colleges under the RESCO model, a renewable energy service company to be around Re 1.74 / unit with 3% annual escalation (with subsidy support from the state and central governments) and Rs 2.18 / unit (without subsidy). These rates are a fraction of what medical colleges pay for grid-supplied electricity.

Electricity savings can be used to purchase medicines and for other necessary expenditures, as well as to strengthen the health infrastructure.

A 234-kW RTPV project has been commissioned at the Government Medical College, Shivpuri as part of the project. This has led to saving of more than Rs 15 lakh in the first year and expected cumulative savings over project life of around Rs 7 crore. This is with zero investment by the medical college.

- **ii). Environmental benefits**: RTPV systems would also result in environmental benefits. For instance: The project, mentioned above, results in approximately 7,187 tonnes of carbon dioxide emissions being reduced over the project life. This environmental gain would have been achieved by planting 12,345 trees.
- **iii). Generation of jobs**: In a preliminary assessment published by the Union Ministry of Health and Family Welfare, the potential for RTPV in all district hospitals and medical colleges of our public healthcare system is estimated to be approximately 450 MW, entailing an investment of about Rs 1,575 crores and generating over 13,000 jobs locally.

What are some disadvantages of RTPV electricity systems?

The high initial cost of RTPV intervention is one of the reasons state governments overlook such investments, given the budgetary constraints of making significant capital expenditures.

What steps are being taken to offset high initial cost of RTPV systems?

NITI Aayog's and the World Bank's **SuBaH initiative** aims to bridge these gaps by demonstrating the OPEX / RESCO model to provide affordable RTPV electricity services to health facilities.

The health institutions or governments would therefore not have to make any investment whatsoever and would make savings from day one. The investment would be made by **solar developers**, who would recover their investment through the sale of power to the health institutions over the 25 years.

Efforts in **demand aggregation planned** under the initiative will **optimise upfront costs** and **reduce the overall cost** of energy services through economies of scale.

What is the way forward?

Cooperation between the private sector, the public sector and non-governmental organisations has proven crucial to the success of healthcare electrification, such as using the pay-as-you-go model in Rwanda, micro-grids anchored around the facilities and connected to staff housing in Madagascar and Lesotho. Such partnerships should be encouraged.

29. Stronger at the grassroots: On strengthening Panchayati Raj Institutions

Source: This post is based on the article "Stronger at the grassroots" published in The Hindu on 8th October 2021.

Syllabus: GS2- Devolution of Powers and Finances up to Local Levels and Challenges Therein, GS 3- Disaster and Disaster Management.

Relevance: Role played by Panchayati Raj Institutions (PRIs) in tackling the menace of COVID-19.

Synopsis: About PRIs, role played by them in COVID-19 crisis, need to build their capacity further so that they can deal with these kinds of situations in stronger way.

Introduction

The Panchayati Raj was first adopted by Nagaur in Rajasthan on October 2, 1959. It has expanded vastly. There are now 2,60,512 Panchayati Raj Institutions (PRIs) represented by about 31 lakh elected members across India.

What are PRIs?

This is a system of local self-governance, where people in the villages participate in the decision-making process. It is the backbone of democracy. They also provide a platform to build consensus and making resolutions in the community's interest.

The People's Plan Campaign and Vibrant Gram Sabha Dashboard, rolled out this year, aspire to strengthen the Panchayati Raj system by making gram sabhas more vibrant.

How PRI played a key role in tackling COVID-19 crisis?

Unlike other disasters like earthquakes, COVID-19 is an unusual crisis as it is long-drawn and affects people everywhere.

When the traditional top-down disaster response system was compromised during the bad months of the pandemic, it was PRIs that played a remarkable role.

Helped reduce risks– responded swiftly and thus helped people recover quickly. They provided essential leadership at the local level.

Performed both regulatory and welfare functions— For instance, during the nationwide lockdown, PRIs set up containment zones, arranged transport, identified buildings for quarantining people and provisioned food for the incoming migrants.

Effective implementation of welfare schemes like MGNREGA and the National Rural Livelihood Mission – This quickened the pace of recovery while ensuring support to the vulnerable population.

Bridged the trust gap between the community and the officials— They did it with regular engagement with frontline workers like ASHA workers and Anganwadi workers through committee.

Organised community-based surveillance systems – It involved village elders, the youth and self-help groups (SHGs). The purpose was to keep a strict vigil in quarantine centres and monitor symptoms in households.

Mobilised citizens for COVID-19 vaccination.

How we can further build the capacity of PRIs?

The Yokohama strategy pointed out that it is important to focus on **disaster prevention**, **mitigation** and **preparedness** rather than disaster response alone, to reduce vulnerability. In this light, certain initiatives can be taken to build the capacity of PRIs:

- Include disaster management chapters in Panchayat Raj Acts and make disaster planning and spending part of Panchayati Raj development plans and local-level committees. This will ensure citizen-centric mapping and planning of resources. Various insurance products customised to local needs will build financial resilience of the community.
- Conducting regular location specific training programmes for the community and organising platforms for sharing best practices. This will strengthen individual and institutional capacities.
- Assigning roles to individual members and providing them with the necessary skills. It can make such programmes more meaningful.
- Community-based disaster management plans are needed as the community is usually the first responder in case of a disaster. We also need to take the traditional wisdom of local communities which will complement modern practices. Moreover, financial contributions from the community should be encouraged through the establishment of community disaster funds in all gram panchayats.

It is the high time to make disaster resilience an inherent part of the community culture.

30. There's an urgent need to clean up the World Bank and IMF

Source: This post is based on the article "There's an urgent need to clean up the World Bank and IMF" published in The Indian Express on 9th October 2021.

Syllabus: GS2- Important International Institutions, agencies and fora – their Structure, Mandate.

Relevance: Integrity of two big institutions of the world, WB and IMF are at stake

Synopsis: Wrongdoings of WB and IMF, unsuitability of heads of these institutions, various steps that these institutions need to take to maintain their credibility and legitimacy

Introduction

Head of the World Bank and IMF are selected under the dual monopoly selection procedure wherein only an American can head the World Bank and only a European can head the IMF. This has been the result of a long-standing arrangement among the western powers. It needs to change.

Why the dual monopoly system needs to change?

The system requires change because of the selection of such heads whose personal integrity has often been called into question.

For instance: Manipulation of data by the WB wherein the bank manipulated the data of at least two major countries (**China and Saudi Arabia**) to make them look better than they would otherwise have been. This shows that its integrity is at stake and not the ideology.

Why qualities of honesty and decency are a must for heads of world institutions?

The heads of these institutions often go around the developing world, preaching the virtues of good governance, from arguing against the corruption to improving data integrity. There are even World Bank indices to rank countries on those metrics.

If they do not have the qualities of honesty, morality and decency, then it is for sure that they will not pass good message to others.

How credible can such policy messages be if their carriers are themselves compromised? It is not just the charge of hypocrisy, but also the effect on the morale and motivation of the staff of these institutions. Many of them chose to work here because of a commitment to public

service. How must they feel if their boss is a sexual predator or complicit in data manipulation?

What have been the policies of developed countries in making appointments to International Organizations?

Countries place their nationals to head International institutions, both for prestige and to pursue their national interests. Moreover, there is now a deliberate contest between the West (and especially the US) and China to shape the global order by placing their nationals as head of global international organizations.

- China is following the same strategy. It is evident from the fact that China attempts to place its own nationals in existing IOs as well as creating new ones. Its own nationals now head four of the 15 UN specialised agencies. China's efforts, its success, and more broadly its influence in IOs should certainly raise deep concerns, most notably the suppression of the inquiry into the origins of the coronavirus.
- Equally, Western countries have been anything but an exemplar in their commitment to international organisations (the US neutering of the World Trade Organisation's Appellate Body under both Trump and Biden administrations is another recent example).

What is the way forward?

Global political leaders must act with urgency and conviction to stem the rot.

They must open the selection of the heads of these institutions to the best candidate, regardless of nationality.

31. 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

32. 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.

33. 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, socioeconomic 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 <u>Ayushman</u> <u>Bharat</u> 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.

34. <u>How Delhi came to see Europe as a valuable strategic partner</u>

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**.

35. 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.

36. 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 **13**th **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 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.

37. 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 fi bre 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-fi shery 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.

38. 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.

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.

39. 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.

40. 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.

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.

41. 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"

42. 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 LGBTIQA+ 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.

43. 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?

<u>National Education Policy</u>, 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.

44. 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 Vijayadashami speech also raised concerns over the China-Pakistan-Taliban-Turkey nexus.

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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.

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.

45. Three dark clouds over the Bretton Woods twins

Source: This post is based on the article "Three dark clouds over the Bretton Woods twins" published in "Livemint" on 18th October 2021.

Syllabus: GS2: Global groupings and agreements involving India and/or affecting India's interests.

Relevance: To understand the working of IMF and World Bank.

Synopsis: In light of the latest issues of the pandemic, economic recovery etc., how Bretton Woods can remain relevant.

Introduction

Time and again, Bretton Woods institutions (IMF and World Bank) have been accused of bias towards the West, more specifically with regard to the USA.

Recently, the 'Fund-Bank' annual meeting discussed the issues plaguing the whole world as they affect rich and poor countries alike, though the degree of impact may differ.

What are the recent challenges in front of Bretton Woods institutions?

The controversy over the World Bank's **Doing Business report**, whereby it is alleged that senior leadership at the bank manipulated the index's data in response to pressure from China and Saudi Arabia among others, casted further mistrust on these institutions.

Read more: The end of Ease of Doing Business Rankings: Reasons and implications Explained, pointwise

Global economic recovery- The latest edition of the IMF's 'World Economic Outlook' states, that the pandemic has widened the existing economic gap between rich and poor nations.

Its 'Fiscal Monitor' says that while advanced economies used supportive fiscal policy to kick-start growth and employment, the pandemic's impact has squeezed the fiscal space for poor nations, thereby imperilling their growth prospects for some time to come. The uneven pace of vaccination across economies worsens the malady.

The visible effects of **climate change** and the **US** Federal Reserve's **monetary-policy's** proposed hawkish (higher interest rates) stand has magnified global economic risks.

How Bretton Woods duo can make meaningful contributions?

It needs to provide **higher volumes of concessional funding** at an accelerated rate, either directly or by precipitating financial flows from other agencies.

By **minimizing the influence of America's domestic politics** or by dropping their past ideological commitments and practice true multilateralism.

46. The world refugees must also be shielded from Covid

Source: This post is based on the article "The world refugees must also be shielded from Covid" published in Livemint on 19th October 2021.

Syllabus: GS 2 Issues related to refugees.

Relevance: Understanding the problems faced by refugees.

Synopsis: There is a need to include refugees and provide them basic health care facilities, including vaccines, to the countries welfare programmes.

Introduction

There are approximately 82.4mn forcibly displaced people in the world. With the recent conflicts in Afghanistan, Yemen, Syria and other countries, their count has been increased to 11.2 mn more during the pandemic.

Approx 70% of these people are living in extreme conditions with no economic, social, legal security. Covid pandemic further shows us the vulnerability of these refugees.

What are the problems faced by the refugees during the pandemic?

Lack of resources: Refugee children are often unimmunized and have poor access to basic healthcare facilities. Refugee camps are often over-occupied. With the lack of documentation procedure and other necessary requirements, their risk of having Covid is twice compared to other people.

Vaccine inequities: There is huge vaccine inequity between high and low-income countries. There is a vaccine hoarding of 79% in HIC, while only 2.3% in LIC. Countries with the highest refugees and asylum populations are even struggling to provide the 1st dose of vaccine to their own people.

Identity proof: Refugees, mostly does not have any identification, proof as they fled from their countries. During the pandemic, many countries vaccinated programmes mostly used digital systems which are linked to some proof of identity. For example, the UK allows refugees to access vaccines through its National Health Service but excludes those who fail to provide identification.

Demand Issues: In many countries, refugees fear to register for jabs because of their illegal migrant status and fear of being deported back.

Misinformation: According to **World Vision Survey**, 47% of global refugees thought they were ineligible or unaware of the vaccine programmes. **UN High Commissioner for refugees** also highlighted that vaccine hesitancy persists on account of misinformation, cultural and linguistic barriers.

What countries did to exclude or include refugees in welfare programmes?

Among the 70% of 104 vaccination plans reviewed by WHO, **excluded migrants** including refugees and asylum seekers. Other plans also left 11.8 mn internally displaced people. Most of the countries also closed their borders and adopt harsh policies to keep out the refugees.

But **few Countries supported** the refugees during the pandemic. For instance, some **Latin American countries** supported refugees under their immunization programmes. For Ex, **Columbia** has offered 10-year temporary protection status to Venezuelan refugees. **Portugal** also granted temporary full citizen rights to asylum seekers for providing them basic health care facilities including vaccines.

What is the way forward?

Ensuring universal vaccine access is not a problem of the health sector alone, as many structural issues create inequality. The world needs to prioritize human rights and the right to health as a matter of policy so that everyone including refugees and migrants feels safe.

47. A shadow foreign policy for the first time

Source: This post is based on the article "A shadow foreign policy for the first time" published in The Hindu on 19th October 2021.

Syllabus: GS 2 Foreign Policy of India.

Relevance: Understand India's present and future foreign policy.

Synopsis: A new research paper has emerged which offers some directions for alternatives to India's foreign policy.

Introduction

For the first time, a document has emerged from the **Centre for Policy Research (CPR)** named 'India's Path to Power: Strategy in a world adrift'. It is authored by eight well-known strategists and thinkers and provides foreign policy alternatives.

India does not have a shadow cabinet. Under such circumstances, strategic papers by experts, which provide alternate foreign policy options, become very important.

What have been the changes in foreign policy by the current government?

The government has taken a bold, and assertive foreign policy, overcoming the hesitations of history. For instance, after peace initiatives with Pakistan failed, the Government of India took a firm stand against terrorism. This has resulted in the following benefits,

Even though close relations with the other neighbours did not materialize, the government's helpful attitude managed all situations and has averted any crisis.

There is a new synergy in India-U.S. relations.

The government is also engaging with China continuously to build strong bilateral relations. India's relations with Israel and the Arab countries have now become productive.

What were the challenges faced by the government?

Article 370 was a domestic matter. But, questions have been raised in the West about human rights and the state of democracy in India.

The pandemic, the economic meltdown and China's incursion into Ladakh added to the troubles of the government.

Moreover, political polarization and majoritarianism might diminish India. For example, the opposition in India questioned the foreign policy of the government.

What should be the way forward?

India should keep its focus on economic growth and should promote further globalization. There is a fundamental need to change the outlook towards China. India should also look at resuming political dialogue with Pakistan.

All this can be best done when ruling parties and opposition parties have coherence in the terms of foreign policy.

The source of India's influence in the world rests on **four pillars, domestic economic growth, social inclusion, political democracy and liberal constitutional order**. If the government strengthened these integral pillars, then there is no stopping for India.

48. India and the new Quad in West Asia

Source: This post is based on the following articles

- "India and the new Quad in West Asia" published in Indian Express on 19th October 2021.
- "Second Quad? Exciting opportunities await India in Middle East, but not without risks" published in Indian Express on 18th October 2021.

Syllabus: GS 2 Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Relevance: Understanding the impact of the new Quad on India.

Synopsis: With the new opportunities, India should also prepare for the risks the new Quad (West Asia) will offer.

Introduction

Trump administration and the <u>Abrahamic accord</u> eased the relations between Israel and UAE. With the proposed Quadrilateral Alliance of India-USA-UAE-Israel and Indian foreign ministries visiting Israel, India would now enter into the high stakes game of the Middle East.

What is the Indo-Abrahamic Accord and why it is important?

Abraham Accords are a joint statement made between Israel, the United States and the United Arab Emirates on August 13, 2020. It also refers to the agreement reached between Israel, Bahrain and the UAE to normalise relations between them.

Read more: The Abrahan Accord as India's West Asia bridge

Indo-Abrahamic Accord: Amidst the reshaping of geo-political order in West Asia, India's relations with the UAE and Israel have gained momentum. This growing convergence of interest between India, UAE and Israel can be formalized under an official coalition i.e. an Indo-Abrahamic accord. The idea was first suggested by Mohammed Soliman, an Egyptian scholar

Read more: Making a case for Indo-Abrahamic accord

What foreign policy India adopts in the Middle East?

One of the gains of India's foreign policy has been **non-ideological engagement with middle-east**. India's close engagement with the USA over the last few years has also allowed alignment with the USA in the Middle East.

The new minilateral consultation involving India-Israel-UAE-USA further cements India's position in the Middle East. India knows that the USA is downsizing its forces in the Middle East. Therefore, this serves as a perfect opportunity for India.

While this grouping may not be as powerful as QUAD, but it has opened doors of middle-east to India.

How the change in regime in the Middle East can help India?

The new government in Israel is working towards resolving the conflict with Palestine. There is also an increase in economic and technological cooperation between Israel and the UAE. There is also a regime change in the USA. This all can help India to deepen its ties in the Middle East, as India can simultaneously build relations with the Middle Eastern countries.

What will be the benefits of the new Quad?

According to **the International Federation of Indo-Israeli Chambers of Commerce,** India's scale with Israeli innovation and Emirati capital could produce immense benefits to all three countries. Beyond trade, there is potential for India, UAE and Israel to collaborate on many areas — from semiconductor design and fabrication to space technology.

First, India already built its soft power image in the Middle East. It has around 8 million diaspora present there. With the new alliance, India can use this platform to harness various opportunities like Big data, AI, Quantum computing, export its products in their market etc.

Second, the group will help to focus on non-military issues like trade, energy, and environment and on promoting public goods.

Third, the platform will help India to pursue wide-ranging minilateral partnerships in the region. With major powers like France, Russia, China is drawn to this region, the alliance will help India to shape its position in changing the geopolitics of this region.

What is the way forward?

India should also maintain its strong relations with Iran to keep a check on the Afghan Taliban. India needs a careful balancing act in the Middle East to secure its long-term strategic interests.

49. The decline of the Budget school

Source: This post is based on the article "the decline of the Budget school" published in Livemint on 20th October 2021.

Syllabus: GS 2 Issues related to development and management of Social Sector and Human Resources.

Relevance: Understanding the impact of the pandemic on private budget schools.

Synopsis: The private budget school ecosystem is collapsing, which is a threat to millions of children who rely on it.

Introduction

The impact of the Covid-19 pandemic is visible in almost all the sectors, and the schools are no exception to it. Today, most private budget schools are facing the problem of financial crunch and are on the verge of lapse owing to shut down and transfer of students from schools.

What are the problems faced by the parents?

The pandemic has caused financial instability in many homes. With the frequent lockdowns and the slowdown of the economy, they are struggling to pay their children's fees to private institutions. Apart from the fees, there are other expenses like books, internet and school uniforms, which most of the families are unable to afford in the pandemic period. So the parents have no choice but to transfer their students to government schools.

Read more: Long term Impacts of School Closure - Explained, pointwise

What are the problems faced by the private budget schools?

Fall in the strength of students: There has been seen a **decrease in enrollment of students** during and after the pandemic. This led to problems of paying the staff, school building rent and other expenses. Some student entrepreneur claims that approx tens of thousands of private schools are either shut down or on the verge of closure.

Death Incidents: There are also many **instances of private school promoters and teachers are committing suicide**. With the people lost their jobs and reduction in salary led to less admission of students in schools. Budget schools already running on the minimum fee. So, they found it difficult to pay salaries to staff. According to the **National Independent School Alliance**, private schools are facing an annual loss of 77,000 crores in the aftermath of the corona pandemic.

Mismatch: With a cut in teachers' pay rates and fewer teachers in schools, their workloads have been increased. Also, there is a mismatch in the teacher-student ratio. Even the low-budget schools are struggling to provide digital solutions to students owing to the lack of resources. The only digital medium they are using is Whatsapp.

Read more: Blended model of learning – Explained in detail

What should the government do?

Government should treat **private budget schools as MSME**. They should be given concession or relaxations should be provided on loan repayment. Also, it should focus on covering the learning loss of students.

50. EU, Indian and the Indo Pacific

Source: This post is based on the article "EU, Indian and the Indo Pacific" published in Indian Express on 20th October 2021.

Syllabus: GS 2 Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Relevance: Understanding the parameters of the EU's Indo-Pacific strategy document.

Synopsis: India does not figure prominently in the EU's Indo-Pacific strategy. The Chinese challenge might change that.

Introduction

Recently, the "**EU strategy for cooperation in the Indo-Pacific"** document has been released. It appears to be over-determined by China's expansionism. However, there is a need to analyze it in the context of the rapprochement between the EU and India.

Read more: EU unveils Indo-Pacific strategy

What are the important highlights of the EU's Indo-Pacific strategy?

Human Rights: It highlights the importance of values and human rights. The document says the EU will further continue to use sanctions against the bodies, entities etc who will involve in human rights violations and abuses worldwide. It will also lend its support to likeminded countries in Indo Pacific that work for human rights.

Partnership: The document highlights ASEAN as an important partner for the EU. New Partnership and Cooperation Agreements (PCAs) are also announced with Thailand and Malaysia.

Security cooperation: EU is seeking to play a stronger role in the ASEAN security architecture and participate in the <u>ASEAN ASEAN Defence Ministers Meeting-Plus (ADMM-Plus)</u> structures and the <u>East Asia Summit (EAS)</u>. ASEAN is also the main partner of the EU from the military point of view.

EU's Indo-Pacific strategy and India

The document **does not give much-required importance to the Indian partnership.** However, India appears in the list of the countries which already have an Indo-Pacific strategy and with which the EU is interested in a deeper "engagement".

India is listed as the EU's first partner only in one area, which is "Enhancing Security Cooperation in and with Asia (ESIWA)". It covers counter-terrorism, cybersecurity, maritime security and crisis management. But for most other parts, Europeans put India on par with Pakistan under military cooperation.

Diversification: The document did not mention any role India could play in value-chain diversification, which is a top priority of the EU since the pandemic.

Why EU's interest is not at par with India?

German Vision: EU's Indo-Pacific strategy document is mostly in tune with the German vision of Indo-Pacific. Germany puts more emphasis on trade, economy, human rights, and engagement with China. It has less attention over the security aspect which is India and French strong pillars.

Economic perspective: EU's Indo-Pacific strategy is mostly driven from an economic perspective, while India's seeks more partnership at the geostrategic and geopolitical levels. The document has emphasized on implementing and enforcing the comprehensive trade agreements with Japan, the Republic of Korea, Singapore, etc but not with India.

51. How woman lawyers are kept out of litigation

Source: This post is based on the article "How woman lawyers are kept out of litigation" published in Indian Express on 20th October 2021.

Syllabus: GS 2 – Mechanisms, Laws, Institutions & Bodies Constituted for Protection & Betterment of These Vulnerable Sections.

Relevance: Understanding reasons behind the low representation of women in the litigation.

Synopsis: While the bench is making slow yet definitive progress with regard to women's representation, the Bar needs to do much more.

Introduction

Chief Justice of India raised his concern over women's count in the judiciary. He observed that at least 50% of women should be there at all levels of the judiciary.

Justice D Y Chandrachud, in his 2012 speech, noted that, as of 2012, only 5 out of the 294 senior advocates in the SC were women, which counts to only 2%. However, the status of women is much better in corporate offices and law firms.

What are the reasons behind the low count of women in litigation?

Pay scale: In a study conducted by **Sonal Makhija and Swagata Raha**, it was found that clients choose female lawyers so that they can pay lesser amounts in fees. Independent women legal practitioners are forced into accepting a much lower remuneration, thereby making it a difficult profession to sustain in.

Flexibility: Litigation offers greater flexibility as one can decide a number of working hours and there is also an option of choosing fewer clients. This flexibility further pushes women out of the litigation space by trivialising them. So, they are rarely seen in the courtrooms and so fewer women in the litigation race.

No Reservation: There is a reservation for women in other sectors like colleges, public offices. But, there is no such requirement for the positions of government pleader or a public prosecutor.

Lack of facilities: Court complexes are often lacking in various services like lack of creches, usable restrooms, non-recognition of maternity leaves etc.

Limited areas: Most of the women are restricted to a particular area, like practicing family law or women's rights law. There is a common perception that women are better mediators because of their emotional aspect and cannot understand clients from a financial and economic angle.

Less publicity: There is less coverage of women who score big in court battles. Eg Shally Bhasin, Ruby Ahuja and Misha, score big in the protracted court battle between Essar Steel India Ltd and ArcelorMittal. But, their stories are rarely publicized.

Read more: Issue of Gender Gap in Judiciary - Explained, Pointwise

What should be done to improve the women's count in litigation?

Proper surveys should be done to improve the representation of women across the bench.

Media houses should take initiative to properly feature, give coverage and acknowledge women in the litigation process.

The court should be **equipped with basic facilities** and the working conditions of women should be improved.

52. Is the Indian foreign-policy ship changing course?: About India-Afghanistan relations
Source: This post is based on the article "Is the Indian foreign-policy ship changing course?" published in Indian Express on 20th October 2021.

Syllabus: GS2 Bilateral, Regional & Global Groupings & Agreements Involving India and/or Affecting India's Interests.

Relevance: Understanding India's changing foreign policy.

Synopsis: India announced hosting a summit on Afghanistan. This opens up many opportunities and new dimensions to India's foreign policy.

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Introduction

Recently, India announced an international conference on **Afghanistan** in the second week of November. While India kept its relationship with the Taliban or Afghanistan under the wraps, this is certainly an unconventional step from India.

Read more: Regional powers and the Afghanistan question

Why this conference is significant?

It is for the first time that India's National Security Council is wading into regional diplomacy. India has also invited two of its neighbours with whom the relations are frozen i.e. Pakistan and China.

Read more: Evaluating India's options in Afghanistan

How does it impact India-Pakistan relations?

This invite puts Pakistan in a tough position. If Pakistan rejects the invite, it would be seen as Pakistan not seeking to amend its ties with India. If Pakistan accepts the invitation, then it would create a dilemma for Pakistan's foreign policy regarding Jammu and Kashmir, as it would seem like Pakistan's validation of India's move in Kashmir.

What challenges led to this conference?

In the region that India lives in, <u>Quad</u> and <u>AUKUS</u> are of <u>little help</u> when it comes to Afghanistan. Pakistan and China are consolidating their positions in the Hindu Kush. Moscow and Beijing have erected concrete relations in Central Asia. So, <u>India's "influence" in Kabul is now significantly reduced</u>.

India's attempt to align with Iran seems to be coming to an end. India has swung to the other extreme by identifying a new Quad framework along with the UAE, USA, and Israel.

Coming to Afghanistan, India seems no more concerned whether Russia accommodates India in the "Moscow format" or the privileged grouping known as the <u>Troika Plus</u>" (comprising US, China and Pakistan)

So, **India has itself moved to the centre stage** by announcing a new dialogue with Afghanistan in Delhi.

Thus, it can be said that India is adapting to the changes in geopolitical climate and making necessary changes in its foreign policy to ensure its internal security and continued growth.

53. One Nation One Ration Card: Good intention but implementation may be difficult

Source: This post is based on the article "One Nation One Ration Card: Good intention but implementation may be difficult" published in Down to Earth on 19th October 2021.

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

Relevance: To understand the challenges and benefits associated with the One Nation One Ration Card scheme.

Synopsis: The One Nation One Ration Card scheme has many benefits, but it also has a few practical challenges that need to be addressed.

Introduction

Many welfare schemes are designed with good intentions but encounter many (expected and unexpected) hurdles at the time of their implementation. One such scheme is the One Nation One Ration Card (ONORC) scheme initiated recently by the Government of India.

Read more: One nation, One ration card scheme

What are the benefits of the One Nation One Ration Card scheme?

A benefit to migratory labourers: Migratory labourers find it difficult to get a ration card in the state of residence even if they have one in their native states.

Even an employee of the organised sector is facing challenges to get a new ration card in the state they have migrated because of documentation requirements.

ONORC provide ration to all such persons without any documentation.

A benefit to migratory labourers families in the home state: This is one of the important benefits of the scheme. When a migrant labourer migrates to another state alone and gets a share of the ration from PDS shops there, the family can continue to obtain ration from the native state.

Reduce subsidy burden: The cross-verification across states with ONORC benefits will eliminate bogus cards and reduce the subsidy burden of the government.

What are the difficulties associated with the One Nation One Ration Card scheme?

Many practical difficulties are likely to surface during the implementation of the scheme. These include.

Does not account for the interstate variation in PDS: Due to historical, political and varying consumption habits, PDS across the country varies with respect to the items supplied through fair price shops to the below-poverty-line (BPL) card-holders. Even the quantity and the price of items supplied varies from state to state. For example,

- **-Product difference**: **Maharashtra** supplies **only wheat** to the BPL families, while **Andhra Pradesh** provides **only rice**. BPL households in a few states like **Himachal Pradesh** and **Chhattisgarh** are also given pulses.
- **-Quantity difference**: In **Tamil Nadu**, a BPL family gets 20 kilograms of rice, while in **Karnataka** a BPL household receives 5 kg of rice per member.
- -Cost difference: In Tamil Nadu, 20 kg rice is given free of cost while in Uttar Pradesh and Bihar, it is provided at Rs 3 per kg.

All this resulted in the following challenges.

A Migrant labourer may not like the product which he/she received in the migrated state.

Price variation for the same item across the states involves a **subsidy burden to the concerned state**. So, the states will be hesitant to pass on the benefits to the migrated person from a different state.

What can be done to improve the One Nation One Ration Card scheme?

The government has to ensure some clarity on the items received by migrant labourers from fair price shops.

Elaborate logistics will have to be worked out if the migrant population is assured to be provided with the items supplied in his native state.

The Union government has assured financial assistance to all state governments willing to implement the scheme. The success of the scheme will greatly depend on the extent of the seriousness of all implementing agencies.

54. Explained: IMF outlook and status of jobs

Source: This post is based on the article "Explained: IMF outlook and status of jobs" published in The Indian Express on 20th Oct 2021.

Syllabus: GS2 – International Relations – Reports

Relevance: Findings of the latest World Economic Outlook Report

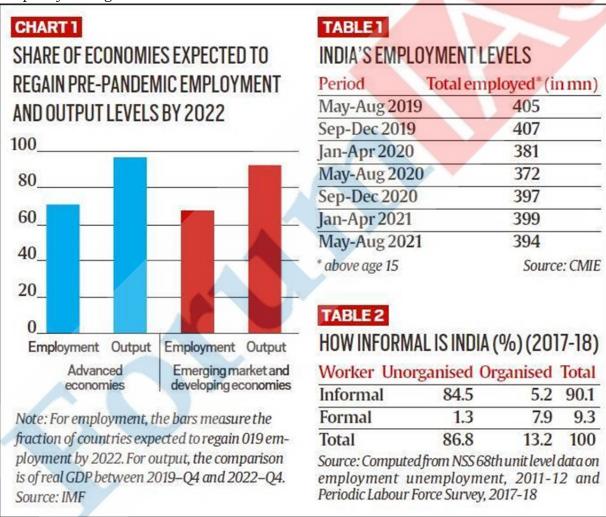
Synopsis: The IMF's latest World Economic Outlook has underlined that employment growth is likely to lag output recovery after the pandemic. Why has job growth been slow, and what are the concerns for India?

Introduction

Last week, the IMF unveiled its 2nd World Economic Outlook (WEO). The IMO comes out with the report twice every year — April and October — and also provides regular "updates" to it on other occasions.

As per the report, the global economic recovery momentum has weakened a little, largely due to the pandemic-induced supply disruptions.

But more than just the marginal headline numbers for global growth, it is the increasing inequality among nations that IMF was most concerned about.



What are the key findings of the report?

i). Divergence in growth: Aggregate output for the advanced economy group is expected to regain its pre-pandemic trend path in 2022 and exceed it by 0.9 per cent in 2024. By contrast, aggregate output for the emerging market and developing economy group (excluding China) is expected to remain 5.5 per cent below the pre-pandemic forecast in 2024, resulting in a larger

setback to improvements in their living standards. There are two key reasons for this: large disparities in vaccine access, and differences in policy support.

ii). Employment growth is likely to stay behind the output recovery: The gap between recovery in output and employment is likely to be larger in emerging markets and developing economies than in advanced economies. Further, young and low-skilled workers are likely to be worse off than prime-age and high-skilled workers, respectively.

What does this mean for India?

According to the data available with the Centre for Monitoring Indian Economy (CMIE), the total number of employed people in the Indian economy as of May-August 2021 was 394 million — 11 million below the level set in May-August 2019. To puts these numbers in a larger perspective, in May-August 2016 the number of employed people was 408 million. In other words, India was already facing a deep employment crisis before the Covid crisis, and it became much worse after it.

Impact on employment post-COVID: Projections of an employment recovery lagging behind output recovery, as made by the IMF in its latest report, could mean a large section of the population being excluded from the GDP growth and its benefits. Lack of adequate employment levels would drag down overall demand and thus slowing down India's growth momentum.

Why could employment lag output growth in India? There are several possible reasons.

i). India's already existing massive unemployment crisis.

Experts cite a number of additional issues too.

- **ii). Different rates of recovery**: India is witnessing a K-shaped recovery. That means different sectors are recovering at significantly different rates. Some sectors such as the IT-services sectors have been practically unaffected by Covid, while e-commerce industry is doing "brilliantly". But at the same time, many contact-based services, which can create many more jobs, are not seeing a similar bounce-back. Similarly, listed firms have recovered much better than unlisted firms.
- **iii). Bulk of India's employment is in the informal or unorganized sectors**. Typically, it is expected that organised sector firms will provide formal employment. Recently, IMF Chief Economist Gita Gopinath pointed out that the number of people using the MGNREGA provisions was still 50-60% above pre-pandemic level. This suggests that the informal economy is struggling to recover at the same pace as some of the more visible sectors. A weak recovery for the informal/unorganised sectors implies a drag on the economy's ability to create new jobs or revive old ones.

55. Geo-Economics Of Two Quads

Source: This post is based on the article "Geo-Economics Of Two Quads" published in Times of India on 21st October 2021.

Syllabus: GS 2 Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Relevance: Understanding the impact of both the Quads on India.

Synopsis: Both Quads offer tremendous opportunities to India. But India has to be cautious and maintain its relations with non Quad countries in the region.

Introduction

Recently, the US, India, Israel, and the United Arab Emirates (UAE) decided to launch a new **Quadrilateral Economic Forum** to have shared interests in West Asia. India is already a member of the <u>Quadrilateral Security Dialogue (QSD)</u> with the U.S., Australia and Japan, which have common concerns and shared interests in East Asia.

These East and West Asian groupings can multiply India's trade possibilities via land and sea.

Read more: Quad Leaders' Summit – Explained, pointwise

What are the benefits of both Quads?

Ensure regional peace and security: As Prime Minister Manmohan Singh would often say, the principal objectives of our foreign policy should be to ensure regional peace and security and "create a global environment conducive to India's economic development." Both the East Quad and the West Quad seek to address these precise objectives.

Reinforce maritime economic and security: After 1991, India has re-established its maritime links with the Indian Ocean and the Indo-Pacific regions. Almost all the Indian trade is now happening through the waters around the peninsula. This has recreated ancient maritime links, from **Vietnam** in the East to **Egypt** in the West, and has raised the profile of maritime security.

While **both Quads** reinforce these maritime economic and security interests across the **Indian** and **Pacific Ocean** regions, India has been prevented from rejuvenating its land links with Eurasia by the China-Pakistan axis.

Read more: India and the new Quad in West Asia

What has to be done to improve both Quads?

First, both in East and West, the US may prefer the focus to be more on defence and military capability, while India **should ensure that its economic interests** are prioritised.

Second, India should **reassure non-Quad countries** in Southeast and West Asia, including Iran, that they remain important partners. India has to stay the course with its policy of multi-alignment and multi-engagement in an increasingly multipolar world.

56. Why India needs an international development cooperation agency

Source: This post is based on the article "Why India needs an international development cooperation agency" published in Indian Express on 21st October 2021. Subject: GS 2-International relations.

Relevance: Understanding India's developmental assistance.

Synopsis: Development assistance provided to other countries is an important component of India's soft power. But there is an urgent need to restructure and institutionalize it.

Introduction

India, right from its inception, has **assisted many small and developing nations** on their path towards development. This has earned India tremendous goodwill. Providing monetary assistance as part of development assistance is an important component of India's soft power. However, there are often many challenges on the project delivery front. This calls for the need for a specialized agency for the efficient delivery of projects and outcomes.

History of India's developmental assistance

India has been supporting development efforts in many African and Asian countries. India was among the first nation in **1952** to launch **India Aid Mission (IAM)** in **Nepal**. The IAM was soon converted into **India Cooperation Mission (ICM)**. Unlike <u>OECD</u> countries that give aid, India partners other countries for developmental cooperation.

Coming to **finance**, India provides about \$6.5 billion of assistance to other countries and receives about \$6 billion as official development assistance from other countries. Thus, one can see that India's development assistance to other countries has multiplied manyfold.

How has India's institutional framework for developmental assistance evolved?

With India Development Initiative (IDI) in 2003, India made its first effort towards institutionalization. After this, the Indian Development and Economic Assistance Scheme (IDEAS) was launched in 2005 for managing credit lines. This was followed up with the creation of a development partnership division within the Ministry of External Affairs. In 2007, India even announced the setting up of the India International Development Cooperation Agency (IIDCA), but this could never take off.

How is India's developmental assistance structured?

India's developmental assistance is composed of **5 main pillars** – capacity building, concessional finance, technology sharing, grant and trade wherein duty-free and quota-free access to the Indian market is provided. India's assistance is composed of a mix of these components. There have been instances, like in **Mozambique** (solar panel production) or **Ethiopia** (reviving sugar units), where all 5 components have merged.

What should the IIDCA provide?

In terms of financing, the agency could look at all the available means of financing. Many countries have sovereign and non-sovereign windows for promoting infrastructure financing abroad. For example, the Japan International Cooperation Agency and Japan Bank for International Cooperation in Japan.

In terms of operations, the proposed new entity can also **provide handholding to select performing Indian social enterprises** to operate in other countries as well. These enterprises would further facilitate development partnerships between India and other countries.

In the post-pandemic era where the countries are exploring means and ways to secure development and finance, India can make the best use of opportunities to enhance its soft power. But all this requires India to institutionalize IIDCA for developmental and financial assistance.

57. Towards zero hunger

Source: This post is based on the article "Towards zero hunger" published in Business

Standard on 21st October 2021.

Syllabus: GS2 – Issues relating to Poverty and Hunger.

Relevance: Food & Nutritional security

Synopsis: Food programmes must focus on nutrition

Introduction

The **Global Hunger Index (GHI) 2021** places India at a lowly 101st position among 116 countries, below many of its smaller neighbors like Pakistan, Bangladesh and Nepal.

The **Global Food Security Index** (FSI) 2021 puts it in a marginally better position. It ranks India 71st among 113 countries with an overall score higher than that of Pakistan, Sri Lanka, Nepal and Bangladesh.

However, the common inference from the two reports is that far more needs to be done to move towards achieving the Sustainable Development Goal of zero hunger by 2030.

How affordability of food is guaranteed in India?

India has put in place a unique **Right to Food Act** under which highly subsidized food grains are being supplied to nearly two-thirds of the population.

This programme, moreover, is supported by several other free food distribution schemes, many of which have been scaled up due to the Covid-19 pandemic.

These programmes are also being supplemented by the distribution of raw and cooked food by innumerable social, religious and philanthropist organisations.

How India is faring w.r.t nutritional security?

While India has managed to surmount hunger, as normally manifested in starvation deaths, it has failed to do so in the case of malnutrition, which is still rampant.

Deficiency of protein and various key vitamins and minerals, which retards physical growth of children and causes ill-health among adults, is fairly common.

This is borne out by **the National Family Health Survey (NFHS)-4** (2015-16) and revalidated by the NFHS-5 (2019-20).

The NFHS-4 had found that 38.4% kids below five had low height for their age (technically called "stunted") and about 21 per cent had low weight for their height (dubbed as "wasted").

The NFHS-5, while more or less endorsing these findings, goes a step further to conclude that the nutritional status of kids below five has actually tended to worsen in some states.

What are the reasons for poor nutritional security?

The genesis of poor nutrition can be traced in the flawed basic approach of most food-aid programmes. They aim primarily at filling the bellies rather than providing nutritionally balanced and healthy diets.

What needs to be done?

The need, therefore, is to diversify the meals supplied through welfare programmes by including non-cereals and nutrient-enriched fortified foods to make the meals nutritionally balanced and wholesome.

Even small, but well-advised, changes in the menus of these programmes can make a noticeable difference in the nutritional profile of the beneficiaries.

58. What is PLI for?

Source: This post is based on the article "What is PLI for?" published in Business Standard on 21st October 2021.

Syllabus: GS2- Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.

Relevance: Production-Linked Incentive scheme & Export promotion

Synopsis: The Production-Linked Incentive scheme must drive learning to compete, not manufacture.

Introduction

The <u>Production-Linked Incentive (PLI) scheme</u> has arose fresh interest in investing in domestic manufacturing.

The scheme goes together with tariffs, on the finished product and often on the components involved. For example, Mobile phones have over the last three years been subject to an import duty of 20%. This has prompted most phones sold in India to be locally made, in one of the 270 mobile phone factories, up from two in 2014, in the country today.

What is the objective of the PLI scheme?

The PLI scheme aims to strengthen local supply chains with a subsidy on their components by providing a subsidy (typically 4-6 per cent of sales) for firms in 13 sectors to make a list of "desirable" end products, components or assemblies. It will cost Rs 2 trillion (around 1 per cent of gross domestic product, or GDP) over five years.

Over time scheme shall promote greater competitiveness in Indian industry.

What should be done to make PLI scheme a success?

Ensure that all conditions attached to the scheme such as export commitments are honored for the subsidy to be paid. Ignore, other industries asking for their own PLI scheme. In short, remove any further scope for bureaucratic discretion.

Make achievement transparent, and publish the results. Let all know which firms have won which contracts for what committed volume, and how each is doing in adhering to the terms of the contract.

Investment in R&D: Local production must lead to greater competitiveness, which in turn is about building technical capability. That requires learning how to manufacture efficiently, and learning how to further develop product technology. So, investment in R&D is essential to long-run competitiveness in these 13 technology-intensive fields.

R&D effort is essential, but it must be focused on innovation, not indigenisation. For instance, in 1970s an excessive focus on indigenisation led directly to a lack of competitiveness. Prime focus on indigenisation forced Indian industry to learn things that were both useful and useless. Ensuring that learning is useful means choices of which component to make in-house, source locally, or import must be made on purely commercial grounds by the firm itself.

Govt should be clear with the duration of the scheme i.e., for five years and there will be no extension. No company should have any doubt. Accompany that with a graded reduction in all tariffs on the finished product and the components going into it such that by 2025, all these products must be able to compete without protection.

59. Engaging the Taliban

Source: The post is based on the article "Engaging the Taliban" published in The Hindu on 22nd October 2021.

Syllabus: GS2 – India and its neighbourhood- relations.

Relevance: Understanding the impact of the regime shift in Afghanistan on India.

Synopsis: India and regional powers should ensure that the Afghan rulers respect their people's rights.

Introduction

Recently India participated in a meeting with Afghanistan along with 10 other nations in Moscow. The signing of a joint statement indicates a new shift in India's policy towards Islamist groups.

Why engagement with the Taliban is vital for India?

India earlier took a strong stand towards any kind of engagement with the Taliban. Taliban has close ties with anti-terror groups such as Let.

In the past, when it came to power, India witnessed an increase in violent incidents in Kashmir and other activities like the hijacking of an Indian plane to Kandahar.

Read more: India's future Afghan policy – Explained, pointwise

But now with the changing scenario, India changes its stance. This is the first time that India is holding a meeting with the Taliban delegates. Taliban also makes the commitment not to let use its territory for any terror organization.

Read more: Evaluating India's options in Afghanistan

Why is Taliban signalling a change in its policies?

Taliban economy is already on the brink to collapse. So, it is keen to engage with its regional neighbours and countries to help in reviving its economy. **Moscow 10 format**, which **includes China**, **Pakistan**, **Iran and the Central Asian republics**, has some leverage.

Read more: Regional powers and the Afghanistan question

What is the way forward?

But for this to happen, it is important for the Taliban to form an inclusive government in Afghanistan. Unfortunately, the Taliban has shown no such inclination.

So while the regional countries should help Afghanistan economically, they should **use their political weight** to ensure that Taliban implements its promises of an inclusive government.

60. The process is the punishment

Source: This article is based on the post "The process is the punishment" published in the Business Standard on 22nd October.

Subject: GS 2- FR

Relevance: Understanding the issue of bails and undertrials.

Synopsis: The right to Liberty is a fundamental right as enshrined in our constitution. But given the number of people denied bail, this needs closer scrutiny.

Introduction

Recently in the Aryan Khan case, the courts denied the bail again. Earlier only the poor were victims of denials of bail. Now it looks like jail and not the bail has become the norm.

What do the judgements say about the matter of bail?

In a recent judgement in the **Arnab Goswami case**, SC remarked that liberty survives in the cacophony of media and courts which uphold the rule of law. SC also referred to the **Justice Krishna Iyer Judgement (Rajsthan vs Balchand)** where he had put that rule is bail, not jail. Earlier, **Justice Bhagwati** had remarked that the right to Liberty is enshrined in our constitution and thus must be upheld in every case.

What is the condition in India?

There are about **91,568 bail pleas pending in High Court and about 1.96L in district courts.** Moreover, government agencies look people up on flimsy grounds, government lawyers oppose every bail plea in principle. This often leaves the poor and vulnerable with no way out

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other than rotting in jail. In these matters, while Supreme Court seems to uphold the right to Liberty, lower courts seem to have forgotten their duty.

What should be the way forward?

Justice Bhagwati worried about the poor. But now it seems even the rich have no options when government agencies are targeting them as was seen in Rhea Chakraborty case and Aryan Khan case. The solution lay in courts acting the first line of defence by upholding the constitution.

61. Beyond percentages: A test for promises on women's representation

Source: This post is based on the article "Beyond percentages: A test for promises on women's representation" published in the Times of India on 23rd October 2021.

Syllabus: GS 2 Mechanisms, Laws, Institutions & Bodies Constituted for Protection & Betterment of These Vulnerable Sections.

Relevance: Understanding the need of providing reservation women in Legislature.

Synopsis: There is a need to give women candidates the required power which they deserve in legislature.

Introduction

Recently, Congress announced to allot 40% of seats for women in the coming UP elections. This initiates the debate of women giving the required representation in Parliament.

What is the status of women in politics?

Legislature: There is the reservation of 1/3rd or half of the seats for women in the Panchayats, while it is absent in the Parliament. **Women Reservation bill** was passed by Rajya Sabha a long time ago, but still awaiting the nod of Lok Sabha.

Read more: Pass women quota bill in Lok Sabha': Women MPs to Modi government

Party: In spite of having lakhs of women members in the parties, political parties gave barely a tenth of their tickets to women.

Stagnancy: About 10 lakh women are elected to local bodies every five years, but their careers remain confined at that level.

What do the studies say regarding women candidates?

Election Commission studies have shown that if women candidates come from viable parties, they have good chances of winning. Studies have also shown that for the Panchayat that is led by women, social issues like health, education and sanitation are prioritized and prejudices lessen.

62. Is there a good way for a political party to achieve internal democracy

Source: This post is based on the article "Is there a good way for a political party to achieve internal democracy?" published in the Indian Express on 23rd October 2021.

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

Relevance: Understanding the need to have internal democracy in the party system.

Synopsis: Democratic functioning may be an ideological imperative, operational choice, or legitimising tactic, but it is not an end in itself for a political party.

Introduction

Political parties play a key role in any democratic setup. Interestingly, the distribution of power within the political party plays a very important role in the functioning of the party.

What is the role of political parties in democracy?

A political party is a collaborative platform consisting of people who have a similar vision for society and the country. It is designed to capture state power to achieve that vision for society. In any country, there are sharp differences between citizens on the vision and values. Firstly, the role of democracy is to create a framework to negotiate conflict. Secondly, it should also ensure that the state is represented. So it is obvious that institutions like political parties in a representative democracy must themselves be democratic.

