

9 PM

Compilation

July, 2022

9 PM Compilation for the Month of July, 2022

General Studies - 1

1. [Sir Syed Ahmed Khan and Maulana Azad show how to deal with hurt religious sentiments](#)
2. [India's monsoon faces climate change. Earth needs a 'soft path for water' now](#)
3. [India in 2023: The challenge and opportunity of being the most populous country](#)
4. [India's biggest challenge](#)
5. [With India set to become most populous nation, a prosperity lesson](#)
6. [India to become most populous nation by 2023: Reading the figures](#)
7. [Tunnel vision that is endangering India's history](#)
8. [Urban woes and construction catastrophe](#)
9. [Incentivize the world's farmers to improve soil health](#)
10. [Exploration, imports, private firms: India's search for lithium spreads out](#)
11. [India is greying – and what we can do about it](#)
12. [Overcoming the Aryan-Dravidian divide](#)
13. [The JWST images can help us cherish earth's present](#)

General Studies - 2

1. [Breather for NGOs](#)
2. [There Are Cracks In Brics & Trouble For India](#)
3. [Technology is no panacea for custodial deaths](#)
4. [Strains on India-Russia defence cooperation](#)
5. [Why is defection a non-issue for voters?](#)
6. [After Ukraine, the new energy disorder](#)
7. [The WTO's leaky boat may be our best hope in a storm](#)
8. [C Raja Mohan writes: With China's expanding influence, Asia is also seeking to diversify its security partnerships](#)
9. [Vasudev Devadasan writes: The conflict between free speech and consent](#)
10. [India needs to scale up direct nutrition interventions](#)
11. [A chaotic world, the perils of multilateralism](#)
12. [Shanthie Mariet D'Souza writes: A balancing act — In re-establishing Indian presence in Afghanistan, timing and tact are crucial](#)
13. [The problem with our university vision](#)
14. [As students gear up for university, the devil is in the NEP's details](#)
15. [The rush to overhaul education](#)
16. [CARs of foreign policy: Uzbekistan's troubles are a reminder of Central Asian Republics' importance to India](#)
17. [Handcuffing, a judicial tap, and the long arm of the law](#)
18. [Rule of law, anyone?](#)
19. [The way to control tuberculosis](#)
20. [Greening better: NGT is a vital cog in environment regulation but it needs a performance review & better staffing](#)
21. [Twitter's legal challenge to Centre's takedown orders flags issues of free speech](#)
22. [Unleashing the ropeways](#)
23. [Across democracies, supreme courts' legitimacy, autonomy are under question](#)
24. [Words from Bandung to relive in Bali and Delhi](#)
25. [A 'no' to pharma freebies, a 'yes' for public good](#)
26. [Hate crime, punishment](#)
27. [Weaponization of IPC to set police on journalists cuts across parties — and clamps down on press freedom](#)
28. [Mental health issues of LGBTQIA++ community: A community and a health issue of concern](#)
29. [Which is the 'real' Shiv Sena? Answer lies with the Constitution and Supreme Court](#)
30. [The clock is ticking on the issue of energy poverty](#)

9 PM Compilation for the Month of July, 2022

31. [What ails the current approach to Ayurveda](#)
32. [Suman Bery writes: NITI Aayog's role in ensuring collaboration between states and centre](#)
33. [Saving Sri Lanka](#)
34. [C Raja Mohan writes: India's new West Asia approach is a welcome break with past diffidence](#)
35. [The new 'normal' of political splits and shifts](#)
36. [Concerns of Indian players should be taken care of while crafting FTAs](#)
37. [Courts must safeguard common spaces online](#)
38. [Bail's in our courts: SC's idea on new bail law must be taken up by GoI. But judicial officers need reforming too](#)
39. [A new judicial device for 'complete justice'](#)
40. [The scale of municipal finances is inadequate](#)
41. [India-South Korea partnership: Scale up the India-South Korea bilateral partnership](#)
42. [Approval for home-grown cervical cancer vaccine could be a game-changer](#)
43. [Explained: As Uddhav Thackeray and Eknath Shinde battle over Shiv Sena symbol, how will EC decide?](#)
44. [The President is not a mere rubber stamp](#)
45. [India Inc's missing whistle-blowers](#)
46. [In diversity of candidates for UK's next PM, a soft power lesson for India](#)
47. [Crafting credible public systems](#)
48. [India Inc could play a lead role in our economy's global emergence](#)
49. [Bridging the gap-India needs to help women get greater access to jobs and resources](#)
50. [The great omission in the draft disability policy](#)
51. [It's what MPs do: List of unparliamentary words is not such a big deal. Quality of law-making is the real House test](#)
52. [The Uber Files expose gaps in regulatory structures, underline need for govts to be more nimble as they regulate Big Tech](#)
53. [No winners in Russia-Ukraine war, but an opportunity for India](#)
54. [Supreme Court's refusal to club all FIRs against Nupur Sharma is bad in law](#)
55. [The Ukraine war and the return to Euro-centrism](#)
56. [I2U2 And The Middle Power Great Game](#)
57. [The 'permanent' problem: Why is there a 'caste system' in govt employment?](#)
58. [Learn These Lanka Lessons](#)
59. [Questions about I2U2](#)
60. [The Agniveer's journey](#)
61. [The monkeypox outbreak is an alert on global health inequities](#)
62. [Secure Indian interests: Ensure fair play in media](#)
63. [Preserving democracy in India](#)
64. [Lessons on navigating the evolving geopolitics in the Middle East](#)
65. [The win-win potential of India's partnership with African nations – on African Continental Free Trade Area](#)
66. [Preparing for the presidency – On Assuming G20 Presidency](#)
67. [Sharing power with the next generations](#)
68. [The case for a portable safety net for migrants](#)
69. [Fresh urgency on pension reforms](#)
70. [Unsayable in the House – On issue of unparliamentary words](#)
71. [A new legislation that mirrors the old – On Drugs regulations in India](#)
72. [No inner-party democracy](#)
73. [Chile marks a notch in global constitutionalism](#)
74. [SC view on deciding minority community status on state-wise basis solves one problem and creates others](#)

9 PM Compilation for the Month of July, 2022

75. [The trade policy India needs](#)
76. [Indian MNCs are absent from discussions on digital policy](#)
77. [India-Vietnam ties, from strong to stronger](#)
78. [Revamp India's school health services](#)
79. [What is India's law on abortion?](#)
80. [Saving mothers – Data on MMR should lead to restructuring health-care systems for women](#)
81. [A friendlier tax regime can hold back an exodus](#)
82. [‘Advantage New Delhi’ in Sri Lanka’s India lifeline](#)
83. [PM’s ‘revdi’ remark: We need to disentangle good subsidies from bad](#)
84. [How To End The Jail Mania? – On Bail system of India](#)
85. [Why the Rajya Sabha matters](#)
86. [Judging Our Judges](#)
87. [Significance of bail: A shot in the arm for rule of law](#)
88. [Adding digital layers of indignity](#)
89. [Out of bounds: Unusual or onerous bail conditions ought to have no place in judicial orders](#)
90. [The key to US-India partnership: Defence and technology cooperation](#)
91. [Why Agnipath scheme needs to be extended to All India Services](#)
92. [It’s time India and Japan rethink their nuclear policy](#)
93. [A global order caught up in a swirl of chaos](#)
94. [The need of the hour: ASHA for elderly](#)
95. [Reform bail law, but make the right diagnosis first](#)
96. [What CJI Must Prioritise](#)
97. [Seeking to destroy India’s civil society](#)
98. [To jail or not to jail isn’t such a difficult decision](#)
99. [Why Burmese Generals Should Worry New Delhi](#)
100. [A future free of hepatitis](#)
101. [The poor state of India’s fiscal federalism](#)
102. [Death by hooch – India needs a more honest discussion on the risks and benefits of prohibition](#)
103. [From freebies to welfare](#)
104. [IPEF versus RCEP](#)
105. [Draft Drugs, Medical Devices and Cosmetics Bill 2022: The making of the digital pharmacist](#)
106. [India at Commonwealth Games: Sports governance needs to change](#)
107. [Sri Lanka is a warning against irrational government policy](#)
108. [How the current laws can shield doctors and police from violence](#)
109. [Solution to the engineering sector: Infrastructure, not buzzwords](#)
110. [RTI Act and RTI Activists: We need to protect whistle blowers](#)
111. [The exodus is rational](#)

General Studies - 3

1. [Explained: How Kerala has struggled to identify buffer zones around its protected forests](#)
2. [Don’t count hybrids out of the race to go greener](#)
3. [Wake-up call – on Landslides in Manipur](#)
4. [We need an urgent national plan on electrical safety](#)
5. [Ashok Gulati and Ritika Juneja write: Why rice and wheat bans aren’t the answer to inflation](#)
6. [Govt’s move to tax fuel export will impact policy change in energy sector](#)
7. [Enforcing the single-use plastic ban](#)
8. [About the Draft E-waste Management Rules, 2022: Right intent, confusing content](#)
9. [The long-term hurdles to India’s export growth](#)
10. [The need for space sustainability](#)
11. [Lingering notes: Cash seems to have a logic-defying appeal. Digitisation may eventually lessen that](#)