Read more: Making parties constitutional

How can India achieve internal democracy within political parties?

The simplest method is through **internal elections for the posts of party leadership**. This mechanism has the potential to hold the party leadership accountable.

What are the challenges with internal elections?

All the levels within the political party will align to vertically consolidate the power. Moreover, such elections are fruitful when the electorate is independent. But in indirect elections, the electorate aligns itself to mirror the existing balance of power. One such example was Donald Trump hijacking the power of the Republican Party in the USA.

Internal elections may factionalize power but cannot establish accountability. This is because Political parties are repositories of hard power. They draw a mix of people who are driven by the same ideology and personal interest. Over the period of time, this balance has tilted towards the latter. This has led to irreconcilable internal conflicts of interests, which cannot be resolved through debates and discussions in open meetings.

What should be the way forward?

Instead of looking at internal party processes, one way to decentralize power is by **getting rid of the anti-defection law**. This will help to create room for negotiation during the voting process in the party organization. It further helps to bring changes in the overall political culture.

Terms to know

• Anti Defection Law

63. US-China missile rivalry opens up new opportunities for India

Source: This post is based on the article "US-China missile rivalry opens up new opportunities for India" published in "Livemint" on 25th Oct 2021.

Syllabus: GS2 – Effect of policies and politics of developed and developing countries on India's interests.

Relevance: To understand the arms race between major powers and its implications for India. **Synopsis**: The power projection done by china has its own message and also a ground for

others to fall into arms race. The scenario further presents an opportunity for India.

Introduction

In the past several years, China has tested its hypersonic missiles, publishing papers reporting their advances in such a sensitive field.

The US govt is obviously aware of this. Hence, US officials expressing shock at this development and comparing China's hypersonic missile tests to a "Sputnik moment" do seem a bit of exaggeration.

Is this a new arms race?

Indeed, Washington's open public message on China's hypersonic missile tests, may well be a part of its defence establishment's political-bargaining process, whereby US using it as an excuse to further speed-up its missile building process.

This can be seen in the recent context of US President reaffirming commitment to defend Taiwan in the event of a Chinese invasion.

However, the new missiles that China and Russia are deploying are a response to Washington's 2002 decision to withdraw from the 'anti-ballistic missile treaty' and invest in ballistic-missile defence

What is the message that China wants to convey?

China, in showing up its capability to strike the US homeland with ICBMs and hypersonic missiles, helps in signalling US and others, that a confrontation with China can be problematic.

What are its implications?

Hypersonic missiles are certainly a technological advancement over plain old ballistic missiles as vulnerability to nuclear attack is the basis of 'strategic deterrence' and 'world peace'.

However, every additional warhead and delivery mechanism raises the risk of an 'accidental nuclear war'.

What does this mean for India? Opportunities for India:

- India should reframe the issue from "non- proliferation" to "No-First use" policy of nuclear weapons. India is ideally placed to champion a Global No First Use (GNFU) treaty as the first step. Beijing, like India, has a no-first-use policy, and a post-Trump Washington is likely to be more receptive to the idea.

An independent 'Space Situational Awareness(SSA)' crucial for space defence, also it has the potential to become strategic technology that other countries will require. Indian companies can aim to acquire a competitive advantage in the tracking of space objects, both from the ground as well as from space.

India can take advantage of space reforms by focusing public investment in the physics, materials and engineering of anti-satellite and hypersonic systems.

Path for India:

India should stick to 'minimum credible deterrence' by having nuclear warheads so as to create detterence. India has wisely achieved strategic deterrence without getting into an arms race. We should stay the course.

64. Aiding Afghanistan: On both humanitarian and strategic grounds, India must provide succour to ordinary Afghans

Source: This post is based on the article "Aiding Afghanistan: On both humanitarian and strategic grounds, India must provide succour to ordinary Afghans" published in Times of India on 25th October 2021.

Syllabus: GS 2 – Bilateral, regional and global groupings and agreements involving India.

Relevance: Understanding the need of providing humanitarian aid to Afghanistan.

Synopsis: India can opt two-track approach to managing Afghanistan relations under new circumstances.

Introduction

After India's second official-level contact with the Taliban, the Taliban revealed that India has offered to provide humanitarian assistance to Afghanistan.

What is the economic situation of Afghanistan?

The Taliban economy is already on the brink of collapse. Its **foreign reserves were frozen by the US and IMF**. The country is even unable to pay the civil servants and medics salaries for the last few months. According to the **World Health Organization (WHO)**, 90% of 2,300 health clinics across Afghanistan are at the risk of shutting down.

Why India should provide humanitarian aid to Afghanistan?

India sending aid to Afghanistan is a complicated one as the Taliban government is still <u>not internationally recognized</u>. But India should provide assistance as if the humanitarian crisis worsens in Afghanistan, it will also have an impact on the neighbouring countries. These countries will not only have to deal with refugees but also the <u>security situation</u> in Afghanistan.

Read more: India's humanitarian missions are guided by Vasudhaiva Kutumbakam

What should India do?

India's attempt to completely bypass the Taliban in aid delivery may not be possible. But it still sends a message that the Taliban needs to work hard to uphold human rights. This **two-track** approach where ordinary Afghans are helped and the Taliban is also incentivized is the best way forward.

Read more: Implications of the rise of Taliban for India – Explained, pointwise

India could take further steps like **restarting the normal processing of medical and student visas** for Afghans.

65. Step towards more LGBTQIA+ affirmative medical curriculum doesn't go far enough Source: This post is based on the article "Step towards more LGBTQIA+ affirmative medical curriculum doesn't go far enough" published in the Indian Express on 25th October 2021. Syllabus: GS 2 Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections.

Relevance: Understanding the broad picture of NMC guidelines.

Synopsis: NMC guidelines should consider a larger picture into account and draft the changes accordingly in the medical education curriculum.

Introduction

Recently **National Medical Commission** (NMC) has issued an advisory to all medical universities and colleges. It asked them to bring changes in the teaching methods and in the competency-based medical education (CBME) curriculum. It also asked to opt for methods that are not derogatory to the LGBTQIA+ community.

Why do the NMC issue guidelines?

The NMC's notification comes against the backdrop of several recent developments. A petition has been filed in the Madras High Court by a lesbian couple whose relationship was being

opposed by their parents. In another incident, Dr Trinetra Haldar Gummaraju, a trans doctor, called out the rampant **queerphobia in medical education**.

Read more: Madras High Court guidelines for mainstreaming LGBTIQA+ community

Kerala High Court also passed an order asking for the removal of discriminatory and inhuman references to LGBTQIA+ people from MBBS textbooks. The <u>Transgender Persons (Protection of Rights) Act</u>, <u>2019</u> also aims towards the Social, economic and educational empowerment of transgender persons.

What is missing in the NMC guidelines?

Although the NMC advisory mentions necessary changes in the competencies of its CBME curriculum, there are **no specifications** on what these changes are. CBME curriculum itself mentions queerphobic things that are to be taught to students.

For example, being transgender, which is a normal variation, is called a disorder. Sodomy and lesbianism are called sexual offences, even though the Supreme Court has struck down Section 377.

This would also make future Indian doctors less empathetic in treating queer patients. NMC, by putting the onus on medical colleges and authors of books, is simply passing the responsibility.

Read more: Need to ban the Conversion therapy of the LGBTQIA+ community

Why the NMC guidelines alone is not sufficient?

In India, the medical syllabus focussed only on the binary of male and female, heterosexuality and cis-gendered lives. It excludes homosexuality, gender non-binary, queerphobic content and transgender issues. Even CBME curriculum 2019, continues to include a queerphobic syllabus.

There is rampant **queerphobia prevalent in society**. This scares LGBTQIA+ students in medical colleges and even queer faculty members. This in turn leads to practitioners staying away from queer-affirmative medicine, as queer patients hesitate to approach any professional.

What the NMC should do?

It should start by **recognizing the flaws in its own CBME curriculum** and need to make the necessary changes. Specific **guidelines should be made to make healthcare queer-affirmative**. The changes should not only be limited to forensic medicine and psychiatry, but also to other subjects also.

Further, the **participation of different stakeholders** is required towards the development of a queer-affirmative curriculum.

66. India's Central Asian outreach

Source: This post is based on the article "India's Central Asian outreach" published in The Hindu on 25th October 2021.

Syllabus: GS 2 Bilateral, regional and global groupings and agreements involving India.

Relevance: Understanding the importance of Central Asia on Indian perspective.

Synopsis: Afghanistan's situation has thrown up challenges in the India-Central Asias relationship.

Introduction

The developments in Afghanistan have opened a new set of challenges for India's regional and bilateral ties with Central Asia and the Caucasus.

What are Central Asian initiatives to resolve the Afghan crisis?

The re-emergence of the Taliban has exposed the weakness of coalitions like **Shanghai Cooperation Organisation (SCO)**. It has largely been used by its member countries to meet their own regional, geo-strategic and security interests.

Read here: Can the Shanghai Cooperation Organisation be the regional body that stabilises Afghanistan?

As the SCO failed to collectively respond to the Afghan crisis, the Central Asian leaders met in Turkmenistan to voice their concerns over the Afghan situation. They raised their concerns over the presence of Central Asian terror groups within Afghanistan and along their borders.

What is India's relation with Central Asian countries?

India's **Connect Central Asia policy** is aimed at furthering India's political, economic, historical and cultural connections with the region. India signed the **Strategic Partnership Agreements (SPA)** with Kazakhstan, Tajikistan and Uzbekistan to stimulate defence cooperation and deepen trade relations.

Read more: India and Central Asia

Recent developments in India-Central Asia relations

To secure its interests in Afghanistan and push for an inclusive regime, India's **External Affair Minister** (EAM) visited **Kyrgyzstan**, **Kazakhstan** and **Armenia**, which are India's key partners in Central Asia and Eurasia.

Kyrgyzstan: India extended a credit line of \$200 million for the support of development projects. It also signed a memorandum of understanding (MoU) on **High-Impact Community Development Projects** (HICDP).

Kazakhstan: Indian EAM attended the 6th Foreign Ministers' **Conference on Interaction and Confidence-Building Measures(CICA)**. In this, he targeted China's **Belt and Road Initiative (BRI)** and its method to promote parochial interests. He also criticized Pakistan for its support towards cross-border terrorism.

Armenia: Both countries agreed to enhance trade and cultural exchanges to boost bilateral relations. India also supported efforts for a peaceful solution to the **Nagorno-Karabakh** conflict between Azerbaijan and Armenia under the **Organization for Security and Cooperation** in Europe's **(OSCE)** Minsk group.

Read more: Explained: Why Armenia and Azerbaijan are at loggerheads over Nagorno-Karabakh

However, the unstable situation in Afghanistan and a highly problematic India-Pakistan relation have deprived India of the benefit of relations with Central Asia.

67. Transcending borders and boundaries

Source: This post is based on the article "Transcending borders and boundaries" published in The Hindu on 25th October 2021.

Syllabus: GS 2 mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections and Women related issues.

Relevance: Understanding women's peace movements.

Synopsis: The work of feminist writers and women movements highlighted the core arguments behind women movements. The world should learn from them.

Introduction

The concept of peace-building and protest are usually seen as two distinct entities. But in the matter of women's movements, particularly in South Asia starting with the 1980s and 1990s, these two were intertwined.

What are the contributions of feminist writers?

Kamla Bhasin, who wrote about women's issues that transcend even borders, cultures and societies, reflects the issues of women, society and the state.

Women in South Asia face a continuum of violence – both structural and over it – which is inflicted by patriarchies, family structure, community and the state. This was very well depicted in **Bhasin's book with Ritu Menon, Borders and Boundaries**, and **Urvashi Butalia's The Other Side of Silence** were both published in the 1990s. They gave the narratives of pain, loss, displacement and violence that the Partition of India had brought on women on both sides of the border.

Read more: The Indian women's movement can only grow by being inclusive

Few prominent women movements in South Asia

Various ethnic conflicts in regions like Bangladesh, Sri Lanka, Nepal and Pakistan enabled civil society to debate about issues of justice, rights, patriarchy, militarisation and nuclearisation. In recent decades, South Asia has witnessed collective actions of "disobedient women" fighting for peace and defying state-centric notions of security and order. For example,

- -Various initiatives like the **Women's Action Forum (WAF) in Pakistan** reached out to their sisters in Bangladesh to apologize for the atrocities of the Pakistan army in 1971.
- -The **Women's Peace Bus** undertaken by the Women's Initiative for Peace in South Asia (WIPSA) from Delhi to Lahore in 2000 demanded a war-free South Asia.
- -Women in Security Conflict Management and Peace (WISCOMP) brought young South Asians together in workshops on conflict transformation.
- -Persevered with the mission to expand constituencies for peace: This is visible in the mother's movements in Sri Lanka, the Chipko, Narmada, Bhopal and Kudankulam movements in India.

What are the core arguments of women movements?

The movements highlight the tension between people's security and so-called national security. They argue or oppose the war and cultures of militarism. They highlight how the discourses of hegemony and masculinity are designed to preserve power hierarchies nationally and internationally, and even in the world economic order.

The movements used numerous innovative methods and feminist concepts.

What should one learn from women movements?

The landmark **United Nations Security Council resolution (UNSCR 1325)** in 2000 had set the template for women's peace and security agenda. But they should draw from experiences of the women's movement carried out in South Asia to settle the debate between the notion of security and security of women.

Overall, the world needs to create a nurturing love for society, love for people and love for humanity. All this will ensure the security of everyone, including women.

Terms to know

• United Nations Security Council (UNSC)

68. We mustn't lose time on enacting a data protection law

Source: This post is based on the article "We mustn't lose time on enacting a data protection law" Published in "Livemint" on 26th Oct 2021.

Syllabus: GS2- Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.

Relevance: Personal Data protection bill

Synopsis: India needs to pass its own data protection law as soon as possible in order to demonstrate our leadership at the global level in this newly-emerged but important field of jurisdiction.

What is the significance of Puttaswamy and Others vs. Union of India and Others case? A 9-judge bench of India's Supreme Court passed a historic judgement in the **Puttaswamy and Others vs. Union of India** and Others case.

It guaranteed informational privacy to each citizen of India as a fundamental right.

This right is now a part of the 'basic features' of the Constitution and therefore becomes fully justiciable.

Possibly, no other country in the world has the right to informational privacy as a fundamental right.

What constitutes 'informational privacy'?

It is an amalgamation of several rights. The right to be left alone, the right to body, mind and soul, the right to control over one's data and information related to one's personal life, the right to one's individuality, and the right to be forgotten etc.,

Privacy is not just an idea, but a way of life that enhances the scope of individual liberty, speech and expression. And this is also linked to the right to dissent in a democracy.

Why there is a need to enact data protection law for India?

Until right to privacy judgement, privacy and personal data were broadly regulated under Section 43A of the Information Technology Act, 2000, and the Information Technology Rules of 2011.

With the rise of digitalization in the country and the rapid increase of technology-led services in the daily lives of people, led to the sharing of personal data at different levels. Hence, the need arose to evolve from a basic level of privacy to a more granular and comprehensive mechanism. Also, other countries like Europe had already passed its **General Data Protection Regulation** in **2018**. The broad idea of such reforms is to provide citizens ownership of their data.

What were the key recommendations of the of Justice B.N. Srikrishna committee?

Following the judgement of the Supreme Court, the government had set up a committee of experts in 2017 under the chairmanship of Justice B.N. Srikrishna.

The committee submitted a report titled, 'A Free and Fair Digital Economy: Protecting Privacy, Empowering Indians', a year later along with a draft Data Protection Bill.

Its focus was to ensure that citizens know how their data is processed, why it is being processed, for how long such data would be stored, where it's being stored, how secure it would be, etc.

The major principles suggested by the committee are **informed consent**, **data minimization**, **process limitation** and the **right to be forgotten** embedded in the Bill

In addition, it featured '**privacy by design**', a concept that puts privacy at the heart of systems and processes, taking privacy into account during the entire engineering and production processes of a data fiduciary.

Further, the panel's focus was not confined just to protecting an individual's right to privacy, but also extended to fostering an enabling environment for free and fair trade and industry. The latter was important, as it recognized the value of data in economic activity and nation-building.

What are the issues/Challenges present in the Personal Data Protection Bill?

It has drawn some criticism for blanket exemptions provided to the executive, with little or no judicial or parliamentary oversight. The Bill was sent to a **Joint Parliamentary Committee** (**JPC**) for assessment.

In its current form, the envisaged Data Protection Authority (DPA) does not have the autonomy of an ideal regulator and is largely executive-driven, with only minimal safeguards against political interference. Besides, its independence could be put at risk by a lack of technical competence.

What is the way forward?

In order to regulate the implementation of India's new data protection law, we would need a strong DPA that protects citizens from any abuse of their personal data.

69. Clear regulations: On digital gold

Source: This post is based on the article "Clear regulations" published in "Business

Standard" on 26th Oct 2021.

Syllabus: GS2 – Statutory, Regulatory and various Quasi-judicial Bodies.

Relevance: Role of SEBI

Synopsis: Address regulatory gaps for digital gold.

What is the issue?

Recently, the Securities and Exchange Board of India (SEBI) issued an advisory, forbidding registered investment advisers from engaging in unregulated activities such as providing platforms for dealing in unregulated products, or otherwise facilitating such trades.

While assets like cryptocurrencies and non-fungible token (NFT) do fall in this category, the regulator specifically mentioned digital gold.

What is Digital Gold?

Digital gold consists of digital certificates issued against holdings of the physical metal. These assets can be traded digitally or redeemed in metal, as the holder chooses.

These are similar to **gold exchange-traded funds** (ETFs) and the government's own sovereign gold bonds. But unlike sovereign bonds, private digital gold certificates and gold ETFs are **not interest-bearing**.

Households that are interested in precious metal holdings can accumulate digital gold in small quantities transparently instead of buying and holding the metal itself. Households that wish to liquidate gold holdings can also do so via this route.

Why SEBI should reconsider its decision on digital gold?

Firstly, unlike cryptocurrencies and NFTs, digital gold consists of assets backed by the physical metal.

Secondly, the players in this market are all well-known, organised entities, including government-owned entities.

Thirdly, there's always greater activity in this segment at the festive season and instead of discouraging such trades, the regulator should consider letting them continue until such time as gold exchanges are established.

What are the concerns related to Digital gold?

Digital gold falls in a **regulatory grey zone** in certain key respects at the moment. The instrument itself does not come directly under the purview of any financial sector regulator, and it is not currently traded on recognised financial exchanges.

What is the way forward?

In August 2021, SEBI flagged deals in digital gold as a breach of the Securities Contracts (Regulation) Rules (SCRR), 1957.

In response to that ruling by the regulator, the National Stock Exchange instructed its members, including stockbrokers and wealth managers, to wind down trades in digital gold by September 10. This has led to an artificial thinning out of the market during the festive season, when demand is high.

Instead of this, the regulator should be looking to remove the grey areas, and to accelerate the transition to setting up full-fledged gold exchanges.

Sebi's proposed framework for new gold exchanges will certainly help bring more clarity and transparency, once such exchanges are Set up.

Until such time however, the regulator should not discourage known entities from offering this instrument.

70. Heady reform: On cannabis use

Source: This post is based on the article "**Heady reform**" published in "**Business Standard**" on **25th October 2021.Syllabus:** GS2 – Global groupings and agreements involving India and/or affecting India's interests.

Relevance: To understand Indian and international rules on psychotropic substances.

Synopsis: Implementing UN resolution on cannabis can help sort out some issues and has its own benefits.

Introduction

The recent zeal of the Narcotics Control Bureau (NCB) in dealing with possession of cannabis in India and on the other hand, India's voting with the majority in the UN to remove cannabis and cannabis resin from the list of most dangerous substances, has contradictions.

What are the laws and rules regarding drugs in India?

International Conventions on Narcotic Drugs' in December last year, ended a 59-year international regime under which cannabis was classified as a hard drug.

Narcotics Drugs and Psychotropic Substances (NDPS) Act, 1985, whereby possession of cannabis continues to be a crime in India.

The Indian law forbid sale, production, and possession of ganja, the flowering and fruiting tops of the cannabis plant, and charas, the resin (also known as hashish). Interestingly, the **NDPS Act excludes the seeds and leaves of the cannabis** plant, though these are used in the making of bhang.

What are some issues with present laws?

Bhang, a common and fairly potent intoxicant imbibed during festivals in north India is **part of the culture** and religion. It is **sold in licensed shops** in states such as Rajasthan and Uttar Pradesh. Cannabis seeds are also used in several eastern Indian **cuisines**.

The irony is that though the law has reduced ganja and charas in India to a moral issue, cannabis **consumption in all its forms continues unabated**.

Ambiguous terms like "conscious possession", provides executive bodies with discretion to exert itself according to their own interpretations, leading to further victimization of the accused.

What are the reforms needed?

Compassionate approach— Users or Substance dependents should be treated as "victims" and not "addicts" and sent compulsorily to rehab and treatment centres instead of to prison.

In line with the **UN resolution**, government should **decriminalise** people in possession of **small quantities** of drugs for consumption.

What are the benefits of legalizing cannabis use?

- It would free the NCB from exerting itself to define such legally ambiguous terms and focus its attentions on the real problem: The flourishing cross-border trade in heroin that is having such deleterious consequences for the youth in Punjab.
- Legalizing cannabis for recreational use can also bring benefits to tax collection, as seen in case of US's states like Colorado and Washington.

71. China's Border Law: The Why, What & What Next

Source: This post is based on the articles **"China's Border Law: The Why, What & What Next"** published in **"Times of India"** on **26th October 2021** and **"Beijing's Message"** published in **"Times of India"** on **26th October 2021.Syllabus:** GS2 — India and its neighborhood-relations.

Relevance: To understand the border relations between India and China.

Synopsis: The new land border law of China has its ramifications for India and therefore steps are needed to be taken by India.

Introduction

People's Republic of China's (PRC) passed a new law for strengthening China's border security management, will go into effect by January 1, 2022.

Operationally, it enjoins the Chinese military to carry out border drills and provides state support for construction of border towns, strengthening of border defences and better integration of populations inhabiting border areas.

It standardises how China patrols its massive 22,100 km land boundaries and borders with 14 countries.

What led to the formation of this law?

First, the ongoing **China-India military standoff** in eastern Ladakh, **"Go West" campaign** in 1999-China has improved its land and rail connectivity to support its border infrastructure.

Second, China is concerned about **illegal migration** from Taliban-controlled Afghanistan and Central Asian countries, especially worried after **US withdrew** its forces from Afghanistan. UNSC's report highlights that the 'East Turkistan Islamic Movement' fighters are also in Badakhshan province(northern Afghanistan) – next door to Xinjiang via the Wakhan Corridor.

China worries about the possible spillover from Afghanistan, destabilising the restive Xinjiang Autonomous Administrative Region.

Third, China also worries about illegal immigration from Vietnam and Myanmar, which could perhaps bring more Covid-19 cases into the country.

What are the implications for India?

Impact on boundary dispute resolution – India-China border standoff resulting from Chinese encroachment of eastern Ladakh has little chance of bilateral resolution.

Demography of border areas – The new border law is in sync with the policy of settlement of Han Chinese in newly constructed Chinese border towns, which till now is dominated by ethnic minorities, cannot be ruled out. Such a development is bound to significantly change the border dynamics with India.

The land border law encourages Chinese border personnel to continue indulging in the use of force along the land borders – especially with India and Bhutan – with added legal protection and legitimacy.

What steps should be taken by India?

In short term:

The temporary on-ground adjustments like the establishment of the no-patrolling zone at Pangong Tso should be continued.

India needs to deploy its army along the LAC in sizeable strength and for extended durations to prevent further Chinese ingress.

China's bordering countries – especially India and Bhutan – need to be cautious about the intensification of Chinese activities along the disputed borders and see the evolving role of different PLA services and border defence units under PLA's new joint operational military guidelines.

In long term:

India should rethink the possibility of a 'modus vivendi' with Beijing as an aggressive, inflexible and belligerent China is here to stay.

72. Can quash SC/ST Act cases if 'civil' offence: Top Court

Source: This post is based on the article "Can quash SC/ST Act cases if 'civil' offence: Top Court" published in the Indian Express on 26th October 2021.

Syllabus: GS2 Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections.

Relevance: Understanding the SC/ST act.

Synopsis: The strict provisions of the SC/ST act are designed to protect the dignity of marginalized sections of society. But can a compromise be allowed under special circumstances?

Introduction

A recent case from Madhya Pradesh where a property dispute, essentially civil in nature, led to a casteist slur between the two parties. The two parties in question reached a settlement outside the court, and a petition of compromise was filed in the case.

Now the SC ruled that it can invoke its power of <u>Article142</u> of the Indian constitution or HC under section 482 of the **Code of Criminal Procedure** to quash proceedings under SC/ST Act.

What is the need for special protection for SC/ST communities?

The SC/ST act was passed to ensure that marginalized segments of society are not targeted. It grants police the power to arrest without the need for a warrant from a magistrate.

The act was enacted keeping in view the constitutional safeguards enumerated in **Articles 15**, **17 and 21** of the Constitution. This serves a twin-fold objective of protecting the members of these vulnerable communities, as well as providing relief and rehabilitation to the victims of caste-based atrocities.

Read here: SC/ST (Prevention of Atrocities) Act: New developments and Evolution

The Act is a recognition of the fact that the Scheduled Castes/ Scheduled Tribes continue to be subjected to various atrocities at the hands of upper-castes. It was enacted to deter acts of indignity, humiliation and harassment against members of Scheduled Castes and Scheduled Tribes.

Under what circumstances can the proceedings be quashed?

The court can exercise its powers to quash the proceedings under SC/ST law in the following circumstances:

- -Where it appears to the court that the offence in question, is primarily private or civil in nature,
- -Where the alleged offence has not been committed on account of the caste of the victim, or
- -Where the continuation of the legal proceedings would be an abuse of the process of law.

What should be the way forward?

Undoubtedly, the crimes which hurt the dignity of an individual should not have the provision of allowing a compromise. But if the nature of the dispute is civil and the parties have reached a settlement, courts have taken the right perspective to allow the case to be quashed.

Terms to know

Fundamental Rights

73. A bubbles of Trust approach

Source: This post is based on the article "A bubbles of Trust approach" published in The Hindu on 26th October 2021.

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

Relevance: Understanding the emerging role of Quad.

Synopsis: Given the economic and military strength of China, QUAD needs to adopt a collaborative approach to handle the emerging threats.

Introduction

Over the past few decades, asymmetric globalization favoured China. It allowed Beijing to attain power. Beijing is now using that power to undermine liberal democratic values around the world.

<u>Quadrilateral Security Dialogue (QSD) or Quad</u> is an informal strategic dialogue between India, the USA, Japan and Australia. The emergence of QUAD grouping is vital not just from the military perspective, but from the perspective of global geopolitics.

What should the Quad counties do?

To counter the Chinese threat, Quad countries should **focus on economic cooperation** which is in consonance with their geopolitical interests. Every quad country is rich in a particular

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domain. For example, the USA is a global leader in intellectual property, Japan in high-value manufacturing, Australia in advanced niches such as quantum computing and cyber security, and India in human capital. A combination of all will offer numerous opportunities.

Quad should adopt a **bubble of trust approach** (all its members can trust each other). This will offer a middle path between the extremes of technological sovereignty and laissez-faire globalization. This approach will further help them expand organically, attracting new partners that share values, interests and economic complementarities.

Read more: Quad Leaders' Summit – Explained, pointwise

How would the bubble of trust approach work?

Quad should adopt the **Critical and Emerging Technology Working Group**. This would allow the scope of the cooperation to be limited to information industries like semiconductors, network infrastructure and connectivity, etc. This will avoid the long and complex negotiations typical of trade agreements.

Moreover, trade blocks tend to be exclusive whereas bubbles tend to expand organically.

Read more: India, Israel, UAE and U.S. launch quad forum

What should be done to improve Quad?

The Quad **cannot allow differences of approach to widen** in fields such as privacy, data governance and the digital economy. The Working Group must seek to strengthen geopolitical convergences, increase faith in each member state's judicial systems, deepen economic ties and boost trust in one another's citizens.

This agenda **cannot be about substituting China**. Rather, the approach would allow Quad countries to manage their dependencies on China while simultaneously developing a new vision for the global economy.

74. The perils of an unresolved boundary

Source: This post is based on the article "**The perils of an unresolved boundary"** published in **The Hindu** on 26th October 2021.

Subject: GS2 - International Relations.

Relevance: Understanding the India-China border issue.

Synopsis: India–China border issue has a historical and geopolitical context that needs to be understood in its entirety.

Introduction

At the time of Independence, Tibet had the presence of the British Indian government in Lhasa. The British maintained Tibet as a buffer state between India and China. After the withdrawal of the British, the issue of Tibet and the subsequent issue of India China border came up.

Nirupama Rao, former Foreign Secretary and Ambassador to China, in her new book "**The Fractured Himalaya**" traces the history of Tibet, the genesis of the McMahon Line, Communist China's military takeover and domination of Tibet, and the border row between India and China

What was the Indian stand and Indian position?

The period from 1949 to 1962 was crucial, and Jawaharlal Nehru sought to establish a workable relationship with the Chinese. The negotiations on the issue commenced in December 1953.

India was of the firm view that any military attack on India from Tibet was not feasible. For India, the status of Tibet and Tibetan autonomy was the same as inherited from the British. India considered the McMohan line to be its boundary. India's stand was thus firm and beyond dispute.

How did Indian diplomacy fail in this matter?

Mac Mohan line of 1914 only showed Tibet and India but did not demarcate Indian and Tibet boundary on the ground. So the Chinese set out a strategy to seek fresh acceptance or demarcation of every stretch of the border between the two.

Indian diplomats, like KM Panikkar, felt that the Chinese understood the Indian position and that the border issue would pose no difficulty. He felt that leaders like Zhou EnLai recognized the legitimacy of India in Tibet and only suggested some political changes. He was of the view that institutions like the telegraph, trade offices would slowly be normalized under normal consulate relations.

What was the Chinese strategy?

Chinese, while discussing the Tibetan issue with India, did not include the settlement of the Tibet-India border. They first sought to take over Tibet, and then negotiate a border settlement with India. In fact, administrators like Sir Girija Shankar Bajpai pointed out that this would be a flawed strategy.

How China was able to complicate the matter for India?

The Indian government had made it clear in Parliament that not only the direct frontier with Tibet, but also the frontiers of Nepal, Bhutan and Sikkim, should remain unchanged.

However, Zhou Enlai made no reference to the frontier or borders in discussion with ambassadors of India. These cunning moves resulted in China taking over Tibet, without even settling the border dispute with India and then creating troubles at Indian borders.

75. Migrants Keep India Moving

Source: This post is based on the article "Migrants Keep India Moving" published in Times of India on 26th October 2021.

Syllabus: GS2 Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections.**Relevance:** Understanding the problems faced by the migrants.

Synopsis: Migrants in India faces multiple challenges. So, India urgently needs an inter-state migration council.

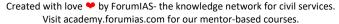
Introduction

With incidents of killing migrants in Kashmir to poor handling of migrants during covid and recently introduced nativist laws reflects the poor status of migrants and difficulties faced by them.

Read more: Concerns associated with Local Reservation Laws

Some previous acts against migrants

There have been **numerous instances of subnational nativism** in the past like the Mulki rules in Nizam-ruled Hyderabad in the late 19th century who provided employment to locals for several decades, Anti-South Indian movements in Bombay in the 1960s, Sons of the soil movement in Assam and many others.



What is the problem faced by migrants?

Locals saw migrants as an outsider. They got blamed for stealing the jobs of locals. They are even accused of murders and rapes in cities.

Read more: Movers and shapers: On Migrant workers

Nativism is **politically motivated** in the destination states. Source states like Bihar provide migrant workers all across the country. Being less educated, legally aware, and less politically represented, they often face discrimination in the destination states. These movements are often politically motivated.

What is the way forward?

As internal migration in India is likely to surge in the coming decades, there is a need for an **Interstate Migration Council** to ensure the well-being of migrants. It should maintain upto-date information of people residing in other states. The same council can also be used to ensure the effectiveness of the <u>One Nation One Ration Card policy</u>.

The creation of this council would further help to **curb nativist sentiments** that arise repeatedly on economic, linguistic and religious grounds.

76. Cost of Doing Business

Source: This post is based on the article "Cost of Doing Business" published in Indian Express on 27th October 2021.

Syllabus- GS2: Government Policies and Interventions for Development in various sectors

Relevance: Ease of doing business vs Cost of doing business

Synopsis: Governments must focus on lowering prices and reducing regulatory constraints rather than focusing on ease of doing business.

Introduction

Recently, the IMF's executive board expressed confidence in the leadership of Kristalina Georgieva in the Doing Business survey controversy that raised doubts over the integrity of Ease of the Doing Business (EoDB) rankings.

What are the efforts made by India in improving ease of doing business? India has made considerable progress on ranking since 2016.

For instance, the cut in corporate tax rates, the launch of Gati Shakti, the sale of Air India as part of an aggressive asset monetisation plan, the scrapping of retrospective taxation, the PLI scheme and labour reforms are likely to provide a boost to the manufacturing sector.

Why India should focus on cost of doing business?

Focus on the Cost of Doing Business (CoDB): the pandemic has made countries inward-looking in terms of their supply chain and domestic capacities. This may affect global trade and growth over the medium term and make countries extremely selective on costs and competitiveness.

Energy costs: Diesel prices in India are 20.8 per cent higher than those in China, 39.3 per cent higher than in the US, 72.5 per cent higher than Bangladesh and 67.8 per cent higher than in Vietnam. This is largely because of heavy taxation.

Case of electricity: prices for businesses in India were higher by around 7-12 per cent vis-àvis those in the US, Bangladesh or China and by as much as 35-50 per cent as compared to those in South Korea or Vietnam prior to the recent coal/energy crisis. Coal accounts for more

than 70 per cent of electricity generation in India is also pricier vis-à-vis other countries leading to higher electricity prices.

This, in turn, leads to a competitive disadvantage for sectors such as auto, durable goods and construction, which consume these intermediate goods.

GST regime: In the case of the petroleum sector, government levies account for nearly half of the prices paid by coal consumers. And coal producers cannot claim input tax credit because electricity is not under GST. Further, coal freight costs are amongst the highest in the world as high freight rates are used to cross-subsidise passenger fares by the railways.

Outsized regulatory levels: A Teamlease report highlights that a small manufacturing company with just one plant and up to 500 employees is regulated by more than 750 compliances, 60 Acts and 23 licences and regulations. Hence, most of them choose to remain in the informal sector.

What is the way forward?

First, cleaning up the power distribution sector, which is largely state-controlled, could potentially lower electricity prices for businesses.

Second, the Centre could leverage the "carrot and stick" framework. Using fiscal incentives to nudge the states to act and disincentivise them from maintaining the status quo. It must prioritise reducing the cost of energy and compliances for businesses.

77. Clearing the air on water: On Parambikulam Aliyar Project

Source: This post is based on the article "Clearing the air on water" published in The Hindu on 27th October 2021.

Syllabus: GS2 – Challenges Pertaining to the Federal Structure

Relevance: Inter-State Water disputes

Synopsis: With political will, Kerala and Tamil Nadu can overcome hurdles to renew the Parambikulam Aliyar Project agreement.

What is Parambikulam Aliyar Project?

It provides for the diversion of 30.5 thousand million cubic feet (tmc ft) annually from Kerala to Tamil Nadu. This major project with an outlay of ₹138 crore was completed in 1972. The project is also an example of co-operative federalism.

Background: The PAP agreement was signed between Kerala and Tamil Nadu on May 29, 1970, with retrospective effect from November 1958.

The agreement ensures Kerala's riparian share in the Sholayar and Chittoorpuzha sub-basins as a guaranteed annual entitlement without applying the distress-sharing formula. It also ensures four months' flow (from the Northeast monsoons) from the Upper Nirar for Kerala's exclusive use in the Periyar basin.

Except for the Kerala Sholayar dam, the Parambikulam, Peruvaripallam and Tunacadavu dams are situated inside Kerala territory but are controlled and operated by Tamil Nadu.

Aims and objective: Using inter-basin diversion, the project irrigates drought-prone areas in the Coimbatore and Erode districts of Tamil Nadu. The project paved the way for surplus waters from eight west-flowing rivers to irrigate eastern Tamil Nadu.

What is the issue?

Kerela's reservation: Kerala has reservations on the non-realisation of its share of 2.5 tmc of water from the Parambikulam group of rivers for the exclusive use of Chittoorpuzha valley.

The failure of Tamil Nadu: Tamilnadu failed in giving Kerala what it is entitled to at the Manacadvu weir and Sholayar dam in low-yield years from the reservoirs under its control and construction of some structures in the project area without Kerala's concurrence.

New constructions: Tamil Nadu regrets the non-realisation of the anticipated yield of 2.5 tmc from the proposed Anamalayar project and the expected yield of four months of flow from the Upper Nirar. It also proposes new constructions to augment its share which have not got Kerala's consent.

Inconclusiveness: The deliberations are so far inconclusive because both States have focused on the total average yield and are not exploring furthering the utilisable yield from the available yield. There is huge variation between the actual yield, the anticipated yield, and also the yield available for utilisation.

What does a closer look at the project hydrology reveals?

Loss of water: Of the last 20 years, the Chalakudy basin experienced overflow from PAP in 12 years. Similarly, a sizeable portion of the water is lost through Manacadavu as unutilisable flows.

Poor storage and the skewed inflow pattern: Kerala had consented to the diversion in the 1960s, anticipating enough storage spaces in both the Periyar and Chalakudy basins to meet its needs, but most of those storage reservoirs were subsequently denied environmental approval.

What is the way forward?

First, experts of both States could analyse and create working tables based on the observed flow regime to see how much additional water can be made available in the system through new reservoir systems and how that can be shared.

Second, it is imperative that proper checks and balances be agreed upon to ensure the guaranteed entitlements at Sholayar and Manacadavu. The political leadership can deliberate on the principles of sharing to review the agreement.

78. Our children don't need a 'deshbhakti' curriculum

Source: This post is based on the article "Our children don't need a 'deshbhakti' curriculum" published in the Indian Express on 27th October 2021.

Subject: GS 2- Education

Relevance: Understanding the Deshbhakti curriculum.

Synopsis: The proposal to introduce a Deshbhakti curriculum for patriotism needs to be carefully analyzed.

Introduction

Recently New Delhi government announced a proposal to introduce a curriculum for patriotism for school children. The suggestion is definitely welcome as loyalty towards the nation is important for the survival of any nation.

But in the current age of competitive hyper-nationalism and demonstrative patriotism, it needs to be carefully analyzed.

What is nationalism, and why does India need it?

Nationalism means close affinity with the territorial/geographical and socio-cultural landscape people live in. The love for geography, the love for history and freedom fighters, the love of cultural heritage stretching from Gautam Buddha to Vedanta are all parts of nationalism.

As the love for country is natural, it is only natural that the children should learn about it and love the country too. But India needs to be watchful of hyper-nationalism or excessive nationalism.

Read more: UGC's new Learning Outcomes-based Curriculum Framework (LOCF)

Explained, Pointwise

What are the risks of hyper-nationalism?

The government has to urge students not to be a bhakt (attachment or fondness) of any particular deity, be it a nation, a political doctrine, or an organized religion. A Bhakt often loses the ability to decondition his mind, expand his horizon, and even critique what appears to be "sacred".

India has many historical examples to demonstrate this. For example, fondness of Nazism, totalitarian socialism gave us racial hatred and world wars. Bhakts of greedy capitalism, religious fundamentalism and militaristic nationalism has given a world filled with nuclear weapons, technologies of surveillance and terrorism.

So a "Desh bhakti curriculum" goes against a pedagogy that encourages awakened intelligence, reflexive thinking, ethics of love and critical awareness.

Read more: PIB Bhubaneswar along with State Culture Department organise a Joint Press Conference on Netaji's Azad Hind Government

On what should the government focus more on?

The government should not focus on children mechanically reciting patriotism. Instead, the government should focus on the value systems that make the country the best.

India needs a learning methodology that cultivates qualities like empathy, compassion and ethics of care. The students should not just focus on the IIT-IIM-America path, but also aim at becoming good human beings.

For that, India needs emancipatory education characterized by critical thinking and guided by love and understanding.

Read more: New panel to devise school curriculum

79. Regulatory capture of a different kind

Source: This post is based on the article "Regulatory capture of a different kind" published in the Business Standard on 27th October 2021.

Syllabus: GS2 Statutory, Regulatory and various Quasi-judicial Bodies.

Relevance: Understanding the role of Regulatory bodies.

Synopsis: Three-fourths of India's top regulators are retired government officers. This trend must change.

Introduction

Regulatory bodies are government bodies set up to supervise different sectors of the economy. While most of the regulatory bodies are working independently, there are some that still operating as an extension of the government, like the Regulator for civil aviation.

Their work is to protect the consumer's interest, frame the policies and ensure that both the public and private sector players followed those policies. But there are certain problems associated with India's regulatory framework.

What is the composition of regulatory bodies?

Almost three-fourths of these regulatory institutions are headed by retired government officers. The majority is from Indian Administrative Service, Indian Audits and Accounts Service, Indian Railway Service or the Indian Cost Account Service.

What are the problems associated with regulatory bodies?

Selection of non-experts: The selection of non-experts to lead the regulatory bodies may bring a lack of efficiency in the functioning of such bodies.

Bureaucracy and political nexus: A regulator's independence can be compromised if that person has served the government in key positions before being appointed. So, senior government officials joining regulatory bodies as their heads could give rise to a nexus, thereby defeating the purpose behind regulation.

Conflict of interest: A professional regulator, with relevant experience of the industry, is a boon for regulation. But there is a serious problem of the preponderance of senior government officials playing the role of regulators. There can be conflicts of interest between professional regulators and government officials.

What should the government do?

The government has begun the process of monetization of government assets. This makes it even more important for the government to reduce the stranglehold of civil servants on regulatory bodies. This is because a regulator, who is friendly to the government, may undermine regulation at the cost of consumers' interest and may even perpetuate government interference in various sectors.

This is counter-productive for an economy that is trying to grow fast, improve its competitiveness and ease of doing business. Thus, the government should look at an industrial model which is aimed at creating professionals who can become regulators in the future.

Read more: The end of Ease of Doing Business Rankings: Reasons and implications - Explained, pointwise

80. Energy cooperation as the backbone of India-Russia ties

Source: This post is based on the article "Energy cooperation as the backbone of India-Russia ties" published in The Hindu on 28th October 2021.

Syllabus: GS2 - Bilateral, regional and global groupings and agreements involving India

Relevance: To understand the relationship between India and Russia on energy security.

Synopsis: India's renewable energy needs and other requirements can be fulfilled if India and Russia collaborated.

Introduction

India has been at the forefront of the transformation of global energy and striving to diversify its trade relations. Russia could be a long-term partner in India's diversification plans.

About recent India Russia collaboration on various fields

Petrochemicals: A JV between RIL and Russia's Sibur Elastomers established South Asia's first butyl and halogenated butyl rubber plant in Jamnagar, Gujarat. The plant meets India's domestic needs and the surplus is exported to Asia, Europe, the US and Brazil among others.

Refineries: ONGC, IOCL and Gazprom have signed up MOUs regarding setting up of refineries in India in line with IEA's **Energy Outlook 2021**, identifying India as critical refining hub in Asia.

Nuclear energy: Russian companies have been involved in the construction of six nuclear reactors in the **Kudankulam nuclear power project** at **Tamil Nadu**.

Read more: Energy access and its importance – Explained, pointwise

What can be done?

Renewable Energy: India has installed 100GW of renewable energy capacity. To meet the target of 450 GW capacity by 2030, investments of USD 500 billion are required in infrastructure, grid expansion and storage. The Nuclear Energy capacity target for 2031 is 22.5GW, up from 6.7GW at present.

Read more: [Yojana October Summary] Energy Security: Nuclear Power - Explained, pointwise

According to Russia's Energy Minister, almost all of Russia's major energy companies were interested in projects in India. So both governments have to provide the necessary support and facilitate corporate leaders to grasp the potential.

Read more: Reviving India-Russia Relationship – Explained, Pointwise

81. India needs a policy solution for the problem of radicalisation

Source: This post is based on the article "India needs a policy solution for the problem of radicalisation" published in the Indian Express on 28th October 2021.

Syllabus: GS 2 Mechanisms, Laws, Institutions and Bodies constituted for the Protection and Betterment of these Vulnerable Sections.

Relevance: Understanding radicalization and associated problems

Synopsis: Any programme aimed at deterring or reversing radicalization must focus on the ideological commitment that enables violence.

Introduction

Recently, multiple suspects have been arrested in the ISI terror module. During the investigation, it was found that **online radicalization played an important role** in the recruitment of members, preparation and execution of extremist activities by the members.

Read more: PM calls on SCO to act against radicalization

What did the government do to control radicalization?

Ministry of Home Affairs had set up the **Counter-Terrorism and Counter Radicalisation division** in 2017. Its aim is to frame developing policies and strategies to counter-radicalization. The focus of this division is mainly on the implementation and administration of counter-terror laws and monitoring of fundamentalist organizations such as the Popular Front of India, Jamaat-e-Islami etc.

However, the group is not completely successful in controlling radicalization.

What should India further do to control the threat of radicalization?

Government should realize that any deviation from conventional thinking can not be termed as radicalization. Radicalization becomes problematic only when it has a tendency to lead to violence. So developing a broad understanding can help in creating an effective action plan.

Define radicalization: Government should first begin by defining radicalization. This will provide clarity of purpose and help in developing an action plan.

Frame strategies: The battle against radicalization begins in the minds and hearts. So Indian state should develop and enforce de-radicalization, counter-radicalization and antiradicalization strategies at a pan-India and pan-ideology level on a war footing.

Adopt uniform policies: Government should adopt uniform policies to deal with radicalization and associated strategies. Also, initiatives should be taken to stop the flow of radicalization across the borders.

Mainstreaming youth: Policies should be adopted to mainstream youth and indulge them in productive work. Government should work on activities like promotion of the syncretic nature of religions in India, promotion of constitutional values and virtues, promotion of sports etc

82. 'India must not give up on extraditing Kim Davy, accused in Purulia arms drop

Source: This post is based on the article India must not give up on extraditing Kim Davy, accused in Purulia arms drop" published in the Indian Express on 28th October 2021.

Subject: GS2 – Bilateral, regional and global groupings and agreements involving India.

Relevance: Understanding issues related to the extradition of Kim Davy.

Synopsis: By stalling the process of extradition of Kim Davy, Denmark has shown contempt for Indian institutions.

Introduction

Kim Davy, a citizen of Denmark was prime accused in the Purulia bomb drop case, where arms were dropped in West Bengal from an unidentified airplane. Kim Davy has also publicly accepted to be part of the operation.

After this, India raised the issue of the extradition of Kim Davy from Denmark to India.

Read here: The Law of Extradition in India

What has been the history of the extradition issue?

Initially, Denmark was reluctant and asked for assurances that he would not face the death penalty, would be safe in jail during the trial and would be allowed to serve his sentence, if convicted, in Denmark. These demands were accepted by India. Finally, an extradition order was passed by the Danish government in 2010.

Davy appealed to a court against the extradition order. The CBI sent a team, presented India's stand to Copenhagen, but the Danish government lawyers ignored them. The court's issued a judgment that relied on the testimony of NGOs and ignored the sovereign guarantees of the government.

Read more: State of Prisons in India – Explained, pointwise

What was the impact of this on India-Denmark relations?

The Ministry of External Affairs noted the judgment would encourage "terrorists and criminals". It also rejected "the grounds cited by the Danish court as the basis of its decision". Further, the Indian embassy in Copenhagen stated that India's relations with Denmark were affected by the extradition case of Kim Davy. This included trade and economic relations and cooperation in multilateral forums.

What should be the way forward?

India should continue to build its relations and prepare for upcoming high-level visits with Denmark. India should have to resolve the **issues of the Indian judicial system**.

83. Refugee adoption in India call for the adoption of a specific law

Source: This post is based on the article "Refugee adoption in India call for the adoption of a specific law" published in the Livemint on 28th October 2021.

Subject: GS2- International Relations.

Relevance: Understanding the issue of refugees in India.

Synopsis: India has numerous acts dealing with foreigners, refugees etc. But it needs a comprehensive National law.

Introduction

In December 2019, the Indian government introduced the <u>Citizenship Amendment Act</u> 2019, which sought to make "illegal migrants" from Afghanistan, Bangladesh and Pakistan from a specific religion to get citizenship. This shows that India still lacks a comprehensive law to handle refugees and illegal immigrants.

Read more: Refugee problem in India and its solutions

What is the current legal position of India on refugees?

India is **not** a **signatory of the 1951 refugees convention**, under which UNHCR operates. India also **does not have any domestic refugee legislation** which controls the entry and stay of refugees.

Even under Indian laws, there is **no distinction between the terms foreigners and refugees.** The Indian government can further deport any foreigner to their country of origin, even if their life is at risk.

Read more: India's Refugee law and policy- An Analysis

How does the government treat refugees in India?

Since there is no particular law for refugees in India, the government regulates the refugees and asylum seekers on an ad-hoc basis.

Administration of refugees in India: Of all the refugees coming in India, India recognized refugees only coming from Tibet and Sri Lanka only. Refugees coming from other countries are registered and protected by UNHCR.

So, refugees in India are identified on these two different parameters- India recognized and UNHCR recognized. They are also treated differently. For eg India recognized refugees have access to all the basic facilities like health, education, etc while the same does not go for UNHCR recognized

Judicial response: Indian judiciary has stepped up from time to time to safeguard refugees from deportation, expulsion and forced repatriation. These are guided by **Article** 14 and **Article** 21 of the Indian constitution.

What is the way forward?

It is time for India to adopt a national law for refugees. The law will streamline refugee- status determination procedures for all kinds of refugees and will guarantee them the rights they have under international law.

Terms to know

- Non refoulment principle and 1951 convention
- UNHCR

84. Grant the focus back on Early Childhood education

Source: This post is based on the article "Grant the focus back on Early Childhood education" published in The Hindu on 29th October 2021.

Source: GS 2 – Issues Relating to Development and Management of Social Sector/Services relating to Education.

Relevance: Understanding the need for Early Childhood Education (ECE)

Synopsis: Early Childhood Education (ECE) is vital for a child's overall development and growth.

Introduction

ECE is crucial to the overall development of children, as it impacts their learning and even earning capabilities throughout their lifetimes. In India, for the vast majority of the poor, ECE is provided through 14 lakh anganwadis spread across the country.

Read more: Importance of good early childhood education

What are the challenges associated with the ECE?

Poor availability of teachers and consequent **loss of interest in learning** from the side of students.

Low parental engagement with Children: Parents do not prioritize ECE enough, as was revealed by the **Vidhi Centre for Legal Policy**. It states that 45% of the 650+ households surveyed in urban Maharashtra reported that they prioritize their older child's education over ECE.

Why parental engagement is low in ECE?

The **socioeconomic background** of households determines access to preschools and the ability to invest in ECE.

Poor households often have parents working overtime to make economic ends meet, consequently, ECE gets ignored out of **economic compulsion**.

What can be done to overcome these barriers?

The government can take many short-term and effective measures as envisaged in the NEP 2020. (The NEP envisages a greater parental engagement and talks about a changed mindset). A decentralized approach, with teachers at the heart of the ECE initiative, can yield better results.

The **E-paatshala programme** in Balwadis and Akanksha schools in Mumbai and Pune were able to demonstrate financial support to parents can yield higher levels of parental engagement with Children. So, there is a need to empower households economically.

85. Should the NDPS Act be amended?

Source: This post is based on the article "Should the NDPS Act be amended?" published in The Hindu on 29th October 2021.

Syllabus: GS2 – Government policies and interventions for development in various sectors.

Relevance: To understand the proposed amendments to the NDPS Act.

Synopsis: The recent proposal to the NDPS Act does not address the issues in enforcement, instead it compounds them.

Introduction

The Union Ministry of Social Justice and Empowerment has proposed certain changes to some provisions of the Narcotic Drugs and Psychotropic Substances (NDPS) Act of 1985.

What are the major recommendations to the NDPS Act?

Decriminalise the possession of narcotic drugs in smaller quantities for personal purposes and treat the persons as victims.

Using the <u>National Fund to Control Drug Abuse</u> to carry out de-addiction programmes, rather than just policing activities.

Must Read: Drug usage and the NDPS Act – Explained, pointwise

What are the challenges that the police face in curbing drugs?

Drug peddling is an organised crime, so, it is difficult to check narcotic drugs transportation. Also, the police cannot stop each and every vehicle on Indian roads.

The police **cannot go beyond the State jurisdiction** for finding the source of narcotic substances and destroy them.

Securing conviction for the accused in drugs cases is another challenge due to **frequent delays** in **court** procedures.

Read more: Pendency of Cases and Rising Vacancies in the Judiciary - Explained, Pointwise

What are the challenges associated with the proposed recommendations?

Like the US, decriminalising smaller quantities might result in the **proliferation of drugs.** Drugs consumption is directly linked to issues such as absenteeism in schools, loss of jobs, income, increase in crime rate, depression, and suicide.

India does **not have enough rehabilitation centres** and faces an acute shortage of psychiatrists and counsellors to rehabilitate drug users.

Despite a High Court order, many traders sell **whiteners** to children below 18 years of age. There are also many children who use **glue**, **painting chemicals**, etc as drugs. There is no focus on such children becoming victims of drug use.

What should be done?

There should be a clear distinction between a drug supplier and an end-user. A drug user needs to be seen as a patient.

Civil society and governments will have to work together to create an enabling environment to address the drug menace.

Read more: India signed 26 pacts to fight drug menace

86. Why bail proceedings for offences under NDPS Act are complex and open to abuse Source: This post is based on the article "Why bail proceedings for offences under NDPS Act are complex and open to abuse" published in Indian Express on 30th October 2021.

Syllabus: GS2 – Government policies and interventions for development in various sectors.

Relevance: To understand the ambiguities in the NDPS Act.

Synopsis: Conditions of granting bail under NDPS act are very stringent. Amendments should be introduced to it to make it justiciable.

Introduction

As highlighted by the present case of Aryan Khan, the interpretation of provisions for bail under **NDPS** act has resulted in many suffering behind bars for years.

Must Read: Drug usage and the NDPS Act - Explained, pointwise

What are the issues related to bail under the NDPS Act?

Under this act, the innocent-until-proven-guilty principle is reversed to the guilty-until-proven-innocent principle. The burden of proof of proving himself innocent is on accused.

Section 37 places limitations on granting of bail for offences under the NDPS Act, through 2 conditions:

- 1. Firstly, that there are **reasonable grounds** for believing that the accused is **not** guilty of such an offence.
- 2. Secondly, the person is not likely to commit any offence while on bail.

Read more: Should the NDPS Act be amended?

Words **reasonable grounds** in the above Act are not defined in the law, so it is subject to judicial intervention. Further, the ambiguity in interpretation and improper ground of denying bail like WhatsApp chats and notes on mobile phones makes it more complicated.

Chief Justice of India spoke "the sorry state of affairs" in lawmaking at the Independence Day celebrations this year, said "We don't know for what purpose they(laws) are made. They(Laws) are causing a lot of litigation and inconvenience to the people, courts..."



General Studies Paper - 3

General Studies - 3

1. Water water everywhere and we must stop to think

Source: This post is based on the article "Water water everywhere and we must stop to think" published in Livemint on 30th Sep 21.

Syllabus: GS3 – Disaster and Disaster management.

Relevance: Rising cases of recurring floods in India.

Synopsis: Floods have begun to affect an increasing area of India with rising intensity and frequency. Urban infrastructure is under severe pressure, and it's unclear if we are prepared for worse.

Introduction

Incidents of floods in urban areas have been increasing year after year in India.

Rainy season flooding in metro cities like **Mumbai** and now even Chennai has begun to host recurring floods.

This year, 11 September saw **Delhi's international airport** waterlogged after its heaviest rainfall in 46 years, barely three weeks after a similar episode.

Kolkata logged a 13-year peak in precipitation, with canals for roads and even areas that had always stayed relatively dry getting soaked.

Bengaluru reported arterial roads and junctions flooded on 25 July.

The **floods in Hyderabad** after a torrential downpour on 2 September had a lethal quality: gushing waters swept away vehicles and hand-carts.

Several other state capitals have been submerged in recent years, Lucknow, Thiruvananthapuram, Patna, Bhopal and Ahmedabad among them.

What are the causes of floods?

Repeated floods in the cities are being caused primarily by **cloudbursts** in urban zones and **overflowing rivers** in the hinterland.

Among the contributors to recurrent floods in many cities, we have **sewage systems choked** with the debris of construction material.

Climate change is also responsible for such recurring floods in our cities.

What is the impact of the floods?

Floods destroy lives and property, impede routine engagements and undermine the finances of governments, businesses and financial institutions.

What are the associated issues?

This raises two important issues that go to the heart of India's urban design.

Poor state of our urban infrastructure, with city planning and design lagging population and income growth. In most cities, that bedrock of support is out of sync with the demands of the user population and therefore under severe stress.

Given the rapid pace of urbanization in India the strain will only worsen in the years ahead unless apt investments are made in urban physical and social infrastructure.

Lack of planning for future contingencies: The second big issue is that ongoing public projects to plug gaps may not be building adequate space for future contingencies. We need to test the resilience of current infra projects against likely future scenarios of climate change. **For example**, if mean sea levels rise, as expected, are Mumbai or Chennai prepared for the consequences?

A related worry is our lack of emphasis on institutionalizing green investments and systems, whether it is buildings or roads.

2. Growing locally: On Significance of GI tags

Source: This post is based on the article "**Growing Locally**" published in **Indian Express** on **1st Oct 2021**.

Syllabus– GS3: Inclusive Growth and issues arising from it.

Relevance: significance of Geographical Indications and reforms needed

Synopsis: Geographical Indications tag is an opportunity for India to redefine the future of work using automation, technology and artificial intelligence while simultaneously enhancing and adorning the country's talented local work force.

Introduction

India's global brand recall and attributes of multi-cultural ethos, authenticity, and ethnic diversity are reason for increasing the country's potential. One channel through which these attributes are brought out are Geographical Indications or GI tags.

Why GI tag is significant?

Revenue generators: With the emphasis on climate change and sustainability, GI products can be ready revenue generators. The patents and copyright protection of products under GIs result in higher economic gains, fostering quality production and better distribution of profits.

Global reach: Amazon's local to global programme has taken Indian producers and their products such as Delta Leather Corporation's leather and SVA Organics's organic products to 18 global markets in over 200 countries.

In the two years ending March 2021, Amazon exported such Made in India goods worth \$2 billion.

How Geographical Indications can benefit India?

Passion economy and entrepreneurship: it will convert talent into entrepreneurship with gig workers, and create a "passion" economy. It is a new way for individuals to monetise their skills and scale their businesses exponentially. It removes the hurdles associated with freelance work to earn a regular income from a source other than an employer. It encompasses the concept of trusteeship, as advocated by Mahatma Gandhi and more recently, by Prime Minister Narendra Modi at the UN. It is truly Made in India.

Employment creation: the labour-intensive nature of GI offers the best solution to boosting the employment-to-population ratio in India.

Women empowerment: Monetising artisanal work done at home will increase India's low female labour force participation rate, which at 21 per cent in 2019 was half the 47 per cent global average.

Reverse urban migration: it will conserve India's ancient crafts, culture and food. A rejuvenation of MSMEs, which account for 31 per cent of India's GDP and 45 per cent of exports, will follow.

Positive benefits for local communities: it encourages the preservation of biodiversity, local know-how and natural resources.

Soft power: A strong GI ecosystem can be a wellspring of economic and soft power. It will automatically resolve the three fraught India issues of poor pay for talent, low female participation in the labour force, and urban migration.

What are some existing challenges?

GI businesses are micro: it is necessary to address the challenges of capacity-building, formal or easy access to credit, forming marketing linkages, research and development, product innovation and competitiveness in both domestic and international markets.

Issue of middlemen: With the shift to digital platforms, the distribution margins of middlemen will be competitive. Hence, government need to ensure that they do not act as countervailing agents by getting into similar businesses or product lines which will erode GI producer incomes.

What is the way forward?

First, a required skill for GI producers is digital literacy. This should be a priority agenda item for NGOs and stakeholders like the DPIIT.

The groundwork for MSME access to formal credit has already been done with the new Account Aggregator data-sharing framework.

Second, the Indian GI economy can be a platform for India to showcase to the world a model for ethical capitalism, social entrepreneurship, de-urbanisation, and bringing women to the workforce, on the back of a robust digital system.

Third, Guardrails like regular audits and consultations with the GI producers must be mandated.

3. Staggered pricing: On cane pricing

Source: This post is based on the article "Staggered pricing" published in Business Standard on 1st October 2021.

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

Relevance: Issues faced by Sugar-cane farmers and factories.

Synopsis: The Government should avoid populist measures in cane pricing.

Introduction

Recently, Commission for Agricultural Costs and Prices (CACP) suggested to pay sugarcane prices to farmers in tranches and stop reserving cane areas for sugar mills.

It has pros and cons that need to be weighed carefully.

What are the other key suggestions given by CACP?

The CACP's other suggestion is the **abolition of the system of reserving sugarcane** catchment area for each factory and doing away with the mandatory minimum distance (mostly 25 km) between the two factories is equally contentious.

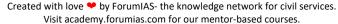
It binds the mills to buy all the canes on offer from that area and the farmers to sell to the designated mills only.

It leaves no room for the mills or the farmers to take their own business decisions. Even C Rangarajan committee have disfavoured this system.

Why is CACP favouring a staggered payment mechanism?

Burden on sugar factories: The main drawback in the existing system of payment within 14 days of delivery of the cane is that the cash-starved sugar factories are unable to adhere to the deadline.

Burden on the government: This results in accumulating unpaid arrears, forcing the government to come up with bailout packages.



Issue with the abolition of the system of reserving sugarcane: the argument in favour of this provision is that sugarcane has to be disposed of at the nearest factory because it starts losing its sucrose content soon after harvest.

How the proposed measures affect the interests of both the cane growers and the sugar industry?

Unnecessary interference: The proposed measures affect both but in a mutually conflicting manner. Their implementation at this stage would amount to needless meddling in a sector that is showing signs of becoming financially self-reliant and globally price-competitive.

No consensus: The concept of staggering the payment was floated in the past by various committees and expert panels, including the one set up by the NITI Aayog. The sugar industry welcomed this suggestion because it would ease its economic burden. However, most other stakeholders, including the cane growers, opposed it.

Gujarat, where cooperative sugar mills are predominant is the only state that has adopted this practice as a matter of state policy. In other states, the cane growers favour lump sum and prompt payment as ordained under the Sugarcane Control Order, 1966.

What is the way forward?

The government should address underlying issues rather than going for populist measures such as the UP government has announced a hike in sugarcane prices.

4. Why new rule allowing recycled plastic in food packaging raises concerns

Source: This post is based on the article "Why new rule allowing recycled plastic in food packaging raises concerns" and "Recycled plastic for food packaging: Why the new rules are shocking" published in DTE on 1st Oct 2021.

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

Relevance: Plastic waste management

Synopsis: The new directive by Union environment ministry overrides 2016 rules that did not permit carry bags made of recycled plastic for food items.

Introduction

Recently, the Union government notified the Plastic Waste Management (Second Amendment) Rules, 2021. The latest notification is a U-turn by the Centre and its stand of five years.

The use of recycled plastic was prohibited for food contact applications in the **Plastic Waste Management Rules**, **2016** whereas, the latest amendment allows carry bags made of recycled plastic or products made of recycled plastic for storing, carrying, dispensing or packaging ready to eat or drink foodstuff.

Note, it was only in 2018 that the FSSAI banned the use of recycled plastic or newspaper for packaging of food items.

What the concern w.r.t the Plastic Waste Management (Second Amendment) Rules, 2021?

Firstly, the new packaging regulations would compromise the food safety in India.

Secondly, wide public consultation was not done. For instance, following two major rules have been added to the Plastic Waste Management Rules without them being part of the Draft rules 2021.

- the rules provided a moratorium of 10 years to big companies.
- use of recycled plastics for food products introduced in the latest amendment.

Why using recycled Plastics in Food packaging is a problem?

Firstly, the unscientific methods used by the informal workforce to produce plastic pellets (used to make recycled goods) raise concerns, especially around the contamination and purity of the recycled plastic.

Secondly, Plastic is used in a variety of sectors ranging from medicines, electronic equipment to chemical fertilizers, which also raises the concern of the source of the recycled plastic that will be used in food contact applications.

Thirdly, standards for recycling of plastic have not been specified in the country, making it all the more difficult to understand the chemical conformity of the recycled plastic.

Fourthly, research has proven that as plastics are recycled, its molecular integrity gets compromised. This may further the possibility of 'legacy chemical' migration from plastics to food. So, the possibility of presence of poisonous substance in recycled plastic bags can never be completely ruled out.

Fifthly, it is practically impossible to tell the amount of recycled plastic that has been added to the final product. This may give the big players a way out to keep using virgin polymers and endless use of recycled Plastic.

Must Read: How recycled plastic is regulated globally?

What is the way forward?

Before the FSSAI takes a call to include recycled plastic for food contact applications, we have to ensure the following things:

Our plastic has to be recycled in authorised recycling facilities. The country's data around the number and capacity of plastic recycling plants is very weak. We need a yardstick to understand our capacity to recycle correctly and utilise the material for other applications.

The use of recycled plastic should have been mandated for non-food applications initially. This will help us to understand the issues faced by the industries in terms of production and social acceptability.

An inventory needs to be created of the types of processes that we have in the country to recycle our plastics. Then, we need to identify the plastic recycling processes that are safe enough to produce recycled plastic that can be used for food contact applications.

Guidelines are required for the use of recycled plastic for packaging of ready-to-eat food materials. This should include the source of the post-consumer plastic waste, type of polymer that can be used, the nature of the food material that they can be used for packaging, etc.,

Finally, a working mechanism needs to be developed with all the stakeholders such as MoEFCC, FSSAI, the Central Pollution Control Board, Urban Local Bodies etc.

5. Ordnance factories' moment in history

Source: This post is based on the article "Ordnance factories' moment in history" published

in Business Standard on 1st October 2021.

Syllabus: GS 3 Defence reforms in India.

Relevance: To understand the lacunae's in the working of Ordnance Factories.

Synopsis: Corporatization of OFB is the first step towards reforming it. India need to do much

more.

Introduction

Ordnance Factory Board (OFB) which started during the British era has ceased to exist starting today.

Read here: OFB Corporatisation" Approved by Cabinet

How was the OFB corporatized?

The corporatization of OFB has been recommended by the various committees. It has been taken into action by **recommendations of EGoM** (Empowered Group of Ministers).

Read more: Explained: Dismantling the Ordnance Factory Board

What is the OFB corporatization plan?

According to the EGoM recommendation for the corporatization of OFB contains the following things.

12 major Ordnance Factories (OFs) that produce ammunition and explosives will be grouped into a single DPSU called **Munitions India Limited**.

Five more OFs that manufacture vehicles will be grouped into a DPSU called **Armoured Vehicles Nigam Limited**.

Another five that manufacture weapons and equipment will combine to form **Advanced Weapons and Equipment India Limited.**

Eight more OFs that manufacture metals and steels will combine to form Yantra India Limited.

The remaining 11 OFs will form India Optel Limited, Gliders India Limited and Troop Comforts Limited.

What are the issues with OFB?

How OFB prices its product: It is currently done on a **cost-plus basis**. Under it, OFB adds up the cost of production (management, labour, materials, etc.) and bills the military after adding on a healthy profit margin, usually 15%. The **military does not have any option of sourcing the product, even if it's available cheaper**. There is no mechanism to tighten up procedures and production processes in order to lower the costs.

These inbuilt inefficiencies are unlikely to be tackled by merely changing over from the OFB's current functional model.

What can be done?

There is a need to ramp up production to the level that is needed in a war. Surge capacity requires to be built, and a cost is involved in maintaining this capacity. It is still now unclear that how this will be verified in the new manufacturing structures. The government should provide a proper layout for that.

With India going for corporatization, it would be wise if India learns from the experience of various countries that have corporatized their defence industries in the past, like the UK.

6. Revealing India's actual farmer population

Source: This post is based on the article "Revealing India's actual farmer population" published in The Indian Express on 4th Oct 2021.

Syllabus: GS3 – Agriculture

Relevance: To estimate the actual number of agricultural households

Synopsis: Various surveys put the total number of agricultural households at a different number. The actual number of farmers deriving a significant share of their income from agriculture only is far less and this has policy implications.

Introduction

The last **Agriculture Census for 2015-16** placed the total "operational holdings" in India at **146.45 million**.

The **Pradhan Mantri-Kisan Samman Nidhi** (PM-Kisan) scheme has **110.94 million** beneficiaries who got their Rs 2,000 income support installment for April-July 2021.

And now, we have the **National Statistical Office's Situation Assessment of Agricultural Households** (SAAH) **report** for 2018-19. It pegs the country's "agricultural households" at **93.09 million**.

In short, India officially has anywhere from 90 million-plus to almost 150 million farmers.

Why this wide variation in the number of farmers?

This wide variation has largely to do with methodology.

The Agriculture Census looks at any land used even partly for agricultural production and operated/managed by one person alone or with others. The land does not have to be owned by that person ("cultivator"), who needn't also belong to an "agricultural household".

The SAAH report, on the other hand, considers only the operational holdings of agricultural households. Members of a household may farm different lands.

While the Census treats each of them as separate holdings, the SAAH takes all these lands as a single production unit. It does not count multiple holdings if operated by individuals living together and sharing a common kitchen.

Accounting for only "agricultural households", while not distinguishing multiple operating holdings within them, brings down India's official farmer numbers to just over 93 million.

The authors of this article, using their methodology, estimate that India's "serious" farmer population adds up to 36.1 million, which is hardly 39% of the SAAH estimate.

If the actual number of farmers deriving a significant share of their income from agriculture per se is only 40 million — as against the official, also popular, consensus range of 100-150 million — a range of policy implications follow.

What are the policy implications of a lesser number of farmers?

Firstly, one must recognise that **farming is a specialised profession** like any other. Not everyone can or needs to be a farmer. "Agriculture policy" should, then, target those who can and genuinely depend on farming as a means of livelihood.

Minimum support prices, government procurement, agricultural market reforms, etc will matter mainly to "full-time/regular" farmers. Even PM-Kisan would be more effective if directed at these farmers, whose quantum of income support can be enhanced to encourage them to remain in or expand their agriculture business.

Secondly, land size matters. The SAAH report reveals that the 50% farm income dependence threshold is crossed at an all-India level only when the holding size exceeds one hectare or 2.5

acres. This is clearly the minimum land required for farming to be viable, which about 70% of agricultural households in the country do not possess.

Thirdly, What should be done for this 70%, who are effectively labourers and not farmers? Their problems cannot be addressed through "agriculture policy". A more sustainable solution lies in **reimagining agriculture beyond the farm.** Crops may be produced in fields, but not everyone needs to engage in cultivation.

The scope for value-addition and employment can be more outside than on the farm like, grading, packaging, transporting, processing, warehousing and retailing of produce or supply of inputs and services to farmers. All these activities legitimately fall within the realm of agriculture, even if outside the farm. Agriculture policy should aim not only at increasing farm incomes but also adding value to produce outside and closer to the farms.

7. Clash of economy and ecology in global politics

Source: This post is based on the article "Clash of economy and ecology in global politics" published in Business Standard on 4th Oct 2021.

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

Relevance: Geopolitics and its impact on Climate change

Synopsis: We cannot ensure sustainable growth unless it is affordable and inclusive

Introduction

Thirty years ago, India ushered in economic reforms. As the growth intensified, the use of natural resources too increased, and it added to the pollution of our waterbodies and air.

In the next two decades, India witnessed much more toxification of our land, water, air, and food, and realised how it impacts our health.

It is for this reason there have been repeated conflicts over the need to balance development with the environment. However, the resolution is often flawed because public institutions that are required to make decisions have been progressively weakened and disabled.

How India needs to reinvent its growth story?

It has to be based on the needs of all and not just a few. It has to protect the environment because that is the survival base on which life thrives.

For instance, Investment in natural capital, trees and water, will help build the resilience we need in the climate-risked world.

How U.S. - China rivalry will hamper the agenda of reducing greenhouse gas emission?

Since the extraordinary rise of China, it has overtaken just about all countries in global trade. It relied on cheap labour, cheap credit, and no restrictions on account of environmental or social safeguards. Today, the western economies are **adapting the Chinese Growth strategy model** to compete with China.

For instance, the proponents of free trade and globalisation are turning towards **protectionism**.

This struggle for global domination, which pits China against the US, will have ramifications for environmental security and climate change in India and the rest of the world.

Today, the countries that aspire to become new world leaders aim to increase its economic standing in the world through manufacturing, trade, and global commerce. This means there will be **more pollution and more greenhouse gas emissions**.

8. Staying the Green Course

Source: This post is based on the article "Staying the Green Course" published in Indian

Express on 4th Oct 2021.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation

Relevance: Green Transition

Synopsis: In CoP 26, world leaders need to discuss how best governments can help each other

stay on the "green" course and also manage shorter-term political compulsions.

What is the current scenario?

Rise in price of natural gas: The price of natural gas in Europe has shot up by approximately 600 per cent over the past 12 months. A year back, it was trading at just under \$4/mmbtu (Metric Million British Thermal Unit), and today it is hovering around \$25/mmbtu.

Reversal of the conventional feedback loop: Conventionally the price of oil would lead to a change in the price of gas, this time it is the price of gas that has pushed up the prices of oil and coal. This is because as the former became increasingly unaffordable, consumers turned to the latter.

What is the dilemma in front of governments?

The price hike of natural gas would **incentivize an increase in the production of fossil fuels** and that would run counter to not just public sentiment but also the efforts to shift to a clean non-fossil fuel energy system.

The dilemma is to find a way to navigate the long-term imperatives of decarbonization and also manage the political and social backlash from consumers impacted by high electricity and fuel costs.

What are the reasons for the price surge of natural gas?

On the demand side: the strongest driver has been the global economic recovery. Added to that are the micro factors of the drop in hydropower in Brazil and China because of drought, the reduction in wind power because of unfavourable wind conditions in the North Sea and the underperformance of nuclear reactors in Europe. The severe summer heat in the US, Europe and China has also been a factor.

On the supply side: The economic blockers were the cold wave in Texas this year, which froze gas wells and throttled the export of US LNG, the start-up of the maintenance work suspended since 2020 on account of Covid-19 and the declining production profile of the giant Groningen field in the Netherlands.

This field is slated to close down in two years. Matters have been compounded by the diversion of US LNG cargoes destined for Europe to Asia and low inventories.

The geopolitical factor: Russia has provided approximately 40 per cent of Europe's gas requirements but it always had the capacity to supply more and could have come to Europe's rescue this time. But it decided not to. The reason is Nord Stream 2 gas pipeline from Russia to Germany.

The US has been an opponent of this pipeline on the grounds it strengthens Russia's leverage over Europe. In consequence, the EU has not yet approved its operationalisation.

Integration of markets: the gas market today is different. It is global, integrated and liquid. That is why, what happens in one region quickly spill over into other geographies. For instance, the CIF price of spot LNG landed in Hazira, Gujarat averaged around \$6/bbl a year back.

What is the way forward?

First, World leaders will assemble in Glasgow next month for COP 26 and since they are aligned on the nature of the climate crisis and the steps that must be taken to address it.

Second, leaders will have to work together to smoothen the green transition to reduce dependence on fossil fuels.

Third, the sustainable response is to leverage this price shock to improve energy efficiency, intensify demand conservation, intervene to prevent the switch to coal and increase investments in battery and storage technology and transmission infrastructure to scale up solar and wind energy supplies.

9. COVID-19: How bio-medical waste poses challenges to urban solid waste management system

Source: This post is based on the article "COVID-19: How bio-medical waste poses challenges to urban solid waste management system" published in The Down to Earth on 1st Oct 2021.

Syllabus: GS3- Environmental Pollution and Degradation,

Relevance: To discuss the threat posed by COVID-19 virus in waste sector.

Synopsis: COVID-19 virus has increased the urban solid waste which is very infectious and risky. Some suggestions to deal with the situation.

Introduction

The novel coronavirus disease (COVID-19) pandemic tremendously affected the waste sector, with medical waste subjected to uncontrolled dumping and open burning. It is leading to public health risks.

Why it is important to prioritise a separate collection of waste?

With the potential onset of the third wave, it is important to prioritise a separate collection of the infectious and highly infectious waste in the urban solid waste management system (USWM).

It is also crucial to equip the system with essential resources and skills to break the infection chain at the generation stage.

What steps have been taken to improve the urban solid waste management system (USWM)?

First, the Union Ministry of Environment, Forests and Climate Change (MoEF&CC) notified the Solid Waste Management Rules and Bio-Medical Waste Management Rules in 2016 to effectively manage waste.

Second, the local governments adopted several policies for waste management. The Central Pollution Control Board (CPCB) issued specific guidelines for Indian states to store, collect, transport, recycle, process and dispose of COVID-19 infectious waste to reduce the risk of infection spread.

How COVID-19 has affected the waste sector?

First, the COVID-19 outbreak increased the quantity of urban solid waste (USW) generated and changed its composition. These changes have been accelerated by the widespread implementation of syndromic management of COVID-19 throughout India.

Second, there is addition to traditional residential USW. It includes infectious and highly infectious bio-medical waste generated during diagnosis, treatment and quarantine. These

include sanitary waste, masks, gloves and personal protective equipment (PPE) kits that have the potential to spread infection.

Third, the quantity of USW from households increased during the lockdown. The increase can be attributed to the disease's effects on lifestyles such as in-home cooking, online shopping, use of packaged foods, etc.

Thus, bio-medical waste management has become a part of the current urban solid waste management system and poses serious challenges to it. Second wave of COVID-19 in India further increased the risk, with the increased number of infected patients and changes in isolation, quarantine and hospitalisation protocols.

What steps are needed to deal with urban waste management?

First, the USW system has to upgrade its facilities to accommodate the changes.

Second, the infrastructure resilience of the waste management system needs to be examined.

Third, management of bio-medical waste generated in hospitals needs to follow standard protocols for segregation of infectious and highly infectious waste and their treatment at the source.

Fourth, the virus can survive a maximum of three days (up to 72 hours). We can segregate and store the waste in a yellow bag to reduce the chances of spreading the infection. Storage space and availability of manpower can pose challenges in implementation.

Fifth, separate collection of infectious and highly infectious waste needs to be streamlined through appropriate authorities collecting the waste regularly from households to avoid unauthorised dumping of waste.

Sixth, the infectious waste should not be mixed with the daily USW during storage, collection and transportation.

Seventh, reducing the use of PPE kits in non-COVID-19 areas and the use of reusable masks and gloves is a potential short-term solution to reduce waste generation.

10. What the continued distress in informal labour market says

Source: This post is based on the article "What the continued distress in informal labour market says" published in The Indian Express on 4th Oct 2021.

 $\textbf{Syllabus:} \ \text{GS3-Indian Economy and issues relating to Planning, Mobilization of Resources,} \\ \text{Growth, Development and Employment.}$

Relevance: To discuss the distress faced by the informal labour market

Synopsis: Status of informal sector in India, distress faced by them mainly during the Covid-19 pandemic and various impacts of the sustained divergence between the formal and the informal labour force.

Introduction

Recently released economic data suggests that the Indian economy has emerged from the second wave of the pandemic better than expected. Two broad points emerge.

First, the second wave was far more severe. Still, the impact of the localized restrictions imposed during this period on economic activity was less damaging than observed last year.

Second, in the weeks and months thereafter, large parts of the economy are almost back to pre-Covid levels. But distress is lasting in large parts of the informal economy.

What is the status of the informal sector in India?

The informal/unorganised sector in India accounts for roughly half of the total value added in the economy (52.4 per cent in 2017-18). It employs around 90 per cent of the labour force.

The distress faced by this sector can be estimated from the state of the informal labour force.

What does the various data represent?

First, In the first quarter of the ongoing financial year, the number of households demanding work under MGNREGA was lower than last year. But it was higher than pre-covid levels. There could be two possible explanations for this.

- The extent of distress in the labour market last year was of a much higher magnitude.
- The spread of the pandemic in rural areas this year curtailed the registration of households demanding work under MGNREGA.

Second, In the second quarter, however, the number of households demanding work this year was not only around the same level as last year, but was also significantly higher than the pre-Covid level (2019-20). This signals two possibilities.

- sections of the informal labour force in rural areas and the migrant households who have not returned to urban areas, were unable to find non-farm employment. They had to rely on MGNREGA. This implies that large parts of the informal economy (manufacturing, construction, trade and transport) were operating well below their pre-Covid levels in the second quarter as well.
- A section of the informal labour force simply opted for whatever work was available at depressed wage rates wherever employment opportunity was available. They supplemented its income by seeking work under MGNREGA.

What does the level of sustained distress in the informal labour market represent?

This level of sustained distress in the informal labour market points towards a continuing gap in the fortunes of the formal and informal parts of the economy.

Data also revealed that the bigger companies flourished, the smaller ones continued to be in distress.

What are the outcomes of the sustained divergence between the formal and the informal labour force?

First, worsening of the income distribution.

Second, loss in purchasing power of the lower half of the distribution chain would translate to the aggregate household consumption basket shifting towards that of the relatively wealthy households. This would raise demand for the less labour-intensive services and high-end/imported manufactured products and reinforce the current labour market trends.

Third, this distressed labour market has broader implications for aggregate consumption and investment, and indicates subdued medium-term growth prospects.

11. How loopholes in Aadhaar-enabled payments are putting poor people at risk of being swindled

Source: This post is based on the article "How loopholes in Aadhaar-enabled payments are putting poor people at risk of being swindled" published in Indian Express on 5th October 2021.

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

Relevance: To understand the issues in the Aadhaar enabled Payment System (AePS) model. **Synopsis:** Given the need for financial inclusion, resolving the issue in the AePS model is vital.

Introduction

The government of India launched **Aadhaar enabled Payment System** which is coupled with the Business correspondent model. It was supposed to revitalize financial inclusion in India. However, it faces many challenges.

What is the Aadhaar enabled Payment System (AePS)?

It is a bank-led model which allows online interoperable financial inclusion transactions at Point of Sale (Micro ATM) through the **Business correspondent (BC)** (informal bank agent) of any bank using the Aadhaar authentication.

For example, if a person wants to withdraw Rs500 from a bank account using BC, he/she needs to provide the bank name and undergo Aadhaar-based biometric authentication (ABBA). BC will then provide the requested amount, and BC's own account will be credited with the same amount. For this, the bank account should be linked with Aadhar.

Benefit: Like other micro-ATM systems, it has helped in decongesting banks. It can be particularly useful for migrant workers who have no ATM facility.

What are the issues associated with AePS?

AePS comes with serious risks of being cheated, especially those who lack clarity of its working. These risks are increased when banks refuse to disburse small amounts to their customers and send them to BCs instead. Some of the risks are:

Financial Fraud by BC: There are chances that some corrupt BCs will enter the high amount in PoS and gave the beneficiary the lesser amount. However, this can be ignored if people demand a receipt. But it is visible in many cases that BCs often denies receipts to poor people. There are also many instances where Corrupt BCs duped customers by simply asking them to put their finger on the scanner. After which, BCs quietly withdrew the amount without telling

the customer. It is unfortunate that most of such frauds remain unresolved today. In some cases, the police are reluctant to file FIRs. Even if the BC can be traced, it is easy for him to claim that he did

Read more: Failure Of Aadhar Based Payment System

disburse cash as per records — it is his word against the victim.

How these issues can be eliminated from AePS?

Permanent Entry: BCs could be required to make manual if not digital entries into printed customer passbooks. That would act as a permanent, verifiable receipt that cannot be denied to the customer so easily (a blank entry would be incriminating).

Ban: The government can ban roaming BCs in states with low literacy levels, so they cannot take advantage of poor and illiterate people.

Services: Better Grievance Redressal facilities should be made available to the victims of AePS fraud. Also, the SMS alert system should be there if the person's bank account is linked with a phone number

12. Employment increases in rural India

Source: This post is based on the article "Employment increases in rural India" published in Business Standard on 5th October 2021.

Syllabus: GS3- Indian Economy and issues relating to Growth, Development and Employment.

Relevance: Employment generation

Synopsis: In all the major labour market metrics, it is rural India that shows big improvements. Labour conditions improved in urban India also but not as much as they did in rural India.

Introduction

Labour participation in Rural India increased 0.20 percentage points in last month as compared to a much smaller 0.02 percentage points increase in Urban.

Further, the employment rate rose by 0.85 percentage points in rural India in comparison, urban India saw a smaller increase of 0.47 percentage points in its employment rate in the same months. This translates to a big 8.5 million increase in employment during the month.

Consequently, the all-India unemployment rate fell by 1.46 percentage points. The fall was **larger in rural India** than in urban India.

How rural India has impacted India's Employment scenario?

Of the 8.5 million additional people employed in September, 6.5 million were in rural India. Rural India accounts for about 69 per cent of total employment. But 76.5 per cent of the additional employment created in September was in rural India.

This is an extraordinary increase in rural India in the month of September when the demand for labour from agriculture is usually low. It is estimated that around 6 million were absorbed in non-farm rural jobs.

The construction industry in rural India was the largest absorber of additional labour in September, taking in 7.55 million people.

What are the reasons?

First, investment in road building has been growing steadily. Road projects worth Rs 1 trillion were completed in 2020-21, and Rs 1.27 trillion worth of projects are expected to be completed in 2021-22.

The Ministry of Road Transport and Highways had spent Rs 780 billion this year against Rs 374 billion in the last year or Rs 322 billion in the year before. This **accelerated spending** and the expectation of more road projects being completed in the year could have created the additional demand for labour in the construction industry.

Second, a somewhat less likely reason, is that it is possible there was some acceleration in employment under the **Mahatma Gandhi National Rural Employment Guarantee Scheme** (MGNREGS).

Third, rural India also saw a substantial increase in employment in the manufacturing sector in September. Employment in rural manufacturing industries increased by 4.7 million during the month. Food industries, metal, and textile were the major contributors

However, the rural services sector unemployed a substantial 6.8 million jobs. Most major services industries shed jobs in September. These included retail trade, personal non-professional services, travel and tourism, and education.

This suggests that, people have moved from the services sectors to construction and manufacturing industries in rural India. Most of the new jobs created in rural India were of daily wage labourers.

13. The future of vertical farming is brighter than once thought

Source: This post is based on the article "The future of vertical farming is brighter than once thought" published in Livemint on 5th October 2021.

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

Relevance: Significance of vertical farming

Synopsis: The concept of vertical farming can fix several problems faced by conventional farms.

Introduction

AeroFarms is going to be the first vertical-farming startup to be listed on the Nasdaq in the next month after it completes a merger with Spring Valley Acquisition Corp.

What is Vertical farming?

It is a system for growing food without soil or sun that for decades has thrived mainly in sci-fi films and the International Space Station.

How vertical farming can be beneficial in future?

Vertical farms can play a key role in producing local and perishable specialty crops: They can eliminate fuel-intensive long-distance trucking, along with food rot and waste. When located in and near cities, they have the added advantage of being protected from supply chain disruptions.

Benefit drought prone areas: the technology AeroFarms and other market leaders are pioneering will benefit regions that have increasingly limited water and arable land.

Less water usage: Aeroponic farms use up to 95% less water than in-field vegetable production and grow food 30% to 40% faster. They use as little as 0.3% of the land of a field farmers.

High productivity: The company has seen a 23% increase in its yield-per-square-foot of indoor growing space in the past year alone, and has sped the grow cycle for baby leafy greens from 20 to 14 days—compared to 4 to 6 weeks in the field.

Organic produce: The plants are grown without herbicides, fungicides or insecticides, gains for both the economics and human health.

High-flavour and high-nutrient produce and high-profit ingredients for nutraceuticals: The plant data gathered by cameras and sensors have driven rapid innovations. Variables including light, moisture, nutrients, oxygen, CO2, and temperature can be monitored so precisely within a vertical farm that the flavours, nutrients and phenotypes of plants, in turn, can be manipulated.

What are some issues associated with vertical farming?

Requires more energy and technology: For example, AeroFarms has pioneered an 'aeroponic' system that grows plants in stacked metal trays, their roots dangling in mid-air as they're fed a nutrient-rich mist. LED lights replace sunshine.

High cost of input: Cameras and sensors gather millions of data points tracking the needs of the plants as they grow.

Skilled human resource: This kind of hyper-controlled indoor agriculture requires an expensive labour force of engineers, plant scientists and computer programmers.

Luxury good: Vertical farming also relies on urban real estate more expensive than rural farmland. AeroFarms' products, which include 'baby watercress' and 'micro broccoli', currently sell for \$2 an ounce.

High-tech agriculture is still high-risk: Because there is no soil or other barrier to protect the roots, even a small number of bacteria in the root chamber can harm the plants.

14. Recurring pain: On RBI's decision on auto-debit transactions

Source: This post is based on the article "Recurring pain" published in Business Standard on 5th October 2021.

Syllabus: GS3- Issues related with Banking sector

Relevance: Roles and responsibilities of RBI

Synopsis: RBI must re-examine its auto-debit restrictions

Introduction

Recently, the Reserve Bank of India's (RBI's) new rules controlling recurring payments on credit or debit cards came into force.

The new rules mandate advanced notification by banks to customers for executing recurring payments which are of value of ₹ 5,000 and above. It is meant for seeking the latter's approval for taking forward any such transaction.

Under this new system, for any transaction of more than ₹ 5,000, banks will send onetime passwords (OTPs) to customers. Currently, auto-debits are allowed under the new system without one-time passwords for payments under Rs 5,000.

The broad purpose of the new rules is to ensure that holders of credit or debit cards are not constantly hit by recurring charges without their consent.

While the RBI's motivation in attempting to protect consumers from unwanted payments on their cards is laudable, any regulation can only be judged by its outcomes.

What are the issues and challenges associated with the RBI's move?

Impact on small Enterprises: Many auto-debits failed for customers and smaller enterprises that depend upon online payments sharply revised their revenue estimates downward.

Rationality being Questioned: The RBI has not given any reasoning for its decision to bring such low-impact transactions under the compliance rules.

Lack of consultation with relevant Stake holders: Smaller enterprises, start-ups, and endusers were not given a voice in the process.

What are the other alternatives available?

There are multiple other mechanisms that might be considered. For example, banks could have been mandated to keep a record of recurring payments on a customer's net-banking portal, where they could access it and turn it on and off as desired.

Alternatively, the new protocols could be limited to recurring payments over a certain threshold.

What is the way forward?

First, pre-authorisation of debits must be clear and transparent, users should be clear where their personal data is being held, and it should be easier to cancel subscriptions through payments operators.

Second, RBI as a consumer-facing regulator will have to work harder to expand its consultation process before introducing new rules.

Third, having observed the problems caused by the new rules, the RBI must swiftly respond, and work out how to make them more palatable for smaller enterprises and consumers.

15. India should never fall into the trap of premature celebration

Source: This post is based on the article "India should never fall into the trap of premature celebration" published in Livemint on 5th October 2021.

Syllabus: GS3 – Indian Economy and issues relating to Planning **Relevance:** Need of sustainable development of Indian economy

Synopsis: India must focus on doing things right before getting too enthusiastic over the country's economic ascent.

Introduction

There is talk of the BSE Sensex at 200,000. In 2019, a year that India's gross domestic product (GDP) growth fell, there was talk of achieving a \$10 trillion nominal GDP by 2030. Such talk has begun to resurface, though a recovery has barely begun. If we are to avoid another boombust cycle, such triumphalism is best avoided.

What are the things we need to get right?

Targets and rankings are only means to ends: The elevation of 'Ease of Doing Business' (EoDB) ranking to a goal in itself led to unethical practices, and the survey has been abandoned by the World Bank. India's EoDB rank was based on data from two cities. That cannot be wholly representative. Moreover, operating conditions remain difficult for small businesses. Governments alone are not at fault. For example, banks require incorporated entities to submit directors' resolutions printed on company letterheads for the opening of bank accounts. Why? Who uses letterheads these days? Will the company's registration number not suffice? Also, even now, for proof of a bank account, many want a cancelled cheque, though payments are mostly electronic.

Second, we remain a society of rights without responsibilities, authority without accountability, and entitlement without commitment. In general, the operating principle of governance remains one of prohibition unless an act is given explicit permission. It should be the other way around. Until that happens, the overheating of our economy after a few years of growth is a given. On its part, the private sector must imbibe the spirit that Pawan Goenka of SCALE advocates: Spell out what you can deliver to the country before placing your demands. If these change, a troublesome trust deficit will disappear and so will our fiscal deficit.

Third, policymakers will serve India well if they focus on doing what it takes to improve India's ECI ranking. It would mean making our universities fountainheads of knowledge, research and application. The quality of higher education needs to rise. State governments are still keen on levelling students down instead of levelling them up. Tamil Nadu's protest against NEET is a neat example. Promoters of private universities are still figuring out the right balance between involvement and interference.

Index of economic complexity (ECI): Harvard University's index of economic complexity (ECI) provides an indirect assessment of whether a country would be able to progress from low middle-income status to middle-income and then upper- income status. India's index reading has improved marginally from 0.32 in 2000 to 0.46 in 2019. During the same period, China's ECI went up from 0.44 to 1.35. Mexico went from 0.90 to 1.31.

16. Cities are taking climate action

Source: This post is based on the article "Cities are taking climate action" published in The Hindu on 5th October 2021.

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

Relevance: Tackling climate change.

Synopsis: Efforts taken by states to deal with climate change, hurdles in transforming states in to a sustainable urban state and how we can find a solution to deal with the twin challenge of climate change and inclusive development.

Introduction

Recently, Maharashtra's Environment Minister announced that 43 cities across the State will join the UN-backed 'Race to Zero' global campaign. This campaign aims to create jobs while meeting goals of climate change and sustainable development.

Maharashtra is the state that experiences multiple risks (floods, drought, sea-level rise). It has made inadequate policy action on climate-resilient development. Hence, this step is praiseworthy.

Are cities doing enough?

After assessing climate action in 53 Indian cities with a population of over one million, it was found that approximately half of these cities report climate plans. Of these,18 cities have moved towards implementation.

It signals that recurrent experiences of floods, water scarcity, cyclones and storm surges are being assimilated into urban development policy. In terms of intervention, we have focused on particular, isolated risks. For example, most cities report targeted projects to deal with heat waves and water scarcity, followed by inland flooding, extreme rainfall, and growing disease incidence. Coastal flooding, sea-level rise, and cyclones are discussed less often. It is despite the fact that India has long coastline and highly vulnerable coastal cities and infrastructure. Hence, we have failed to realize how multiple risks converge and reinforce each other. For example, seasonal cycles of flooding and water scarcity in Chennai.

What are some steps taken by the states?

Front-runner cities in terms of climate change action plans are Ahmedabad, Tamil Nadu etc. Ahmedabad had a Heat Action Plan (HAP) which helped to reduce heat mortality. The HAP involves many stakeholders. Combining infrastructural interventions (for example, painting roofs white) and behavioral aspects (building public awareness on managing heat), the model has now been scaled up to 17 cities across the country.

Nature-based solutions such as mangrove restoration in coastal Tamil Nadu and urban wetland management in Bengaluru have demonstrated how restoring ecosystem health can sustain human systems as well. For example, urban parks provide cooling benefits and wetlands regulate urban floods.

What are the hurdles in developing sustainable Indian cities?

First, inadequate finances and political will.

Second, inadequate institutional capacity in existing government departments to reorient ways of working.

Solving these would help in planning for multiple, intersecting risks. This would transform the ways our cities operate and expand. Undertaking long-term planning needs resilience planners in every line department as well as communication channels across departments to enable vertical and horizontal knowledge sharing.

What are some recommendations to transform cities to make it sustainable?