9 PM Compilation for the Month of July, 2022

12. [Red signals for green laws](#)
13. [A matter of import: On spectre of wider trade and current account deficits](#)
14. [The relentless march of FPIs to the exit gate](#)
15. [Making sense of Assam floods: Why rivers turned violent in the 20th century and how climate change is making them more unpredictable](#)
16. [Indian aviation needs a strong and steady tailwind](#)
17. [Taking stock of five years of GST](#)
18. [India-EU: global dynamics](#)
19. [Improving the odds for 5G](#)
20. [Shahida, Aura & Stories Of Two Markets](#)
21. [Air pocket: Show cause to SpiceJet overdue. DGCA has to be more proactive on safety](#)
22. [Just Fine – On amending environmental laws](#)
23. [Defending the rupee](#)
24. [Out on a wing – On Issues Faced by Indian Airlines](#)
25. [Barring restaurants from levying service charge is unfair, reeks of discrimination](#)
26. [Welfare of the urban poor cannot be an afterthought in economic growth plans](#)
27. [A plan that is much more than just planting trees](#)
28. [Beating the heat](#)
29. [Revving up in low gear: The paradoxes in India's transport sector](#)
30. [Delayed payments for small firms stifle economic growth](#)
31. [About Commute time in Cities: The road to productivity](#)
32. [An uncertain transition: As GST compensation ends, state governments need to be provided certainty of revenues](#)
33. [Links between infra & growth](#)
34. [How Green Zone Dilution In Draft NCR Plan 2041 Defied Objections](#)
35. [Apart From the Foreign Hand](#)
36. [A make-or-break ban](#)
37. [The scam faultline is damaging Indian banking](#)
38. [Nano urea potential](#)
39. [Safety in the sky – The DGCA should have no tolerance for laxity among airlines seeking to cut corners](#)
40. [ONDC is the disruption Indian commerce needs](#)
41. [The pandemic-flagged need for a new fiscal framework](#)
42. [70,000 Startups & The Helping Hand of Sarkar](#)
43. [The AltNews funding case and Razorpay's data privacy worry](#)
44. [Read The Signs, Upgrade Science](#)
45. [Create more jobs, revamp employment policy](#)
46. [Somit Dasgupta writes: Bonn meet shows slim chance of action on climate change](#)
47. [Rupee convertibility is due for a crypto rethink](#)
48. [Is protectionism compatible with liberalisation?](#)
49. [The road to rolling out labour codes](#)
50. [India's shrinking pot in an expanding universe](#)
51. [In defence of the Aravallis](#)
52. [Ensuring nutrition security](#)
53. [Stamp out this hate speech manufacturing network](#)
54. [Time for vigilance-Increased testing and building awareness, not stigmatisation, can stop spread of monkeypox](#)
55. [James Webb: It is just the beginning](#)
56. ['Community evolves slowly in rainforests like India's Kudremukh and Silent Valley'](#)
57. ['Rainforest defaunation is huge — these species are key'](#)

9 PM Compilation for the Month of July, 2022

58. [The rise in the incidence of digital fraud](#)
59. [We need an orderly transition from coal to renewables](#)
60. [Declining wheat inventories: Grain of the matter](#)
61. [Nationalisation, consolidation and privatisation](#)
62. [Four-day work week: The five-day work week might be fading away](#)
63. [Climate change-induced disasters: India's climate imperative](#)
64. [Centre must welcome Chin refugees with open arms, Mizoram is already doing so](#)
65. [Zombies of the West](#)
66. [Why there is no reason to panic over the rupee](#)
67. [Why the sceptics are wrong and we must invest in space](#)
68. [The new agriculture panel raises questions](#)
69. [CAPFs: children of a lesser God](#)
70. [The West digs for the next energy battle](#)
71. [Rupee@80: The Story Can Get Grimmer"](#)
72. [India's tenfold path to manage exchange rate volatility](#)
73. [In Pegasus battle, the fight for surveillance reform](#)
74. [Why a ban on single-use plastics won't help](#)
75. [Why Weaker Rupee Isn't All Bad News](#)
76. [Recent Supreme Court judgment on IBC may weaken insolvency regime](#)
77. [Blockchains can cut both ways in their impact on global warming](#)
78. [Despite pressures, the rupee's remarkable resilience](#)
79. [Saving The Hills – on Aravalli Range Verdict](#)
80. [How we can have disaster-free floods](#)
81. [Weighing in on India's investment-led revival](#)
82. [MC12 over, it's 'gains' for the developed world](#)
83. [The challenges of fiberisation ahead of India's 5G deployment](#)
84. [Tackling Monkeypox](#)
85. [A cultivated idea for cities](#)
86. [India needs joint commands & it needs a CDS](#)
87. [Backsliding on climate action](#)
88. [DESH needs to serve the country better](#)
89. [Globalisation is dying; India needs sound industrial policy](#)
90. [Green shift: Costs and opportunities](#)
91. [GDP growth and formal employment: Whose GDP is it anyway?](#)
92. [Integrating SatNets with terrestrial 5G networks: A path to global connectivity](#)
93. [The tipping point on service charges](#)
94. [Power tariff revisions and the state of DISCOMs](#)
95. [Lessons from a tax cut](#)
96. [Monkeypox & Human Folly](#)
97. [Lion's future, cheetah's past](#)
98. [Hitting the mark on defence exports](#)
99. [Saving Mother Nature from ourselves](#)
100. [What numbers do not reveal about tiger conservation](#)
101. [Revival package for BSNL: Much needed bailout](#)
102. [Narrow view – SC verdict on PMLA fails to protect personal liberty from draconian provisions](#)
103. [Plain Way To Make Planes Safe](#)
104. [A grand strategy for technology](#)
105. [RBI and the rupee: To break a free fall or not to](#)
106. [Young and waiting: India's public examination and recruitment system is failing its youth](#)
107. [Stubbles, mountains](#)
108. [Government bailouts are not the answer to india's energy sector woes](#)
109. [Post-pandemic surprises and where the indian economy truly stands today](#)

9 PM Compilation for the Month of July, 2022

General Studies - 4

1. [Don't Be a Boris](#)
2. [From Madras HC comments on mangalsutra to a survey in Karnataka, a troubling view of women emerges](#)

9 PM Compilation for the Month of July, 2022

General Studies Paper – 1

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

General Studies - 1

1. [Sir Syed Ahmed Khan and Maulana Azad show how to deal with hurt religious sentiments](#)

Source: This post is based on the article “Sir Syed Ahmed Khan and Maulana Azad show how to deal with hurt religious sentiments” published in The Indian Express on 7th Jul 22.

Syllabus: GS1 – Society

Relevance: Blasphemy and associated issues

News: Muslims find blasphemy an abominable act for which the offender must part with his life. This is a popular narrative but has hardly any Quranic validation and is not consistent with what the Prophet did in his lifetime.

Two widely respected public intellectuals and religious scholars of India, Sir Syed Ahmed Khan (1817-1898) and Maulana Abul Kalam Azad (1888-1958) found that the **punishment for blasphemy was not in conformity with the teachings of Islam.**

Their judicious views on blasphemy are invested with the potential to solve the vexed issue.

What are the views of Sir Syed Ahmed Khan and Maulana Abul Kalam Azad on blasphemy? The issue of blasphemy repeatedly surfaced in 19th and 20th-century India, and Sir Syed and Azad, known proponents of contrary political ideologies, tried to acquaint Muslims with credible Islamic laws dealing with the matter.

They urged Muslims not to be carried away by emotions. Instead, they said, **a compellingly argued reply to the profanity-filled books or remarks** would be more effective.

– Further, the Quran **did not specify corporal punishment** for such a deplorable act.

One must not take vengeance on behalf of the Almighty or his messenger.

For Sir Syed, blasphemy does not call for violent and loud protest and requires nothing short of a **rational rejoinder**. It means one **responds to books with books, words with words**. Banning or burning books offers no solution (*“kitab ka jawab kitab hai kitab jalana nahi”*).

Example: In 1873, Bombay was rocked by a violent clash between Muslims and Parsis, following the publication of the translation of a Persian book allegedly full of disparaging remarks about the Prophet.

Sir Syed responded to the situation by **writing an editorial in his bilingual newspaper**, the Aligarh Institute Gazette, and spelt out what caused communalism in India.

Sir Syed wrote: *“One must not try to settle the issue by himself. The nasty books aimed at denouncing or despising other religions must not find their way; the government must enact stringent laws, and these texts are to be settled with the provisions of the sedition laws.”*

When **Swami Shradhdhanand’s (1856-1926) book was published**, Maulana Azad, strongly insisted that Muslims should not try to punish the guilty without seeking remedies offered by the Constitution.

Way forward

Sir Syed and Azad’s judicious views on blasphemy are invested with the potential to solve the vexed issue that frequently surfaces in countries where many Muslims live. In India, they are of particular importance.

9 PM Compilation for the Month of July, 2022

2. [India's monsoon faces climate change. Earth needs a 'soft path for water' now](#)

Source: The post is based on an article "India's monsoon faces climate change. Earth needs a 'soft path for water' now" published in The Times of India on 9th July 2022.

Syllabus: GS 1 Salient features of World's Physical Geography; Distribution of Key Natural Resources across the world (including South Asia and the Indian sub-continent);

Relevance: Water Availability; Monsoon

News: In recent periods, research was released examining the intersection between our global water challenges and other challenges, including climate change, ecosystem impacts, and the failure to provide safe water for all humans.

How does climate change (CC) impact water availability?

Climate change is happening around the world, and some of its most significant impacts will be on water resources. For example, it has altered California's water availability.

The demand for water will be increased worldwide due to rising temperatures.

Further extreme events, like **floods** and **droughts**, are already becoming more severe.

There is evidence that CC will impact snow and ice around the world, including in the Himalayas. This will affect the water availability.