We need to change our behavior and life style. One example of behavioral change is bottom-up sustainable practices such as urban farming where citizens are interpreting sustainability at a local and personal scale. This would lead to many advantages.

One, growing one's own food on terraces and simultaneously enhancing local biodiversity **Two**, composting organic waste and reducing landfill pressure

Three, sharing farm produce with a neighbour, bringing communities closer and creating awareness about food growing.

To deal with the twin challenges of climate change and inclusive development, pledges like Maharashtra's are a welcome addition to ongoing climate plans. This is high time when we need to focus on climate change solutions and equip our city planners and citizens to implement them.

17. Taproots to help restore India's fading green cover

Source: This post is based on the article "Taproots to help restore India's fading green cover" published in The Hindu on 5th October 2021.

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

Relevance: About forest restoration and its importance.

Synopsis: Forest restoration activities and why they are important. Various challenges associated with forest restoration and solutions to deal with it.

Introduction

Forest covers nearly 30% land surface of the earth. They provide a wide variety of ecosystem services and support countless and diverse species around the globe. They also stabilise the climate, sequester carbon and regulate the water regime.

What is the reason that forest restoration activities have become increasingly popular?

As per the State of the World's Forests report 2020, since 1990, around 420 million hectares of forest have been lost through deforestation, conversion and land degradation. India lost 4.69 MHA of its forests for various land uses between 1951 to 1995.

Despite various international conventions and national policies in place to improve green cover, there is a decline in global forest cover.

This is the prime reason for forest restoration activities including tree planting to become increasingly popular. We have declared **2021-2030** as the UN Decade on Ecosystem Restoration for improving environmental conditions and enhancing human communities.

What is restoration?

Restoration is bringing back the degraded or deforested landscape to its original state by various interventions. It enables them to deliver all the benefits. Building and maintaining activities help to improve ecological functions, productivity and create resilient forests with multifarious capabilities. India shelters 8% of the world's known flora and fauna.

What are the key challenges associated with the forest restoration?

First, local ecology with a research base: forest restoration and tree planting are leading strategies to fight global warming by way of carbon sequestration. However, planting without considering the local ecology, planting a forest in the wrong places such as savannah grasslands are more dangerous.

Second, as per recent research, naturally regenerated forests tend to have more secure carbon storage. Being less tech-sensitive, cost-effective and conserving more biodiversity, natural forest restoration is becoming more widely accepted. But we must consider the local ecology before implementing any restoration efforts to retain their biodiversity and ecosystem functions.

Third, restoration needs research support for its success. Active restoration includes planting and passive restoration focuses on halting environmental stressors or adopting an intermediate approach of aided natural regeneration. For both we need critical examination before putting restoration interventions into practice.

What is the situation in India?

Nearly 5.03% of Indian forests are under protection area (PA) management. They need specific restoration strategies. The remaining areas witness a range of disturbances including grazing, encroachment, fire, and climate change impacts that need area specific considerations. Much of the research done on restoration is not fully compatible with India's diverse ecological habitats.

Hence, local research duly considering ecological aspects, local disturbances and forest-dependent communities is vital to formulate guidelines for locally suitable interventions and to meet India's global commitment.

What are the solutions for protection and development of forests?

First, participation of local communities with finances for incentives and rewards is essential to redress this complex riddle. We can involve local people by forming joint forest management committees (JFMC). At the same time, review of their functionality and performance is essential to make them more dynamic and effective.

Second, negotiations with a wide range of stakeholders including these committees for resolving conflicts and fulfilling restoration objectives.

Third, adequate financing is needed for restoration.

Fourth, we need the active approach of restoration which includes tree planting and the involvement of communities seeks incentives and rewards and make the whole affair quite cost-intensive.

Fifth, the contribution of corporates in restoration efforts, land-based programmes of various departments.

Sixth, active engagement of stakeholders including non-governmental organisations, awareness and capacity building of stakeholders with enabling policy interventions and finance can help a lot to achieve the remaining 16 MHA restoration objectives for India.

18. Economic lessons for India from the Evergrande crisis in China

Source: This post is based on the article "Economic lessons for India from the Evergrande crisis in China" published in Live Mint on 6th October 2021.

Syllabus: GS –3 – Industrial policies of India

Relevance: This article highlights the issues facing India's real estate sector.

Synopsis: China's Evergrande issue has highlighted the importance of its real estate sector. India can take a few lessons out of this crisis.

Background

Evergrande, the world's most indebted real estate company in China, may collapse in the near future. It has worried the financial and economic world.

Read more - China's 'Lehman moment'

However, the big issue to highlight is China's dependence for growth on its real-estate sector. Real estate makes up for around 29% of the Chinese economy, as per estimates in Peak China Housing, Kenneth S. Rogoff and Yuanchen Yang.

It has resulted in the mounting of the huge debt of real-estate companies and debt of consumers who have taken housing loans.

As per Fitch Ratings, Chinese household debt as of the end of 2020 stood at 62% of China's gross domestic product (GDP). Any excessive debt-driven growth is not good for a country in the long run.

In the light of the events in China, we need to analyze the situation of the real estate sector in India and take lessons from this crisis in China.

India's Real estate sector

Low Share in the GDP: As witnessed in China, the real-estate sector has huge multiplier effects. The real estate sector formed around 7% of the Indian economy in 2019-20. While in the Chinese case this figure was too high, in the Indian case, it is too low.

Multiplies effect: Real estate sector boosts other sectors, which provide inputs to this sector. For example – steel and concrete, from the manufacturing sector, labour input from the construction sector, capital input from the banking sector, etc.

Demographic dividend: Real estate sector creates more jobs, particularly at the semi-skilled and low-skilled levels. It will help in reducing disguised unemployment in the agriculture sector.

High interest rate and home prices: The Indian real-estate sector has been stagnant, primarily because of high-interest rates and high home prices. It is evident from the fact that priority-sector home loans given by banks as a proportion of overall housing loans have gone down from around 72.7% in September 2007 to an all-time low of 32% in August 2021.

Priority sector home loans are home loans of up to ₹35 lakh in metropolitan centres with populations of 1 million-plus. In non-metropolitan centres, they are home loans of up to ₹28 lakh. It is subject to the condition that the homes being bought should be priced up to ₹45 lakh and ₹30 lakh, respectively, in metropolitan and non-metropolitan areas

The issue here is that the banks are largely financing homes worth at least ₹30 lakh in a country with an annual per capita disposable income of about ₹1.5 lakh.

Lessons from China

Firstly, homes in a price range of ₹10-15 lakh are required for real estate to become a major sector, it has been in the Chinese case.

Secondly, Land prices on the edges of cities and within cities need to come down. Land-usage norms should be reformed.

Third, running a real estate company needs to be made simpler than it actually is at present. It will resolve the issue of concentration of real-estate companies in few cities.

19. Crackdown in China, hope in India

Source: This post is based on the article "Crackdown in China, hope in India" published in The Hindu on 6th October 2021.

Syllabus: GS 3 Industrial policies of India.

Relevance: To understand the impact of Chinese policies in India.

Synopsis: China's sweeping overhaul of its tech sector could benefit India in the near future.

Introduction

Last year **China stopped Ant Group's Initial Public Offering (IPO)**, which is Alibaba's fintech arm. Recently, there is another high-profile crackdown on a Chinese tech company.

China has also imposed various regulations, antitrust and anti-monopoly lawsuits, cyber security probes, and algorithm controls on the entire tech segment, ranging from e-commerce websites, food delivery apps to e-learning portals. These restrictions are estimated to have wiped off over \$1.5 trillion of value from Chinese tech stocks.

What is the China motive behind that?

China wants to ensure that **no private** company or competitive country **should gain enough data** that will impose challenges to Chinese Communist Party-led state dominance.

Also, China restricted the rules only to the commercial tech sector. State-supported those sectors which perceived to be of higher value like 5G/6G, semiconductor chips, artificial intelligence, biotechnologies, batteries, aviation and space tech. They want to maximize China's geopolitical and geo-economic gains.

How these Chinese restrictions will benefit India?

The rate of digitization has accelerated during the pandemic in India. Start-ups in India raised a record \$10.46 billion in the first half of this year alone. India's tally of unicorns has crossed 60. This projected growth image will attract the companies fleeing from China because of their strict regulations.

Read more: 1,600 new tech start-ups and 12 unicorns in 2020: Nasscom's Indian Tech Start-up Ecosystem report

What should India do?

India, while enhancing its internal capacity should also **collaborate parallel with other friendly nations.** The ongoing talks with Taiwan to bring in a semiconductor chip manufacturing plant to India is a step toward this direction. If successful, this could drive next-generation industries, including 5G devices and electric vehicle.

Read more: Hello Taiwan: New Delhi should boost ties with Taipei not just because of Chinese threat. There are other benefits

India's first success in sectors like biotech and space shows that with concerted efforts in manufacturing. So, similar concerted efforts to develop indigenous manufacturing and hard technology are vital if India is to retain its strategic autonomy.

20. Tarballs on India's west coast: A tale of shifting responsibilities

Source: This post is based on the article "Tarballs on India's west coast: A tale of shifting responsibilities" published in Down to Earth on 4th Oct 2021.

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

Relevance: environmental problems caused by tarballs

Synopsis: Tarballs, how they are formed, their impact on environment and judicial & legal provisions dealing with such issues.

Introduction

Tarballs hit the news headlines recently when they started appearing on well-known beaches of Mumbai and Goa. These aquatic pollutants have flooded Anjuna, Morjim, Colva and Mandrem beaches in Goa as well as Juhu, Versova, Dadar and Cuff Parade shorelines in Mumbai.

What are tarballs and how are they formed?

Tarballs are dark-coloured substances formed from weathering of crude oil floating on the ocean surface. These are dropped off to shores by waves and sea currents. They accumulate in several sizes ranging from small globules to those as big as a basketball.

Discharge from municipal waste, oil-well blowouts, deliberate and accidental release of bilge and ballast water from ships are among the main factors driving the formation of these pollutants.

What are the challenges being posed by tarballs?

Bacterial threat: Tarballs can be hazardous to human life due to the presence of **Vibrio vulnificus**, a bacteria whose entry through wounds could be fatal.

Marine biodiversity: These petroleum blobs also affect marine biodiversity in several ways, such as disturbing turtle habitats. This in turn, augments the impact on humans who consume marine fish.

Difficult to clean: The tarballs are difficult to wash off from the cleaning equipment thereby posing a challenge for authorities.

Why tarballs are being seen on the western coast of India?

The presence of tarballs can indicate oil spills.

Oil spills and circulation patterns: In addition to the big spills near Mumbai, the Arabian Sea experiences **oil spills** routinely as it is also a crowded oil transportation waterway, with western coast corporations like Bombay High, Panna-Mukta oil field, Tapti gas fields and Essar Oil.

All the oil spilled in the Arabian sea eventually gets deposited on the western coast in the form of tarballs during monsoon, when the wind speed and circulation patterns favour their transportation.

How have authorities responded to the problem?

The Brihanmumbai Municipal Corporation (BMC), the Maharashtra Pollution Control Board (MPCB) and the Environment Ministry have not addressed the tarball crisis yet, maintaining that they do not have a legal mandate.

As per MPCB, it doesn't have jurisdiction over the cleaning of beaches or in the deep oceans, where the oil leaks usually occur. It is also not authorised to control or produce guidelines for vessels and ships.

Who is liable for the tarball pollution?

The National Green Tribunal (NGT) and the Apex Court, in several cases, have held the polluters liable for oil spills and other actions that have harshly impacted the marine environment.

- In the Ramdas Janardan Koli vs The Secretary to Govt of India, Union Ministry of Environment & Forest and Ors case, the NGT had given relief to 1,630 fisher families of Raigad district who were adversely affected by Jawaharlal Nehru Port Trust's (JNPT) project. The tribunal held that the expansion of the port activities by JNPT was a threat to the environment. Also, the oil spill had added to the loss of ecology and environment and ordered compensation of the affected families.
- In the **Samir Mehta vs Union of India and Ors,** the NGT bench upheld the "precautionary principle" and the "polluter pays" principle, along with the fundamental right to life and

personal liberty under Article 21. The landmark judgement ordered a Panama-based shipping company, along with its Qatar-based sister concerns, to pay damages caused by the sinking of their ship off Mumbai's coast in 2011.

Must Read: What are some pre-existing legal provisions for environmental protection in India?

What is the way forward?

Lawmakers must take up environmental concerns as a priority, apart from the collective efforts of the vigilant citizens, activists and environmentalists.

Government regulations on licensing, oil filling at designated ports must be thoroughly followed and commissions must be set up for specifically dealing with coastal management.

21. The recent QES estimates are unreliable

Source: This post is based on the article "**The recent QES estimates are unreliable**" published in **The Hindu** on **7th October 2021**. **Syllabus**: GS3- Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Relevance: Recent QES estimates and its shortfalls

Synopsis: New Quarterly Employment Survey, its key findings, various challenges associated with the survey and the way forward

Introduction

Recently, the Ministry of Labour and Employment released the results of a new Quarterly Employment Survey (QES) for April-June 2021 for the organized (formal) sector.

It represents establishments employing ten or more workers. The surveyed sectors were manufacturing, construction, trade, transport, education, health, accommodation and restaurant, Information Technology/Business Process Outsourcing (IT/BPO), and financial services.

What are the key findings of the survey?

First, it estimated a growth of 29% in the total employment in the nine selected sectors as compared to Sixth Economic Census (2013-14).

Secondly, employment fell post the lockdown on July 1, 2020. But 24 lakh jobs that was lost during the lockdown in 2020 came back by the first quarter of 2021.

What are the various issues/concerns associated with the survey?

The new QES will help generate timely employment estimates for the larger units. However, the analysis suffers from various issues and calls for caution in its interpretation.

Limited coverage- formal establishments account for a small proportion of all non-agricultural establishments (merely 1.66% as per the Economic Census (EC) of 2013-14). Also, a large share of workers (81.3% as per the Periodic Labour Force Survey (PLFS, 2018-19)) worked in the unorganized sector. With its limited coverage, the QES based on data for formal sector enterprises cannot provide a total picture of employment dynamics.

Major deviation from the other reports– Data from the Centre for Monitoring Indian Economy (CMIE) showed that during April 2020, **12.1 crore workers lost their jobs** (mostly informal workers). **9.1 crore job losses** occurred amongst small traders and casual labourers. The unemployment rate by current weekly status in urban areas increased from **9.1%** (before the lockdown) to **20.8%** (Post lockdown).

Methodological shortcomings—The new QES data suffers from methodological shortcomings like outdated sample frame (QES used EC-2013 sample frame), non-comparability of employment numbers and differences in methods used for gathering the information. Hence, instead of rushing to produce new QES based on outdated sample frame, it was required to wait for the release of the newly updated frame in the EC-2020.

- Sample frame: The list of units (e.g., persons, households, businesses, etc.) in the survey population

Did not include latest units- the new QES has a sample of approximately 11,000 establishments. But sample frame implies that QES does not include units set up after 2013.

Primarily a telephonic survey- which shows lack of verification of responses of establishments

Sample collected with a short reference period– The questionnaire of the QES asks establishments about employment details for a specific quarter. In contrast, the EC-2013 questionnaire asks establishments about the number of persons working on the last working day prior to the date of fieldwork in the establishment.

Conceptual problem- in comparing employment numbers of the Economic Census (EC) with the QES. Although the former asks questions about the number of persons working in an enterprise, it is not a good instrument for estimating the size of the workforce or for analysing employment trends as the principal objective of the EC is generating a frame, not estimating employment.

What is the way forward?

We need to produce quarterly employment data for selected industries in the organised sector. Simultaneously, we cannot compromise on data quality and its reliability, in a rush to generate high-frequency estimates.

22. WHO's stark message on air quality — and what India must do

Source: This post is based on the article "An Expert Explains: WHO's stark message on air quality — and what India must do" published in The Indian Express on 7th October 2021. Syllabus: GS3- Environmental Pollution and Degradation, Environmental Impact Assessment. Relevance: Air pollution in India

Synopsis: Air pollution is worsening in India. We need to raise our air quality standards in line with recently released WHO guidelines and ensure strict compliance while transitioning to a cleaner energy model.

Introduction

In its recent <u>air quality guidelines (AQGs)</u>, the WHO said that the impact of poor air quality on public health is at least twice as bad as previously estimated.

Globally, it is estimated that exposure to PM2.5 kills 3.3 million people every year, most of them in Asia.

India has 37 of the world's 50 most polluted cities. Still, India's air quality standards are not strict. For instance, its standards for PM2.5 and PM10 are 60 and 100 μ g/m3 respectively (over 24 hours), while the WHO's new standards are 15 and 45 μ g/m3 (over 24 hours).

Why India should be concerned about air pollution?

Worst mortality rates: India's air pollution-influenced mortality rates are among the worst. The Global Burden of Disease estimates that India lost 1.67 million lives in 2019 directly as a

result of breathing polluted air, or because of pre-existing conditions exacerbated by air pollution.

- Uttar Pradesh had the biggest share at 3.4 lakh, Maharashtra had 1.3 lakh, and Rajasthan 1.1 lakh.

Lower life expectancy: The average life expectancy in Delhi is 6.4 years lower than the national average of 69.4, and the number is starting to fall for even coastal cities like Mumbai and Chennai.

What are the harmful effects of the air-pollution? On health

- -The health impacts of PM2.5 exposure include lung cancer, cerebrovascular disease, ischaemic heart disease and acute lower respiratory illness, besides exacerbating ailments like depression.
- -Exposure to ozone has been linked to chronic obstructive pulmonary disease (COPD).
- -Prolonged exposure to air pollutants affects newborns and babies still in the womb. Mothers may have to deal with the trauma of premature deliveries and stillbirths. Foetuses face increased risk of being born with lungs that are not yet developed to function properly, and congenital defects that can impact the rest of their lives.

On economy – A 2019 study found that India's poor air quality erased **3% of its GDP** for the year and caused a loss of nearly Rs 7 lakh crore (~USD 95 billion). The reason being employees failing to show up at work, far fewer people stepping out to buy goods, and foreign tourists staying away after health warnings. Official figures indicate a **loss of 820,000 jobs** in the tourism industry and 64% of businesses squarely blame air pollution.

On infrastructure- Air pollution affected solar panels as ground-level smog and the particulate matter chokes their power output.

On agriculture– Several studies have noted a 25% drop in crop yield for wheat and rice after prolonged exposure to PM and ozone.

What is the way forward?

- India needs to **revisit its National Ambient Air Quality Standards**, revise them down to WHO levels, and implement them without exception.
- We need to **conduct nationwide studies** and gather raw health data on air pollution to get a picture of how many Indians, regardless of age, gender and occupation, are suffering under bad air.
- The China example- China handled the issue by prioritising zero-emissions transport, staggered use of internal combustion engine vehicles, and by enforcing prevention on point sources of pollution with few exceptions.
- **-Cleaner energy-** India's National Clean Air Programme (NCAP) can help to find solutions. States like Gujarat, Maharashtra, and Telangana have introduced policies to speed up their market shares, and Electric Vehicles' year-on-year sales are increasing.
- **-Better monitoring** We need to expand the country's air quality monitoring network. We can use new low-cost monitors instead of CPCB monitors which are costly. The new monitors capture readings for not only PM_{2.5} and 10 but also gases like NO₂, SO₂, methane, and secondary volatile organic compounds. The Centre and state governments must boost the density of the **Continuous Ambient Air Quality Monitoring Stations (CAAQMS)** network to fully inform the science behind the corrective measures.

23. World Is Entering A New Moon Age

Source: This post is based on the article "World Is Entering A New Moon Age" published in The Times of India on 6th October 2021.

Syllabus: GS3- Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio-technology and issues relating to Intellectual Property Rights.

Relevance: Artemis programme and India's stance

Synopsis: About NASA's Artemis programme, various consequences of **India** joining the programme and how India needs to tackle all this.

Introduction

On September 7, 2019, India's Chandrayaan-2 Moon Lander crashed in a cloud of lunar dust no human would witness. It had experienced a "hard landing" on a desolate patch of the lunar surface. It shows the difficulties of the operation and 'optimism and determination' that go into India's spacefaring aspirations.

Why there is attraction of Moon?

Firstly, Moon is barren, lifeless and lethal to humans. However, its proximity to Earth and its low gravity makes it a potential launching pad for future missions into interplanetary space,

Secondly, it enables us to explore the inner solar system as well as the vast, largely uncharted expanses that lie beyond the Asteroid Belt.

Third, The Moon is also believed to **hold natural resources that could help fuel those future expeditions**. For instance, the water discovered on the lunar surface by India's previous Moon mission, Chandrayaan-1, could provide both hydrogen for fuel, and oxygen for breathing.

What is NASA's Artemis programme?

NASA's Artemis programme is the most ambitious lunar exploration undertaking since the Apollo missions. It plans to land the first woman and the next man on the Moon in the coming years. It will also include a massive technological effort to build new launchers, spacecraft and ground-based facilities as well as putting a gateway module in orbit around the Moon, to act as a stepping stone for further space exploration.

What is India's dilemma regarding Artemis?

Partnering with the Artemis programme would make it much easier for India to ramp up its own lunar projects.

However, as a precondition for joining the programme, **India would have to sign up to a set of NASA-defined rules** called the Artemis Accords, which 11 countries have signed including Australia, Japan, Brazil, South Korea and the UK. Most of these are not harmful and related with the 1967 Outer Space Treaty, to which India is also a party.

The most problematic Artemis principle is the one that allows for the extraction and use of resources in space. While the Outer Space Treaty prohibits claims of sovereignty in space, it says nothing about private ownership and leaves open the possibility of using lunar resources.

As US dominates the global commercial space industry, it will harvest the greatest benefits. For instance,

-In 2015, the US Congress passed a bill enabling private entities to use the mineral resources of other celestial bodies.

-In 2020, then President Donald Trump signed an executive order directing US diplomats to "develop joint statements, bilateral agreements and multilateral instruments" that would make the use of space resources an international norm.

Artemis Accords are a direct outcome of this effort.

Russia-China problem: India's choices are also complicated by the existence of the rival Russia-China International Lunar Research Station project. Further, Russians and Chinese are also slated to come up with their own version of Artemis Accords by the end of 2021 So, we have three options – join Artemis Accords, join ILRS, or go solo.

What are the consequences of these three options and what should India do?

India may lose out on major opportunities if it seeks to explore space by itself. ILRS attractions are spoiled by the presence of China. So, the least bad option for India would be to join the Artemis programme.

Instead of agreeing to all US demand, India must

- insist on mechanisms for sharing technology and space infrastructure.
- use informal fora, like the newly set up Quad working group on space to push for more detailed norms governing activities on celestial bodies.
- India must continue to pursue bilateral space cooperation with Russia, which may even allow it to benefit from some of the capabilities developed for the ILRS project. The time for active space diplomacy is now.

24. Road accidents can be reduced

Source: This post is based on the following articles

- "Recognising altruism: On rewarding Good Samaritans on road" published in The Hindu on 7th October 2021.
- "Road accidents can be reduced" published in The Hindu on 7th October 2021.

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

Relevance: To understand the need for proper road safety mechanisms in India.

Synopsis: India road accident status highlights the importance of road safety in India.

Introduction

Recently, the Ministry of Road Transport and Highways decided to award Good Samaritans who save the lives of road accident victims with the cash prize.

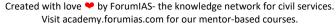
Read more: Union Ministry of Road Transport and Highways Launches Rewarding Scheme for Grant of Award to the Good Samaritan who has saved life of a victim of a fatal accident involving a motor vehicle

What is the present status of road accidents in India?

At present **India ranked third** among 20 nations that have the highest number of accidents. India **cases to fatalities ratio**, with 415 deaths each day, is much worse compared to the U.S. and Japan, which have more recorded crashes but fewer deaths.

The Madras High Court recently struck down the 2018 notification of the Union Government wherein the speed limit was hiked to 120 and 100 km/hour on expressways and highways, respectively. This was done as 66.7% of accidents was attributed to overspeeding in 2017, 55.73% in 2018 and 64.4% in 2019.

In 2019, according to a study conducted by the **Ministry of Road Transport and Highways**, More than 1.5 lakh persons were killed and more than 4.5 lakh were injured in road accidents across the country.



National Highways (NHs) and State Highways, which account for about 5% of the total road length, claimed 61% of the deaths related to accidents.

During 2020, even with severely disrupted mobility due to COVID-19, National Crime Records Bureau data show 1,33,715 lives were lost in 1,20,716 cases attributed to negligence relating to road accidents.

Read more: "Traffic Crash Injuries and Disabilities" -World Bank report on road accidents in India

How government is ensuring adequate safety on the roads?

Motor Vehicles (Amendment) Act, 2019: The Act has a motive of bringing down the death rate due to road accidents by 50% by 2020. The Act has a dedicated chapter to sensitise police forces and hospitals regarding Good Samaritan.

Note: Recently, the government shifted the deadline under the Act to 2025.

National Road Safety Board: The board mandate include the formulation of standards on, among other things, safety and trauma management, building capacity among traffic police, and put the crash investigation on a scientific footing.

United Nations Brasilia Declaration: The declaration was adopted at the second global high-level conference on road safety held in Brazil in 2015. It lays down recommendations on strengthening existing legislations, adopting sustainable transport, strengthening the post-crash response, etc. **India** is a **signatory** to the Brasilia Declaration.

Various initiatives of states

Tamil Nadu recorded the highest number of accidents in 2017. Tamil Nadu government introduced a model to identify and removing Black spots in the road. At present, they have reduced road accidents by 38% and deaths by 54%.

The **Accident Research Cell of the Delhi Traffic Police** carried out an analysis of accidents and created a database that facilitates the formulation of policies to prevent accidents.

Read more: The issue of Road Safety in India – Explained pointwise

What are the steps India needs to do to reduce accidents?

Achieving a reduction in mortality on Indian roads need determined action on several factors. Such as

- i) **Scientific road design** and standards, and identification of black spots that are prone to accidents,
- ii) Deploying an adequate number of police personnel, particularly during peak hours,
- iii) Zero-tolerance enforcement of the Motor Vehicles Act,
- iv) **Highway patrols** with police personnel trained in first aid and ambulances every 10 km could also help save precious lives,
- v) **Educating citizens** about the impact of accidents on the kin of the victims through public discourse will help in reducing accidents.

National Crime Records Bureau

25. Will a bad bank fix India's broken banking system?

Source: This post is based on the article "Will a bad bank fix India's broken banking system?" published in The Hindu on 8th Oct 2021.

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

Relevance: Regarding the recently established Bad bank

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Synopsis: Last month, the Union government set up the National Asset Reconstruction Company Limited (NARCL) under the Companies Act. Two experts, Ajit Ranade and C.P. Chandrasekhar, discuss the bad bank proposal. We list out the key points.

Must Read: NARCL: Need and Challenges - Explained, pointwise

What is the need to bail out banks?

There are many reasons to bail out banks.

- One is the fact that **interests of the depositors is involved here.** If we allow banks to fail, depositors who operated under the presumption that the regulatory framework would protect their money would be undermined. Historically, we've found that central banks try to actually save banks, either by bailing them out or by amalgamating them with stronger banks, in order to be able to protect depositors.
- Two, there is a systemic problem. **If a bank fails, and there is a sort of contagion effect**, we could actually have systemic problems. Banks are the core of the settlements system and the credit structure and allowing them to go down would be a problem.
- And finally, there is also the option of getting banks to write off these bad assets and then the government can recapitalize them. But that would deal a significant blow to the government's finances.

Isn't there the risk of moral hazard linked with bailouts, which makes banks more complacent?

We need to compare the risk of moral hazard of **bailing out banks** versus the impact that **bank failures** would have on depositors and the social and political implications of it.

Why has the government opted for a bad bank over directly infusing capital into banks?

It's important that these bad loans be moved to a separate entity which is exclusively focused on recovery, so that the bank can then focus on its core business, which is business development, giving new loans, credit growth, etc.

Also, for their growth, banks will need to be infused with additional capital to achieve the credit growth needed to get to 7-8% GDP growth. So, the government will continue to pour more capital into banks, while bad loans will be moved to a separate entity.

Does the bad bank proposal actually address the root causes of the banking crisis or is this just a temporary band-aid?

The fact is that over the last few years, the NPA ratio has been mounting, and we've tried many things. In that sense, the bad bank is taking a small chunk out of the overall NPAs to keep the problem within manageable proportions.

26. Our automobile sector needs a hearty dose of tax relief

Source: This post is based on the article "Our automobile sector needs a hearty dose of tax relief" published in Livemint on 8th Oct 2021.

Syllabus: GS3 - Changes in Industrial Policy and their Effects on Industrial Growth

Relevance: Problems ailing India's auto industry and likely solutions.

Synopsis: Due to a demand slump and reluctance shown by entrepreneurs to invest in the auto industry, it is going through a rough phase. This sector can be a key driver for the future economic growth of India.

Introduction

Indian auto industry suffered yet another setback when the renowned automaker, Ford Motors, decided to exit India a few weeks ago.

Faced with **declining demand** for vehicles and often also rising inventory levels, most auto production facilities in the country have been running below their capacities. The covid pandemic and its associated lockdowns have only worsened the industry's problems.

As the outlook remains uncertain despite signs of recovery in the market for passenger vehicles, most players are **reluctant to make fresh investments**. Moreover, the private consumption demand has also not picked up.

Falling consumption and a **lack of investment** by entrepreneurs has been responsible for a steady decline in overall growth since 2016-17.

What is the present scenario of India's auto industry?

The auto industry also reflects the above-mentioned trends, as it contributes 7.5% to GDP, but certain sectors within the industry show improvement:

- Motor cars registrations have smartly recovered, showing robust growth
- Two-wheeler volumes remain down

If motor car and two-wheeler sales are considered indicators for consumption by upper and lower-income households, respectively, their divergent trends suggest a K-shaped recovery.

Why is auto industry significant for India?

It accounts for **49**% of the manufacturing sector's output and employs around 35 million people directly and indirectly.

Globally, India is the **fifth-largest passenger-car manufacturer** with 2.9 million vehicles produced in 2020, according to the International Organization for Motor Vehicle Manufacturers.

It is also the world's largest market for two-wheelers and the largest maker of tractors.

The industry thus can be a critical driver of overall growth. It is a bright spot now that vehicle-manufacturing in most advanced countries has reached maturity.

What are some concerns for auto industry?

Auto industry is driven by consumption demand and the outlook on demand is still worrisome.

- Urban consumers are postponing purchases as **new mobility solutions** emerge that are disrupting the global auto industry. Electric mobility, digitally connected and autonomously driven vehicles have the potential to drive consumers away from the traditional combustion-based vehicles.
- The value of car ownership itself is being called into question, with ride-hailing options provided by apps like Uber and Ola.

What is the way forward?

As an engine of growth, the auto industry needs policy attention.

- Lowering the cost of ownership will help generate demand. For instance: We can lower the GST component of the purchase wherein even two-wheelers attract a Goods and Services Tax of 28%.
- **Electric mobility:** The government is pushing electric mobility and has announced a package to incentivize electric and hydrogen fuel cell vehicles. But, if electric vehicles fail to turn affordable, they too will face the demand constraints faced by other carmakers. Perhaps

India could learn from the **example of Norway**, which facilitated electric mobility through truly **generous tax subsidies.**

27. A host of challenges greets India's new Air Chief

Source: This post is based on the article "A host of challenges greets India's new Air Chief" published in The Indian Express on 8th Oct 2021.

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

Relevance: Challenges confronting Chief of Air Staff

Synopsis: The IAF has played a stellar role in defending India. The squadron strength of the Air force is depleting. We need a quality and quantity check of its operational assets before pushing for the creation of theatre commands.

Introduction

Air Chief Marshal Vivek Ram Chaudhari assumed office as Chief of Air Staff on September 30. One of the main problems confronting Chief of Air Staff, is that of IAF's depleted assets.

What are the challenges confronting the new Air Chief?

The new Air Chief has a wide spectrum of challenges to address, including

- Rewiring of India's military into new theatre commands and the reservations expressed by the IAF about its "support" role
- The **depletion in operational air assets** due to obsolescence and lack of new platforms. From a strength of 42 combat squadrons in 2002, the IAF now operates barely 30. Experts have cautioned that the combat strength of the IAF will decline to 27 squadrons in five years and will come down to 19 in 10 years.

All this at a time when the country is coping with the Covid pandemic, a complex geopolitical situation due to US withdrawal from Afghanistan and the setback in Galwan.

How the Air force intends to boost its squadron strength?

In the next decade

- IAF hopes to induct the indigenous fifth-generation Advanced Medium Combat Aircraft (AMCA) and the Multi-Role Fighter Aircraft (MRFA) — a new platform that would be built in India with a foreign entity, the "original equipment manufacturer" (OEM), and thereby move up to **35 squadrons**.

What are the issues with future plans to boost squadron strength?

The AMCA is "under design" and India's track record in the design and manufacture of indigenous fighter aircraft is cost- and time-intensive.

As regards the MRFA, the request for information for 114 jets has just been issued. The Rafale experience and the long delays associated with it would suggest that speedy selection of an OEM will be difficult to find.

What is the way forward?

Air power is becoming technologically more refined with unmanned platforms, cyber-space linkages and AI advances. The inherent trans-border nature of this military capability needs **astute professional and political handling**. China has demonstrated the degree of suasion and intimidation that airpower can bring to bear in relation to Taiwan.

Acquiring credible aerospace power with a meaningful degree of indigenization will need a greater degree of national resolve, professional integrity and resource allocation.

28. Seeding a data revolution in Indian agriculture

Source: This post is based on the article "Seeding a data revolution in Indian agriculture" published in The Hindu on 8th October 2021.

Syllabus: GS3 – Agriculture

Relevance: Using digital tech for boosting farmer's income

Synopsis: Two consultation paper, one by the Ministry of Agriculture and the other by Bain were released recently. They both talk about leveraging digital technology for helping farmers and supporting their livelihoods.

Introduction

The first consultation paper is on the **India Digital Ecosystem of Agriculture (IDEA)** from the Ministry of Agriculture and Farmers' Welfare (MoA&FW). It talks about a digital revolution in the agriculture sector.

The second is on **Indian Agriculture: Ripe for Disruption** from a private organisation, Bain and Company. It predicts a revolutionary investment growth in agri-logistics, offtake, and agri-input delivery by 2025.

What is Bain report?

The Bain report is a data-based prediction on agri-business scenarios related the agricultural set-up at present and predicting its future trajectories in another 20 years. It includes targeting the production of alternative proteins, and food cell-based food/ingredients and initiating ocean farming, etc.

The report has a **'today forward- future back approach**' and predicts a drastic investment opportunity development by 2025. The agriculture sector (currently worth \$370 billion), is estimated to receive an additional \$35 billion investment.

The two enabling conditions for such investment opportunities are the

-changes in the regulatory framework, especially recent changes in the Farm Acts and -digital disruption

As per the report, huge investments into the agri-ecosystem can help to achieve the target of doubling farmers' income in near future.

What is IDEA report?

The IDEA-consulting paper is based on the Task Force and Working Group report constituted by the MoA&FW to design the blueprint of "digital agriculture".

IDEA concept is aimed at farmer and the improvement of farmers' livelihood which can be achieved through **tight integration of agri-tech innovation and the agriculture industry ecosystem** to farming and food systems.

Value-added innovative services by agri-tech industries and startups are an integral part of the IDEA architecture. This will help Indian agriculture sector to become a single national market with a national platform with better connection between producer and consumers.

What are some issues with these reports?

First, the IT industry has opposition to IDEA due to the ethics of creating a Unique Farmer ID based on one's Aadhaar number and data misuse.

Second, the emission, energy, and other resource footprints and sustainability issues around these techniques must be carefully studied to confirm the projected trajectory (which is not a part of the report).

Third, both these reports heavily rely on digital disruption to improve farmers' livelihoods. But they fail to discuss how much farmers will be prepared to benefit from these newly emerging business environments. The reality is that majority of small and marginal farmers are not having practical knowledge of the technology. Most of them are under-educated for capacity building. Overall, report ignored the capacity-building required at a farmer's end.

Fourth, The Bain report relies on the general assumption that more investments into the agriculture sector will benefit farmers, **but it failed to answer how.** Also, the IDEA concept fails to clarify, how the technology fix will help resolve all the nine issues of Indian agriculture listed at the beginning of the report. T

What is the way forward?

Though, data revolution is inevitable in the agriculture sector, but we can not only rely on technology fixes to deal with the issue.

We need to improve the capacities of the farmers in India – at least until the educated young farmers replace the existing under-educated small and medium farmers. This capacity building can be done through a mixed approach.

-building the capacities of individual farmers or

-coping with the new situation by establishing support systems, through FPOs and other farmers associations where technical support is available for farmers.

To fulfil this target, we **need a separate programme** across the country with considerable investment.

29. The farmers' movement is no longer about the three controversial farm laws

Source: This post is based on the article "The farmers' movement is no longer about the three controversial farm laws" published in Livemint on 8th Oct 2021.

Syllabus: GS3 – Issues related to Agriculture

Relevance: Farmers' protest against the farm laws passed by the Central govt.

Synopsis: Despite the Supreme Court issuing a stay on the controversial farm laws passed by the govt, the protests which started against them, have carried on. They are now less about the farm laws but more about the issues and problems being faced by our farmers since long. A brief look at some of these issues.

Introduction

The death of farmers participating in the farmers' protest in Lakhimpur Khiri, Uttar Pradesh, is turning into a political contest. Attempts to prevent the politicization of the event led to a restriction on political parties.

All this has brought the farmers' protest back into focus.

Why farmer protest is more than just being about the farm laws?

The 2020 farm laws led to country wide protest in India. What has surprised many is the longevity of it. More so because the 2020 farm laws they oppose are technically under a Supreme Court stay and there has been no push by the government to implement them, or even to have the stay vacated.

Clearly, the farmer protest today has less to do with a demand for the laws' withdrawal than broader concerns on issues related to the sustainability of farming and farm livelihoods.

What is the background of the protest and situation in various parts of India?

The current agitation started after the three farm laws were forced through Parliament without consultation with the sector's stakeholders. But in reality, farmer protests have been going on for the last five years in various parts of the country.

A mobilization in Maharashtra witnessed two long marches. Similar demonstrations were witnessed in Karnataka, Chhattisgarh, Rajasthan and several other states. In Madhya Pradesh, farmers in 2017 were fired upon, resulting in death of seven farmers.

The causes of these protests were different but had a common theme and reasons.

Why India has been witnessing farmer protests since few years?

Declining profitability of farming– driven by rising input costs, weak farm-gate prices and the withdrawal or dilution of protections available from the state.

Decline in income– not only incomes of farmers have declined between 2012-13 and 2018-19, but the majority of them have turned to wageworkers from farmers. This has resulted in an increased share of casual-wage income in the overall earnings by farmers

Increase in number of workers in farm sector- With jobs drying up in non-agricultural sectors, the number of workers in the farm sector has risen up, resulting in decline in perworker income. With rural wages also falling in real terms over the past three years, farmers' hardship have worsened.

Attempting to malign the farmers protest— this has angered farmers. This was visible in the early months, when their movement was sought to be linked with foreign elements.

Trust deficit- The absence of consultation with farmers and criticism of farmer unions has led to a widening trust deficit between farmers and policymakers. Such a situation may not be conducive to allowing and facilitating greater market penetration and participation by private players. Instead, it is likely to contribute to farmer resistance to all reforms in the agricultural sector proposed by the government.

No major efforts by the govt: Govt Efforts to negotiate with farmers have been superficial and lacking any enthusiasm. Even the report of the Supreme Court-appointed committee has not been shared publicly, with no further attempts from the judiciary.

What is the way forward?

Since farmers along with other people dependent on agriculture still account for almost twothirds of the country, a prolonged protest **could also turn into social and political unrest.**

More so given the large pool of unemployed youth in rural areas who only have a slim chance of getting absorbed meaningfully by an economy suffering from a slowdown and pandemic-induced economic distress.

In times of such a multi-dimensional crisis, a confrontational attitude taken by governments towards farm-protesters will only strengthen their movement.

Consensus for structural changes in the farm sector needs trust-building and onboarding of all stakeholders.

30. Simple, but brilliant: on Nobel Prize for Chemistry

Source: This post is based on the article "Simple, but brilliant: on Nobel Prize for Chemistry" published in The Hindu on 9th Oct 2021.

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

Relevance: The article discusses the significance of the discovery of asymmetric organocatalysis.

Synopsis: This year's Nobel Prize for Chemistry is awarded for the discovery of an efficient, "precise, cheap, fast and environmentally friendly" concept of catalysis asymmetric organocatalysis.

Read - What is asymmetric organocatalysis?

Significance of discovery

Simpler: This concept for making molecules is simpler than one could ever imagine.

Accelerating research: The multitudes of new organocatalysts developed have helped drive a variety of chemical reactions, in turn accelerating pharmaceutical drug research.

Other expensive catalysts: In 2001, the three scientists who first developed asymmetric catalysts won the Nobel Prize in Chemistry. But such catalysts often use heavy metals, making them expensive and environmentally harmful.

Easing the process of molecules: Natural and synthesised molecules can exist in two forms — right-handed and left-handed. Their properties very often vary depending on their handedness. In the 1950-60s, **thalidomide** was widely used to treat nausea in pregnant women, but caused severe birth defects. It became clear that the right-handed molecule was highly toxic. But asymmetric organocatalysts allowed the production of molecules of the desired mirror-image form.

Minimizes waste: Other catalysts require the isolation and purification of each intermediate product. It leads to loss of substance at every stage. On the other hand, the use of asymmetric organocatalysts minimizes waste by allowing several steps in molecule production to continue without interruption.

31. Need Smart Govts For Checking Big Tech

Source: This post is based on the article "Need Smart Govts For Checking Big Tech" published in **Times of India** on **8th Oct 2021.Syllabus**: GS -3 Industries and industrial policies

Synopsis: This article is based on ideas from a book on how governments can check the power of big techs.

Introduction

The book **System Error: Where Big Tech Went Wrong and How We Can Reboot,** has been written by Stanford University professors Rob Reich, Mehran Sahami, and Jeremy M Weinstein. This book talks about the issues created y Big techs and ideas to check them.

Today, the world's five biggest companies by market cap are Microsoft, Apple, Alphabet, Amazon, and Facebook.

These companies just focus on profit and are not concerned about the problems they are creating. But when they face backlash, they spend enormous resources on lobbying, public relations, and influencing legislators.

Many tech CEOs see themselves as philosopher-kings or display a libertarian streak and a disdain for government intervention.

How to check the powers of big Techs?

Governments can limit the power of Big Tech in three ways.

First, address the power gulf between companies and consumers when it comes to personal data. Aggressive commitment to data protection and government agencies capable of enforcing that right would be the first check on corporate power.

Second, give greater voice within companies to those who are likely to be hurt by technological change – limit the powers of directors.

Third, a crackdown on monopolistic behavior and anti-competitive mergers and acquisitions. Recall how Facebook snapped up WhatsApp and Instagram to control 85% of the social networking market.

Fourth, To keep an effective check on these companies, lawmakers have to be more techliterate too, so that they are not spun by lobbyists.

32. Coal's problems are governance, not climate regulation

Source: This post is based on the article "Coal's problems are governance, not climate regulation" published in Business Standard on 8th Oct 2021.

Syllabus: GS3 – Infrastructure: Energy**Relevance**: Understanding the power shortage crisis in India

Synopsis: The recent power shortage crisis in India is not about coal, and neither it is about climate action. It's about poor governance.

Introduction

It is the worst news possible for a world struggling to recover from a pandemic while also trying to increase its effort to combat climate change: Power shortages in China and India.

Various forecasters have cut their estimates of 2022 growth in China by about 0.5 percentage points.

India's coal shortages have not yet translated into widespread and significant reductions in expectations of growth in the current year. But that might change if there are major industrial power cuts when the festive season hits and expands consumer and household electricity demand.

The Union power minister has warned that supply constraints could last for six months.

Must Read: Coal Crisis in India - Explained, pointwise

What are the problems being faced by India?

They face similar problems in terms of coal supply:

- i). Costly imports: Spot price for seaborne high-quality thermal coal has now crossed \$200 a tonne a new record, surpassing one set just before the 2008 financial crash. This has limited options for coal imports.
- **ii). Low production:** Domestic coal mining has stumbled. Stockpiles of coal in India have crashed from around 50 million metric tonnes when the pandemic hit in 2020 to under 10 million tonnes today. Coal-fired power plants in India entered October with about four days' worth of coal inventory; it's usually a couple of weeks' worth at least.

Is sharper global regulation on emissions responsible for the present shortage?

The fact is that although many supply restrictions have come into force in multiple economies, the basic problems for this electricity shortage are those of **market structure** and **governance**. Policymakers would be wrong to look at this power crisis and assume it means that more climate-friendly regulation is the problem. Power crises are being caused for the same reasons in 2021 that they were decades ago:

- Unreformed pricing
- Poor management of infrastructure
- **Poor governance**: Coal India claims it has returned to pre-pandemic levels of production, effectively blaming the problems on the Railways' negligent treatment of coal trains although

moving coal provides almost half of the Railways' freight revenues, and more than half of its profits. Here too, there is a **governance issue** to be resolved.

Climate change-associated weather events have played a greater part than normal, with peculiar rainfall patterns and associated floods delaying shipments from the coalfields in India's east-central states.

33. What the attacks against minorities in Kashmir reveal

Source: This post is based on the article "What the attacks against minorities in Kashmir reveal" published in The Indian Express on 9th Oct 2021.

Syllabus: GS3 – Role of External State and Non-state Actors in creating challenges to Internal Security.**Relevance**: terror attacks against minorities in Kashmir

Synopsis: Reasons behind recent terrorist attacks in Kashmir, challenges involved and the future course of action.

Introduction

The targeted terror attacks against minorities in Kashmir indicate a dangerous move. Sikhs and Hindus were identified and shot for being who they are. It also led to Muslim casualties. The purpose was to spread terror, threating minorities and taking advantage of the communal tensions which are developing in India.

Such attacks indicate that counter-insurgency strategies have their place but not without any comprehensive political settlement that involves all parties.

What is the motive behind these attacks?

Drawing a response from the state: The purpose of these attacks is to draw a response from the state and to create a "whatever happens we will win" strategy.

Deepening the communal divide: Their purpose is deep communal divide in India. With this terrorism will get strength.

What are some challenges in resolving the insurgency issue?

- **Absence of a united front**: Indian republic is facing the tragedy of not have a common language of solidarity or a political language that can express a united front against violence of all kinds. In a state like Kashmir, we do not still have the political language to overcome this divide.
- **Absence of a political settlement**: Kashmir still does not have avenues of normal political articulation. Its statehood has not been restored and its constitutional humiliation continues. Kashmir was never allowed the normal processes of social mediation of a democracy. No new political class has emerged. In its absence, there is no chance of a counterinsurgency strategy succeeding.

How should the govt respond?

The first is a deepening and widening of combing for terrorists inside Kashmir.

The second response is external. In the Indian state's mind, there is no doubt that this is the work of groups supported by Pakistan. If that is the case, we have once again been reminded (as the US was in Afghanistan), that air strikes are not a solution to the problem of terrorism.

34. 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%**).

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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.

35. 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.

36. 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

37. 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.

38. 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.

39. 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 **RB**I 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.

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.

40. 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.

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.

41. 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

<u>IPCC's 6th assessment report</u> 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.

42. 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.

43. 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.

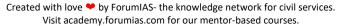
The two-pillar tax solution will now be presented before the finance ministers of the G20 countries this week and later at the G20 leaders' summit.

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.

44. 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 famers 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 insitu 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.

45. 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.

46. 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.

47. 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?

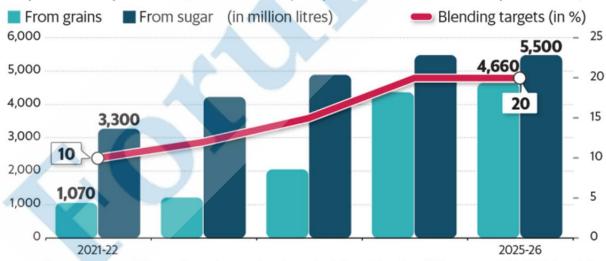
Lower import of petroleum products: According to NITI Aayog, a successful biofuels programme can save India \$4 billion or about ₹30,000 crore every year by lowering import of petroleum products.