Will climate change impact India's monsoon as well?

Scientists are concerned that climate change is making monsoons more erratic. It is affecting the timing and severity of the Indian monsoon.

The monsoon is an integral part of **refreshing India's water reservoirs**. Therefore, any impact will also alter the water availability in India.

Implications of the water challenges

It will impact peace and security because it would lead to water conflicts worldwide. The number of water conflicts now appears to be increasing.

Historically, the conflicts were restricted between nations but in recent years, the '**subnational conflicts**' has become prominent. For example, the tension over the **Kaveri River in India** or between ethnic groups in Africa over access to water and grazing lands.

The '**water poverty**' or failing to meet the basic needs for everyone to have safe water and sanitation, leads to a lot of problems in human development.

What are the causes of water challenges?

In the 20th century, we followed the '**hard path for water**', For example, building **physical infrastructure** and **overlooking water for ecosystems**.

There is the problem of '**Peak water**', which means we are running up against limits in the water available to us. For instance: (1) the entire flow of the **Colorado river** is consumed in **the US**, and (2) there is a serious problem of **over-drafting of groundwater** in **India, California**, and the **Middle East**.

What should be done?

There is an alternative approach called '**soft path for water**' to solve the water challenge. It does not require taking more water out of the natural environment but aims to provide **new water sources** like the reuse of treated wastewater for reuse and storm water capture.

9 PM Compilation for the Month of July, 2022

Further, it also requires more efficient use of water as well as protection of water for natural ecosystems.

Peak water: We should not reach peak limits. Water resources should be managed by adopting the soft path.

Examples of sustainable water management transitions: These practices should be driven locally and democratically by the communities.

Singapore Case: It has adopted water conservation, wastewater treatment and reuse and smart irrigation practices.

California Case: Farmers and households are attempting to use water efficiently.

3. [India in 2023: The challenge and opportunity of being the most populous country](#)

Source: The post is based on the following articles

“UN projections on population underline opportunities and challenges, addressing which will require long-term vision and imagination” published in the **Indian Express** on **12th July 2022**.

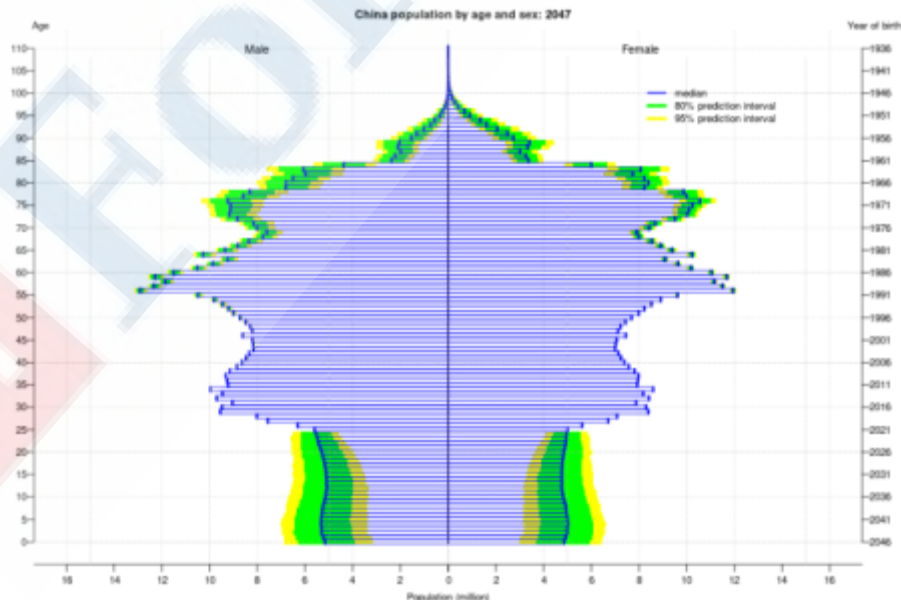
“Sonalde Desai writes | India in 2023: The challenge and opportunity of being the most populous country” published in the **Indian Express** on **12th July 2022**.

Syllabus: GS 1 – Population and associated issues.

Relevance: About the recent UNPD report on population.

News: The United Nations Population Division (UNPD) released a new set of population projections on July 11, World Population Day. These projections show that India will become the most populous country in 2023, earlier than the year 2027, as expected.

What is the reason for such an advanced projection?