Emission reduction: Ethanol is less polluting and offers equivalent efficiency at a lowercosttha 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.

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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.

48. 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.

49. <u>Semiconductors: Why India should not make chips - Instead, the focus should be on other parts of the global value chain</u>

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 Chinabased 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.

50. 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.

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.

51. 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

52. 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.

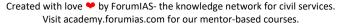
What is the current scenario?

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.

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.

53. 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

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.

54. 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.

55. 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.

56. 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.

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 kickstart local tourism industries.

57. 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

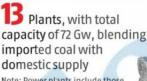
To meet the increased power demand in the country, the Centre has asked thermal power generators to **import coal** for at least 10% blending, citing a shortage of domestic coal supply. This is a sharp reversal of its earlier directive of using domestic coal.

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.

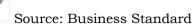
Why the government permitted imports?

TAKING STOCK

12 Power plants, with total capacity of 17 Gw, using 100% imported coal



Note: Power plants include those of Centre, states as well as private Sources: Central Electricity Authority, National Power Portal 200 Gw India's total thermal capacity



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.

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.

58. 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.

59. 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 ¾ 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 outrages, 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.

60. 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.

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.

61. 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.

62. 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.

63. 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 antienvironmental 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.

64. 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 Shoonya 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.

65. 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 ($\mu g/m^3$) in 2012 to 141 $\mu g/m^3$ in 2019. Although it has been dropped to 115 $\mu g/m^3$ 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

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.

66. The final frontier of space technology

Source: This post is based on the article "The final frontier of space technology" published

in **Business Standard** on **18th October 2021**. **Syllabus:** GS3- Awareness in the fields of Space. **Relevance**: Use of Technology in space sector

Synopsis: Emerging tech is helping leverage space for various terrestrial uses.

Introduction

Technological innovations are now driving space activities and research. The space industry is using technologies like 5G, advanced satellite systems, 3D printing, big data, and quantum technology in its activities according to a report by Analytics Insight.

It is also helping scientists, researchers and entrepreneurs reduce project time and cost. Further, implementing advanced space technology is critical since several services like weather forecasts, remote sensing, satellite television, and long-distance communication rely on space infrastructure.

Two critical shifts that are driving the space industry are miniaturisation of satellites and the use of artificial intelligence (AI) for understanding the dynamics of the universe.

How the miniaturisation of satellites will be beneficial?

Reduced Latency: Smaller satellites orbit closer to the earth and are more flexible than larger ones. Proximity to earth means that the transmission time of data to the base station is faster. **Saves Energy**: The energy required to run such satellites is lower.

Produce High resolution images: As camera technology has also miniaturised, the satellites can take much better photos of the earth with higher resolution than large satellites which orbit much higher.

Ease of Maintenance: Since the cost is lower, these can be replaced easily, or their software updated more efficiently.

Sustained Mass production: Miniaturised satellites allow for cheaper designs and advancements in industrial technologies enable their mass production.

Better alternative: Startups develop small satellites that enable space companies to conduct missions that are difficult with large satellites. Moreover, small satellites are well-suited for use in proprietary wireless communications networks, as well as for scientific observation, data gathering, and monitoring the earth using the GPS.

How the use of AI will benefit Space sector?

The use of AI and machine learning (ML) in space activities helps to understand the data being generated by satellites and terrestrial observatories.

Scientists and astronomers are constantly trying to make sense of space phenomena and events. It can take months and years to understand spatial activities.

Algorithms can be trained to understand signals and analyse the different types of lights which are generated by stars and planets.

Researchers say that the accuracy of reading the data can be over 90 per cent, often higher than by humans and in less time.

For example, the **Vera Rubin Observatory in Chile** which is expected to become operational this year will use a 3200-mega pixel camera to observe the night skies. It will photograph the entire sky every night and store over 80 terabytes of images every time.

Over a period of 10 years, the car-sized camera of the observatory will capture 60 petabytes of data. No scientist or even a team can possibly analyse or understand this data without the help of trained algorithms.

What lies ahead for India?

The launch of the **Indian Space Association** can accelerate the domestic ecosystem build on the success of the Indian Space Research Organisation.

Many startups in India are at the leading edge of using emerging tech for space exploration and knowledge generation. The use of such technologies will be unique for India especially with the opening up of **geo-spatial mapping** for the private sector.

67. Liberalising capital account

Source: This post is based on the article "Liberalising capital account" published in Business Standard on 18th October 2021.

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

Relevance: Capital account liberalisation.

Synopsis: Further Liberalisation of capital account would increase risks.

Introduction

India has been progressively liberalising its capital account and further opening up would depend on a combination of factors. Deputy Governor T Rabi Sankar in a speech last week talked about various issues in this context.

What are the recent steps taken by RBI with respect to capital account liberalisation?

India took a big step towards further liberalising the capital account last year with the introduction of the **fully accessible route (FAR)** for government securities. This essentially removed the limit on non-resident investment in specified government securities.

The channel has been opened up with the objective of getting government bonds included in the global bond indices and allow the government to tap foreign savings to finance the fiscal deficit.

Further, Portfolio investment in the equity market is now practically unrestricted aside from sectoral caps. Foreign direct investment is also broadly open except in some sectors.

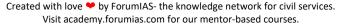
Why India has to act cautiously w.r.t capital account liberalisation?

Greater integration with international markets can broaden the base for Indian assets and help push up economic activity. But it can also increase risks to financial stability. Therefore, it's important for policymakers to consider the trade-offs at different levels of development.

India has moved cautiously on this front to minimise the level of risk involved and should continue with this approach.

Why India needs significant fiscal and financial sector reforms before further liberalisation of the capital account?

Firstly, the Indian financial system is not prepared for full capital account convertibility. The recommendations of the **Tarapore Committee** (2006) in this regard have not been



implemented, either. Capital account convertibility will require integration and development of financial markets.

Secondly, the combined fiscal deficit over the years remained elevated and the situation has only worsened because of the Covid crisis. A higher sustained fiscal deficit with elevated levels of debt can increase financial stability risks.

Thirdly, the financial sector has also not been reformed to the desired extent. The banking system, for instance, is still dominated by public sector banks with differential regulations.

Fourthly, greater capital account convertibility would also run counter to India's trade policy, which is becoming increasingly protectionist.

Fifthly, besides, currency management will become more difficult for the central bank. A significant real currency appreciation would affect India's competitiveness and increase risks.

68. Nuclear power: A climate response that gets short shrift

Source: This post is based on the article "Nuclear power: A climate response that gets short shrift" published in Livemint on 18th October 2021.

Syllabus- GS3: Conservation, Environmental Pollution and Degradation

Relevance: Need of nuclear power generation

Synopsis: There is need to move away from fossil fuels, but the current green energy paradigm needs some serious examination.

Introduction

The world has been dealing with a power and energy crisis and the factors that caused this emergency are complex and differ somewhat from country to country.

What does the analysis of green energy paradigm reveal?

Instability: The solar and wind energy are dependent upon the external conditions (shining of the sun or blowing of the wind) and are intermittent in nature. Hence, in the very best conditions, solar and wind farms can never generate power round the clock, they require fossilfuel back-up.

For instance, today, 24% of Britain's power comes from wind. But the country saw an unexpected "windless summer" this year, which is one of the reasons for the power crisis in the UK.

Among EU nations, Germany has been shutting down its coal-fired and nuclear power stations. But recently, it faced a coal and natural gas crunch.

Why developing nuclear power is a better option?

Less cost of power: Germany's household-sector electricity price is the highest in the EU: \$0.37 per kilowatt-hour (KwH). In France, it's \$0.19. In 2019, Germany emitted 350 grams of carbon dioxide for every KwH generated. France emitted 56 grams, six times less. Power in France is much cheaper and cleaner.

Nuclear power: In 2020, nuclear power made up 78% of the energy France generated, and renewables 19%. Fossil fuels accounted for only 3%.

Zero-emission: According to US government data, a typical 1,000-megawatt wind farm requires 360 times more land than a similar-capacity nuclear facility, while a solar plant requires 75 times more area. Apart from the ecological damage that wind and solar projects can cause, it is estimated that 500,000 birds are being killed every year by collision with wind turbines in the US. This number can only rise.

Less waste: Today, the risks due to radiation exposure are fully known and there are reliable and safe ways to dispose offthe nuclear waste. All the waste produced by the US nuclear industry over 60 years can fit into a seven-metre-high stack of containers in a soccer field. Coal plants spew out that volume of waste every hour.

Clean energy trap: California, the most 'progressive' state in the US, is a fascinating case study. California has been shutting down nuclear plants and aims to be nuclear-free by 2025. However, one of the consequences has been rising emissions due to more dependence on natural gas and more fossil fuel for back-up. Also, while the price of electricity has stayed flat for the rest of the US over the last 10 years, in California it has risen more than 60%.

Where India stands in terms of nuclear power?

Nuclear deal: The boldest decision that Dr Manmohan Singh took in his 10 years as prime minister was to sign the Indo-US nuclear deal. But, due to the usual protests and short-term political thinking, not much seems to have happened since then. Today, only 3% of the power India generates is nuclear.

In 2021, the government announced that India would triple its nuclear power capacity in the next 10 years.

Thorium availability: India imports much of the uranium it uses, which is both expensive and geopolitically tricky. But it has immense reserves of thorium. Hence, there is a need to invest ambitiously in projects that convert thorium to fissile uranium and produce power.

What is the way forward?

First, develop very-large-scale cost-effective technology to store the power produced by renewable resources.

Second, make the right choices between various low-carbon technologies, all of which have some social and environmental impact.

69. Climate justice and India's choice

Source: This post is based on the article "Climate justice and India's choice" published in Business Standard on 18th October 2021.

Syllabus: GS3- Issues related to climate change

Relevance: Climate change and Decarbonisation and its impact on developing countries

Synopsis: India should equally weigh its stand on **Climate justice** with the cost of carbonheavy future.

Introduction

The world is facing a difficult situation with cutting back on CO2 pollution. Global emissions of CO2 today are at about 55 gigatons a year. To avoid catastrophic events with a reasonable probability, emissions have to go to zero by about 2055. Under business as usual, emissions are projected to grow to about 80 gigaton per year in 2055.

While many countries have announced their **Zero transition targets**, India stands firmly with the principle of 'Climate justice'. The corollary of this fact is that India need not worry about carbon emissions until we become a developed country. But in the view of the author, India needs to reconsider this decision.

How India is faring in controlling carbon emissions?

Indian emissions through history make up 3.1 per cent of the CO2 in the air. However, India went up from about 4 per cent of global emissions in 2000 to about 7 per cent today and India is **the fourth-largest source of emissions**.

On a flow basis, India's annual emissions rose from about 1 gigaton per year in 2001 to 2.6 gigatons per year today, with a compound growth rate of about 5 per cent per year.

While there is ample sunlight in India, the carbon intensity of energy production has actually grown in recent decades.

Why India's aim for a carbon-heavy future needs to be reconsidered?

The first is the cost of capital: The global financial system has changed in ways that interfere with carbon-heavy growth paths for India. Real sector investment projects in India are now planned in an international asset pricing environment.

Vast resources of asset managers worldwide have been reshaped into the **ESG** world. As a consequence, the cost of capital is high for a carbon-intensive electricity project and low for a renewable energy project. (ESG stands for Environment, Social and Governance. ESG is becoming a crucial factor in the assessment and evaluation of potential investments in the context of sustainability).

If Indian firms try to use fossil fuels, they will face a high cost of capital in doing so. ESG investment also demands that big companies emit less carbon in their upstream suppliers. For instance, a firm like Google does not buy thermal electricity.

The new world of ESG-inflected investment pushes energy firms and energy customers in India to not emit CO2 (directly or indirectly).

The second is the social movement in developed countries against carbon emission will reshape international relations:

A **Pew Research Centre** survey in 17 advanced economies, published last month, found that 72 per cent felt global climate change would personally harm the respondent, and 80 per cent were willing to make changes in life and work in response.

These strong majorities have reshaped the views of First World politicians who face democratic accountability and have to follow the shifting views of the median voter. It could lead to an intensification of the rules shaping **ESG investment.** Climate questions will become a part of the overall give and take of foreign policy.

What is the way forward?

As the world organises itself to remove emissions by 2055, the reshaped international relations environment implies there are gains for India from de-carbonising. Hence, India should prioritise decarbonisation.

70. Powering the energy sector

Source: This post is based on the article "Powering the energy sector" published in The Hindu on 18^h October 2021.

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

Relevance: Understanding the need for reforms in the Energy sector.

Synopsis: The Electricity (Amendment) Bill will be a game-changer if we implement its provisions successfully.

Introduction

India's energy sector is struggling to meet the development needs of people. Also, DISCOMS are fighting with various problems ranging from poor infrastructure, ineffective operations to State level tariff policies. Under this backdrop, the Government of India released **Electricity** (Amendment) 2020 to bring reforms in this sector.

What are the provisions of Electricity (Amendment) 2020?

More options: The bill aims to provide more options to consumers to choose their service provider or switch their power supplier

Read more: Draft Electricity Act (Amendment) Bill 2020

What should the government do further?

There is a need to encourage the use of rooftop solar plants. Also, proposing penalties for non-compliance with renewable purchase obligations can help push renewable energy consumption and increase its demand.

Electrical energy should be covered under GST as this will enable companies to avail input credit

Other solutions can be the **installation of smart meters and smart grid** which will reduce the AT&C losses.

71. Coal India, the fall guy for power crisis

Source: This post is based on the article "Coal India, the fall guy for power crisis" published in Indian Express on 18^h October 2021.

Syllabus: GS 3 Infrastructure.

Relevance: Understanding the reasons behind shortage in the coal sector.

Synopsis: Instead of blaming Coal India, there is a need to recognize its efforts to meet the demand for coal, and its help in generating power at affordable tariffs.

Introduction

The post-Covid economic recovery has led to a major increase in the demand for power, both in India and globally. India's coal-based power plants are struggling with a shortage of coal stocks to meet the end demands.

What are the reasons behind it?

The reason behind this shortage is both structural and operational.

Structural Changes

Allocation to private sources: The government appointed the committee in the early 1990s. It concluded that Coal India Limited (CIL) is not sufficient enough to meet the need of excess demands in case if needs arise in the future. So, the government amended **Coal Mines Nationalisation Act** (CMNA) in 1993.

Under this, it allocates 200 coal blocks of 28 bn tons from CIL and allocates them to end-users (mostly private) for the captive mining of coal. But unfortunately, they failed to produce any significant quantity of coal to meet the rapidly rising power capacity between 2007 and 2016

Production: There is the requirement that coal production should produce at least 500mn tons per annum (mtpa). But, in reality, it never proceeds 60 mtpa.

Operational Changes

Mandatory Requirements: Central Electricity Authority mandates a coal reserve of 15-30 days, which was lacking.

Non-Payment: The non-payment of dues by the power companies of the coal companies has led to poor finances of these companies. According to the reports, 18000 crore is due on power companies.

Shortage: The continued shortage of domestic coal production has forced India to import about 200 mn tonnes of coal. China's increased consumption, driving international coal prices upwards, this has led to reduced coal imports in India.

Internal problem: Many of the staff member members got infected or lost their lives with covid. This has led to a shortage of employees.

Geographical Impact: Monsoon also added disruptions in the mining process.

Read more: Coal crisis in India - Explained, pointwise

What is the performance of CIL?

Though CIL has increased its output by 5.8% in the 1st half of 2021-22, the consumption also increased.

With monsoon receding, CIL has started ramping up production and supply will soon meet the demand. It has already increased its coal offtake to more than 1.5MT per day. Apart from this, CIL has also been able to replace imported coal with domestic coal. The cost of CIL coal is still cheaper than imported coal despite various taxes and transport costs.

What should India do?

CIL has performed excellently despite policy measures in the 90s which took away 28 billion tonnes of coal. So, instead of blaming, CIL needs to be appreciated for its performance and for providing light to the people.

72. Our farm income and nutrition challenge amid climate change

Source: This post is based on the article "Our farm income and nutrition challenge amid climate change" published in "Livemint" on 18th October 2021. Syllabus: GS3: cropping patterns in various parts of the country

Relevance: To understand issues plaguing the agriculture sector and the simultaneous need of protecting the environment.

Synopsis: Need and ways to scale up sustainable agriculture' practices (SAP's).

Introduction

The global climate change negotiations at 'CoP-26' of 'UNFCCC' is scheduled for last October. It is in this context, the role of agriculture in environmental degradation and vulnerability of farmers needs to be seen.

What are the vulnerabilities of Indian farmers due to climate change?

India is one of the most vulnerable, with its farmers facing higher temperatures, less predictable rains, frequent droughts and cyclones. These are expected to get worsen over time.

Read more: Challenges like climate change call for farm research to take centre stage, just like during the Green Revolution

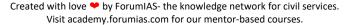
What model of agriculture is prevalent in India?

The "Green Revolution" based agriculture practices followed till now, helped India overcome the food crisis, however it is reaching its limits.

What are the shortfalls seen in "Green Revolution"?

In rain-fed areas, its impact is marginal.

In **irrigated areas**, farmers now use 3.5 times more fertilizer than in 1970 to get the same output. Of this,78% of fertilizer is lost to the environment, causing soil, air and water pollution.



What are the consequences seen in the model?

Income growth in agriculture is the slowest among all sectors of India's economy. Apart from that, input-intensive agriculture has made us calorie-secure, about 22% of adults are underweight and under the age of five 38% of children are stunted and 59% are Anaemic.

What model of agriculture is the need of the hour?

Council on Energy, Environment and Water(CEEW) identified 16 'sustainable agriculture' practices (SAP's), such as organic farming, natural farming, integrated farming systems, agroforestry and precision farming.

These could be economically remunerative, socially inclusive and environmentally benign.

What are the challenges in the success of 'SAP's'?

Farmers-No single SAP has been adopted by more than 4% of farmers.

Central government support is limited. India's National Mission on Sustainable Agriculture receives only **0.8%** of the agricultural budget.

The lack of state support limits the mainstreaming of sustainable agriculture.

What are the impacts of SAP's seen?

The impact is seen on incomes, yields, nutrition and the environment.

Natural and organic farming has improved farmers' net **income** by reducing inputs costs and increasing **crop diversification**, leading to improved nutrition security and incomes for small and landless farmers.

They have raised annual **farm output** by unlocking additional cropping seasons in rain-fed areas.

These are also helping improve farm resilience against climate change. In 2018, naturally-farmed paddy and banana fields withstood heavy cyclones in **Andhra Pradesh**, whereas adjoining fields with conventionally harvested crops were devastated.

How India can incentivize SAP's?

Capacity building-Farmers need hand-holding initially. To accelerate this process, the government must leverage the presence of more than 1,000 civil society organizations promoting farmer-to-farmer capacity building for sustainable agriculture.

Technology adoption to mechanize labour-intensive activities associated with SAPs. Incentivize innovators and entrepreneurs through channels like the **Atal Innovation Mission** to encourage the development of farm implements for SAPs.

Support local micro-businesses through state livelihood missions to produce and sell readymade inputs such as vermicompost and organic fertilizers.

National policy focus should be shifted from food to nutrition security, looking beyond yields. Government can support transition and bear short-term losses. Instead of input-based subsidies for fertilizer and power, the focus should be to **incentivize outcomes** like nutrition output, water conserved or desertification reversed.

Research and development-SAP's impact studies comparing these with conventional farming across agro-climatic zones could inform further scale-ups of SAPs, even in irrigated areas.

In conclusion, India should start promoting sustainable agriculture, particularly in rain-fed areas—home to 60% of Indian farmers. Rain-fed farmers practise low-resource agriculture, have low productivity, and stand to be the chief gainers from this transition.

73. Digitisation of farm data needs awareness

Source: This post is based on the article "Digitisation of farm data needs awareness" published in "Business Standard" on 18th October 2021.

Syllabus: GS3: e-technology in the aid of farmers.

Relevance:To understand the need to digitise agriculture related information.

Synopsis: Digitisation of data relating to farmers, and how private participation can strengthen agriculture.

Introduction

Government recently roped in corporate houses on a pro-bono (free of charge) basis in select areas for one year for digitisation of data related to Indian agriculture. These would be scaled up if found useful.

A 'Digital Agricultural Mission' has also been launched for the period 2021-25 to promote the use of novel technologies like artificial intelligence, blockchain (hack-proof) data upkeep, remote sensing, geographic information systems (GIS), drones, and robots.

What it aims to achieve?

The objective is to enable stakeholders in the farm sector value chain, from production to consumption, to take informed decisions about their professional and business matters.

This database is proposed to be integrated with the land records of farmers to create a national data resource.

What are its benefit to farmers?

Farmers would get digital access to timely, situation-specific, and problem-solving know-how. They would also receive tips on what crops and their varieties to grow, and when and where to sell their produce to realise the best prices.

A unique identity for each farmer (Farmer ID) would be created for better targeting of cash benefits and other kinds of support and services provided by the Centre and state governments.

What is the current status of agri-digitization?

The agriculture-related data of about 55 million farmers has already been digitised. This number is expected to be 100 million by the end of the year.

How can the private sector help in agri-productivity?

Jio provides soil tests and water availability-based advisories to cultivators and facilitate their direct interaction with farm scientists.

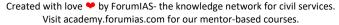
ITC has proposed to provide customised digital "site-specific crop advisory service" and also handhold farmers to enable them carrying out the suggestions on their farms.

CISCO has already created digital agricultural infrastructure and has linked it with other information technology and artificial intelligence tools for knowledge-sharing on improved farm practices.

NCDEX is planning to disseminate information relating to crop arrivals, price trends, and locations of warehouses.

What are some of the apprehensions associated with private sector participation?

The access of private companies to the entire data, including private information, related to individual cultivators impinges on the **right to privacy**.



There are chances of misrepresentation of land records, most of which are in bad shape at present.

The potential corporatisation of agriculture might subjugate the interests of actual land tillers.

What steps has the government taken to allay these apprehensions?

A specific policy is being drafted to regulate collecting, preserving, and protecting agricultural data.

The government assured that the private data of farmers, though readily accessible to them for their own use, would not be shared with any organisation.

Way forward:

It would be advisable for the agriculture ministry to allay their fears concerning the digitisation of farm data. A well-organised awareness campaign is perhaps the need of the hour.

74. Improving livestock breeding

Source: This post is based on the article "Improving livestock breeding" published in "The Hindu" on 19th October 2021.

Syllabus– GS3: Economics of animal-rearing.

Relevance: To understand the livestock sector and issues associated with it.

Synopsis: The facts and schemes relating to different livestock sector and the expected benefit out of it.

Introduction

Livestock breeding in India has been largely unorganised because of which there have been gaps in forward and backward integration across the value chain.

Government has revised "Rashtriya Gokul Mission" and "National Livestock Mission" (NLM) to adress issues in this sector.

What are the facts regarding Livestock sector and its impact?

Facts-Approximately 200 million Indians are involved in livestock farming, including around 100 million dairy farmers. Roughly 80% bovines in the country are low on productivity and are reared by small and marginal farmers.

Impact-It impacts the quality of livestock that is produced and in turn negatively impacts the return on investment for livestock farmers.

What steps are taken by Government to improve 'Livestock sector' and its 'farmers'?

- To enhance the productivity of cattle, the "**Rashtriya Gokul Mission**" was initiated in 2014 with a focus on the genetic upgradation of the bovine population through widespread initiatives on artificial insemination, sex-sorted semen, and in-vitro fertilization.
- Web applications like **e-Gopala** that provide real-time information to livestock farmers on the availability of disease-free germplasm in relevant centres, veterinary care, etc.
- The **revised** version of the "Rashtriya Gokul Mission" (**RGM**) and "National Livestock Mission" (**NLM**) incentivises **entrepreneurship development** and breed improvement in cattle, buff alo, poultry, sheep, goat, and piggery by providing incentives to individual entrepreneurs, farmer producer organisations, SHG's, companies(section 8) among others.

State governments would be given incentive for breed improvement **infrastructure**.

Components under revised "RGM" and "NLM":

Breed multiplication farm component of "RGM"-provide for capital subsidy up to ₹ 200 lakh for setting up breeding farm with at least 200 milch cows/ buff alo using latest breeding technology.

Breed multiplication farm is expected to result in the employment of 1 lakh farmers.

Poultry entrepreneurship programme of the NLM-capital subsidy up to ₹ 25 lakh for setting up of a parent farm with a capacity to rear 1,000 chicks. The rural entrepreneur running the hatchery will be supplying chicks to the farmers for further rearing.

Sheep and goat entrepreneurship, there is a provision of capital subsidy of 50% up to 50 lakh. Each entrepreneur will get animals with high genetic merit from the Central/State government university farms.

For piggery, the NLM will provide 50% capital subsidy of up to ₹ 30 lakh.

The revised scheme of 'NLM' coupled with the **Rashtriya Gokul Mission** and the Animal Husbandry Infrastructure Development Fund has the potential to dramatically enhance the **productivity** and traceability standards of our livestock besides it has huge potential for **employment generation**.

75. Has Kerala learnt anything from extreme weather? Apparently not, say experts

Source: This post is based on the following articles "Has Kerala learnt anything from extreme weather? Apparently not, say experts" published in "Down To Earth" on 18th October 2021.

"Kerala floods require a local set of responses" published in "Livemint" on 19th October 2021.

Syllabus: GS3-Disaster and disaster management.

Relevance: To understand the often crisis of floods seen in different parts of the country.

Synopsis: The issue of flash floods seen in Kerala, reasons associated and the remedies needed.

Introduction

The recent Kerala floods took life of more than 25 people, triggered by heavy rains in the southwest tip of the Indian peninsula. However, this is not something new for Kerala. Some 483 people were killed in the August 2018 floods.

What are the reasons attributed to the recent floods?

The India Meteorological Department (IMD) has said the rains are the outcome of low-pressure weather systems which evolved over peninsular India.

But other **climate experts** have cited **cloudbursts** as the cause i.e, a pattern of torrential rains that occur over a limited area in a short period. Experts have also said a **changing climate** is behind the extreme weather events of the last four years.

What are the recent trends wrt Kerala floods?

Loss of life, property and livelihood seen again. Like last time, the most severely affected are those of limited means.

In the last four years, Kerala has witnessed **only scanty rainfall in June and July** but has faced extreme, unexpected rain for short durations in August, September and October.

Indian Institute of Tropical Meteorology (IITM) has established a 52% increase in the frequency of cyclones over the Arabian Sea between 2001 and 2019 owing to increased sea surface temperature of Arabian sea.

What are the reasons for Kerala floods?

Natural and Geographical reason-Given the coastal state's terrain, with the windward slopes of its Western Ghats forcing monsoon clouds upwards to squeeze out rainwater.

Anthropological reasons:

- **Globally**, **climate change** is the prime suspect in almost all such occurrences. Experts have long warned of a tipping point after which rain cycles that have prevailed for millennia can suddenly go erratic.

In general, extra warmth directly affects relative air-pressure and interferes with air-circulation patterns. A warmer atmosphere also holds more water, which in turn results in heavier rainfall.

- Local causes- Environmental degradation cannot escape blame. Loss of forest cover down the decades turned hillsides unstable.

The use of concrete for construction has disrupted the state's natural rainwater absorption and drainage system.

Quarrying, mining and other such activities compounded the menace. Many check dams got silted up, leaving their reservoirs unable to restrain downhill gushes of water.

What needs to be done now?

Short term measures-Immediate relief, rehabilitation and rescue activities provisions should be the top most priority.

Long-term measures-Region-specific solutions that involve actions within the ambit of local administrative control. Kerala's recurrent floods need a comprehensive plan of their own. The need for **climate-resilient construction** and agricultural practices, as well as long-term strategies to protect people from floods and landslides in the Western Ghats.

Fair and transparent **environmental impact assessments** when it takes up larger development projects requiring massive infrastructure and changes in land-use patterns.

State should initiate large-scale climate change literacy.

Limitations in **forecasting** rain, especially extreme rainfall events. These needed to be improved.

Adequately implementing "Madhav Gadgil" committee recommendations. This panel on the eco-logical fragility of our Western Ghats recommended measures to halt and reverse the damage.

76. India's pulses problem: We need real reform

Source: This post is based on the article "India's pulses problem: We need real reform" published in "Down To Earth" on 18th October 2021.Syllabus: GS3: Issues related to direct and indirect farm subsidies and minimum support prices.

Relevance: To understand issues confronting smooth functioning of "MSP" system in the country.

Synopsis: Some inherent flaws in MSP system and what the government needs to do to address them.

Introduction

India is the largest producer and consumer of pulses in the world. However, we consume more than what we produce. Therefore, pulses are imported, and the general public suffers due to the unusually high prices.

The main reason for this imbalance is the half-hearted and ad-hoc price policy of the government.

How is the 'MSP' price determined?

Commission on Agricultural Costs and Prices (CACP), established under the Union Ministry of Agriculture, fixes the minimum support price (MSP) of all agricultural products, including pulses.

The MSP is set on the basis of cost of production; position of supply, demand; prices in markets, position of prices relative to other commodities, proper use of natural resources like land and water, economy of the country, and **50% profit on cost of production**.

What are the issues in 'MSP' system?

For all MSP-notified crops:

The so-called 50% profit to the farmer is not per the government's intended formula, and so it is relatively low. However MSP does not have any legal backing till now and farmers can't demand it as a legal right.

The CACP is by status a department whose recommendations are only advisory.

Representation of farmers is minimal.

For Pulses specifically:

Consumers have to buy pulses at 150% to 200% of MSP. This increases inflation and puts an unbearable burden on the weaker section.

Pulses are imported at prices lower than the domestic ones.

Ineffective measures by government like reducing the storage limit of pulses under the Essential Commodities Act.

Must Read: Diversification of food basket through pulses

What are the reforms needed?

The MSP **formula should be revised** and the purchase of each crop in the entire country should be ensured at that declared price.

The commission should be given **constitutional status**, so that its recommendations are binding.

A **maximum retail price** for consumers should be fixed by adding a reasonable profit of 50-60% over MSP to the farmer.

All **restrictions** on transport, storage, trade, processing and export of all agricultural products should be **abolished**.

In case of low domestic production, **imports and taxes** should be decided after the harvest.

77. Slide in China's GDP growth and implications for India

Source: This post is based on the article "**Slide in China's GDP growth and implications for India**" published in **Indian Express** on **19th October 2021.Syllabus:** GS3 – Indian Economy and issues relating to Growth, Development and Employment.

Relevance: Bilateral trade and Self sufficiency

Synopsis: Growth slow down in China can impact global economic recovery and India in particular.

Introduction

China's third-quarter GDP growth slowed to **4.9**% as industrial output rose way below expectations in September, according to data released by the country's National Bureau of Statistics.

A slowing Chinese economy is worrying wrt trade and the overall loss of momentum to the global post-pandemic economic recovery. India too can be affected adversely.

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What are the reasons behind economic slowdown in China?

Massive fuel crunch and worries of a systemic crisis in its real estate business precipitated by the Evergrande fiasco, and a souring of business sentiment amid the federal government's crackdown on multiple Chinese sectors and marquee companies.

How China's growth output is being affected?

Loss of Capital to sustain Growth: According to a Reuters report, businesses were less keen to invest in new projects amid the federal government's crackdown on multiple Chinese sectors.

Power Crisis: The power shortage had a "certain impact" on normal production. Factories and units across the country had to curtail output due to surge in coal prices.

Real estate sector Crisis: The drop in fixed asset investment is being primarily attributed to a perceptible slowdown in real estate investments. In August, real estate major Evergrande warned of a default and subsequently missed payments to investors in its offshore US dollar-denominated debt.

Why the present situation may be of concern to India?

India could be impacted, given India's deepening trade with China and its import dependence. For example,

Import dependence: India imports items such as smartphones and automobile components, telecom equipment, active pharmaceutical ingredients, and other chemicals mostly from China. India's trade deficit with China increased to \$46.55 billion in the first nine months of 2021, up from \$29.9 billion in the year-ago period.

Increasing Bilateral trade: India's total trade with China touched \$90.38 billion during the January-September period, and is likely to cross \$100 billion by the end of the year. According to India's Commerce Ministry data, China was India's top trading partner in the April-July period.

78. Education is a powerful enabler of climate-change containment

Source: This post is based on the article "Education is a powerful enabler of climate-change containment" published in Livemint on 19th October 2021. Syllabus: GS3 – Issues related to Climate change

Relevance: Role of education in mitigating climate change.

Synopsis: At this critical juncture in the history of humanity, we must now re-imagine education as a tool that can play a transformative role in mitigating climate change. Education can become an active agent in catalysing climate mitigation and adaptation in line with the global agreements.

Introduction

In the lead up to CoP-26, more countries have been committing themselves to achieving **carbon neutrality by 2050**. This includes using regulation and policy to improve energy efficiency, develop alternative energy sources, reduce overall energy consumption and minimize wastage. Education, as a tool to further climate change, has still been untapped though.

Must Read: Shaping India's green future

How education can play a transformative role wrt climate change?

Promoting universal values: Universal values such as global citizenry and sustainable development must be incorporated into mainstream, foundational and formative years of study.

This will help students become self-directed, raise self-awareness, enable a cultural transformation, and change the mind-sets and lifestyles of future global citizens.

This is why young leaders like *Greta Thunberg* and *Malala Yousafzai* are inspiring millions of young people around the world to make societies smarter, greener and more inclusive and resilient.

More investment and better quality of expenditure in education to scale up learning, particularly for disadvantaged and marginalized groups including girls and women is the best strategy to support sustainable development. The more well-educated people there are in a country, the better the capacity and agility of that country to prevent or mitigate future hazards.

Education can be more responsive in producing experts, innovators, and leaders with the skills to tackle climate change and other related development challenges. Such challenges include converting waste to energy, increasing food production and minimizing food waste to feed the growing population sustainably, transitioning to clean energy and transport and creating and preparing for green jobs.

How govts and global institutions are striving to impart Climate change education? There are already good examples of climate change education led by some governments.

Italy: it requires all students to take more than 33 hours of climate change classes each year in higher secondary education.

Philippines; The Department of Education has committed to intensify climate literacy and support climate action in schools.

The Republic of Korea: it has started a project to transform schools into green campuses that will showcase education programs for environmental protection and use eco-friendly energy.

The Paris Agreement: it calls for its signatories to undertake educational and public awareness campaigns on climate change and ensure public participation in programmes to achieve its targets.

The Asian Development Bank (ADB): it launched the Climate Change Fund in 2008 and has since actively pursued ways to mainstream climate change issues in education. The bank is supporting clean energy in several education projects including preparing graduates with green skills.

What more needs to be done?

Developing the climate change education system will require **comprehensive cooperation between central and local governments**, schools, universities, communities, non-government organizations (NGOs) and the private sector.

This collaboration is critical to develop education policies that will prepare and engage students in sustainable development through science, technology, engineering, and mathematics (STEM) projects.

The international community, multinational corporations and international NGOs are equally critical in harmonizing and providing this support.

79. A new global economic consensus

Source: This post is based on the article "**A new global economic consensus**" published in **Business Standard** on **19th October** 2021.**Syllabus:** GS3 – Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment

Relevance: Unsustainable development and need for sustainable economic model.

Synopsis: Cornwall Consensus should replace the Washington Consensus.

Introduction

The world is now facing a future of unprecedented risk, uncertainty, turmoil, and climate breakdown.

In this context, a report released recently by the **G7 Economic Resilience Panel** demands a radically different relationship between the public and private sectors to create a sustainable, equitable, and resilient economy.

As per the report, the World leaders have a simple choice now: either continue supporting a failed economic system, or scrap the **Washington Consensus** for a new international social contract.

Must Read: What is Washington consensus?

What is the Cornwall Consensus and how's it different from the Washington consensus? The alternative that has been proposed in the report is "the Cornwall Consensus."

It seeks systematically to address chronic and acute issues to advance global economic resilience.

Key points of Cornwall Consensus:

The Cornwall Consensus would invert the Washington consensus.

- i). It revitalizes the state's economic role, and would allow to pursue societal goals, build international solidarity, and reform global governance in the interest of the common good.
- **ii).** This means that grants and investments from state and multilateral organisations would require recipients to pursue rapid decarbonisation rather than rapid market liberalisation, as required by IMF lending for structural adjustment programmes.
- **iii).** The Cornwall Consensus also entails moving from reactively fixing market failures to proactively shaping and making the kinds of markets we need to nurture in a green economy.
- **iv).** It will replace redistribution with pre-distribution. The state would coordinate mission-oriented public-private partnerships aimed at creating a resilient, sustainable, and equitable economy.

Why is a new consensus needed?

Firstly, the old model (Washington Consensus) is no longer producing widely distributed benefits. It has proven to be disastrously incapable of responding effectively to massive economic, ecological, and epidemiological shocks.

Secondly, today's crisis conditions make a new global consensus essential for humanity's survival on this planet. For instance, achieving the United Nations Sustainable Development Goals, adopted in 2015, is difficult under the prevailing global governance arrangements.

Thirdly, there is an urgent need to strengthen the global economy's resilience against future risks and shocks. This cannot be done without overhauling the outdated economic system.

Finally, most economic institutions are still governed by outdated rules that render them unable to bring in the responses needed to end the pandemic or achieve the Paris climate agreement's goal of limiting global warming to 1.5° Celsius, relative to pre-industrial levels.

What needs to be done?

First, There is a need to move away from measuring growth in terms of GDP, GVA, or financial returns to assessing success on the basis of whether we achieve ambitious common goals.

Second, need to invest substantially in pandemic preparedness and mission-oriented health financing.

Third, innovations that benefit from large public investments and advance purchase commitments needs to be prioritised. This calls for a new approach to governing intellectual-property rights. In this regard, IP governance should be reformed to recognise that knowledge is the result of a collective value-creation process as recommended by WHO.

Fourth, need for increased state investment in the post-pandemic economic recovery, that this spending be increased to 2 per cent of GDP per year, thereby raising \$1 trillion annually from now until 2030.

Fifth, Public investment must be channeled through new contractual and institutional mechanisms that measure and incentivise the creation of long-term public value rather than short-term private profit.

Sixth, a new multilateral and interdisciplinary institution focused on decarbonizing the economy should be institutionalized like 'CERN for climate technology' inspired by the European Organisation for Nuclear Research. It would pool public and private investment into ambitious projects.

80. Expanding forest cover: On proposed amendments to Forest Act

Source: This post is based on the article "Expanding Forest cover" published in Business Standard on 20th October 2021.

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

Relevance: Balancing between forest expansion, environment protection, and economic development.

Synopsis: Proposed legal amendments to the Indian Forest Act are in the right direction. Introduction

The environment ministry recently initiated the process to amend the existing forest legislation. It has been now put up in the public domain recently to invite stakeholders' and state governments' response.

Why was there a need to amend the Indian Forest Act?

An amendment to the obsolete Indian Forest Act has been due for a long while, especially since 1996, when a judgment by the Supreme Court changed the very fundamentals of the concept of forests and their governance.

The court had opined that any green patch that conformed to the "dictionary meaning" of the term "forest" be considered forest and governed accordingly. However, the judgement of the SC has become troublesome for some reasons.

With this, most kinds of land with a green canopy, regardless of their ownership, became "deemed forest", requiring forest authorities' prior permission before putting them to any use.

Public institutions like the railways and road departments, too, needed the forest ministry's nod to utilise their spare land alongside rail tracks and roads if trees or other vegetation had come up there.

Strategically vital projects in border areas and elsewhere, too, had to go through the time-consuming process of getting necessary clearances.

What are the positives in the draft Indian Forest Act?

Firstly, the text does away with many of the contentious and thorny regulatory provisions of the previous drafts and can, with necessary changes, form the basis for the modification of this law.

Secondly, while decriminalizing minor offenses to reduce the load on public litigation, it proposes relatively high penalties for major infringements and also more stringent norms for forest conservation.

Thirdly, it seeks to introduce a novel concept of "**pristine forests**" where no non-forestry activity will be allowed under any circumstances.

Fourthly, the new draft seeks to introduce some significant and need-based reforms in the forest sector, which can potentially pave the way for forestry activities even on private lands. Most of the concerns related to curbs on harvesting, transit, and trade of the forest produce grown on private plots are proposed to be removed.

What are the contentious issues in the draft Indian Forest Act?

Exploring and extracting oil and natural gas from beneath the forest lands is proposed to be allowed by drilling holes from outside the forest areas without harming the underground water aquifers. This provision, however, may turn controversial as experts still differ on the efficacy of this technology.

The draft fails to lay due emphasis on promoting agro-forestry, which has a huge potential to expand green cover in rural areas, apart from generating additional income for the farmers. What is the way forward?

Promoting tree plantations on private lands and agricultural farms has, indeed, become imperative now due to the lack of government or community lands for raising new forests.

Private participation is vital to meet the targets of covering 33% land with forests and creating a carbon sink to lock in 2.5-3 billion tonnes of carbon dioxide as stipulated under the Paris agreement on climate change.

The paramount need today is to strike a **joint endeavour by the public and private sectors** to achieve this key objective.

81. Devastation in coasts and hills underlines ecological fragility, calls for revisiting development paradigms

Source: This post is based on the article "Devastation in coasts and hills underlines ecological fragility, calls for revisiting development paradigms" published in Indian Express on 20th October 2021.

Syllabus: GS3- Disaster and Disaster Management.

Relevance: Development vs Ecology conservation

Synopsis: Whether in the Western Ghats or the Himalayas, there are pressing reasons for states to rethink development paradigms.

Introduction

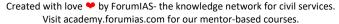
This monsoon season has given ample evidence of extreme weather events. For instance,

In July, a fortnight of torrential rain left a trail of destruction in the mountains of **north India** and the coastal parts of Western India.

At least 20 people are feared to have lost their lives in another bout of floods in **Uttarakhand**.

In **Kerala**, incessant downpour in the past four days has swelled rivers and caused landslides, sweeping away homes, bridges and claiming at least 38 lives.

States require much more than emergency measures to address and mitigate such climaterelated vulnerabilities.



Why hilly states are more vulnerable to climate changes?

The topography of most hilly regions makes them prone to landslides.

Deforestation, quarrying, road construction and other land-use changes that neglects ecology increase vulnerabilities of such areas during episodes of heavy rainfall.

That's why several expert committees have advised utmost caution in implementing infrastructure projects in both the Himalayas and the Western Ghats.

- Madhav Gadgil committee: In 2011, the committee recommended that a roughly 1,30,000 sq km stretch spanning Gujarat, Karnataka, Kerala, Maharashtra and Tamil Nadu be declared an environmentally sensitive zone. It called for strict regulation of developmental activities in this stretch.
- **K Kasturirangan committee:** It was a substantially diluted recommendations. It proposed to reduce the size of Western Ghats' eco-sensitive zone by about half of what was earmarked by the Gadgil panel.

What was the response by the state governments?

None of the six states agreed with its recommendations. Kerala, in particular, objected to the proposed ban on mining, restrictions on construction activities and embargoes on hydroelectricity projects.

The substantially diluted recommendations of K Kasturirangan also did not get much traction in the Western Ghat states.

What needs to be done?

Greater coordination amongst forecasting agencies and reservoir management authorities: In recent years, state governments in most parts of the country have been criticised for taking disaster management decisions too late. For instance, opening up of reservoirs to avoid flooding. Dam operators blame the delay on not being alerted about extreme weather events in time. Hence, there's a case for greater coordination amongst forecasting agencies and reservoir management authorities. This would ensure the timely opening of dam spillways and create holding capacity in the reservoirs to absorb excess rainfall.

Investments in disaster management systems: With studies and IPCC reports warning about more destructive floods caused by sea-level rise and high-intensity rainfall, India should not delay investments in disaster management systems.

82. India must keep the momentum of Air India's privatization going

Source: This post is based on the article "India must keep the momentum of Air India's privatization going" published in Livemint on 20th October 2021.

Syllabus: GS3 - Indian Economy and issues relating to Planning, Mobilization of Resources,

Relevance: Disinvestment of PSE's

Synopsis: Adopting policies that boost the market valuations of state-run companies will help government to keep the disinvestment momentum.

Introduction

After the successful disinvestment in Air India, many want the government to build on this and carry out more strategic disinvestment, i.e., sell more government companies, to the private sector. But that is a very obvious point.

The right way to carry the <u>disinvestment</u> momentum forth is to formulate policies that lead to the stock-market valuations of public sector companies going up in the years ahead.

How right policies will help the government to carry the disinvestment momentum?

Ensuring right Professional management practices in public sector companies will increase the stock-market valuations of PSE's.

For instance, take the case of ICICI Bank, a private lender, and Punjab National Bank (PNB), which is state-run.

– Data from the Indian Banks' Association shows that both banks are more or less similarly sized. As of March 2021, ICICI Bank had total assets worth ₹12.30 trillion, whereas PNB had total assets worth ₹12.6 trillion. However, PNB's market capitalization was ₹46,852 crore that is less than a tenth of that of ICICI Bank, which was worth ₹5.04 trillion.

One reason for this lies in the **higher non-performing assets** (NPAs) or bad loans of PNB, at ₹1.04 trillion as of June 2021, whereas those of ICICI Bank were at ₹43,148 crore.

The difference in the two lenders' market capitalization is not just because of the difference in their bad loans. The market feels that **ICICI Bank is more likely to be run like a bank should be** whereas it isn't clear if the same can be said about PNB or other public sector banks (PSBs). Hence, the lower market value.

Government interventions and influence on PSE's needs to be limited. For instance, public sector enterprises are also used by the government to fulfill its social-sector objectives. In the case of PSBs, there is always the danger of their being pushed to give loans to industrialists close to the government.

To correct this, the government needs to allow managers of public sector enterprises to run them like businesses. This will help improve the stock market valuations of these companies manifold.

Higher valuations mean that the government can keep selling some stake in these companies regularly to raise money. This money can then be used to fulfill the Centre's social goals, including incentivizing banks and other companies to do what the government wants them to.

83. Changing economic order

Source: This post is based on the article "Changing economic order" published in Business standard on 20th October 2021.

Syllabus: GS3- Indian Economy and issues relating to Planning, Mobilization of Resources,

Relevance: Deglobalisation and declining international trade

Synopsis: In the absence of a focused approach to exports in the changing global environment, longer-term growth prospects are bound to suffer.

Introduction

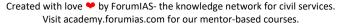
India is on track to attain the \$400-billion export target this fiscal year. Exports jumped to \$33.44 billion in September, registering 21.35% year-on-year growth. India is clearly benefiting from a stronger-than- expected recovery in international trade.

But note that booming international trade may not sustain for long and the world is witnessing a trend of de-globalisation. Hence, India needs to adopt policies that could suit the changing global environment.

Why it is said that the world is witnessing a deglobalisation phenomenon?

International trade has been under pressure for several years and the pandemic has only exacerbated the fault lines.

Large economies are reconsidering their dependence on international supplies and would aim to build domestic capacity.



Corporations are also re-evaluating the resilience of supply chains. All this may affect global trade and growth over the medium term and hasten the trend of de-globalisation.

The trade openness index, which was steadily rising in the post-war period, for instance, started declining after 2008 financial crisis.

The growth of global value chains has stopped, and reforms are stalled all over the world according to an article on the de-globalisation trend last year by the Peterson Institute for International Economics.

China, which has been a driving force for trade and growth in recent decades, started looking inward. Although it is still a dominant exporter, exports as a percentage of gross domestic product (GDP) have fallen from over 30 per cent in 2008 to under 20 per cent.

Trade tension between the US and China during the Donald Trump years also contributed to the process. Strategic rivalry between the two and the evolving geo-political environment would continue to undermine economic openness.

Institutions governing the global order are also under pressure.

How India needs to prepare for the future?

India should not get carried away by the current year's export numbers. India will not be able to attain higher sustainable growth without higher exports and policy-making should be guided by this basic economic reality.

Need to review of the current trade policy. India has increased tariffs in recent years, which has direct implications for exports. According to the World Bank data, exports as a percentage of GDP have fallen from a high of 25% in 2013 to about 18% in 2020. This needs to be reversed.