© 2022 United Nations, DESA, Population Division. Licensed under Creative Commons license CC BY 3.0 IGO.
United Nations, DESA, Population Division. World Population Prospects 2022. <http://population.un.org/wpp/>

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

9 PM Compilation for the Month of July, 2022

Source: IE

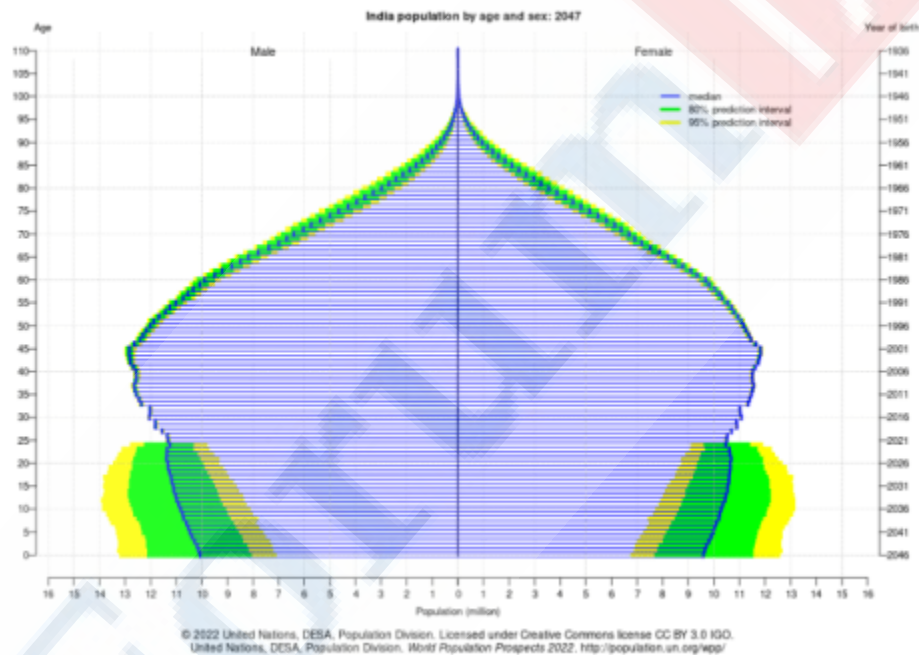
According to the UNPD, a sustained total fertility rate of 2.1 is necessary for a country to achieve population stability. The latest National Family Health Survey puts this figure at 2. In other words, India is on course to achieving population stability if it maintains this rate in the next few years.

However, India will overtake China because China's fertility is lower than anticipated. Following years of stringent population control, in 2016, China relaxed its one-child policy to allow two children. Then, in 2021, it was further relaxed to allow a third child.

However, Chinese couples seem to have adjusted to life with a single child, and the Total Fertility Rate (TFR) in China is barely 1.16.

Read more: [Elderly population in India – Explained, pointwise](#)

What are the challenges associated with the increasing population?



Source: IE

For the next 25 years, globally, one in five working-age persons will live in India. However, a sizeable working-age population does not mean many workers.

Low women participation: The size of India's labour force is constrained by the absence of women from the workforce. The absence of women in factories, the transportation sector and skilled blue-collar work is huge.

Only about 30% of women aged 15 and above are employed either in wage work on family farms and businesses.

Population distribution between states: With fertility transition beginning in southern states and slowly spreading to central India, future workers will come from the central part of the country.

9 PM Compilation for the Month of July, 2022

Challenges in interstate migration: With industrial growth concentrated in coastal regions and the bulk of India's workers coming from central areas, India will also need to figure out how to deal with interstate migration.

Changing inter-generational relations: In 2047, a large proportion of the Indian population will be of working ages. However, after 2050, the older population will rise sharply; by 2100, about 30 per cent of the Indian population will be 65 and above.

This will make it difficult for Indian parents to rely on their traditional mode of survival, living with one or more sons.

Must read: [Population control measures in India – Explained, pointwise](#)

What should be done?

Firstly, with declining fertility and rising education, many Indian women would like to work if they can find suitable jobs. **Making occupations female-friendly** is essential if India needs to reap a gender dividend.

Secondly, the youth will have to be equipped with skills that are indispensable to the knowledge economy. India needs to ensure that the **education system in central India** is improved so that they can create a proper workforce.

Thirdly, India needs better policies to **integrate and support migrant workers** in their new homes if India wants to adjust to changing demographic realities.

Fourthly, India must **develop more robust systems of old-age support**. This should include a combination of private savings, public social security programmes and an increase in retirement age, allowing the older population to be economically active for a longer time.

In addition, since most of the elderly will be women, India will also need to increase women's control over family's savings, land and residence.

Terms to know:

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

4. [India's biggest challenge](#)

Source: The post is based on an article "**India's biggest challenge**" published in the Business Standard on 14th July 2022.

Syllabus: GS1 – Population and Associated Issues; GS 3 Indian Economy; Inclusive Growth

Relevance: Population; Employment; Demographic Dividend

News: In the recent past, the **population division** of the **United Nations Department of Economic and Social Affairs**, has released its population projections related to China and India..

9 PM Compilation for the Month of July, 2022

The population projections

In 2022, India's population will converge on China's with both having a total of just over 1.4 billion people.

Further, India is set to become the **world's largest country** by population in 2023. Further, India's population will continue to grow. But China's population will begin to shrink from now onwards.

According to the same projections, India's population will be around 1.7 billion and China's around 1.3 billion by 2050,

What are the challenges in front of India?

India has not been able to prepare the workforce for the job market. It is unlikely to represent any "demographic dividend". This has been due to laggard **educational attainments** and lack of focus on **school quality**. For example, a third of high school students in urban and peri-urban Delhi have no basic mathematics and language skills

There is a lack of jobs in the **job market** in India. Although, the Periodic Labour Force Survey 2020-21 states the number of unemployed youths has come down compared to previous years. But, The data remains inadequate to give a full picture.

Therefore, India cannot afford to have the **largest population in the world** with one of the **world's lowest employment ratios**.

India will face **a lot of problems**. The problems will not be **restricted** to just economics like **missing jobs** and **growth**. It will also translate into **social problems** like riots.

Way Forward

It is all very well, in addition, to talk of skilling this generation after their school education. But unless they are given a solid grounding in the basics, attempts at vocational training may not work.

5. [With India set to become most populous nation, a prosperity lesson](#)

Source: This post is based on the article "**With India set to become most populous nation, a prosperity lesson**" published in the **Indian Express** on **17th July 2022**.

Syllabus: GS 1 – Population and associated issues.

Relevance: Population control policies.

News: Three years ago, the **UN Population Prospects (2019)** projected that India will surpass China's population by 2027. But the latest United Nations report, "Population Prospects" forecasts that India will surpass China's population by 2023 and also reach 1.5 billion by 2030 and 1.66 billion by 2050.

What are the socio-economic reforms carried out by China?

Economic Reforms

Agriculture: China started its economic reforms in 1978 with a primary focus on agriculture. It broke away from the commune system and liberated agri-markets from myriad controls.

During 1978-84, China's agri-GDP grew by 7.1% per annum and farmers' real incomes grew by 14% per annum with the liberalisation of agri-prices. As farmers' real incomes doubled, poverty fell by half in just six years.

9 PM Compilation for the Month of July, 2022

Industries: Enhanced incomes of rural people created a huge demand for industrial products. The aim of China's manufacturing through **Town and Village Enterprises (TVEs)** was basically to meet the surging demand from the hinterlands.

One-child policy: China introduced the one-child per family policy in 1980, which lasted till early 2016. This policy led to a rapid increase in per capita incomes. Chinese population growth today is just 0.1 per cent per annum compared to India's 1.1 per cent per annum.

Socio-Economic benefit: In 1978, when China embarked on its economic reforms, its per capita income was at \$156.4 which was way below that of India at \$205.7. Today, China is more than six times ahead of India in terms of per capita income – China's per capita income in 2021 was \$12,556, while that of India was \$1,933 in 2020.

Must read: [The UN World Population Prospects Report and Population Issues in India – Explained, pointwise](#)

Why India is lagging behind China in Agriculture?

Over a 40-year period, 1978-2018, China's agriculture has grown at 4.5% per annum while India's agri-GDP growth ever since reforms began in 1991 has hovered at around 3% per annum.

Market and price liberalisation in agriculture still remains a major issue. For instance, the government did not promote exports and impose stock limits on traders, and suspend futures markets. All this strangles markets.

All this is reflected in the **"implicit taxation" of farmers** to favour the vocal lobby of consumers, especially the urban middle class.

Must read: [Population control measures in India – Explained, pointwise](#)

How India can control the population, and what are the challenges and impacts?

The only way is through effective education, especially that of the girl child, open discussion and dialogue about family planning methods and conversations about the benefits of small family size in society. But this has the following challenges,

Low education: As per the National Family Health Survey-5 (2019-21), of all the girls and women above the age of 6 years, only 16.6% were educated for 12 years or more.

Poor quality: Several ASER reports point to the poor quality of education in India.

Low-level income trap: The NFHS-5 data shows that more than 35% of our children below the age of five are stunted, which means their earning capacity will remain hampered throughout life. They will remain stuck in a low-level income trap.

With this dismal status of women's health and education, the future of children in India is itself a challenge.

Read more: [Measures to control population in India](#)

How India can prosper?

India needs **a)** A focused and aggressive campaign launched to educate the girl child and provide her with more than 12 years of good quality education, **b)** An increase in subsidy for the education of the girl child.

This will significantly boost the labour participation rate of women, which is currently at a meagre 25%, and lead to **"double engine" growth**.

9 PM Compilation for the Month of July, 2022

6. [India to become most populous nation by 2023: Reading the figures](#)

Source: This post is based on the article “**India to become most populous nation by 2023: Reading the figures**” published in the **Indian Express** on **19th July 2022**.

Syllabus: GS 1 – Population and associated issues.