India needs to tap more global markets. Recently, India decided to stay away from the **Regional Comprehensive Economic Partnership**, which will affect longer-term trade prospects. India needs to reconsider such decision and it should negotiate better to get advantageous free trade pacts.

84. Health id needn't cause any anxiety over data policy

Source: This post is based on the article "Health id needn't cause any anxiety over data policy" published in Livemint on 20th October 2021.

Syllabus: GS 3 Awareness in the fields of IT, Space, Computers, Robotics, Nano-technology, Bio-technology and issues relating to Intellectual Property Rights.

Relevance: Understanding the issues related to data privacy.

Synopsis: While there is a need to adopt the digital solution, at the same time it is also important to protect the data of people.

Introduction

Recently the **government announced setting up a new digital health scheme with a digital**Id. This again raises the issue of privacy, as was done by the Aadhaar issue earlier.

Read more: Ayushman Bharat Digital Health Mission - Explained, pointwise

What are the issues raised by health ID?

When the services were being provided physically, people did not complain about providing identity proof. But when the same is demanded digitally, people begin to raise issues.

This is because the digital health scheme raises apprehension that the new Health ID would result in health data being aggregated into large, centralized databases. This would make this

intimate information prone to cyber-attacks. The issue is further complicated when there are issues of digital data breaches like the recent Aadhar issue.

How to solve the challenges in digital health ID?

Once the identity of beneficiaries has been established, their **data should be hidden** in such a way it would be difficult to use the same data for other transactional information. The data should also be encrypted so that in case of a data breach, the privacy of beneficiaries will not be impacted.

In case of beneficiaries availing of more than one public service, **data should be cross verified** in a **privacy-preserving manner** without actually exposing any core identity information.

There is a need to **incentivize the use of privacy-enhancing digital identity solutions.**Different methods should be adopted depending on the requirement. For Eg, one can generate tokens that serve as a proxy for identity while others can separate data flow from identity flow.

85. Cat to the rescue: Govts, insurers must issue catastrophe bonds for citizens' financial protection from weather events

Source: This post is based on the article "Cat to the rescue: Govts, insurers must issue catastrophe bonds for citizens' financial protection from weather events" published in Times of India on 21st October 2021. Syllabus: GS3 Disaster and Disaster Management.

Relevance: Understanding the benefits of cat bonds.

Synopsis: With India prone to disaster activities, there is a need to launch the cat bonds or catastrophe bonds.

Introduction

Climate change has an adverse impact on the nature and environment. It led to a lot of devastating activities like floods, fire etc. India is also facing the brunt of these activities.

<u>National Disaster Management Authority (NDMA)</u> estimates that 27 states and Union territories are disaster-prone. Under this aspect, there is a need that India should encourage the use of cat bonds.

What are catastrophe bonds or cat bonds?

Catastrophe bonds or cat bonds provide options for insurers, reinsurers, global corporations and even governments as a way to protect themselves against natural disasters.

Read more: How does the cat bond work

What are the benefits of cat bonds?

Under these bonds, the investors are compensated by a rate of return that is higher than that of normal government or corporate bonds. This helps them get extra returns on investment, which in turn helps them to meet liabilities.

It is beneficial for both insurers and the government. It offers assurance to the insurer of cash payout to lower premiums and simultaneously offers coverage of extreme events. Governments can get extra cash to spend on relief and rehabilitation purposes.

What should India do?

Owing to the benefits provided by these bonds, the **World Bank** provides a **cat bond market access facility** for member countries. **Jamaica**, in the past, also issued cat bonds to provide financial protection of up to \$185 million against losses from tropical cyclones.

India, which is a disaster-prone country, should also actively encourage the use of cat bonds.

86. Water governance reform

Source: This post is based on the article "Water governance reform" published in Business

Standard on 20th October 2021.

Syllabus: GS 3 – Irrigation systems storage.

Relevance: Understanding water governance in India.

Synopsis: Given the level of the water crisis in India, there is an urgent need to take a deeper look at water management and water governance in India.

Introduction

Ever since Independence, the governance of water has suffered from at least three major issues or artificial divisions: between irrigation and drinking water, Surface and groundwater and Water and wastewater.

The **new National Water Policy** (NWP) suggests urgent action to overcome each of these divisions.

What are the challenges facing water management in India?

Hydro cycle: Critical inter-connections in the water cycle have been ignored, which have aggravated the water problems. For example, India failed to see the link between rivers drying up and over-extraction of groundwater, which reduces the base-flows needed by rivers to have water even after the monsoon.

Separation of Drinking and irrigation needs: Placing Drinking water and irrigation in separate silos has led to the drying up of aquifers, when used for irrigation purposes, and are unable to meet the requirements of drinking water.

Institutional issues: The **Central Water Commission** (CWC), set up in 1945 is India's apex body dealing with surface water and the **Central Ground Water Board** (**CGWB**) set up in 1970 is the one handling groundwater.

Over several decades, even as ground realities and understanding of water have both changed, the CWC and CGWB have remained virtually unreformed.

Technical challenges: Government departments dealing with water resources include professionals from just civil engineering, hydrology, and hydrogeology. India never had a single river ecologist or ecological economist handling water issues anywhere in India.

Despite the fact that agriculture takes up most of our water, there is not even one agronomist within the water bureaucracy.

Community management: It is clear that water management needs community mobilization, but water departments have never included social mobilizers.

What are the suggestions offered by the National Water Policy?

The NWP has suggested the **merger of the CWC and CGWB** to form a multidisciplinary, multistakeholder **National Water Commission** (NWC). It includes the following divisions, which would work in close coordination with each other:

First, the Water Security Division to guide the fulfillment of national goals pertaining to drinking water.

Second, Irrigation Reform Division to effectively meet the national goal of "**Har khet ko paani**" (water to every farm).

Third, Participatory Groundwater Management Division to ensure sustainable and equitable management of water.

Fourth, River Rejuvenation Division to work towards the revival of India's river systems.

Fifth, Water Use Efficiency Division to improve performance on this parameter in all economic activities.

Sixth, Urban and Industrial Water Division to meet emerging national challenges;

Seventh, Democratisation of Data Division to ensure the development of a 21st-century national water database, with user-friendly access to primary stakeholders of water.

Eighth, The NWP seeks to **build partnerships with primary stakeholders of water**. This must include farmers, water practitioners, academia, industry etc.

Ninth, The **indigenous knowledge** of our people, with a long history of water management, is an invaluable intellectual resource that must be fully utilized.

There is also an urgent need for an **institutional mechanism to prevent water conflicts** or at least find a time-bound resolution for existing disputes. The NWP suggests creating a new inter-state council or recasting and activating the existing **National Water Resources Council**. Thus, a new water policy, if implemented, can be a great leap forward in addressing the water issues facing India.

87. The need of systems that'll help tackle a crisis rather than deny it

Source: This post is based on the article "The need of systems that'll help tackle a crisis rather than deny it" published in Live mint on 21st October 2021. Syllabus: GS3- Indian Economy and issues relating to Planning, Mobilization of Resources

Relevance: To understand the frequent economic crisis in India.

Synopsis: There is a frequent economic crisis in India like coal, onion, petrol, etc. This needs immediate attention for preventing it.

Introduction

India has a history of economic crisis. For instance, In 2006-07, India had a wheat crisis, onion and tomato crisis appeared almost every year. The prices increase in horticulture directly impacts the Consumer Price Index (CPI).

The auto sector has been buffeted by a global shortage of chips. Then there is a constant issue associated with the crude oil prices.

Read more: Need of Indigenous Semiconductor Manufacturing Facilities in India – Explained Pointwise

Why the coal crisis is unique?

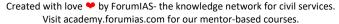
The coal story is quite unique. India has one of the highest reserves of coal and theoretically, India can mine as much as the country want. But when there is a shortage, it is not just about the price of coal going up, it will also cause collateral damage to the Wholesale Price Index. The problem can also translate into a power-generation crisis as companies run out of feedstock. But ever during the crisis, the economy did not have any major shock and inflation targets are met constantly.

Read more: Coal crisis in India - Explained, pointwise

How the inflation targets are met without any major economic impact?

This is due to a lot of fine-tuning done by the **Reserve Bank of India (RBI)**, and having a **monetary policy** review every two months ensures constant monitoring.

Similarly, under the <u>Budget</u> and its implementation, there are certain departments that track revenue and expenditure to spot deviations and ensure there are no economic shocks at the end of the year.



Why did RBI and government fail to spot the economic crisis?

There is **not enough attention to prior detection** of the crisis. For instance, before the escalation of the supply crisis in coal, the government and RBI failed to realise that the monsoon rains are not favourable for the industry.

The same holds for horticulture also. The horticulture department does not detect prior that the late withdrawal of the monsoon is deleterious to the onion crop.

What has to be done to prevent an economic crisis?

Not import only when there is a significant shortfall: There should be economic thresholds in place for ministries to fast-track imports automatically based on availability rather than cost. That threshold should be used again to bring back import restrictions automatically.

Improve market intelligence capability: All ministries should formally have an intelligence cell that monitors minute developments on a regular basis and put plans in place for corrective action before a crisis gets entrenched.

Market intelligence and import mechanisms can be combined by the government to make sure that no situation of scarcity goes out of control.

Terms to know:

- Wholesale Price Index (WPI)
- Consumer Price Index (CPI)

88. India's difficult transition from fossil fuels to net-zero emissions

Source: This post is based on the article "India's difficult transition from fossil fuels to net-zero emissions" published in "Livemint" on 21st October 2021.

Syllabus: GS 3-Conservation, environmental pollution and degradation, environmental impact assessment; Infrastructure: Energy.

Relevance: To understand India's energy mix and the need of its diversification.

Synopsis: India faces many challenges in reducing dependence on coal and oil but the greater use of gas in our energy mix could ease the way.

Introduction

The coal crisis has forced the Indian government to ramp up domestic production and imports of coal, the dirtiest fossil fuel, while the world focuses on net-zero carbon emissions by 2050. This irony reflects the reality that power generation and hence our economy is heavily dependent on coal, followed by petroleum.

What are the constituents of India's energy generation basket?

Data from the International Renewable Energy Agency (**IRENA**) indicate that non-renewable **fossil fuels** account for **70**% of the current (2020) generation capacity of 462,3038 MW, followed by hydro/marine power at 11%, solar and wind power at 6% each, nuclear power at 5% and bio-energy at 2%.

The **share of gas** in primary energy supply and power generation have been stuck at only 5-6% in India. India is ranked 29th in global production of gas at a little over 1 trillion MMcf per year and 14th in global consumption at around 2 trillion MMcf per year.

What are the challenges in India's transition from fossil fuels to a net-zero?

Council for Energy, Environment and Water (CEEW) report has highlighted challenges to India's transformation.

Capacity-The technological know-how, managerial and regulatory capacity needed to manage this revolutionary transformation.

Finance-The transformation will involve massive high-cost, high-risk, long-gestation investments. There is little fiscal space for large public investment in renewables, while private investment in renewables at scale is just starting.

External support- Various climate agreements envisaged help from developed countries. However, the willingness of developed countries to make available adequate low-cost finance and required technologies remains uncertain.

Land- CEEW estimates that creating renewable power generation capacity for a net-zero economy could require between 4% to 6% of India's land mass.

Political economy— Closure of coal mines, oil wells and power plants will be resisted by the owners of these assets as well as workers employed at these establishments.

If the cost of power based on renewables turns out to be higher than fossil-fuel-based power, even consumers will resist the transformation.

What is the future strategy needed for transformation to net-zero emissions?

CEEW report has explored the implications of a number of alternative net-zero scenarios, though whichever scenario plays out, it is quite clear that emissions will be rising for the next 30 to 50 years.

A two-pronged strategy of 'accelerating renewable power' generation and the fossil-fuel basket in favor of gas could significantly reduce that period of transition.

What is the present and future scenario of the global energy market?

The case of Gas: International Energy Agency (IEA) projections indicate that gas will overtake coal as the second largest energy source after oil within this decade.

Emissions – Carbon dioxide and other emissions from gas are only a small fraction of emissions from oil, and especially coal.

Supply – Planned pipelines from Central Asia having floundered due to issues with Pakistan, our gas imports are still mostly from West Asia, especially Qatar.

Global gas supplies have grown dramatically following the shale revolution. Traditional supplier of Gas like Qatar besides the new ones like Australia and USA can ensure adequate and diversified supply of gas to India.

Market-The diversification of supply sources and the emergence of active spot and futures markets is transforming the global gas market.

Technology-Two recent technological developments, enabling **liquefaction** and **regasification** of LNG on board ships, will further disrupt the market and reduce costs.

Shale gas has seen revolution driven by 'hydraulic fracturing' and 'horizontal drilling' technologies.

Why India has not seen Shale Gas revolution?

Terrain- India may have gas reserves of over 100 MMcf, though only **40**% of this is in **accessible** terrain and would be depleted within a couple of decades.

Cost to benefit-Given the high risks and costs of gas exploration and extraction, expected returns are low.

Distorted 'administrative pricing' and 'taxation' system, combined with a regulatory night-mare of multiple overlapping systems.

The result is neither public investment by GAIL nor private investment has been forthcoming.

89. Extending BSF's powers won't resolve policing problems, security threats

Source: This post is based on the article "Extending BSF's powers won't resolve policing problems, security threats" published in "The Indian Express" on 21st October 2021.Syllabus: GS 3 – Various Security forces and agencies and their mandate.

Relevance: To understand the security issues and role of various forces in it.

Synopsis: Flaws in the security architecture and measures needed to fill the void.

Introduction

Union home ministry extended the jurisdiction of the Border Security Forces (BSF) from 15 to 50 kms, citing uniformity as the reason.

The decision appears to have been taken without consulting the states whose police forces are directly affected by it, and is seen as a step towards undermining India's federal structure.

Can BSF's extended jurisdiction help counter security threats?

There is no uniformity between coastal smuggling in Gujarat, cross-border infiltration in Jammu and Kashmir, smuggling and drone drops in Punjab, or illegal migration to Assam. Hence, in the security context, argument about uniformity is not full-proof.

Tackling each one requires different capabilities, as our own experience in tackling such threats indicates.

BSF is likely to be overstretched by its new tasks that could weaken rather than strengthen the BSF's security capabilities. It happened in case of CRPF over a decade ago.

Illegal migration requires coordinated action between India and its neighbours, first at the political and then at the security level, often found missing.

It raises the risk of civilian resentment, even clashes, given that the BSF is not trained to operate in residential and/or market areas, it will also undermine the state police forces' morale even further.

What should be done?

The solution lies in putting **police reforms** on an emergency footing, not in extending the BSF's jurisdiction.

Rather than extending jurisdiction area, exploring **technologies** that might improve the BSF's intercept and destroy capabilities is needed.

When it comes to cross-border infiltration, **intelligence** is the key.

A **government-to-government** interaction over security, is a precursor to coordination of security agencies.

To tackle both smuggling and infiltration threats, **coordination** between our security agencies is needed.

State police forces have huge **political interference**. It is needed to insulate them from political misuse while holding them accountable for rule of law lapses.

90. The global tax revolution

Source: This post is based on the article "The global tax revolution" published in "The Hindu" on 21st October 2021.

Syllabus: GS3 – Issues related to economy.

Relevance: Understanding steps taken to boost global tax governance.

Synopsis: The OECD agreement on global tax on MNCs, its impact and benefits.

Introduction

International tax jurisprudence received a boost when 130 countries, on the proposal of OECD, agreed to introduce a new global tax regime for taxing multinational corporations (MNC's) operating globally.

The Global Financial Crisis of 2008 forced all countries to change the international tax rules to prevent base erosion and profi t shifting.

India, China, Russia, Germany and other countries have signed the agreement, which has to be implemented from 2023.

Must Read: Know all about Global Minimum Corporate Tax (GMCT)

How would the new global tax regime work?

A minimum global tax of 15% on profits would be introduced in all countries.

As per the agreement, MNCs would no longer pay taxes in the country where they register their headquarters for tax purposes, but would pay in the country where they generate their sales.

As per the agreement, countries where MNCs operate would get the right to tax at least 20% of the profits exceeding a 10% margin.

How were MNCs taxed till now and the associated issues with it?

For over a century now, the corporate tax system was based on the application of the twin principles of the 'source rule' and the 'residence rule'.

All that a MNC had to do to avoid high tax in a country where they did business was to get registered in a tax haven.

Globalisation allowed MNCs to replace fears of double taxation with the joys of **double non-taxation** by exploiting mismatches between the tax laws of various countries and by cutting taxable profits.

A digitalised world made their task easier, with the rise of intangible assets, which could easily be shifted from one country to another.

What are the resultant impacts seen on countries?

Shifting of profits to low tax havens **deprived poor countries of revenue** by as much as 5% as compared to an alternative system, where profits are taxed based on the current location of companies, revenues, their employees and their wage codes.

"Race to bottom" for corporate tax would see an end or atleast a decline.

OECD estimates that the proposal would fetch additional \$150 billion per year and move taxing rights of over \$100 billion in profit to different countries.

What are the challenges for India?

Countries like Belgium, Britain, **India** and Indonesia brought in 'Digital Services Taxes' on the local sales of foreign fi rms with online platforms. India would have to reconsider the 'equalisation levy' taxed upon digital firms.

The 'share of profi t' allocation and the scope of 'subject-to-tax rules', would have to be addressed.

The draft rules would reset the system for international taxation and subject MNCs to new nexus and profit allocation rules.

Simultaneous implementation of the law by all the signatories to the agreement would be a great job. If achieved, it may herald the dawn of the 'Golden Era' of direct taxes.

91. Reform fuel pricing

Source: This post is based on the article "Reform fuel pricing" published in Business

Standard on 21st October 2021.

Syllabus: GS3- issues related to Energy sector

Relevance: Fuel pricing reforms

Synopsis: Govt must follow a transparent fuel pricing mechanism.

Introduction

The government's approval of the full privatisation of Air India has raised expectations that the disinvestment of Bharat Petroleum Corporation Limited (BPCL) may be carried out effectively and as planned before the end of this financial year

Yet there are broader questions about the management of the fuel economy. The biggest question surrounds the management of the prices of petrol, diesel, and liquefied petroleum gas or LPG.

A successful bidder for BPCL will want to set prices to maximize profits. They would be justified in expecting that the broader market for fuel is not being undermined by government policy towards the two other OMCs.

Hence, the disinvestment of BPCL is the **right time to introduce the long-term** tax and **pricing reform**.

What are the issues related to fuel pricing in India?

Government control: State-controlled oil marketing companies (OMCs) continue to be given pricing-guidance by the Union government, even after the administered price mechanism has been discarded. For instance, price changes have often been put on hold in times of political sensitivity, such as before a crucial Assembly election.

Problem of Under recoveries: Under recoveries denote an enforced per-unit loss on sale of petrol, diesel and LPG. At the moment, given the global run on the price of crude oil and high domestic taxes, the old problem of "under-recoveries" seems to have re-appeared.

Issue of subsidised fuel: OMCs are not only having to manage under-recoveries, according to reports, on every litre of petrol and diesel sold, but also have to deal with a loss of Rs 100 or so on every gas cylinder sold in the household retail market. The government yet to reimburse OMCs the sums they have lost under the **Pradhan Mantri Ujjwala Yojana**, which add up to Rs 3,000-4,000 crore.

High fuel tax: The government has, on the one hand, tried to maintain some elements of price control, while on the other hand it has turned to fuel taxes to fill the giant gaps in its revenue. Though a high tax on carbon is a good thing, but it should be logical and economy-wide and not imposed largely for fiscal reasons.

What needs to be done?

Direct transmission of global fuel prices to consumers, with OMCs competing on the margins.

A consistent fuel tax that is in keeping with the shadow price of carbon and is shared between the Union and the states

Direct subsidies, out of the Union Budget, for those sections of society that are most vulnerable to fluctuating or high prices for petrol, diesel and LPG.

92. The outlines of a national security policy

Source: This post is based on the article **"The outlines of a national security policy"** published in **The Hindu** on **21st October 2021.Syllabus:** GS3- Challenges to Internal Security through Communication Networks

Relevance: About Cyber-technology and its impact on future warfare

Synopsis: Once cyber-technology becomes a key variable in the defence policies of a nation, land size or GDP size are irrelevant.

Introduction

In the 21st century, the world is moving to cyber weapons-based warfare. Therefore, after cyber-technology enters as an important variable in nations' defence policies, the size of a country will cease to matter.

For instance, Sri Lanka, or North Korea, empowered by cyber-technology, will be equal to the United States, Russia, India or China, in their capability to cause unacceptable damage.

How Cyber technology is changing the warfare in 21st century?

Cyber warfare has vastly reduced the deterrent value with regards to size of a country since cyber weaponry will be available even to small island countries.

Warfare, therefore, will be not just be about mobilization of weapons or be dependent on the size of the armed forces of men. From remote controlled drones to artificial intelligence driven weapons systems, etc., the ability to deal damage will be independent of the size.

Each nation will have to prepare more for bilateral conflicts in the 21st century that are based on cyber warfare rather than in multilateral acts of conventional war or rely on military blocs for mobilization.

Hence, national security will encompass not merely the overt and covert operations. But, more crucially, electronic operations from a remote centre beyond the front lines of ground forces. Tracking those cyber warfare centres of the adversary will need **a new national security policy.**

What key elements should be given importance in India's National Security Policy for 21st century?

National security at its root in the 21st century will depend on skills in the following four dimensions:

Objectives: the objective of the **National Security Policy** in the 21st century is to define what assets are required to be defended, the identity of opponents etc., Further, national security policy will have to address threats like Corona Pandemic in future by choosing a nation's priorities.

Priorities: In scenarios of uncertainties about the future in the 21st century, national security priorities will require new departments for supporting several frontiers of innovation and technologies. These frontiers include hydrogen fuel cells, desalination of seawater, thorium for nuclear technology, anti-computer viruses, etc. This focus on a new priority will require compulsory science and mathematics education, especially in applications for analytical subjects.

Strategy: The strategy required for this new national security policy will be to anticipate our enemies in many dimensions and by demonstrative but limited pre-emptive strikes by developing a strategy of deterrence of the enemy. For India, it will be the China cyber capability factor which is the new threat for which it has to devise a new strategy. India should also look to build allies to boost cyber deterrence.

Resource mobilization: Lowering the interest rate on bank loans or raising the rates in fixed deposits will enable banks to obtain liquidity and lend liberally for enhancing investment for production. As a last resort printing of notes of currency can also be used as one way of facilitating resource mobilization.

93. Will privatisation take off after the Air India sale?

Source: This post is based on the article "Will privatisation take off after the Air India sale?" published in The Hindu on 22nd Oct 2021.

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

Relevance: Privatisation of Air India and related issues

Synopsis: Implications of the sale of Air India for the future of India's public sector.

Introduction

Recently, the Tata Group emerged as the winning bidder for Air India, the debt-laden national carrier. Further, in this year's Budget, the government unveiled a bold new disinvestment policy for even the strategic sectors.

The government is also pursuing the sale of its entire stake in public sector firms such as BPCL, Shipping Corporation of India, IDBI Bank, two other public sector banks and one general insurance company this financial year alone.

What would be the likely impact of Air India's privatisation wrt divestment?

- **Positive signal**: In the last 18 years, irrespective of the government in power, there's been share sales or transfer of shares from one pocket to the other but no genuine privatisation. Hence, this is certainly a long-awaited positive signal regarding the public sector, and more so for domestic and foreign investors.

That the DIPAM (Department of Investment and Public Asset Management) has found a mechanism for the strategic sale of a loss-making unit like Air India is also a positive, because it's easy to sell something like BPCL that will attract buyers based on its enterprise value and profits.

- Clarity of thought: The real value in this Air India sale is that there is clarity of thought. The government feels that whether it's a loss-making or a profit-making Central PSU (CPSU), it is willing to make a strategic exit.

But, since the general elections are coming up in 2024, so the window of opportunity for either this kind of disinvestment or for monetisation is, at best, 18 to 20 months.

What is the way forward?

There is a possibility that as and when profitable PSUs are sold, there will be stronger ideological battles and questions. It's far more difficult to justify those kinds of sales; it would be easier to justify the loss-making sales.

Government needs to **clearly articulates its policy** on what it wants to sell and what it wants to retain. This shall ensure a general consensus across the political spectrum that the public sector need not be a prominent player in the economy.

While people may object for the sake of objecting, as long as the process is run in a very **transparent manner**, there will not be too much objection.

Also, India should not conduct those kinds of sales which happened in certain countries where oligarchs came and just lapped up all the public sector assets and then became billionaires at the cost of the social good.

Must Read: Privatisation of Air India – Explained, pointwise

94. Uttarakhand Floods: Respect Himalayan landscape if you want to preserve it, say experts

Source: This post is based on the article "Uttarakhand Floods: Respect Himalayan landscape if you want to preserve it, say experts" published in Down to Earth on 21st Oct 2021.

Syllabus: GS3 – Disaster and Disaster management

Relevance: Preserving Himalayan Biodiversity

Synopsis: To save biodiversity-rich places the governments of Uttarakhand and the entire Himalayan region must preserve their forests and reflect on their infrastructure model. Introduction

The latest floods in Uttarakhand caused terrible damage to life and property are a warning about the climate tragedy that is building up in the Himalayas.

If the mountain range's rich natural wealth is to be saved for the future, govt will have to respect the landscape.

Why Himalayas need to be preserved?

The Himalayas are home to many rare and endemic species of plants, mammals, birds, reptiles, amphibians and insects. The Himalayas and the Tibetan Plateau are also the water tower of South Asia.

Moreover, much of the region's population, cutting across political boundaries is poor.Hence, steps need to be taken to preserve the region.

What steps can be taken to preserve Himalayan biodiversity of India?

Key to protecting Himalayan biodiversity, climate mitigation as well as livelihood generation are:

'Forests' and 'infrastructure'.

i). Forest conservation is the only way to protect the rare species, for slope stabilisation as well as climate mitigation and providing better livelihoods to people.

The first step should be to focus on **forest restoration in both Himachal and Uttarakhand**. The forest cover should be of hardwood mixed deciduous type. Because chir pine are not capable of stabilising the slopes. Pines are very shallow rooted. They are also more prone to fire.

ii). Infrastructure: The second important step to prevent a climate catastrophe in the Himalayas was to focus on infrastructure. The planning of infrastructure has to be much more sensitive to the fragility of these slopes. Even before the Uttarakhand floods, there were huge landslides along the Char Dham route. It was an old historic route which was just doing fine. But the doubling of its width without paying attention to geological and technical considerations has caused havoc.

Lessons from Bhutan: The Bhutanese have recognised that their future wellbeing depends on healthy forests. They have a specific land use plan in which areas have been demarcated for forests which are not to be used for tourism or construction. India needs to take similar steps. States such as Uttarakhand needed to have a very strict and scientifically-designed land use plan too,

What is the way forward?

Himalayas span political boundaries, so India needs to take the lead and set an example towards developing a more sustainable Himalayan landscape.

India is a leader in south Asia having the money and technical expertise that poorer countries such as Nepal and Bhutan do not.

95. Can biomass co-firing offer a viable solution to coal shortage and stubble burning?

Source: This post is based on the article "Can biomass co-firing offer a viable solution to coal shortage and stubble burning?" published in Down to Earth on 21st Oct 2021.

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

Relevance: Tackling the coal crisis with biomass co-firing.

Synopsis: Co-firing policy floated by the government for the thermal plants is a win-win solution for farmers and environment.

Introduction

India's economy is on the path to recovery since the second wave of the novel coronavirus disease (COVID-19) pandemic. The first half of October saw a 4.9% increase in electricity consumption compared to September. However, coal supply fell short of demand by 1.4%. The government reported a shortage in coal supply despite abundant reserves.

As one of the measures to tackle the coal shortage, the Government of India (GoI) has made it mandatory for thermal power plants in three categories to use a 5% blend of biomass pellets and coal. The policy will come into effect in October 2022, with a requirement to increase the blend to 7% within two years for two categories of plants.

The co-firing policy will be in effect for 25 years or till the useful life of the thermal power plant, whichever is earlier.

Must Read: Coal crisis in India - Explained, pointwise

What is the contribution of the coal-based power to CO₂ emissions in India?

India still relies heavily on coal-based power generation to meet most of its electricity demand. The power sector contributes nearly 50% of the sector-wise carbon dioxide (CO₂) emissions. Coal and coal-based power is the single-largest contributor of CO₂ emissions in India, according to the International Energy Agency (IEA).

Why India needs to move on from Coal-based power?

Energy security: In India, the government is committed to ensuring that all grid-connected households have 24×7 access to reliable power. The result will be a significant increase in coal-fired power generation and CO₂ emissions. Resultant increase in coal imports will give rise to energy security concerns.

Meeting Paris target: India also needs to reduce coal-based GHG emissions rapidly to meet the Nationally Determined Contribution goals for 2030 (NDC). For that, coal plants with higher emissions will have to be shut down and replaced with cleaner ones.

Hence, India needs to move on from the coal based power. Biomass Co-firing offers an alternative.

Must Read: Scale of crop residue generation in India

What are the benefits of Biomass co-firing?

Co-firing biomass pellets with coal in India is a promising strategy for reducing GHG emissions from coal-based power plants.

i). Biomass co-firing has been shown to **reduce coal power plant carbon footprint** in Europe, the US and the United Kingdom, according to a report by the International Energy Agency (IEA).

Biomass pellets made from agricultural waste have **equivalent calorific value to that of Indian coal**, based on estimates from the Central Electricity Authority (CEA).

- ii). Reduction in pollution due to drop residue burning: Around 85 to 100 million tons of crop residue have been burnt in recent years, despite various government policies aimed at reducing crop burning. Biomass co-firing in places where agro-residue burning is prevalent, this can result in a reduction of coal dependence and a sharp decline in pollution levels.
- iii). NOx and SO2 emissions decrease with an increase in blending percentage.
- **iv). Source of earning:** After deducting the labour and transport costs, farmers can earn between Rs 500-Rs 1,500 per tonne of crop residue. In addition, pellet manufacturing, storage, handling and transportation create jobs in rural areas.

An effective method to address pollution and mitigate climate change is to identify older units that are operating efficiently and to promote their co-firing with biomass.

96. International trade is not a zero-sum game

Syllabus: GS Paper 3 – Indian economy – International Trade

Source: This post is based on the article "International trade is not a zero-sum game" published in Indian Express on 22nd October 2021.

Synopsis: Trade protectionism is increasing in India. It may harm India's trade relations with other countries.

Introduction

During the recent G-20 ministerial meeting in Italy, Commerce Minister Piyush Goyal stated that India is deepening trade ties with several countries.

India is indeed negotiating free trade agreements (FTAs) with several countries. However, rising trade protectionism in India could hinder this progress.

Is India's trade protectionism rising?

There are many examples of increasing trade protectionism in India.

Firstly, as per Arvind Panagariya, **India's average tariff** has increased by almost 25 per cent to 11.1 per cent in 2020-21, from 8.9 per cent in 2010-11. This policy is against the political consensus on tariff liberalization that India followed since 1991. It was also admitted by Former finance minister Arun Jaitley in his 2018 budget speech that India is making a **"calibrated departure"** from the policy of cutting tariff rates.

Secondly, India is the **highest initiator of anti-dumping** measures, even compared to US, EU and China. These measures are aimed at shielding domestic industry from import competition.

Third, India recently amended Section 11(2)(f) of the Customs Act of 1962. This amendment empowers the government to ban the import or export of any good if it is necessary to prevent injury to the economy. Earlier, this provision was applicable for just gold and silver. This amendment is inconsistent with consistent with India's WTO obligations.

WTO rules on the import ban

WTO allows countries to impose restrictions on imports in case of injury to domestic industry, not to the "economy". However, it is subject to certain conditions. — for example, if

there is a sudden, significant and sharp increase in imports that is causing serious injury to the domestic industry. India already has laws to impose these trade remedial measures. Additionally, countries can also impose restrictions on trade on account of balance of payment difficulties and national security purposes. However, section 11(2)(f) of the Customs Act does not talk about any of these grounds to restrict trade, thus is unnecessary.

Fourth, Finance Minister Nirmala Sitharaman in her budget speech of 2020 claimed that FTA benefits are harming the domestic industry. Subsequently, India amended the **rules of origin requirement** under the Customs Act. Rules of origin determine whether a product is originated in an FTA or a non-FTA country. The products from FTA countries attract preferential tariff rates, while non-FTA attract the most favored nation rate. The **burden of compliance** is imposed on importers, which discourages imports.

Lastly, the Prime Minister appealed to the public to be "vocal for local" (giving preference to domestically made goods). It has created an atmosphere against imports.

India's experience with trade protectionism in the decades before 1991 was disastrous. Thus, lessons should be taken from history to not repeat the same mistake.

97. The carbon markets conundrum at COP26

Syllabus: GS Paper 3- Environment – Climate change

Source: This post is based on the article "The carbon markets conundrum at COP26" published in The Hindu on 22nd October 2021.

Synopsis: Article 6 of the Paris Agreement needs special attention in the upcoming climate summit. It may help in encouraging carbon mitigation efforts in developing countries.

<u>Article 6 of the Paris Agreement</u> for the carbon market would be at the center of discussion in the 26th Conference of the Parties (COP26). It has been a most contentious unresolved issue of the Paris Agreement Work Programme.

What is the issue linked to Article 6 of the Paris Agreement?

Developing countries, particularly India, China, and Brazil have benefitted immensely from <u>Clean Development Mechanism</u> (CDM) of the <u>Kyoto Protocol</u>. India alone has been issued total carbon credits known as Certified Emission Reductions (CERs) worth U.S.\$2.55 billion.

However, with the ratification of the Paris Agreement, the rules have changed. Now even developing countries are required to have mitigation targets. Now developing countries can either sell their carbon credits in return for lucrative foreign investment flows or use these credits to achieve their own mitigation targets.

Why CDM is beneficial for developing countries?

The new market mechanism is beneficial to promote sustainable development and assist climate change adaptation in developing countries.

It encourages private sector participation and attracts foreign investments to support low carbon development.

It is the developed countries that rely upon market mechanisms to meet their <u>NDC(Nationally Determined Contributions)</u> goals, whereas countries like India, aim to rely on domestic mitigation efforts.

What are the issues that require attention in the upcoming COP26?

-Projects under CDM have gone through due diligence and credits have been issued under UNFCCC oversight. Therefore, **due credit should be ensured** for these projects to keep the

trust of private investors in UNFCCC commitments. If the decision regarding the transition of CDM is not favorable, it could lead to a loss of billions of dollars' worth of potential revenue to India alone.

-At the present stage, India need not undertake the economy-wide emission reduction targets. Thus, all mitigation efforts of India will not fall under the purview of its NDC. India can sell emission reductions that lie outside its NDC. **Robust accounting** will ensure that there will be no double-counting of emission reduction. Thus, the argument of developed countries that it will discourage raising ambition levels is flawed, as India will only sell additional efforts.

-Adaptation Fund remains severely underfunded compared to financing for mitigation activities. It is necessary for adaptation for developing countries.

Thus, Climate discussions should ensure equitable sharing of carbon and developmental space. Climate justice demands that developing countries get access to their fair share of global carbon space.

98. The poor conditions of protectors

Source: The post is based on the article "The poor conditions of protectors" published in The Hindu on 22nd October 2021.

Syllabus: GS3 – Various Security forces and agencies and their mandate.

Relevance: Understanding the need of giving more facilities to our protectors.

Synopsis: Despite the difficult nature of their duties, the police are neglected a lot.

Introduction

There have been many instances where our forces lost their lives in the line of duty. To pay tribute to those forces, October 21 is celebrated as Police Commemoration Day.

What is the story behind October 21?

On October 21, 1959, Chinese troops threw grenades and opened fire at twenty Indian soldiers in Ladakh. Out of them, ten brave police personnel attained martyrdom while seven others sustained injuries in that incident.

Their cremation was held at the **Hot springs in North Eastern Ladakh**, with full Police honours. Since then, October 21 is observed as "Police Commemoration Day"

What are the various issues with govt policy wrt the police personnel?

In spite of the demanding nature of their job, police personnel are neglected a lot. The government pays them fewer salaries. They are often deprived of basic services and have a poor quality of life.

Those who joined forces in 2004 or after are not even eligible for pensions.

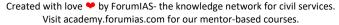
Even the Central police canteens are not exempted from GST.

What should the government do?

Government should adopt policies which boost the morale of our forces. Their sacrifices should not be let in vain.

Government should **bring uniformity in the ex-gratia amounts given** to the next of kin of the police who are killed. It is observed that some states like Tamil Nadu, Delhi offers 1 crore while other don't even pay half.

Government should also ensure that the family of the deceased should not be deprived of decent living.



99. Indian Railways likely to become world's first 'net-zero' carbon emitter by 2030

Source: This post is based on the article "Indian Railways likely to become world's first 'net-zero' carbon emitter by 2030" published in Down To Earth on 21st October 2021.

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

Relevance: To understand challenges associated with Indian Railways 'net-zero' carbon emission plan.

Synopsis: Indian railways announced a grand plan to achieve net-zero carbon emission. But the plan might face a few challenges in implementation.

Introduction

Indian Railways has recently announced ambitious plans to become a 'net-zero' carbon emitter by 2030.

Read more: What is net zero target? How fair and realistic these targets are?

About Indian Railways and its carbon emissions

Indian Railways is the world's fourth-largest railway network in terms of size. It is also one of the largest electricity consumers in the country.

It transports 24 million passengers every day — slightly less than Australia's population. In addition, Indian Railways also sends 3.3 million tonnes of freight per day — 1,200 million tonnes in 2020/21. Therefore, Indian Railways has a massive carbon footprint.

India's transport sector contributes to 12% of the country's greenhouse gas emissions with the railways accounting for about 4% of these emissions.

What are Indian Railways plans to become a net-zero emitter?

Indian Railways goal is to become a 'net-zero' carbon emitter by 2030. And it has ambitious plans to accomplish this goal. The plan includes:

Electrify Entire Rail Network: Indian Railways plans to electrify the entire rail network by December 2023. Electric trains are considered less polluting than trains that run on diesel since they do not directly emit carbon dioxide.

Shift to Solar Energy: Indian Railways plans to use solar power to meet its electricity needs. It plans to install 20 gigawatts (GW) of solar for both traction loads (trains) and non-traction loads (offices, railway stations etc).

Read more: Net Zero Emissions Target for India – Explained, Pointwise

What are the projects launched by Indian Railways to achieve the Net Zero Emissions?

Indian Railways has built a 1.7-MW solar power plant in **Bina**, **Madhya Pradesh** in 2020. It is the first solar energy plant in the world to directly power railway overhead lines, from which locomotives draw traction power.

The Ministry of Railways has started a 2.5-MW solar project in **Diwana**, **Haryana**, with state transmission unit connectivity. The 50 MW of power generated by the plant will be used to power trains.

The Ministry of Railways has also installed solar panels at over 960 stations and is using solar power to meet railway station energy needs.

Challenges faced by the Indian Railways in terms of solar plant proliferation

No-objection certificate for open access: Open access has been granted as a deemed licensee in 11 states and the Damodar Valley Corporation area. However, no objection certificate (NoC) for open access to electricity flow for railways in some states has not been operationalised due to regulatory challenges.

Wheeling and banking provision: Full deployment of solar potential will become more feasible if states provide wheeling and banking arrangements.

What can be done to achieve Indian Railway plans?

According to a study by Niti Aayog, by **shifting freight to rail** and optimising truck use, India can reduce logistics costs from 14-10% of Gross Domestic Product and carbon dioxide emissions by 70% by 2050 compared to a business-as-usual scenario.

So, Indian Railways can implement **operational steps toward last-mile linkage** to raise its ambition beyond the official target of 50% freight share by 2030, up from its current share of 33%.

100. Why drones are tracking wildlife in Kashmir

Source: This post is based on the article "Why drones are tracking wildlife in Kashmir" published in Livemint on 23rd Oct 2021.

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

Relevance: Increasing instances of Human-wildlife conflict in Kashmir

Synopsis: Analysis of the increasing instances of human-widlife conflict in Kashmir region, reasons behind such incidents and how administration is responding.

Introduction

In July, a four-year-old girl in a car was grabbed and killed by a leopard in central Kashmir's Ganderbal area. In June, another four-year-old girl had beenm auled to death by a leopard in Budgam district.

As fears of wild animals, particularly leopards and bears, straying into inhabited areas rise, wildlife officials in Jammu and Kashmir (J&K) are worried.

What are the reasons behind the human-widlife conflict in Kashmir? The present human-widlife conflict is a result of a mix of policies:

- Changes in land-use pattern: Orchards have intruded into areas adjacent to forests, wastelands and pastures that have been inhabited historically by large animals such as leopards, black and brown bears. Temporary Paddy fields have given way for orchards that occupy lands permanently.. Moreover, they extend to the fringes of forests. Without any buffer b/w them and the forests, they tempt bears and other animals out of their habitats. It's estimated that over 80% of the bear attacks take place during the fruiting season, from September-December.
- **Growing population of dogs**, which offer an easy prey and are preferred food for leopards is also leading to increased human-wildlife conflict
- **Deforestation:** Forests outside the protected areas have seen large-scale deterioration leading to the loss of forest undergrowth. This undergrowth (different from the ground vegetation in orchards) also supports the natural prey of larger wild carnivores like the leopard and the absence of such cover depletes the natural prey base and compels the animals to come out of the forests to hunt.
- Habitat fragmentation
- Increase in human population: This has led to encroachments into wildlife habitats and forest buffer areas

- **Shift towards horticulture,** with dense nurseries being set up adjacent to urban habitats. These dense nurseries have created ideal habitats for leopards, for example, to breed in large numbers.
- Moreover, Kashmir, has an additional element of friction: the presence of army and paramilitary camps and patrols, sometimes inside forests

Due to all of the above reasons, animals find their natural prey base decreasing and omnivores have to move out of their usual habitats in search of food.

What is the scale of human-wildlife conflict in Kashmir?

Almost 90% of human-wildlife conflict occurs outside protected areas, in and around the adjacent villages.

From 2006 to August this year, 230 people had been killed and 2,860 injured in such conflicts in the Kashmir region.

Children make for easy targets. The worst years have been 2011-12 and 2013-14: Each saw 28 deaths. These years also saw the highest number of injuries: 315 in 2011-12 and 333 in 2013-14.

What steps are being taken by the administration?

Since last year the J&K authorities have begun using drones to monitor the movement of animals.

The department of wildlife protection is even pushing for an **increase in the number of food-bearing plants** of local pear and apple species in protected areas. It is being hoped that such "habitat enrichment" will help check the number of animals, particularly the black bear, venturing for food outside their usual habitats.

Administration is also **planning to establish 10 model joint control rooms** where forest protection and wildlife staff will work together.

Leopards straying into city areas have been captured and translocated from conflict sites to core forest areas.

Why translocation is not the answer?

The entire process of capture, handling, transportation and release into a new landscape occupied by other animals of the same species is stressful. This is particularly true for territorial animals like leopards. As per studies, animals try to return to their original territory after translocation to a new landscape. This leads to increased probability of human-widlife conflict. Moreover, translocation can also make animals aggressive.

What is the way forward?

All the steps being taken need to be accompanied by **landscape interventions** outside these areas to reduce the chances of conflict.

101. Post-Covid economy needs intellectual re-evaluation

Source: This post is based on the article "post-Covid economy needs intellectual reevaluation" published in Indian Express 23rd Oct 2021.

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

Relevance: Role of central banks in controlling inflation

Synopsis: Central banks across the world are facing a great challenge to control inflation

Introduction

The global financial crisis and the current pandemic are likely to reorient our thinking on conventional macroeconomics. For example, there are now serious doubts on the long-standing wisdom that the economy functions best with an "invisible hand" and with minimum government "intervention".

Perhaps the greatest challenge is currently being faced by central banks across the world as they are struggle to bring inflation down. Annual inflation is running at 5.2% in the US, 3.2% in the UK and 3.3% in the EU.

Why it is expected that elevated inflation will sustain for more time?

In the last decade, due to very minimal investments in commodities exploration due to ESG (Environmental, social, and governance) constraints, supply chains are significantly unprepared to meet the current demand.

With respect to semiconductor shortage, there are no closed plants to reopen.

These **supply side issues** are largely **structural** in nature (meaning they'll take time to go away), hence it's correct to assume elevated inflation expectations will likely fuel a global inflation cycle.

On the same lines, independent research by the Federal Reserve Bank of St Louis has concluded that higher inflation in the US is a broader, not a **transient phenomenon**.

Why Central banks are struggling to bring down inflation?

There is now a perceptible difference in what is driving inflation. It is neither wage increases nor fiscal expansion. It is global supply shocks.

Two problems confront the central banks

One, they cannot raise interest rates because they have got everyone addicted to low or no rates.

Two, inflation caused by supply disruption is not responsive to monetary treatment.

So, how can we explain the current inflation upswing?

One of the important tools for understanding inflation behaviour through standard economics textbooks is the **Phillips curve**. It presumes that inflation is partly driven by **gap variables** measuring how much economic activity deviates from its potential.

Gap variables can include the per cent deviation of real GDP from potential GDP, also known as the **output gap/domestic slack**.

Any central bank monetary policy statement, including that of the RBI, always identifies the gap variable as a significant determinant of inflation.

In the modern version of the Phillips curve, inflation depends not only on gap variables but also on expected inflation. However, recent research indicates that with improved anchoring, the expected inflation term in the Phillips curve becomes more stable.

Consequently, movements in the level of inflation are driven less by expected inflation and more by the output gap. Herein lies the missing link, with reference to India.

Based on research, in India the link between inflation change and output gap was never strong. Interestingly, the link is completely lost with the emergence of Covid-19.

Thus, the concept of output gap is grossly inadequate to explain the inflation behaviour in India.

If the output gap is not the cause, then what are the factors responsible for inflation?

It is possible to hypothesise that inflation in India reflects an economy that is supplyconstrained with productivity of enterprises held back by a license-compliance-inspection (LIC) system.

102. A clean energy transition plan for India

Source: This post is based on the article "A clean energy transition plan for India" published in The Hindu on 23rd October 2021.

Subject: GS3 – Infrastructure and Energy.

Relevance: Understanding India's energy security dynamics.

Synopsis: As India's energy demand grows, India needs to adopt a comprehensive policy to meet the present and future demands.

Introduction

Energy security is a condition where affordable power is available to everyone. As India grows and its energy demands increase, it faces the twin challenge as apart from energy generation it also has to meet the climate obligations.

What is the energy mix of India?

India enacted the **Electricity Act in 2003**. India also has doubled the coal-fired thermal power plant (TPP) capacity from 94 GW to 192 GW between 2011 and 2017. This has enabled the government to increase per capita electricity consumption by 37% while reducing the peak demand deficit from 9.8% (2010-11) to 1.6% (2016-17).

Why thermal power is the core for India?

Coal is an affordable source of energy for India. It happens to be the one fossil fuel that is abundantly available in India. Moreover, given India's geopolitics, gas pipelines are not a viable option for India.

Read more: Coal crisis in India - Explained, pointwise

Thus, TPPs contributed 71% of electricity generated by utilities in India during FY 2020-21, though they accounted for only 55% of the total installed generation capacity of 382 GW (as of March 2021).

What is the status of renewable energy in India?

Variable renewable energy (VRE) sources (primarily, wind and solar) account for 24.7% of the total installed generation capacity. They also contributed 10.7% of the electricity generated by utilities during FY 2020-21.

However, though VRE generation capacity has increased, growth in electricity demand has not. This has resulted in lower utilization of TPPs whose fixed costs must be paid by the distribution companies (DISCOMs) which are in turn passed through to the final consumer.

Read more: Problems with discoms need radical reforms

The current level of VRE in the national power grid is increasing the cost of power procurement for DISCOMs. This has led to tariff increases for electricity consumers.

So the government must implement a plan to increase energy efficiency and reduce the emissions of carbon dioxide (CO2) and airborne pollutants from TPPs without making power unaffordable to industries.

Read more: [Yojana October Summary] Energy Security: Nuclear Power – Explained, pointwise

What should be the future plan of India?

India should begin a progressive retirement of 36 GW of installed generation capacity in 211 TPPs that is having the unit size of 210 MW and below.

This resulting shortfall can be made up through two means. First, by increasing the utilization of existing High-Efficiency-Low-Emission (HELE) TPPs that are currently under-utilized to accommodate VRE.

Second, India should **commission the 47 government-owned TPPs** (total capacity of 31.6 GW) that are at an advanced stage of construction.

In addition, the <u>Nuclear Power Corporation of India Limited (NPCIL)</u> is also constructing 11 nuclear power plants with a total generation capacity of 8,700 MW that will supply 24×7 power without any CO2 emissions.

What will be the estimated benefits of this plan?

HELE TPPs minimize emissions of particulate matter (PM), SO2, and NO2, which offer operational, economic, and environmental benefits.

This plan prioritizes the installation of high-efficiency electrostatic precipitators that can remove 99.97% of the PM pollution without long-term shutdowns or hiking tariffs unlike expensive, imported FGDs (flue gas desulphurization plants).

Thus, this plan will enable India to safeguard its energy security and ensure efficient grid operations with lower water consumption, PM pollution, and CO2 emissions. This will pave the path of sustainable development for India

103. Vax milestone and a K-shaped problem

Source: This post is based on the article "Vax milestone and a K-shaped problem" published in Business Standard on 23rd October 2021.

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

Relevance: To understand the K-shaped problem in Indian economy.

Synopsis: The Indian economy is facing a K-shaped problem even before the pandemic. But the pandemic worsened the K-shaped problem more.

Introduction

India has administered more than one billion Covid vaccines since it started its Covid vaccination drive in January. Out of India's population of about 1.3 billion, 78%, or just over 1 billion, are adults and eligible for vaccination. According to the government, over 31% has received a second dose. According to this, one can assume that around 300 million eligible Indian adults do not receive any vaccine dose and remain unprotected.

Read more: One billion Covid Vaccines and beyond – Explained, pointwise

Why does India's covid vaccination face a K-shaped problem?

Smartphone penetration is 450-500 million and concentrated in higher-income groups. The vaccination campaign's "smart design" (CoWin) made it hard for people without smartphone access to sign up. Hence, higher income groups received more vaccine doses. But the lower-income groups majorly comprise the unvaccinated sections.

Note: <u>K-shaped Recovery</u> occurs when an economy recovers unevenly and there's a separate trajectory for two segments of the society.

Indian economy and the K-shaped problem

India already had a very K-shaped economy, prior to the pandemic. According to the annual **Credit Suisse Global Wealth report**, by the end-2020, the top 1% rich sections held 40.5% of assets. The **GINI Coefficient**, a measure of income equality, stayed at a very high 82.3.

But the Unemployment spiked in the April-June 2020 lockdowns, and employment has still not recovered to 2018-19 levels. Furthermore, these employment losses were mostly in the unorganised sector.

Read more: Issue of K-shaped recovery: How government budget can deal with it?

What sectors face the K-shaped problem at present?

The K-shaped problem in education: Higher-income groups with smartphone and broadband coverage have far better access to remote learning. Hence, education, which was inherently K-shaped, has become even more so. This reduces the likely future productivity and much-vaunted demographic dividend of a young workforce.

The K-shaped problem in employment: Corporate results from the last four quarters indicates the organised sector (which is higher-income) has made a much faster recovery than the unorganised sector (which is lower-income and a much larger generator of employment).

The government has to acknowledge these K-shaped recoveries and start focusing on the improvement of sectors that are facing issues.

104. In Glasgow, all eyes on 2030: On COP 26

Source: This post is based on the article "In Glasgow, all eyes on 2030" published in The Hindu on 25th Oct 2021.

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

Relevance: On upcoming 26th United Nations Climate Change conference (COP26) at Glasgow **Synopsis**: COP26 must focus sharply on reducing emissions till 2030, rather than on net zero 2050, which is too distant a goal.

Introduction

The stage is set for the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow, starting October 31. Major preparatory conferences and bilateral meetings have been held to persuade countries to raise their emission reduction commitments under the Paris Agreement. Some positive outcomes have been achieved. Yet, many high-emitter countries are woefully short of the emissions reductions required by 2030 to restrict global temperature rise to "well below 2°C" or even 1.5°C above pre-industrial levels.

The loudest noise, however, is around net zero emissions by 2050 i.e., greenhouse gases (GHG) emissions equalling absorption by sinks such as forests.

What is a much better target than net zero?

Recently released AR6 report by IPCC, emphasised that to keep temperature rise within 1.5°C, global emissions should be reduced by 45% from 2010 levels by 2030, on the way to net zero 2050.

What are the issues with the net zero target?

Net zero ignores CBDR: Net zero ignores the foundational principle of the UN Framework Convention on Climate Change (UNFCCC) i.e. common but differentiated responsibilities (CBDR).

- CBDR entails that the developed countries are responsible for over 75% of accumulated atmospheric GHGs causing climate change. So, they should bear most of the burden for reducing emissions, while developing countries should do what they can, with technological and financial assistance from the former. Hence, if the goal is global net zero emissions by 2050, all countries cannot be obliged to reach that goal by the same year.

Net zero, therefore, deliberately diverts attention away from the urgent 2030 target that COP26 should focus on.

Why, the 2030 emission reduction target is more significant than net zero?

As per the UN NDC report that even after accounting for updated NDC (Nationally Determined Contributions) targets, global emissions in 2030 are expected to be 16.3% above the 2010 level. This is worrisome as the IPCC has called for 2030 emissions to be 45% less from 2010 levels for the 1.5°C goal.

Hence, 2030 emission reduction target is much more significant than net zero by 2050.

What is the carbon budget approach?

The gravity of the entire situation may be better appreciated through the more scientific metric of carbon budgets, as highlighted in IPCC AR6 and AR5 reports.

- Carbon budgets represent the quantum of CO₂ the atmosphere can hold for a given global temperature, best assessed through cumulative emissions and not annual flows.

Estimates based on carbon budgets should be used at Glasgow. As per the NDC report, reaching net zero is necessary to stabilise global temperature rise at a particular level, but limiting global temperature increase to a specific level would entail limiting cumulative CO_2 emissions to within a carbon budget.

What is the way forward?

World

- COP26 must focus sharply on achieving the 45% emission cuts from 2010 levels required by 2030 for limiting temperature rise to 1.5°C.

India

- India can raise its NDC pledge of **reducing Emissions Intensity** (ratio of emissions to GDP) by 33-35% from 2005 levels by 2030 to 38-40%. This is quite achievable since India has been averaging around 2% p.a. reduction in EI as per its own NDC.
- India could also offer to achieve net zero by 2070-75, invoking CBDR.
- If pressed on a **peaking year**, a **2040-45** guesstimate may not be far off the mark, especially if increasing forest and tree cover are stepped up.

105. Mitigating a crisis: On COP26 Glasgow climate meet

Source: This post is based on the article "Mitigating a crisis: On COP26 Glasgow climate meet" published in The Hindu on 25th Oct 2021.

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

Relevance: On upcoming 26th United Nations Climate Change conference (COP26) at Glasgow **Synopsis**: The COP can at best incentivize adaptation that aids a transition towards clean energy.

Introduction

In a week, heads of state from at least 120 countries are expected to convene in Glasgow for the 26th meeting of the United Nations Conference of the Parties (COP). The annual two-weeklong exercise was disrupted last year due to COVID-19.

What is COP 26?

In 1992, countries agreed to an international treaty called the **United Nations Framework Convention on Climate Change (UNFCCC)**, which set ground rules and expectations for global cooperation on combating climate change. It was the first time the majority of nations **formally recognized the need to control greenhouse gas emissions**, which cause global warming that drives climate change.

That treaty has since been updated, including in 2015 when nations signed the Paris climate agreement. That agreement set the goal of limiting global warming to "well below" 2 degrees Celsius (3.6 F), and preferably to 1.5 C (2.7 F), to avoid catastrophic climate change.

CoP26 stands for the 26th Conference of Parties to the UNFCCC. The "parties" are the 196 countries that ratified the treaty plus the European Union. The United Kingdom, partnering with Italy, is hosting CoP26 in Glasgow, Scotland, from October 31 through November 12, 2021, after a one-year postponement due to the COVID-19 pandemic.

Why is COP26 significant?

The year 2020 was to have been an important year as most of the major economies were expected to review the actions undertaken so far in meeting voluntary targets to reduce greenhouse gas emissions in line with the Paris Agreement of 2015. However, the disruption has meant that these **discussions will now move to Glasgow.**

Moreover, the meet is also **significant from US standpoint** following its exit from the Paris Agreement under Trump administration. The Biden administration is making a concerted effort to commemorate the country's return to the fold.

What are the targets toward which COP26 should aim for?

To limit global warming to 1.5°C consensus around following targets need to be achieved at COP26:

- i). Achieving net zero emissions by 2050
- ii). Cutting emissions drastically by at least 45% from 2010 levels

What are the issues that COP26 need to resolve?

Consensus at COP meetings is hard won because of different viewpoints of various stakeholders esp. the developed and developing countries.

- **Developing countries** argue that the climate crisis exists because of excess emissions by the developed West for more than a century. Hence, any attempt at solving the crisis should involve the western countries doing much more than what they have committed to and, at the very least, making good on promises already enshrined in previous editions of the COP.

Moreover, for developing countries, yielding to calls for 'net zero' also means that governments such as India will appear as having succumbed to international bullying.

- For developed countries, complying with the demand by developing countries to pay reparations means giving out sums of money unlikely to pass domestic political parameters.

What is the way forward?

The COP, therefore, can at best incentivize adaptation that aids a transition to clean energy.

106. COP26: The agenda for Glasgow

Source: This post is based on the article "COP26: The agenda for Glasgow" published in The Indian Express on 25th Oct 2021.

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

Relevance: On upcoming 26th United Nations Climate Change conference (COP26) at Glasgow. **Synopsis**: COP26, which begins next week in Glasgow after a year's delay, will seek to finalize the rules for the 2015 Paris Agreement on climate. Why is this important, and what else in on the agenda?

Introduction

Negotiators from around the world are assembling in Glasgow, Scotland, from Monday next week for COP26 (or the 26th Conference of Parties to the UN Framework Convention on Climate Change). It was scheduled to be held last year, at the same venue, but had to be put off for the first time in its history because of the pandemic.

Most of the discussions ahead of the meeting have been around an effort to get all countries to commit to a net-zero target by a specific year, somewhere around the mid-century. Net-zero is an extremely contentious subject, deeply dividing the developed and developing countries.

What is the agenda for COP26?

The official agenda of the two-week meeting is:

- to finalise the rules and procedures for implementation of the Paris Agreement, which was supposed to have been completed by 2018.

Must Read: What are COP meetings and their significance?

What are some issues from Paris Agreement that are still pending?

Regarding Paris agreement, countries are yet to agree on some of the provisions related to the **creation of new carbon markets**.

Carbon markets are an important instrument to facilitate emissions reductions, and were an integral part of the Kyoto Protocol that has now given way to Paris Agreement.

Developed countries want more robust way to calculate carbon credits and this remains the last stumbling block in finalising rules and procedures of the Paris agreement.

Must Read: What is the carbon market issue?

What is the net zero issue?

An agreement on carbon markets would involve complex negotiations. Hence, the developed world is now pushing to shift the goalpost from what already has been agreed in the Paris agreement by calling for all countries to adopt Net Zero targets by 2050.

Incidentally, the issue of net-zero, or carbon neutrality, does not find a mention in the Paris Agreement, and therefore, does not form part of the process.

Ministers of 24 nations, which call themselves 'Like Minded Developing Countries', or LMDCs, denounced the efforts to force a net-zero target on everyone, saying it went against 'equity' and 'climate justice'. India is a part of LMDC, and interestingly, so is China. Other members include Indonesia, Malaysia, Iran, Bangladesh, the Philippines and Sri Lanka. The LMDC has stated that it was lack of adequate action on the part of rich nations that had led to

worsening of the climate crisis and the net zero target runs counter to the Paris Agreement and is **anti-equity** and **against climate justice**.

Must Read: A timeline of various COP meetings

107. No heroes at COP: On COP26

Source: This post is based on the article "No heroes at COP" published in Business Standard on 24th Oct 2021.

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

Relevance: On upcoming 26th United Nations Climate Change conference (COP26) at Glasgow. **Synopsis**: If COP26 fails, it will be because of misplaced targets from the West and China, and a lack of ambition and imagination from India.

Introduction

A few months ago, one could reasonably expect that there would in fact be a significant increase in the global ambition to combat climate change and reduce carbon emissions as a result of COP26 Glasgow conference.

Yet a combination of factors has unfortunately caused this optimism to appear misplaced.

What are the reasons behind this reduction in expectations from COP26?

Multiple nations are responsible for this reduction in expectations.

USA: Biden administration has made no attempt to change the price of carbon in the US economy, and the "build back better" bills barely add up to one-third of the emissions reductions that Mr Biden promised by 2030 and even then face serious objections in the US Senate.

European Union: The EU, meanwhile, has set more credible targets and taken more credible action. Yet its ambition is inward-focused: The "European Green Deal" would ensure a large amount of capital flows to climate-sensitive projects within the EU, but at the potential cost of funding more efficient carbon mitigation projects elsewhere in the world. It also proposes to levy a carbon tariff on goods entering its borders from 2026- in other words, steel from Indian plants, if it is produced in a more emissions-intensive process, will have to pay an additional price per ton to be sold in Europe. This has severely **increased distrust** with its potential partners on climate change, including India.

China: It has pledged to become net zero by 2060. This means there are no restrictions in effect on the announcement of new coal-fired thermal power plants, and China has continued to make such announcements even in 2021; in just the year's first six months, the projected new plants would increase the country's emissions by 1.5%.

What are India's views and why they need to evolve?

India may be right to resist a meaningless net zero target but there is less justification for some of their other points.

On climate finance. In 2015, at the Paris Agreement, the developed world promised to mobilise \$100 billion of climate finance to aid the green transition in emerging economies. Only a fraction of that money has materialised. India insists that any climate action should be predicated on the rest of that grant money being made available.

- This viewpoint is **not constructive**, and not helpful even from India's point of view. At best, India would get a small amount of incremental grant capital from this \$100 billion. And even

the total figure of \$100 billion is extremely less than the trillions of dollars actually required by India and the rest of the emerging world over the next decade if greener infrastructure is to be built.

What is the way forward for India?

- Global agreement on climate finance: Govt should push for private-sector investment in green and frontier sectors. India's government has isolated some of these sectors in its recent moves towards industrial policy batteries, for example. This agreement on climate finance should cover such areas as risk mitigation, targeted investments, and project preparation assistance. And COP26 is the right location to move towards such a global agreement.
- **South African model**: India's model should be South Africa (SA), a fellow coal-rich developing country that has had an even harder time imagining a development path that is greener than its current trajectory. Transitioning its debt-ridden state-run electricity company, Eskom, from coal-fired plants to renewables would be prohibitively expensive. That's why the South Africans have put proposals out there which aim to make it easier to **swap debt for green financing.** These proposals, if approved, would clear up Eskom's balance sheet on the condition that it begins greater investment in renewables.

108. More than a coal problem

Source: This post is based on the article "More than a coal problem" published in Livemint on 25th Oct 2021.

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

Relevance: Understanding coal shortage in India

Synopsis: India's primary coal producer can only be partly blamed for the coal shortage issue, other factors needs to be seen to avert current and further crisis.

Introduction

India is in the midst of a coal shortage and that has led to its power plants having very little coal. As per the report of the Central Electricity Authority, as of 21 October, the 135 coal linkage based power plants tracked had an average coal stock of 4 days.

Coal India Limited is being blamed for this crisis. But is it fair to just blame Coal India alone?

A brief history of coal sector in India

After independence, much of India's coal production was **privately owned**. The growth in coal production was sluggish and was less than 2% per year before the 1970s.

Mainly for this reason, coal mining was **nationalized** between 1971 and 1973.

In 1993, the government decided to allocate coal blocks to both private sector and public sector companies for **captive consumption**.

The **commercial mining** of coal was allowed when the Parliament passed the Mineral Laws(Amendment) Bill in March 2020. Now, it is possible for a private company to produce coal andsell it commercially.

What has been the performance of "Coal India ltd." (CIL)?

In 2020-21, the total coal produced by Coal India was around 83% of the total 716.1 million tonnes produced in the country, which came down marginally from 88.5% of India's coal in 1980-81.

This monopoly of the Coal India firms has translated into huge operating margins(represents efficiency to generate profit). As per the Public Sector Enterprises Survey for 2019-20, the state-owned public sector coal firms had an operating margin of 37.1% in 2019-20.

What are the trends in demand and supply of coal?

Production/supply-The growth in coal production for the 10 year period ending 2019-20 stands at 3.4% per year on average.

The **demand** for coal on the other hand in the last 10 years has grown by around 4.8% per year.

Must Read: Coal shortage in India – Explained, pointwise

Will commercial mining of coal help?

Commercial mining of coal is allowed now under the Mineral laws (amendment) Bill passed by the Parliament in Mar 2020.

But, the issues is that the private miners will face exactly the same problems that Coal India does, when it comes to setting up a new coal mine.

Along with the **systemic issues** mentioned earlier for Coal India, the lack of **human** resources will also limit the ability of private miners.

Commercial mining of coal might work out well in the long-term, but in the short- to medium-term the importance of Coal India and import dependence is likely to continue.

Can renewable sources fulfill the gap?

In 2020-21, proportion of coal based power was 53%. In absolute terms, almost twice more coal-based power was produced in India in 2020-21 than in 2005-06.

This dependence on coal is unlikely to change in the years to come. Coal India annual report states that the share of coal in overall energy mix is expected to remain high at 48-54% even beyond 2030.

What can be done?

The government needs to support Coal India in sorting out issues related to land acquisition and environmental clearances for both coal India and private companies.

The managerial capabilities of Coal India should be made free social objectives of the government.

109. What PM Gati Shakti plan means for the nation

Source: This post is based on the article "What PM Gati Shakti plan means for the nation" published in The Indian Express on 25th Oct 2021.

Syllabus: GS3 - Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Relevance: Article details the importance of PM Gati Shakti plan.

Synopsis: The current state of infrastructure and how PM-Gati shakti will help in it.

Introduction

This fractionated style of policy-making and execution held back the economic development of India. The Prime Minister's Gati Shakti plan is a step in changing the status of the progress of the nation by national Master Plan for Multi-modal Connectivity.

What is the current state of infrastructure and how Gati-shakti would address it?

Logistics– The cost of Indian logistics remains high at 13-14% of GDP compared to developed nations where they are 8-10 per cent. The plan will help India to cut down its logistics cost.

Freight transport– India's modal mix is heavily tilted towards roads, with 60-65% of transport happening via road compared to 25-30% in developed countries, prompting higher costs.

PM Gati Shakti Master plan, we will increase India's highway network to 2 lakh km and provision utility corridors for laying adjoining power and optical fibre cables, which will be a life-saver in times of natural disasters.

Rail freight business depends excessively on coal.

Domestic waterways face numerous challenges due to high first- and last-mile costs, unavailability of return load in most cases, high voyage costs for specialised vessels and high repositioning costs of domestic containers, among others.

The PM Gati Shakti National Master Plan will herald a new era of infrastructure development and multi-modal logistics.

Master plan will further augment **urban infrastructure** development by streamlining planning and approvals, and integrating civic amenities.

It is expected to increase the share of **natural gas** in the country's energy mix to 15 per cent from the current 7 per cent.

Must Read: PM Gati Shakti - National Infrastructure Master Plan - Explained, pointwise

110. Decoding The Unicorn Nation

Source: This post is based on the article "Decoding the Unicorn Nation" published in the TOI on 25th October 2021.

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

Relevance: Digital transformation and its benefits

Synopsis: India's demographic dividend may finally be realized through the digital dividend

How COVID helped in India's digital transformation?

Though, Covid left indelible scars, but it propelled India to the top of the league of digitally connected nations.

Compelled to adapt their lives and livelihoods to a 4×5" smartphone screen, the virus forced the entire populace to embrace new habits and behaviours.

Covid ensured **serious adoption of smart phones**, making it a transaction device, penetrating every strata of our society.

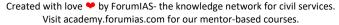
Today, Indian citizens armed with just three things -a bank account, a smartphone and a digital identity can meaningfully transact online, find a job, learn a skill, invest money, take a loan or get access to online services anywhere.

How has India emerged as a destination for venture capital?

- Spread of e-commerce: India's digital startups have seized this transformation opportunity. They no longer have to burn cash, shower discounts to create new habits.

Instead, there's a **massive surge in demand**, and improved unit economics, as Indians are willingly paying for digital convenience and access.

UPI and QR codes, combined with efficient and speedy delivery logistics infrastructure, have brought **e-commerce to every small town and village**.



As a result, we today have over 700 million of our citizens connected, over 150 million transacting e-commerce customers, and digital aids like Whatsapp being used at mass-scale by small businesses.

India has an astounding total addressable market of 400 million of online orders for meal deliveries.

Given the enormous potential, it is no surprise, therefore, that India has emerged as an attractive destination for venture capital, with \$30 billion (Rs 2,10,000 crore) expected just this year to give wings to unicorns.

How digitalisation will be beneficial for India?

Firstly, low transaction costs, high velocity of transactions, transparency and ease of discovery will all combine to create massive productivity gains in every sector.

For example, each time a Citizen's charges his FASTag digitally, or use kirana store, or order a meal home via online UPI transfer, a tiny fraction of efficiency gets released, and someone gets productively employed.

Secondly, as the digital trails of economic transactions become shareable and auditable and usable, it will allow millions of small businesses to gain **instant access to credit** and move from being credit-starved to credit-rich.

Thirdly, India is now seen as the champion of the open and democratic internet, and a global hub for technology innovation and startups. Its mobile-first software development capabilities and deep local markets give it the experience and confidence to create digital products for the world.

Fourthly, the demand for digital talent is soaring, both domestically and internationally. Now "**Code in India**" should be our new paradigm to export our skills and capabilities to the world. Here the good news is already: Millions of young graduates are taking notice of the fact that learning how to code is the key to a great future.

What are the challenges that needs to be addressed due to increasing digitalisation?

Disruptions: Digitisation will leave no time for incumbents to react, especially since digital-first businesses have reset the equation. Unless legacy businesses learn to adapt, many of them will replaced by a digital upstart.

Monopolies: As digital platforms become more powerful, regulation will have to rapidly evolve to avoid monopolisation and cartelisation.

Denial of Labour rights: Platforms are already exploiting labour, categorising them as gigworkers and denying them employment benefits. This needs to be addressed.

111. India's productivity challenge is especially steep in-service sectors

Source: This post is based on the article "India's productivity challenge is especially steep in-service sectors" Published in "Livemint" on 26th Oct 2021.

Syllabus: GS3 – Issues related to Service Sector

Relevance: Significance of low-productivity services to India

Synopsis: While low-productivity services will continue to employ the majority of the country's workforce, there is no clear-cut policy path to improve the productivity of workers in these sectors.

Introduction

It is known that productivity is the key to economic prosperity. But the policy solutions needed to raise the productivity of service workers remains one of the biggest challenges for India and hasn't yet received much attention.

Why is this important?

First, low and medium-productivity service sectors (services except real estate, business and professional services) and construction account for over 70% of non-farm employment in India. **Second,** while India aims to expand employment in manufacturing, there is no doubt that today's low and medium-productivity services would continue to generate most jobs going ahead. **For instance,** in 2004-05, around 66% of those employed in India's non-farm economy were working in construction, trade, transport and communication, hotels, restaurants and personal services, along with public administration and defence. By 2018-19, this proportion had increased to 72%.

Why India should develop suitable policies for low and medium-productivity service sectors?

One, Premature De-Industrialisation had limited the employment opportunities in India. India has been pushing for manufacturing expansion via its Make in India campaign. But manufacturing would not be able to generate jobs at scale across India the same way it did in other Asian economies like Japan, South Korea and China, given increasingly high levels of automation.

Two, high-skill services cannot absorb the large proportion of educated youth that remain unemployed in search of good-quality jobs.

Three, with a change in patterns of demand towards services and the emergence of new types of services via the shared economy, there is evidence that the structure of occupations is changing and labour markets may be polarizing further. This could lead to greater inequality, which has been the case in many developed countries as well.

Four, the current measure of labour efficiency by the time taken to deliver an order, for example, is not appropriate. Similarly, restricted working hours available for manufacturing and traditional retail sectors may not suit the working style of low and medium-productivity service sectors backed by technology.

112. 2021: A hypersonic space odyssey that we must brace for

Source: This post is based on the article "2021: A hypersonic space odyssey that we must brace for" Published in "Livemint" on 26th Oct 2021.

Syllabus: GS3 – Indigenization of Technology and Developing New Technology

Relevance: Hypersonic technology

Synopsis: The increasing arms race has forced India to not just prioritize economic growth but keep pace on evolving technology in the defence sphere.

Introduction

Suddenly, the world finds itself at the beginning of a new military space race with China, the US and to a less extent Russia as the main participants.

It has been reported that <u>China recently tested two hypersonic weapons</u> that are potentially capable of evading missile defence systems that were built primarily to combat intercontinental ballistic missiles (ICBMs).

The Chinese Hypersonic Glide Vehicle (HGV) follows the successful development of a similar program by Russia that tested its **Avangard missiles** over the last few years.

The newer Chinese version of the system is a **Hypersonic Glide Vehicle** (HGV) and is capable of much lower orbital altitudes and far more flexible maneuvering.

What countries other than China are working on the development of Hypersonic technology? The US has been working hard at developing this technology but its test of an HGV last week was not successful.

In addition to the US, Russia and China, Australia, India, France, Germany and Japan are said to be developing hypersonic technology for their own specific purposes.

Japan, for example, is building **anti-ship hyper-velocity gliding projectiles** to guard its Senkaku Islands from the threat of Chinese expansionism.

Australia and the US are jointly working on a **hypersonic cruise missile prototype**, expected to enter service in the late 2020s, a project that leverages work done over the last decade on scramjets, rocket motors and sensors.

Germany and France are working on a hypersonic defence system called **Twister**, which is short for Timely Warning and Interception with Space-Based Theater Surveillance.

What is hypersonic technology and what are its characteristic features?

The word 'hypersonic' refers to the ability of missiles to travel at or greater than five times the speed of sound (or Mach 5). The commonly-used technology underlying hypersonic missiles is an 'air breathing scramjet engine'.

The glide vehicle innovation means it can continue to travel at hypersonic speeds at a lower trajectory and with greater maneuverability even after it separates from the rocket.

How the ongoing rivalry between big powers is different from Cold war era? There are two major changes in big-power rivalry.

One, this is the first time since the fall of the Berlin Wall in 1989 that the framework for this rivalry has shifted from minimum deterrence to an attempt to gain asymmetric power in some areas, such as HGVs, artificial intelligence, machine learning and cybersecurity;

Two, the theatre for this rivalry has moved from Europe and land/air- based technology to the Indo-Pacific and naval/air/space-based technology.

How India is faring in this arms race?

The Indian **BrahMos cruise missile**, built jointly with Russia, is considered the fastest antiship cruise missile in the world.

India is currently working on **BrahMos II**, expected to be delivered in the next five years, which will be a hypersonic cruise missile capable of a Mach 8 speed.

While the BrahMos missile can climb to space altitudes, India's space-weapons programme has been limited to anti-satellite missiles, first pilot-launched in 2019.

The Indian government has repeatedly stressed that its space programme has only civilian aspirations.

Further, India and 34 other countries are signatories to the **Missile Technology Control Regime** (MTCR) that seeks to limit the proliferation of missiles and missile technology.

113. COP 26: Greening of polar ice should top agenda; here's why

Source: This post is based on the article "COP 26: Greening of polar ice should top agenda; here's why" published in DTE on 25th Oct 2021.

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

Relevance: On the potential agenda for COP26 Glasgow meeting.

Synopsis: Greening of the poles must be a top priority for the upcoming COP26 meeting Introduction

Researchers at NASA, using 29 years of data from Landsat satellites, have observed extensive greening around Alaska and Canada, which were snow-covered lands.

For the past several decades, the Arctic has been warming twice as quickly as the rest of the world and undergoing tremendous transformation.

Arctic Sea ice reduced by around 39% in the last 38 years. Over the same period, ice in Antarctica also reduced by 6.2%.

What is the reason behind greening of polar ice?

As per scientists, this is occurring because Arctic summers are getting warmer every decade.

Why is Arctic region is getting warmer?

Sea ice has a bright surface meaning about 80% of the sunlight that strikes it is reflected into space.

- Melting of sea ice: The sea ice melts and exposes the deep, dark ocean water because of rising temperatures.
- Heating of sea water: Now, instead of reflecting 80% of the sunlight, the ocean absorbs 90% of the solar radiation. The seawater heats up and Arctic temperatures rise further, amplifying the rate of warming.

The resultant warmer air and soil temperatures provides a habitable climate turning the region greener.

Rapidly rising temperatures in the Arctic have led to longer growing seasons and shifting soils for the plants.

What is the impact of greening?

Greening will convert the 'net reflective' ice caps to 'net absorptive', tampering with the global energy balance and accelerate polar ice melting.

Scientists have observed the grassy tundra transitioning to scrublands and shrubs becoming larger and denser. The Arctic faced several other adverse impacts in its zone because of climate-induced greening.

Impact on biodiversity: The reindeer populations declined with the increased growth of summer pastures. Many non-edible shrubs grew, which eventually led to the disappearance of the reindeer herds from the region, threatening the biodiversity of the region.

How is Antarctic region being impacted by greening of polar ice?

Like the Arctic, the Antarctic is also greening because of the irreversible melting of sea ice, which is green in colour.

In 2016, it was discovered that **marine ice has 500 times more iron than the ice above it**. This iron comes from the rocks under the Antarctic ice sheet which, when glaciers pass over them, are ground into a fine powder.

The ice-bound iron oxidizes in contact with seawater.

The resulting iron oxide particles take on a green hue as light scatters through them. The green ice only becomes visible when an iceberg capsizes and flips over from excessive melting and is disjointed from the main body.

Thus, melting of sea is leading to the greening of polar ice in both Arctic and Antarctic.

What is the way forward?

The effects of climate change (greening of the poles) are trans-boundary in nature. Thus, it is reasonable to assume that the only solution could be integrated international negotiations and frameworks.

These are required to set standards for nations and businesses to achieve global average temperature standards at the earliest, before the warming crosses the tipping point.

114. Explained: Climate targets set, missed

Source: This post is based on the article "Explained: Climate targets set, missed" published in The Indian Express on 26th Oct 2021.

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

Relevance: On a lack of commitment from the developed world towards definitive climate action.

Synopsis: Response of the developed world to the climate change issue, the erosion of Kyoto protocol and impact of three decade long climate diplomacy in addressing challenges related to climate change.

Introduction

The annual climate meetings have succeeded in inspiring the world into taking collective action against climate change, but they have not been able to prevent the crisis from worsening in the last two decades.

Countries have missed their targets, gone back on promises made, and delayed their actions.

How has developed world responded to the problem of climate change?

Between 1990 and 2010, when climate change emerged as an issue, very little action was taken to curb growing emissions.

- The first target, for the developed countries to return to their 1990 levels of emissions by 2000, was never taken seriously.
- **Kyoto protocol**: As per the Kyoto protocol 1997, a group of 37 rich and industrialized countries were to collectively achieve a modest 5% reduction in their emissions from 1990 levels during the 'first commitment period' of 2008-2012. The protocol couldn't be operationalized until 2005 in the absence of the requisite number of ratifications. The US didn't ratify it. Canada also, withdrew later.

Except for the **European Union**, and some of its individual member countries such as **Germany** and the **United Kingdom** (which was then in the EU), most of the countries did not achieve the target.

Data from the World Resources Institute show that the emissions of the US in 2012 were **marginally higher** than they were in 1990, meaning there was no reduction. However, the halving of emissions in Russia because of the collapse of the economy compensated for this to some extent.

Australia's emissions went up by about 15%.

Global emissions went up by 40% between 1990 and 2012, mainly to the rapid rise of China and India.

China overtook the United States as the world's leading emitter around 2007. Its current emissions are more than 4 times the 1990 levels.

India's emissions have grown over 3.5 times from 1990.

What were the objections of developed nations against the Kyoto protocol?

Under Kyoto Protocol, developing countries like China, India, Brazil, were not given any emission reduction targets because over 90% of the accumulated greenhouse gases in the atmosphere, the reason for global warming, had come from the rich and industrialized countries over the last 150 years.

This is what gave rise to the principle of **Common But Differentiated Responsibilities and Respective Capabilities** (CBDR-RC). But gradually there were demands from developed nations for dilution of the distinction between developed and developing countries when it came to mitigation commitments. This was driven largely by the huge three-fold increase in emissions from China between 1990 and 2010, making it the largest emitter of carbon.

Thus began a systematic effort to erode the Kyoto Protocol and replace it with an architecture that put some constraints on the emissions of India and China as well. It was achieved with the finalisation of the Paris Agreement in 2015.

Further, it led to a shift from globally agreed commitments under the Kyoto protocol to nationally determined pledges. This was driven by the US, which could not accept treaty obligations that would require Senate approval. This political shift culminated in the Paris Agreement of 2015.

What has been the impact of climate diplomacy in addressing the challenges of climate change?

Rise in awareness: In 1990, there was ignorance and scepticism about climate change and the anthropogenic responsibility for it. That has changed and climate scepticism, though not gone, is treated as an exception. UNFCCC process that brought scientists from around the world, forged a consensus on facts and projections regarding climate change.

- **Increased participation by pvt sector:** This rising awareness has had a deep impact on the corporate sector with many large companies joining in a net-zero commitment.
- **Increased research:** It also played a role in driving research on renewables, which has led to such dramatic cost reductions that they now count for more in energy investment than fossil fuels.
- **Spread of NGOs:** Yet another consequence of rising awareness has been the rapid spread of global non-governmental organisations, which are adding greatly to understanding, information dissemination, and effective advocacy.

115. Gati Shakti can spur behavioural changes for superior governance

Source: This post is based on the article "Gati Shakti can spur behavioural changes for superior governance" published in "Livemint" on 25th Oct 2021.

Syllabus: GS3 - Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Relevance: To understand the role of Gati-Shakti plan in development of infrastructure.

Synopsis: Information sharing could reform our bureaucracy and raise efficiency in infrastructure creation through use of Gati Shakti plan.

Introduction

Gati Shakti besides being a master plan for infrastructure creation, is also the solution to the problem of information-sharing between ministries and government departments at the Centre. It is a software element in the government's infrastructure projects implementation.

How Gati Shakti is going to aid other projects?

Gati Shakti should be seen as a cog in India's wheel of infrastructure creation that is important for the other three: the **10-year infrastructure development** programme announced last year, National **Monetisation** Pipeline and **privatization** of public sector enterprises.

Governments in the world over operate on the basis of **information being power.** Therefore, a dashboard that allows all government stakeholders to access information pertaining to infrastructure projects can become a potential game-changer.

Given time, it could catalyse **behavioural changes** in the bureaucracy. That will constitute a big difference to governance.

It would facilitate citizen-monitoring and accountability

What more is needed to be done?

There are two other levels of software upgradation that need to be attained for infrastructure creation to be seamless and faster.

The extension of the information dashboard to state and local governments. They constitute the important last-mile elements of projects. That will also advance cooperative federalism.

The second aspect is the **negotiation of contracts** with the private sector for the monetization, creation and/or operation of existing assets. Simplicity of language and transparency of mutual obligations and expectations will help in avoiding costly re-negotiations, needless litigation and costly delays.

Must Read: PM Gati Shakti National Infrastructure Master plan

116. Why India shouldn't sign on to net zero

Source: This post is based on the article "Why India shouldn't sign on to net zero" published in The Hindu on 27th Oct 2021.

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

Relevance: On net zero emission reduction target

Synopsis: India should not declare a net zero target. Instead it should stake a claim to a fair share of global carbon budget.

Introduction

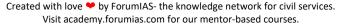
The developed world is building up pressure on India to declare a net zero target at the upcoming COP26 meeting at Glasgow.

But, reaching net zero by a specific time period is irrelevant.

Instead, as per the latest IPCC report, if we are to limit the increase in the world's avg temp from pre-industrial levels to those agreed in the Paris Agreement, then we need to cap global cumulative emissions of CO₂ at the global carbon budget.

Why the timeline to reach net zero emission reduction target is flawed?

Neither the Paris Agreement nor climate science requires that net zero be reached individually by countries by 2050.



Claims that the world must reach specific goals by 2030 or 2050 are the **product of specific economic models for climate action.** These are designed to achieve the Paris goals by the lowest cost methods, without equity and climate justice.

They put **uneven burden of emission reduction requirements on developing countries**, despite their already low emissions, to buy time for the developed world for its own transition. Less than a fifth of the world has been responsible for three-fifths of all past cumulative emissions, the U.S. and the EU alone having contributed a whopping 45%.

Promises of net zero in their current form further this **hugely disproportionate appropriation** of a global commons, while continuing to place humanity in harm's way.

Lowering the temperature

India's Nationally Determined Commitments (NDCs)

- Reduce emissionsintensity target of 33–35% by 2030 below 2005 levels
- Increase the share of non-fossil-based energy resources to 40% of installed power

generation capacity by 2030

■ Create an additional carbon sink of 2.5–3 GtC02e by 2030, to be met through additional forest and tree cover

India's achievement claims

100 Gw renewable

energy generation capacity (solar + wind + small hydro + biomass)

- Declared large hydro (close to 40 Gw capacity) as a renewable energy source. Will be part of cumulative RE target
- India's emission intensity to GDP is 24%

Source: MoEFCC

Why India must not declare a net zero target?

India's contribution to global emissions is so disproportionately low that any sacrifice on its part can do nothing to save the world.

India is responsible for no more than **4.37**% cumulative emissions of carbon dioxide since the pre-industrial era, even though it is home to more than a sixth of humanity.

India's **per capita emissions are less than half the world average**, less than one-eighth of the U.S.'s, and have shown no dramatic increase like China's post 2000.

Cannot trust promises of the developed nations: Nor can it proceed with the expectation that the developed world and China would limit their emissions further in the future. The failure of the developed world to meet its pre-2020 obligations along with its refusal to acknowledge this provides little confidence for the future.

Why India must claim its fair share of the global carbon budget?

It enables the responsible use of coal, and oil and gas. This will help India to come out of the lower middle-income economy status and eradicate poverty, hunger and malnutrition for good

Small Industry sector needs expansion: India's resource-strapped small industries sector, which provides employment and livelihoods to the majority of the population outside agriculture, needs expansion and modernisation.

Agri sector is in need: The agriculture sector, the second largest source of greenhouse gas emissions for India after energy, needs to double its productivity and farmers' incomes and build resilience.

All of these will require at least the limited fossil fuel resources made available through a fair share of the carbon budget.

What is the way forward?

Even if India were to enhance its short-term Nationally Determined Contributions under the Paris Agreement in some fashion, unnecessary as of now, it should do so while staking a claim to its share of the global commons.

This will ensure that its efforts will not further enable the free-riding of the developed world and protect its access to this strategic resource, vital to India's industrial and developmental future.

117. The perils of natural experiments and randomized controlled trials

Source: This post is based on the article "The perils of natural experiments and randomized controlled trials" published in Livemint on 26th Oct 2021.

Syllabus: GS3 – Economy

Relevance: On Randomized Control Trials (RCTs) in economics

Synopsis: The RCTs that have swept economics and won Nobel recognition remain rather unreliable in comparison with clinical trials. We should be sceptical about the policy conclusions of randomized control trials used in economics and social sciences.

Introduction

Randomized Clinical Trials have revolutionized medicine and led to many life-saving treatments, drugs and vaccines. But, we should be cautious before applying conclusions based on Randomized Controlled Trials (RCTs) to economics and social science fields.

Must Read: 2021 Nobel Prize in Economic Sciences - Explained, pointwise

What are the issues with applying RCTs in economics and social sciences?

i). The fallacy of composition: The human body, the object of clinical trials, is a very complex but generally closed system. The impact of a trial drug on one person is independent of its impact on others.

The fallacy of composition occurs when one assumes that if something is true of members of a group or collection, it is true of the group as a whole. In simple words, under this fallacy it is falsely assumed that just because something is true at an individual, firm, industry level, so it must be true for the whole economy.

The results of a randomized clinical trial for, say, a vaccine, after it has gone through the quality checks of three phases, can be safely applied to the whole population.

Not so in the case of a Randomized Controlled Trial (RCT).

This is so because in economics, individuals are part of a complex and open system, their decisions and interactions are dependent upon one another. Thus, at the economy-wide level the impact on one individual may not be extrapolated to be applied on the whole population.

Example:

Rise in minimum wage: A rise in the minimum wage in one district or industry may not have an adverse impact upon employment and costs and prices, since firms invariably have some margin of profits to absorb the hike. But an economy-wide minimum wage rise may push up prices, unless the central bank tightens policy to offset that.

Education subsidy: A certain subsidy leading to more education for some individuals may benefit them, but nationally, it may not.

ii). Accuracy of data: The second vital matter is the accuracy of the data that researchers generate by conducting surveys to conduct their RCTs. In their pioneering 1994 study (for which Card recently got Nobel in Economic Science), David Card and Krueger generated their own data from phone interviews. Given **ideological biases**, researcher- generated survey data is intrinsically suspect.

What is the way forward?

The academic debate continues. The question to ask is:

Of all the studies using RCTs published in the top 10 economics journals in the past two decades, how many generated their own data versus used publicly-available data? – This would broadly indicate the reliability of non-medical RCTs that have swept the field.

118. How Punjab can shine again with nutritional security and climate-friendly agriculture

Source: This post is based on the article "How Punjab can shine again with nutritional security and climate-friendly agriculture" published in the Indian Express on 25th October 2021.

Syllabus: GS3- Major Crops – Cropping Patterns in various parts of the country and issues arising out of it.

Relevance: Crop diversification, sustainable farming.

Synopsis: Adjusted for land holding, the Punjab farmer is doing poorly, and the culprit is paddy. By shifting from rice to maize and diversifying to fruits and vegetables, farmers in Punjab and Haryana can earn more, while practicing sustainable farming.

What are key findings of the latest Situation Assessment Survey (SAS) of agri households?

As per the findings of SAS survey conducted by NSO,

- An average Indian farmer earned Rs 10,218 per month in 2018-19 (July-June).
- Across states, the highest income was received by a farming household in Meghalaya (Rs 29,348) followed by **Punjab** (Rs 26,701), **Haryana** (Rs 22,841), Arunachal Pradesh (19,225) and Jammu and Kashmir (Rs 18,918)
- The lowest income levels were in West Bengal (Rs 6,762), Odisha (Rs 5,112) and Jharkhand (Rs 4,895).

Why farmers in Punjab and Haryana need to diversify their crops?

On normalising the incomes of agri-households by their holding sizes as per SAS survey, Punjab's ranking on per hectare income falls from 2nd to 11th and Haryana goes down from 3rd to 15th.

- This simply means that per hectare income of the farmers in Punjab and Haryana are lower. And the farmers in Punjab and Haryana are earning higher incomes primarily because the size of their landholding is greater compared to their counterparts from other states.

Whereas, farmers belonging to states such as Jammu and Kashmir, Kerala, Meghalaya and Arunachal Pradesh earn better income from cultivating fruits and vegetables, spices, and livestock. These are high value in nature, not linked to MSPs, and market and demand-driven.

How can farmers in Punjab and Haryana augment their incomes with more sustainable agriculture?

Punjab's former Chief Minister Amarinder Singh had recently approached the Centre with an idea to create a fund of around Rs 25,000 crore to help farmers switch from paddy to maize. Centre should give this idea a serious thought with the following modifications.

One, the fund should be under a five-year plan to shift at least a million hectares of paddy area (out of a total of 3.1 million hectares of paddy area in Punjab) to maize.

Two, the corpus should have equal contributions from the Centre and state.

Three, since Punjab wants that farmers be given MSP for maize, an agency, the Maize Corporation of Punjab (MCP), should be created to buy maize from farmers at MSP. This agency should enter into contracts with ethanol companies. Much of this maize can be used to produce ethanol as the poultry and starch industries will not be able to absorb this surplus in maize once a million hectares of paddy area shifts to maize.

Fourth, maize productivity must be as competitive as that of paddy in Punjab and the best seeds should be used for that purpose. This is to ensure that ethanol from maize is produced in a globally competitive manner. The GoI's policy for 20 per cent blending of ethanol in petrol should come in handy for this purpose.

What would be the consequential benefits?

Sustainable water source: Punjab will arrest its depleting water table as maize needs less than one-fifth the water that paddy does for irrigation.

Savings in Power subsidy: Punjab will save much on the power subsidy to agriculture, which was budgeted at Rs 8,275 crore in the FY2020-21 budget, as paddy irrigation consumes much of the power subsidy.

Climate mitigation: this could result in a win-win situation for all (farmers, the Government of Punjab and the country) as there will be lesser methane emissions and less stubble burning. Moreover, ethanol will also reduce GHG emissions in vehicular pollution.

Nutritional security: Will help Punjab to produce more nutritious food and raise on the nutritional security front with sustainable and climate-resilient agriculture.

Doubling farmers income: Punjab farmer's income on a per hectare basis will increase more sustainably.

What more needs to be done?

Other parts of the diversification strategy should include,

- Increasing the area under fruits and vegetables
- More focused policy to build efficient value chains in not just fruits and vegetables but also livestock and fisheries.
- Agri-sector needs to be backed by proper processing, grading and packaging infrastructure to tap its full potential.

119. The awkward grant of patents to artificial intelligence

Source: This post is based on the following articles "The awkward grant of patents to artificial intelligence "published in Livemint on 27th Oct 2021.

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

Relevance: Artificial Intelligence and Intellectual Property Rights

Synopsis: This article elucidates why patents cannot be granted to artificial intelligence (AI) programs.

Introduction

In April 2020, the South African patent office granted a patent to an artificial intelligence (AI) program called **DABUS** (Device for the Autonomous Bootstrapping of Unified Sentience).

DABUS used fractal geometry to come up with a better design for food containers that both improves grip as well as heat transfer.

However, it has to be noted that, before **DABUS** was finally granted a patent in South Africa, the DABUS application was been rejected by patent offices in the US, Europe and the UK.

On a similar account, last year the Indian Copyright Office registered a copyright over an artwork in the name of an artificial intelligence application called **RAGHAV** (Robust Artificially intelligent Graphics and Art Visualizer).

Why other countries refused to grant patent to an artificial intelligence (AI) program?

The European Patent Office (EPO) pointed out the following issues

One, the law designates a natural person as the inventor of a work in order to preserve their moral right over the invention as well as to secure for her the economic rights made available by the patent. **AI does not fall under the classification of natural person.**

Two, the programs are doing little more than **just following the broad instructions of the humans** who designed them. In order to be entitled to the economic benefits, an inventor needs to have actually performed the creative act of invention.

Three, AI still lack an autonomous will, self-awareness and personality in the way that humans have. At this point they can only mimic what passes for intelligence using clever tricks of pattern recognition and complex sentence completion.

Why AI algorithms cannot be treated as an inventor in the first place?

Firstly, Patent holders are granted a limited monopoly over their invention so that they can monetize their work and exercise the right to prosecute those who copy their inventions.

In order to be able to exercise the benefits that this legal monopoly offers, an inventor needs to have the ability to negotiate the complex commercial terms of a patent licence.

In case of patent infringement, the inventor needs to be able to understand the nature of the infringement as well as the various pros and cons of prosecuting the infringer.

Human inventors have little trouble understanding the relevant issues, and, with a little guidance from patent lawyers, are able to take appropriate decisions based on their own particular social and economic context.

Artificial intelligence algorithms, on the other hand, will find it hard, if not impossible, to even place all the relevant data points in an appropriate context.

Secondly, any patent granted to an artificial intelligence algorithm would, for all practical purposes, be exercised by the inventor of that algorithm. So, there is no point in calling the algorithm an inventor in the first place.

Thirdly, all these algorithms are little more than prediction machines designed to take information we have and use it to discover information we do not. Their abilities are constrained to generate outcomes within the narrow domains in which they are trained.

Terms to know

• Artificial Intelligence

120. A mammoth project to help endangered species and planet

Source: This post is based on the article "A mammoth project to help endangered species and planet" published in "Business Standard" on 26th Oct 2021.

Syllabus: GS3 – Conservation, environmental pollution and degradation, environmental impact assessment.

Relevance: Bio-technology and its link with the preservation of bio-diversity.

Synopsis: A US based company has taken a project to introduce a hybrid of extinct Mammoth and Elephants.

Introduction

A US bio-startup "Colossal" launched a project to regenerate the extinct woolly mammoth, or rather to create an **elephant-mammoth hybrid** with mammoth characteristics, through genesequencing and gene-splicing technology, CRISPR.

The mammoth went extinct around 1650 BCE — less than 4,000 years ago. Since mammoths lived in cold, permafrost areas, well-preserved mammoth DNA is available. Mammoths were related to Asian elephants, with 99.6 per cent of DNA in common.

Must Read: Bringing woolly mammoths back from extinction might not be such a bad idea – ethicists explain

How the experiment will be done?

If the genes unique to mammoths are inserted into Asian elephant DNA, a viable hybrid embryo may result. The gene splicing technology, CRISPR, which allows easy cut-and paste insertion (and deletion) of genes may be capable of the delicate editing necessary.

What is the expected outcome?

Experiment claims it could **create "a cold-resistant elephant** with all of the core biological traits of the Woolly Mammoth" — thick woolly coat, fat deposits, small ears, curling large tusks to push through frozen ground to access buried vegetation.

It may lead to insights that may **help prevent modern elephant extinction**, and also advances in multiplex CRISPR editing, as well as possibly establishing links between genetics and climate change.

It can help **reverse climate change**", "help endangered species", and "upset existing ecosystems".

What are the concerns and challenges?

It is being expected that if the hybrid could be introduced in large numbers, it would disrupt the current ecological balance by uprooting trees, and thus **return the Tundra to the grasslands of 4,000 years ago.** This would mean better carbon absorption and limit damage from global warming, which is now leading to a massive unfreezing of the Arctic. However, this might be an exaggeration as it presupposes the hybrid could be introduced in large enough numbers to change the ecosystem and also that it wouldn't have negative consequences on other species.

Size differences- Another challenge is the size difference. Female Asian elephants are smaller in height and weight than the mammoth. Female African elephants are larger than Asian elephants, so the hybrid embryo transferred to an African elephant, is more suited to carrying a larger foetus to term.

121. Pandemic Stimulus Backfired

Source: This post is based on the articles "Pandemic Stimulus Backfired" published in "Times of India" on 26th October 2021.

Syllabus: GS3 – Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Relevance: To understand the after-effects of fiscal stimulus on country's economy.

Synopsis: The world reacted to downturn of economy by spending in different bands. The results are not the same even in same band of stimulus owing to various reasons listed.

Introduction

The data on aggressive monetary and fiscal stimulus of the top emerging and developed markets and the strength of the ensuing recovery showed no direct relationship.

Emerging markets which stimulated most aggressively got no payoff in a faster recovery, owing in part to the downsides of overindulging.

How much did India spend and what are the results?

India went into the crisis with a large deficit, which limited how big it could go on stimulus. Its package amounted to **10% of GDP**, mid-size compared to its peers. But its payoff for moderation was one of the **strongest recoveries in emerging markets**.

A moderate spender, **India** suffered mixed backfire effects. A relatively little negative impact on its inflation and interest rates, but a relatively large impact on its currency value. A deficit of 11% of GDP, highest among major emerging markets, but this condition existed before the pandemic.

Why is stimulus showing unclear benefits, and even backfiring in many emerging markets?

The stricter the **lockdown** and the slower the vaccine rollout, the bigger the hit to growth.

Emerging country overwhelmed by factors unique to the pandemic, including the **global impact** of massive stimulus in the US and other developed countries, and the fight against the virus.

Developing nations lack the financial resources and the **institutional credibility** to ramp up spending without unbalancing the economy, and end up getting impacted by global markets.

The logic of stimulus campaigns may have more to do with **politics** than economic conditions. The populist measure of spending huge may have backfired them.

122. Global inequality: New drugs go the way of vaccines

Source: This post is based on the article "Global inequality: New drugs go the way of vaccines" posted in the Times of India on 27th October 2021.

Subject: GS 3- Issues relating to intellectual property rights.

Relevance: Understanding health inequity

Synopsis: As the Covid-19 pandemic has revealed, there is an urgent need to work on health inequity to ensure that everyone has access to affordable medicine.

Introduction

Recently, many countries, including India, moved a proposal at <u>World Trade Organization</u> (<u>WTO</u>) for waiving the intellectual property rights on critical medicines and technologies related to the Covid-19 pandemic. This highlights health inequity on critical medicines.

What is the level of health inequity during the pandemic?

Countries in the developed world have produced, consumed and stockpile about 75% of the total vaccines manufactured. Some developed countries are even providing booster shots after completing vaccination. While only 3% of the people in developing countries have received the vaccine. This clearly shows the prevalent inequity in access to critical medicines.

Why is the supply of Covid-related items constrained?

The core of the issue of this inequity lies in <u>intellectual property</u> (IP). Companies making drug discoveries protect IPR's very aggressively. So even at the peak of the Covid-19 pandemic, patients and governments were struggling to get equipment like masks, testing kits, critical drugs due to intellectual property rights concerns.

Read more: Intellectual Property Rights(IPR) and Universal Vaccination – Explained, Pointwise

The crisis deepened further as there was a breakdown in the global supply chains. This followed the stocking of equipment and an artificial increase in prices.

Now the countries do have medicines that can help in reducing the viral load, but given the cost of these medicines, there is a need to provide a waiver for critical medicines.

What attempts have been made towards health inequity during the pandemic?

India and South Africa, at the World Trade Organization, raised the concern for waiver of intellectual property rights for critical medicines in COVID-19 treatment. This proposal was then backed by nearly a hundred countries. However, EU, Switzerland and UK have stalled this proposal. They argue that this proposal will discourage innovation.

But if it is accepted under TRIPS, it would facilitate technology transfer of Covid-19 therapies. Biotech companies and generic producers will be able to mass-produce COVID-19 vaccines and therapies and make them available to developing world countries like Bangladesh, sub-Saharan Africa.

What should be the way forward?

There is a need to come to an agreement in WTO. Compulsory licensing, if granted, leads to pressure and legal harassment between the companies and countries.

So health activists urge the MNCs to share the formula which can be used to quickly ramp up the manufacturing of vaccines and therapies. This step towards global collaboration can be vital in thwarting the next health threat.

123. India's post-pandemic fiscal future

Source: This post is based on the article "India's post-pandemic fiscal future" published in Business Standard on 28th October 2021.

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

Relevance: Fiscal discipline and debt sustainability

Synopsis: The post-pandemic fiscal future would depend on the way government expenditure is directed.

Introduction

Tax collection in the current fiscal year is likely to exceed the Budget estimate by a significant margin. This would enable the government to increase growth-enhancing capital expenditure and also help reduce the fiscal deficit to some extent.

What is the current fiscal scenario?

As per the Union government,

- the fiscal deficit will be brought down to 4.5% of GDP by 2025-26.

According to IMF projections,

- India's general government Budget deficit will come down to 7.8% of GDP by 2026-27, compared to 12.8% in the last fiscal year.

What are the current medium-term fiscal challenges Indian economy is facing?

Government debt: According to International Monetary Fund (IMF) projections, it will remain above 85% of GDP by 2026-2027, which would be over 10 percentage points higher than the pre-Covid level.

However, India is not the only country where government debt has gone up substantially. The global public debt is estimated to have increased to about 100 per cent of GDP, with advanced economies contributing the most in 2020.

Pandemic-induced economic disruption: India will need to work on multiple levels to bring government finances under control and redirect spending to support growth.

Balancing spending and debt: India cannot sharply reduce spending to contain debt and deficit in the near term as this would impair economic recovery. As per IMF, fiscal space can be created through a credible medium-term consolidation strategy.

Fiscal discipline: The Union government is targeting to contain the fiscal deficit at **6.8%** of gross domestic product (GDP) in the current fiscal year, compared to 9.5% last year.

Which factors can affect the financial stability?

Growth and exports: Higher deficit and debt will affect government spending with implications for growth. India must focus on exports for higher growth. However, exports as a percentage of GDP slipped from about 24 per cent in 2008 to about 18 per cent in 2020.

Flow of compensation to states against the shortfall in GST collection: it will end next year. This could affect the fiscal position of a large number of states and create policy risks.

The quality of expenditure: As a recent article by Reserve Bank of India, the share of revenue deficit in gross fiscal deficit has been around 70% for the Central government, which is more than twice the level envisioned by the FRBM review committee. As a result, capital outlay of the government has suffered.

Debt sustainability: The IMF expects India's medium-term potential growth to be about 6%. The policy establishment will need to aggressively push reforms to attain higher sustainable growth. Higher public sector resource requirements for an extended period would affect longer-term growth potential.

What is the way forward?

First, create some policy space as soon as possible.

Second, the government needs to systematically address the low and stagnant tax-to-GDP ratio. India's tax gap is said to be worth about 5% of GDP.

Third, issues in the GST system, including simplification of processes and adjustment of rates to the revenue-neutral level, need to be addressed immediately. Besides, the government will need to aggressively push the disinvestment programme to raise resources.

Fourth, a more robust indirect tax system is necessary to reduce the dependence on high fuel taxes to fund government expenditure and the direct tax system needs to be reviewed as well to increase the tax base.

124. It's time for a new QES

Source: This post is based on the following articles "It's time for a new QES "published in Business Standard on 28th Oct 2021.

Syllabus: GS3 – Indian Economy and issues relating to Growth, Development and Employment.

Relevance: On Quarterly Employment Survey

Synopsis: The Quarterly Employment Survey is based on an outdated frame and will result in incorrect estimates.

Introduction

Recently, the Labour Bureau, under the Ministry of Labour and Employment, released the Quarterly Employment Survey (QES) results for April-June 2021 for non-farm industries in the organised sector.

However, the findings of QES met with muted scepticism on the reliability and validity of the quarterly estimates and their comparability with the dated annual census estimates.

Must Read: All-India Quarterly Establishment-based Employment Survey (AQEES)

What are issues with the present QES?

Issues in comparing the quarterly QES estimates with the annual Economic Census 2013-14:

One could compare estimates based on a sample survey with census figures provided the sample is representative of the frame it is drawn from and appropriate data multipliers are applied to sample survey data.

In comparing the QES with the Economic Census, however, this does not appear to be the case, as the **sample selection is not proportional** to the units in the frame.

For instance, establishments in the education sector accounted for the largest number of units in the frame, but the education sector stands third in terms of the number of units in the sample.

Additionally, there are problems in **comparing a year-long census** with **quarterly estimates** from a sample survey.

It is also important to remember that the Economic Census was designed to create sample frames for conducting surveys in the non-farm sector and not for producing employment estimates. Shortcomings of the Economic Census's employment numbers are widely acknowledged and hence sparsely used.

QES is based on an outdated sample frame: The Economic Census is based on the "enumeration blocks" of the Population Census, 2011, as the primary geographical units. Hence the universe of establishment for drawing up QES samples is nearly a decade old.

One can reasonably expect large scale entry and exits of establishments during the seven years when the economy has grown at an average annual rate of 5%.

Estimating quarterly employment using the QES based on such an outdated sample frame and comparing it with the annual Economic Census estimates do not seem statistically appropriate. It has to be noted that, in 2017, the revised QES was abandoned as the employment estimates were unsatisfactory.

So, what should be done to correct for the failed effort?

It is, perhaps, best to abandon the current QES, expedite the Economic Census-2020 frame, and re-launch the QES with a statistically sound sample frame.

Even the government appointed a task force on employment statistics in 2017 suggested scrapping the QES, as the outdated Economic Census-2013-14 sample frame was responsible for the poor QES estimates.

Further, the task force recommended that there is an acute need to strengthen sources of enterprise and establishment-level data by

- -Increasing coverage across enterprises,
- -bringing both industry and services into the fold,
- -carrying out enterprise surveys at a greater frequency and to conduct the Economic Census at regular intervals.

125. 5 Questions On Facebook

Source: This post is based on the following articles "5 Questions On Facebook "published in TOI on 28th Oct 2021.

Syllabus: GS3 – Role of Media and Social Networking Sites in Internal Security Challenges

Relevance: Negative impact of Social media networks

Synopsis: New revelations underline how the Facebook company is sheltering hate speech in India.

Introduction

In September 2021, Frances Haugen, a former Facebook employee had submitted eight complaints to the US Securities and Exchange Commission. This is the regulatory body that exercises oversight over the capital markets and companies like Facebook Inc which are listed there.

What were the complaints alleged against Facebook?

Mismanagement: Haugen's complaint alleges material misrepresentations by Facebook and that its management has misled shareholders.

Promotion of extremist content and hate speech: Facebook is deleting less than 5% of all the hate posted on its platform. The most shocking revelation is that Facebook's algorithms themselves promote misinformation and other divisive, low-quality content while claiming to prioritise "meaningful social interactions".

Childrens vulnerability: Instagram (which is owned by Facebook) is harmful to children, especially teen girls who have said that the platform makes thoughts of suicide and self-harm as well as body image and eating issues worse.

Are the revelations significant in the Indian context?

As India is Facebook's largest user base, the recent disclosures become significant for close to 34 crore users. The following issues have been revealed w.r.t India

Discriminatory budgetary allocation: Facebook devotes only 13% of its total budget on content moderation for India (along with the rest of the world), devoting 87% to the United States which has less than 10% of users.

Lack of Skilled professional: The internal documents note that Facebook lacks the ability for classifiers in widely used languages like Hindi and Bengali. Thereby, it lacks the ability to intelligently determine hate speech when made in these languages, even when it is notified by users.

Communal division being prompted by Facebook: The internal report Adversarial Harmful Networks: India Case Study shows that Facebook was aware that anti-Muslim narratives and

hate speech were prevalent on its platforms in India by certain political actors but it chose to do nothing due to political reasons.

What has been various governments' response?

Till date, there has been no official comment by the Union government or any other state government.

There seems to be similar inaction by any legislative body, including by the standing committees on information technology and home affairs, as well as the committee on peace and harmony constituted by the Delhi government.

At present there are no public interest litigations (PILs) filed on these disclosures.

What steps should Facebook take?

The first point of correction must be accompanied by **insulating** its **content moderation decisions from senior executives** in roles of business development and policy teams that handle government relationships. The reason for this is due to the internal documents citing interference by Facebook India's public policy team.

A final reform may be done by placing a human rights expert as an **independent director** on the board to change its corporate culture.

What should Govt of India do?

For the Indian government the first step should be to acknowledge the problem caused by social media rather than to wait out this media cycle. Such recognition should support credible processes that are transparent for the creation of institutions that enforce rights respecting regulations.

126. Carbon removal and phasing out of coal

Source: This post is based on the following articles

'Agenda for CoP26: How to achieve net zero', 'Agenda for CoP26: Why the phasing out of coal won't be decided in a jiffy' published in Down to Earth on 27th Oct 2021.

'An inclusive climate deal is what CoP-26 must deliver', 'How India plans to make its stand clear at COP26' published in Livemint on 29th Oct 2021.

'Why India's net-zero commitment matters for the world' published in Indian Express on 29th Oct 21.

'A climate dividend', 'The Glasgow climate test' published in The Hindu on 29th Oct 21.

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

Relevance: Regarding emissions reduction from coal-based sources

Synopsis: Possibility of phasing out coal, challenges involved and major issues with carbon removal technologies.

Why phasing out of coal is necessary?

Among fossil fuels, coal has the **highest contribution to carbon dioxide (CO₂) emissions**. Of the 36.44 gigatonnes (Gt) of CO₂ emitted from the burning of fossil fuels in 2019, **almost 40%** came from coal-fired power plants and industry.

Coal production also **releases methane (CH₄)**, a more potent greenhouse gas than CO₂. It accounts for 35% of CH₄ emitted by all fossil fuel-related sources, says IPCC's Sixth Assessment Report (AR6).

What are the global coal CO₂ emission trends?

According to the AR6 report,

- fossil CO₂ emissions have **slowed down** in the past decade. CO₂ emissions from coal use grew at 4.8% per year in the 2000s but slowed to 0.4% per year in the 2010s.
- The global pipeline of proposed coal power plants has **collapsed by 76 per cent** since the Paris Agreement in 2015 and 1,175 GW of planned coal-fired power projects have been cancelled in this period.

Who are the major consumers of coal?

Despite the progress, coal still accounts for 34% of the world's power production in 2020.

China: China alone contributed 50 per cent of the world's CO₂ emissions from coal in 2019 and runs over half of the world's operating fleet, which is still growing.

Other major consumers of coal are **Japan**, **South Africa**, **Russia and South Korea**. None of them have a target date to phase out coal.

Within the **EU-27**, Germany has the largest coal fleet — its phase-out target is 2038, with added effort to advance the date to 2030.

Asia-Pacific: As a result, today Asia-Pacific is the highest consumer of coal. Within the region, China, now a global superpower and developed nation, uses the lion's share; in 2020, it accounted for 68 per cent of the 33,604 terawatt-hours (TWh) of coal power generated in the region.

India still gets over 70 per cent of its energy from coal

USA: While it has drastically reduced the use of coal since the early 2000s due to a boom in shale gas, its coal consumption in 2020 was about 2,556 TWh, compared to India's 4,871 TWh. Thus, India does use twice as much coal but with a population four times larger than the US.

UK: UK's energy mix is still heavily dependent on oil and gas — natural gas is not a "clean energy source. Moreover, UK, has recently turned its coal-fired power plants back on because of record high nature gas prices.

So, there is still a long way to go before the world can meet to discuss climate crisis and the light bulbs are not powered by coal.

What are some issues with the carbon removal technologies?

The best-known technologies are:

- Carbon Capture and Storage (CCS)
- Direct Air Capture and Storage (DACS)
- Bioenergy with Carbon Capture and Storage (BECCS)

Carbon Capture and Storage (CCS): CCS captures waste CO₂ from large sources such as factories or fossil fuel power plants and stores it underground.

- **Issues**: There's little role for CCS in the future as electricity production needs to be largely shifted to renewable sources by 2050. Despite its existence since the 1970s, CCS is yet to scale up to levels adequate to meet IPCC's goals.

Direct Air Capture and Storage (DACS) technology, as the name suggests, sucks CO₂ directly from the air. Among the various carbon removal technologies, DACS is the only one that can remove carbon at climate-significant scales.

- Issues: If it is run on renewable energy, it could deliver negative emissions. However, it consumes large amounts of electricity, making the technology expensive.

Bio-Energy Carbon Capture and Storage (BECCS), captures CO₂ from biomass-based power plants.

– Issues: Economic viability of the technology is also highly uncertain — the cost is estimated at \$15-400 per tonne CO₂e. Besides, BECCS threatens **food security** by promoting diversion of land for biofuel production. It is estimated that rolling out BECCS at scale will require up to 3,000 million hectares — about twice the land currently under cultivation globally.

127. Who is my regulator?: On RBI's recent actions against auditors

Source: This post is based on the following articles "Who is my regulator?" published in Business Standard on 29th Oct 2021.

Syllabus: GS3 – Role of Financial regulators and issues arising out of it

Relevance: Institute of Chartered Accountants of India vs National Financial Reporting Authority

Synopsis: RBI's recent actions against auditors highlight the need for role clarity as well as coordination among regulators

Introduction

Recently, the RBI had issued an order debarring a firm of chartered accountants from undertaking any type of audit assignment in any RBI regulated entity for a period of two years. This action has been taken, on account of the failure on the part of the audit firm to comply with a specific direction issued by the RBI with respect to its statutory audit of a systemically important non-banking financial company.

Similarly, in the past, SEBI has also banned a CA firm for their involvement in the accounting scam in a large listed company. These orders are now in appeal before the Supreme Court (SC).

What are the roles and responsibilities of Institute of Chartered Accountants of India (ICAI)?

Objective: The Institute of Chartered Accountants of India (ICAI) is a body established by The Chartered Accountants Act, 1949, for regulating the profession of chartered accountancy.

Composition: The ICAI is managed by a council of 40 members of whom 32 are elected by chartered accountants and the remaining eight are nominated by various public authorities.

Core functions of the ICAI:

- Regulating the profession of accountancy,
- Formulation of accounting standards
- Prescription of standard auditing procedures
- Disciplining and taking action on misconduct by auditors

The ICAI, like other regulators of "professions", is thus structured as a self-regulatory organisation (SRO).

While ICAI has the power to Discipline and take action on misconduct by auditors, why RBI and SEBI needs to intervene?

Over the years, **ICAI's** record in disciplining errant members has not been noteworthy. As a consequence, there has been a growing tendency among sectoral regulators to discipline the auditors.

Why National Financial Reporting Authority (NFRA) was constituted?

In the wake of some large corporate accounting and auditing scandals in the late 1990s, many OECD countries established bodies to oversee the audits of public companies. This was aimed to protect investors and further the public interest in the preparation of informative, accurate, and independent audit reports.

In line with this global development, the **National Financial Reporting Authority (NFRA)** was constituted by the Government of India on October 1, 2018, under the **new Companies Act** of 2013.

What are the powers given to National Financial Reporting Authority (NFRA)? Broadly, the NFRA has the power to

- Monitor and enforce compliance with accounting and auditing standards,
- Oversee the quality of service
- Undertake investigation of the auditors of a class of companies.

These include companies whose securities are listed on any stock exchange in India or outside. Large unlisted public companies with a paid-up capital or annual turnover or debt above prescribed thresholds, all insurance & banking companies are within the NFRA's jurisdiction. For the balance class of companies, the ICAI continues to be the regulator of the profession.

How the accounting and auditing fraternity responded after the constitution of NFRA? It was unhappy with the dilution of its self-regulatory role. In November 2018, the Northern India CA Federation had challenged the constitutional validity of powers given to the NFRA. A similar petition has been filed by another CA which is pending before the Madras High Court.

What is the way forward?

The present situation offers an opportunity to put in place a clear regulatory framework and machinery for the conduct of the accounting and auditing profession.

First, If the twin regulatory model continues, this should ideally be in one consolidated legislation with clarity on the respective roles of ICAI and NFRA.

Second, the disciplining arm of the ICAI will need to be restructured and strengthened to improve its effectiveness and credibility.

Third, both ICAI and NFRA have representatives of sectoral regulators on their key decision-making bodies. These will need to be fully energised to become robust mechanisms for sectoral inputs as well as operational regulatory coordination and co-operation.

Finally, as the economy becomes more complex, India will need to strengthen the regulatory frameworks in other similar cross-cutting domains like data protection and competition.

128. The New Economic Scrabble

Source: This post is based on the article "The New Economic Scrabble" published in Indian Express on 29th October 2021.

Syllabus: GS3 – Planning, Mobilization of Resources, Growth **Relevance**: Jio, UPI, GST supporting startup ecosystem

Synopsis: India's start-up ecosystem is radically breaking from its past in company valuations, unicorn numbers, funding round sizes, foreign interest, and growth.

Introduction

The three acts of entrepreneurship from five years ago — Jio, UPI, and GST have converged to accelerate startup ecosystem. This **triad** of private, nonprofit, and government courage demonstrates the economic upsides of a better balance between the three sectors.

How economic development is like a game of scrabble?

The Harvard economist Ricardo Hausmann suggests economic development is like a game of scrabble.

Goods and services are made by stringing together productive capabilities such as inputs, technologies, and tasks just as words are made by putting letters together.

Countries with a greater variety of capabilities can make more diverse and complex goods, just as a scrabble player who has more letters can generate more and longer words. If a country lacks a letter, it cannot make the words that use it.

In Hausmann's framing, the government provides the vowels and the private sector provides the consonants.

The 1955 Avadi resolution poisoned India's economic scrabble by restricting constants and shrinking the state's resources to provide vowels.

How triad helped entrepreneurs?

JIO: India's per GB internet data costs are just 3 per cent of those in the US. A bold and risky \$35 billion bet made by a private company transformed Indians from being data deprived to data-rich.

Increased consumption: it has jumped 15 times because costs fell by over 90 per cent.

The addition of millions of consumers and smartphones: Jio's delightful five-year disruption of the market has exploded the most important universal metric in startup valuation.

UPI is a public good: Google's letter to the US Federal Reserve suggesting America learn from India's Universal Payments Interface (UPI) run by the National Payment Corporation of India. UPI's mobile-first architecture is a key pillar of the paperless, presenceless, and cashless framework of the Aadhaar-seeded India Stack.

UPI reduces friction and costs for entrepreneurs and consumers in low-value payments.

GST: informality bred corruption and low-productivity enterprises with low-paying jobs, whose business model of regulatory arbitrage and tax evasion made formal enterprises noncompetitive. GST incentivised law-abiding supply and distribution chains.

The doubling of indirect tax registered enterprises since GST creates a virtuous economic cycle of higher total factor productivity for enterprises and employees.

How UPI, GST and JIO helped startups?

India now has the highest ratio of unlisted to listed companies with a \$1 billion valuation. Initial public offering documents filed by early startups like Nykaa, Paytm, Zomato and PolicyBazaar roughly average a 10x valuation rise since the triad went live.

Estimates suggest India's startup ecosystem valuation will explode from \$315 billion today to \$1 trillion by 2025.

What is the lesson of this economic scrabble?

A government does more when it does less. In the post-1947 economic policy, consonants were restricted and vowels were misclassified or missing.

The recent episode of Air India is the start of righting the historical wrong of misclassifying many private consonants as government vowels.

What is the way forward?

First, India needs a healthy balance between the state, entrepreneurs, and foreigners. The triad reinforces each element to drive inclusion and prosperity by enabling billions of people and millions of enterprises to do billions of sachet size transactions with low or no cost.

Second, Gandhiji's notion of democracy, where the weakest have the same opportunity as the strongest is only possible when entrepreneurs have all the consonants and vowels.

129. Differential treatment: On fisheries subsidies issue at WTO

Source: This post is based on the following articles "Differential treatment" published in Business Standard on 29th Oct 2021.

Syllabus: GS3 – issues related to fisheries sector

Relevance: Roles and responsibilities of WTO in ensuring fair global trade practices.

Synopsis: India must protect its interests in WTO on fishery subsidies

Introduction

The issue on fishery subsidies was first raised during the WTO's **Doha ministerial meet** in 2001.

The basic objective of the global pact on fisheries subsidies, was to discipline or eliminate subsidies that encouraged illegal, unreported and unregulated fishing.

The provision of special but differential treatment for developing countries was decided to be ingrained in it.

Recently, India has moved amendments to the draft of the proposed agreement on fisheries subsidies in WTO. It is meant to **make the accord more balanced** by curbing in huge grants being given out by rich nations for exploitative fisheries.

Also, it will give space to other countries to consolidate their fisheries sectors.

What was the proposal given by India?

The present text, which tends to safeguard the commercial interests of the developed countries, is unacceptable to India because it fails to uphold the much-needed sustainability of fisheries.

Going by the estimates put out by the UN Food and Agriculture Organization (FAO), nearly two-thirds of the \$35-billion subsidies go to enterprises engaged in commercial fishing.

On the other hand, the developing countries' subsidies, just a fraction of it, are aimed mostly at facilitating livelihood security for the fisheries-dependent coastal communities.

To correct this imbalance, New Delhi has proposed that the rich countries stop subsidising fishing in distant waters beyond their exclusive economic zones (EEZ) for 25 years. This would give time to the other countries to build their own sustainable fisheries capabilities.

Why there was a need for global pact on fisheries subsidies?

Unsustainable resource Exploitation: The urgency of a binding accord on fisheries subsidies is evident from the FAO's estimates that about 34 per cent of the world's marine resources are already over-exploited.

Threat to Fisherman's livelihood: Considering that the extent of overfishing was hardly 10 per cent in 1970 and 27 per cent in 2000, this trend, if continued, would deplete the fish stocks, threatening the livelihood of traditional fisherpersons.

How has WTO responded to India's Proposal?

The WTO's response to the Indian proposal seems fairly positive. This was clear when WTO chief Ngozi Okonjo-Iweala stated at the end of her recent New Delhi visit that the Indian plea "deserved to be heard".

She also promised to place it on the negotiation table though, understandably enough, its adoption by the negotiators could not be guaranteed.

Why fisheries subsidies hold significance for India?

For India, the issue of fisheries subsidies has special significance.

Positive impact on Livelihood: The country has about 16 million fisher-persons relying almost solely on fishing for their subsistence. Many more are engaged in the value chain.

Increase Marine fish production: Almost the entire growth in fish production is coming from the inland fisheries (aquaculture). A favourable outcome of the global deal on fisheries subsidies is, therefore, imperative for the growth of Indian marine fisheries.

Increases Competitiveness: The subsidy given by the government to this sector is quite meagre, barely around Rs 770 crore. It meets only a part of the cost of diesel and essential fishing gear. Consequently, most Indian fisher-persons are unable to operate beyond the coastal waters.

130. Gati Shakti: Connecting the silos

Source: This post is based on the following articles "Gati Shakti: Connecting the silos" published in Business Standard on 28th Oct 2021.

Syllabus: GS3 - Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Relevance: To understand the present working of infrastructure sector.

Synopsis: Gati shakti master plan would help India converge its infrastructure spending, however few challenges need to be seen.

Introduction

Gati Shakti National Master Plan seeks to enhance multi-modal linkages, increase competitiveness and provide a linked platform for rolling out various infrastructure projects as part of a grand master plan.

It is a platform based on geographic information system or GIS that will connect all economic zones and clusters in the country.

The platform has been developed by the Bhaskaracharya National Institute for Space Applications and Geoinformatics (BISAG-Gandhinagar-based autonomous scientific society under Meity).

Network Planning Group (NPG) will have the responsibility of ensuring proper functioning of the platform and providing user assistance.

Must Read: PM Gati Shakti - National Infrastructure Master Plan - Explained, pointwise

What are the key benefits of PM Gati Shakti?

Breaks the silo culture: Typically, each ministry or department rolls out its own plans and programmes irrespective of the linkages with others. Gati Shakti ensures that different ministries are working in sync with each other.

Integrative approach: It forces an integrative approach. To achieve synchronisation and compatibility it now mandates all state entities to compulsorily enter their planned projects into the Gati Shakti platform. For this purpose, a fresh administrative architecture has been created alongside

Optimum use of finances: It ensures optimum use of available finances. Currently, there are no inter-linkages by which the Ministry of Finance provides sanctions and resources. Standalone projects get cleared because of their own perceived viability. Henceforth, clearance by Network Planning Group (NPG) is expected to be the key determinant for considering sanction.

What are the challenges involved?

Team-work: Ministries and government departments are notorious for being inward-looking and holding on to their turf. Clever ways be found to beat the system and bypass the integrative requirements.

States participation: Without this the integration at the Central level may be sub-optimal.

Technology: Will the technology deliver in practical terms to configure and review projects, and will the platform indeed be the wonder-tool it is expected to be?

Administrative framework: Each economic cluster should have dedicated development commissioners instead of district magistrates and collectors with many other diverse responsibilities.

131. People may now be ready for a renewable revolution

Source: This post is based on the article "People may now be ready for a renewable revolution" published in Livemint on 29th October 2021.

Syllabus: GS3 – Conservation, Environmental Pollution and Degradation

Relevance: Coal shortage in India, Renewable energy sector in India

Synopsis: Cheap, reliable and clean energy are means to fulfil the energy demand and these will determine the success of the global climate action movement.

Introduction

The random power cuts that last 5-7 minutes hurt commercial operations more than the long-scheduled cuts.

This is especially true for small-scale industrial outfits with basic operational setups (like power loom shacks) that employ a vast majority of workers in India.

What is the reason behind increased power cuts?

The post-covid boom in economic demand: it is coupled with flooding in coal-producing regions. It has led to major shortages of coal at power plants across the country.

High dependence on coal: By October, some coal plants had dangerously low stocks of only two days. Given the global energy supply crunch, the precarious situation of coal plants in India could prevail for the next six months.

Government interventions to mitigate the pressure on coal supply: temporary closure of some power plants and reduced electricity supply, particularly across rural India.

Must Read: Coal crisis in India - Explained, pointwise

What has led to decreased production of coal?

Increased investment in renewable energy (RE) technology: This is partly because the economics of new coal plants does not make sense. Most of the 33 gigawatts (GW) of coal power generation capacity under construction and the 29GW in pre-construction stage will end up as stranded assets.

No new coal plants: According to a report authored by Kashish Shah, there have been no new coal plants announced and no movement on the 29GW of pre-construction capacity in the last 12 months.

Which factors are responsible for the growth of RE sector in India?

Cost of electricity: coal-fired power cannot compete with the ongoing cost reductions of renewables. Solar tariffs in India are now below even the fuel costs of running most existing coal-fired power plants.

Favourable investment climate in the renewable energy sector: India has set a target of 450GW of renewable energy capacity by 2030. The government has been taking sustained steps to attract foreign investment partnerships, partly as an antidote to the weak debt financing ecosystem.

Policy support: Existing regulation allows 100% foreign direct investment in renewable energy projects, without prior government approval. A \$600-million incentive scheme for new solar power projects will boost the production of polysilicon, wafers, cells and modules over the next five years.

Economic, environmental and moral imperatives for foreign investment: India is the third largest carbon emitter after the US and China. However, its per capita energy consumption is a third of the world average.

What is the way forward?

First, the government must read the headwinds and introduce fiscal incentives like tax breaks and excise relaxations for research, development and production of renewable energy technology, particularly off-shore wind and hydro power.

Second, future elections could be fought over power, but this time, it could be the public making the power cuts.

132. It is time to move on to next phase of power reforms

Source: This post is based on the article "It is time to move on to next phase of power reforms" published in "Down To Earth" on 28th October 2021.

Syllabus: GS3 - Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Relevance: Power sector reforms in India.

Synopsis: Electricity Act, 2003 has its own achievements and limitations. The new rules are aimed at taking the sector to a new high.

Introduction

The Union Ministry of Power recently notified the rules under Electricity Act, 2003 in the interest of electricity consumers and other stakeholders.

What are the achievements under "Electricity Act 2003"?

The 2003 Act allowed for the **delicensing of generation and transmission**, which resulted in **capacity additions** of 50,000 MW in 11th and 88,000 MW in 12th plan period, up from 20,950 MW in the 10th Plan(2002-03 to 2006-07).

Our per capita power consumption has increased almost 2.3 times since 2003.

The **country's installed capacity** has increased to 388 gigawatt. **Renewable** energy capacity (solar, wind and other renewables, excluding hydropower) surpassed 102 GW.

It paved the way for a long series of other reforms that followed.

Why is there a need for new rules?

The Electricity Act was notified in 2003. To remain effective over time it has to continually adapt to the **changing needs and desires** of consumers in all sectors of economy, including electricity.

The need for a continuous, round-the-clock **supply** of energy in homes, businesses and industries is set to rise. Hence, the strain on electrical **distribution** will simultaneously grow. This necessitates the implementation of a new framework for DISCOM's.

- **Innovative technologies** will play a larger role in the future. Batteries, other creative storage technologies, electric vehicles and distributed supply are all likely to cause big structural changes.

What new rules have been notified?

These include **Electricity (Timely recovery of costs due to change in law) Rules, 2021**, and rules on **promotion of renewable** energy generation by dealing with Must-Run matters and other matters, 2021.

Delicensing of the distribution sector with content (electricity) and carriage (wire) separation is planned.

A framework will be put in place to allow customers the **option of choosing** from multiple **distribution companies**. There is also a proposal to allocate Rs 305,984 crore over 5 years for a revamped, reforms-based and result-linked power distribution scheme.

The **tariff policy** was also **amended** to improve payment security for power supplies, and to reduce losses and cross-subsidies.

What are the challenges in efficient growth of Electricity sector?

Distribution sector-The debt owed by DISCOM's to electricity producers is huge, Rs 116,127 crore. DISCOMs haven't been paying GENCOs on time which mostly affects the coal industry. Average **AT&C loss** level of rated discoms: It has been hovering around **21**%.

133. India's Clean Molecule Bet: On Green Hydrogen

Source: This post is based on the articles "India's Clean Molecule Bet" published in "Times of India" on 29th October 2021.

Syllabus: GS3-Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

Relevance: Importance of Green Hydrogen for India.

Synopsis: Green hydrogen has the potential to alter the present fossil fuel dominated energy basket. Still, there are challenges for scaling this technology, that needs to be worked upon first.

Introduction

India, being the second most vulnerable country to climate change, is now leading the climate war with a clean molecule-green hydrogen.

COP-26 in Glasgow presents India with an opportunity to present its decarbonisation strategy based on renewable energy, storage and green hydrogen to the world.

India presently imports \$160 billion worth of fossil fuel energy and is likely to double it in the next 15 years.

How can hydrogen help India?

Sectors that utilise solid and liquid fuels cannot be powered by electricity due to technical factors. Hydrogen will help India and the world to decarbonise sectors such as steel, copper, fertiliser, cement, oil refining and long distance transport.

Green hydrogen can help to build scale and export capabilities in high-value green products such as green steel, green ammonia and high-tech components.

Must Read: Green Hydrogen: Potential, Issues and Solutions – Explained, pointwise

What is the way forward for India?

Reduce costs – Power costs including generation and transmission contribute to more than 70% of green hydrogen cost.

Initiatives such as transmission and distribution waivers, surcharge waivers and low taxes/duties will help reduce green hydrogen costs by enabling the electrolysis facilities to be set up closer to demand centres.

Additional capacity -India must ensure that a large proportion of the upcoming new hydrogen capacity should be green in addition to mandating a fraction of existing capacities to go green.

Additional demand – Long distance transport sector can also provide additional demand in the form of hydrogen-derived ethanol or hydrogen fuel cells.

Export capabilities – Preparing sunrise sectors like green steel for green hydrogen is critical for creating vibrant clean export capabilities in India.

Innovation capabilities – As a nascent field, R&D investments become critical to the success of the Indian electrolyser industry, where the roles of venture capital and academia-industry partnerships are imperative.

Green ammonia synthesis – Scaling it in the Indian coast can be a historical opportunity to export energy. A well-designed alliance with Korea, Singapore, Taiwan and Japan will enable win-win partnerships.

134. Cities and climate change: why low-rise buildings are the future - not skyscrapers

Source: This post is based on the article "Cities and climate change: why low-rise buildings are the future – not skyscrapers" published in "Down To Earth" on 29th October 2021.

Syllabus: GS3- Conservation, environmental pollution and degradation, environmental impact assessment.

Relevance: To understand the interplay of urban infrastructure and its consequent effects on climate.

Synopsis: The plan of urban architecture for accommodating more people needs a change. The new research model offers solutions to both infrastructure and climate.

Introduction

More than 50% of the world's population live in cities and urban areas. By 2050, an additional 2.5 billion will be living there.

Hence, we need a climate proof plan of architecture for urban areas.

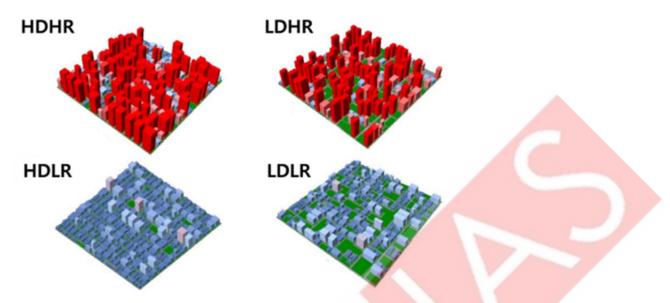
There is a popular belief that taller, more densely packed skyscrapers are the way forward, because they optimise the use of space and house more people per square metre and limit urban sprawl.

But as per a new study and given the global commitments to emission-reduction targets and mitigating climate change, this is not the most sustainable solution from a carbon-reduction perspective.

The study found that densely built, low-rise environments are more space and carbon efficient, while high-rise buildings have a drastically higher carbon impact.

What was the study and its findings?

In the study, both operational and "embodied" carbon — of different buildings and urban environments were studied. Four different urban scenarios were developed:



High-density, high-rise (**HDHR**)- tall and close together. low-density, high-rise (**LDHR**)- tall but more spread out. high-density, low-rise (**HDLR**)- low and close together. low-density, low-rise (**LDLR**)- low level and more spaced out.

Results: The study showed that HDLR scenario is more space and carbon efficient i.e more environmentally friendly.

When moving from a HDLR to HDHR urban environment, the average increase in whole life-cycle carbon (both operational and embodied) emissions is 142%.

Operational carbon is generated while a building is in service.

Embodied carbon (hidden carbon) is produced during the extraction, production, transport and manufacture of raw materials used to construct a building, plus any produced during maintenance, refurbishment, demolition or replacement.

Why building design is a critical element?

At a global scale, the construction sector is responsible for a significant impact on the environment. In this, **largest contribution** comes from 'consumption of energy and resources', which is due to **design stage neglect.**

Design is also important because skyscrapers rely heavily on concrete as a structural material. And concrete has highest hidden carbon contribution among construction materials. So the type of materials we use, how much we use, and how we use them is crucial.

What are the various issues with the present building design frameworks?

Presently, in building design, "operational efficiency" is given more importance, however "embodied impact assessment" is voluntary and therefore neglected. The focus is on driving down 'operational energy' requirement.

Embodied impact is the impact from the production of materials, their transportation to the construction site, and the construction process itself

However the proportional **share of 'embodied energy'** consumption has been driven **up**, as the materials and activities required to build it in first place produce proportionally more impacts across the building's lifespan.

What is the solution?

We need to build more HDLR type buildings rather then HDHR.

135. <u>Facebook deploys hardly any resources in India to tackle misinformation. This must change</u>

Source: This post is based on the article "Facebook deploys hardly any resources in India to tackle misinformation. This must change" published in "Indian Express" on 26th October 2021.

Syllabus: GS3 – Awareness in the fields of IT.

Relevance: To understand the challenges put by technology.

Synopsis: Social media platforms in India are being used to spread hate against minorities and to serve petty political ends. Moreover, platforms like Facebook are not taking serious steps to address these issues as clear by the recent revelations.

Introduction

Since 2016, Facebook has been under the scanner for its alleged involvement in encouraging fake news, to the extent of affecting elections, promoting hate speech and emboldening prejudice.

Now, for the first time, leaked internal reports have made it clear that the issues that plague social media in the US are also true for India, the company's largest market.

What are the concerns w.r.t usage of Facebook in India and its policies towards Indian market? Bots (AI) and fake accounts tied to political parties and cultural organisations tried to spread **fake news**, to impact the elections.

Facebook spends 87% of its global budget earmarked for tackling misinformation in North America where only 10% of its users reside. Given the resources it deploys in US and other countries, it is clear that the well-being of **some users and geographies matters more** than others.

Political parties and their proxies — groups representing narrow community interests — have used the platform to great effect for their own ends.

Facebook did little to curb reported instances of hate speech against minority communities.

What is the way forward?

Social media must be more transparent and proactive in addressing the fundamentals of its algorithms and business models, which can clearly cause social harm.

For impartial and reasonable regulation of the digital sphere, the political class, too, must be willing to sacrifice the quick gains it has reaped on social media.

Instead of focusing on polarization of the general public, political parties should utilize digital media for evidence-based discussions.

136. Catch all control that aren't likely to end overfishing

Source: This post is based on the article "Catch all control that aren't likely to end overfishing" published in Livemint on 26th October 2021.

Subject: GS3- Resources of economic importance.

Relevance: Understanding the issue of over-exploitation of fisheries.

Synopsis: Overexploitation of fish resources needs to be addressed urgently.

Introduction

The world faces many global or common problems ranging from climate change to over-exploitation of common resources like fisheries. According to <u>Food and Agriculture Organization (FAO)</u> more than a third of the marine resources have been depleted beyond a point which it cannot replace itself.

Why fisheries segment is important?

39 million people depend on fisheries for their livelihood. Fisheries meet about 1/5 of the animal-proteins requirement of about 42% of the population of the world.

What are the ways to solve the fisheries' problem?

<u>World Trade Organization (WTO)</u> should focus on **ending subsidies** for activities that promote deep-sea fishing. For example, ending subsidies on cheap fuel for Deep Sea trawlers.

Countries need to control the illegal or unregulated high-volume mechanized deep sea fishing.

Read more: Differential treatment: On fisheries subsidies issue at WTO

For territorial waters, it should be left to the country to manage the resources. For example, India.

What should be the way forward?

Though ending the subsidies would be difficult, WTO should still take up the issue. The developed countries, which have caused maximum harm, need to take up more responsibility in overcoming this crisis.

137. Is India ready for a world where electric vehicles will dominate transportation?

Source: This post is based on the article "Driving a New World Order" published in Indian Express on 30th October 2021.

Syllabus- GS3: Conservation, Environmental Pollution and Degradation

Relevance: Significance of Electric Vehicles

Synopsis: India needs Electric Vehicles to protect the environment and acquire a permanent place in the new global order.

Introduction

Fossil-fuel-based transportation has resulted in pollution around the world. India has nine of the 10 most polluted cities in the world I.e., Greater Noida, Noida, Lucknow, and Delhi, etc. Thus, the government is steadily encouraging electric vehicles.

How Electric Vehicles are beneficial compared to combustion engines?

An EV operates on an electric motor instead of an internal combustion engine and has a battery instead of a fuel tank.

1) It does not emit environmentally harmful gases. 2) It's cost of running is 80 paise per kilometer compared to 7-8 per kilometer for petrol-based vehicles.

Initiatives to promote EV

Government Initiatives: 1) National Electric Mobility Mission Plan aims at least 30 per cent of vehicles on our streets by 2030, would be electric. 2) Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme: It provides for road and registration tax subsidies and technological support to encourage the manufacturing and purchase of electric vehicles.

Private initiatives: Companies like Amazon, Swiggy, Zomato, and Ikea are deploying EVs for deliveries. Car manufacturers like Mahindra and Tata Motors are making partnerships with

mobility companies Ola and blue smart mobility respectively, to ensure more EV delivery and ride-hailing services.

Challenges in the adoption of electric vehicles in India

lack of charging infrastructure in India is a major issue. At present, there are only 427 charging stations around the country.

Uninterrupted supply of electricity will also be a challenge in the adoption of EVs.

India will be dependent upon foreign countries like China and Korea for <u>lithium-based EV batteries</u>. Its manufacturing in India is at a nominal stage.

138. How to create a truly digital public

Source: This post is based on the article "How to create a truly digital public" published in The Indian Express on 30th Oct 2021.

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

Relevance: Utilizing technology for governance, Building trust of the marginalized on digital tech

Synopsis: Technological solutions for social services should be more citizen centric. At present these solutions are more suitable for elite class instead of marginalised class.

Introduction

Government has recognized the power of technology in ensuring inclusion at a massive scale. Technology is being used for social services such as receiving vaccines and rations to paying for cooking gas and applying for fertilizer subsidies.

However, the technology of such services is not designed, keeping in mind the ordinary citizens of the country. It is more suitable for "elite" citizen I.e., male, urban, upper class. The term used in law, un-ironically, is "reasonable man".

What are the issues in technological designs of services?

Accessibility and trust deficit: Large segments of Indians either do not trust or don't have access to the digital model of services and hence rely upon trusted human intermediaries.

Gender digital divide: social commerce entrepreneurs are not able to take the benefit of technology due to gender divide.

What are the suggestions to make digital spaces truly public?

Encouraging human-centric design: A shift from the default "build first and then disseminate" approach is required. Designs should be human-centric and its assessment by users should be mandatory before its rollout. For example, UPI payments app, BHIM and Postman Savings products have been successful among non "digital natives" due to their simple and pro-poor designs.

Using trusted human interface: Local intermediaries like community leaders and civil society organizations and existing networks like ASHAs should be used to bridge the digital divide. These intermediaries are trusted by those who are not comfortable or don't trust the technology.

Institutionalize an anchor entity: This entity will bring together innovators, policymakers, civil society organisations and researchers to ensure citizen-centricity in GovTech. One such platform is Citizen Lab in Denmark.