Relevance: Population control policies.

News: The earlier UN reports in the middle of the Nineties projected that India’s population will be 1.53 billion in 2050 and maintained this till the first decade of the 21st century. But the latest United Nations report, “[Population Prospects](#)” forecasts that India will surpass China’s population by 2023.

Must read: [The UN World Population Prospects Report and Population Issues in India – Explained, pointwise](#)

What are some key insights into India’s population?

Population stabilisation: National Population Policy envisages that India’s population will stabilise in 2045. But, scholars and organisations have predicted that population stabilisation will take place below 1.6 billion by the mid-50s.

Distribution of the population by age: This plays a significant part in shaping future development dynamics. India’s large segments comprise the young and elderly, whose engagement in gainful economic activities is minimal. This shows India’s dependency ratios are high.

Dependency ratio: The World Bank data also shows that during 1960-2021, the dependency ratio declined from 75% to 55% globally. For India, the Bank has reported a figure of 48% in 2021. The latest PLFS survey has estimated the dependency ratio as much lower, at 44.3% only. The dependency tends to go up systematically till 2100.

Must read: [Population control measures in India – Explained, pointwise](#)

What is the link between dependency ratio and economic development?

Lower dependency implies an economic advantage to a nation. For instance, an economically active population produces dividends leading to intergenerational income transfers.

But the **dependency ratio based on age structure alone can be misleading** when a substantial portion of the working-age population is not economically active or in subsistence employment.

In the age group 15 to 64, India has just 55% reporting any kind of employment in India. Hence, India **needs to find decent work for the working-age population**, particularly women and socially marginalised groups.

Read more: [Measures to control population in India](#)

7. [Tunnel vision that is endangering India’s history](#)

Source: This post is created based on the article “Tunnel vision that is endangering India’s history” published in **The Hindu** on **20th July 2022**.

Syllabus: GS Paper 1 – Art and Architecture in India

Context: The article criticizes the planned revision to Section 20 of the ‘Ancient Monuments and Archaeological Sites and Remains’ Act.

Section 20 of the Ancient Monuments and Archaeological Sites and Remains (AMASR) Act of 1958 was amended in 2010.

9 PM Compilation for the Month of July, 2022

It prohibits construction within a 100-metre radius of all Archaeological Survey of India (ASI)-protected monuments. Furthermore, it regulates activities within another 300-metre radius.

Now, the expert committees will decide on the extent of the prohibited and regulated areas around each monument and the activities permitted.

How ancient monuments are connected to the surrounding landscape?

ASI protects around 3,700 archaeological sites and ancient monuments from across the history, as per the provisions of the law. Historically, each monument was integrally connected to the landscape around it. For example;

1. Rock-cut sanctuaries from Barabar (Bihar) to Ajanta (Maharashtra) and from Masrur (Himachal Pradesh) to Guntupalli (Andhra Pradesh) were physically connected to outcrops and canyons.
2. Pattadakal's temples (Karnataka) were symbolically linked to the Malaprabha River.
3. Lucknow's imambaras were tied to markets, palaces, processional roads, and gardens.

During colonial times, after 1857, some of the dwellings around monuments, they were interested in, were removed by the British. Thus, the connection weakened during this time.

However, ASI-protected sites have served diverse needs after the independence:

4. The grounds of the Purana Quila and other iconic buildings gave refuge to tens of thousands of individuals arriving from newly-formed Pakistan.
5. After the resettlement of refugees, these grounds emerged as public spaces for exercise, prayer meetings, protests, and more.
6. The green edges around Delhi's protected monuments became havens for migratory birds, small mammals, and a host of reptiles and amphibians.

For a well-trained historian, the earth around an archaeological site or ancient monument is like a text. If the soil around artefacts is disturbed, their contexts are destroyed, making new research more difficult.

What could be the implications of changing the landscape?

Changing the landscape around ASI-protected monuments into industrial, commercial, or even residential plots will thus deprive human and animal communities of much-needed commons.

Permitting construction work risks weakening the foundations of centuries-old edifices.

What are some of the model examples of landscape conservation in India?

Conservation architect Ritish Nanda's team at **Humayun's Tomb in Delhi** by their conservation efforts provided meaningful employment to an entire basti.

Odisha's government has formulated a scheme to protect a cluster of ancient temples, tanks, and ponds to nurture a sense of regional identity, restore habitats, and bring in visitors in a methodical way.

At the ancient city of Nagaur, Rajasthan, local artisans, and multidisciplinary teams have worked together to conserve a citadel, reopen ancient gates, plant trees, and promote a lively bazaar outside its main entrance. It gave a new lease of life to a medieval complex and strengthening social fabrics.

Thus, efforts must be made to protect the monuments together with the surrounding landscape.

9 PM Compilation for the Month of July, 2022

8. [Urban woes and construction catastrophe](#)

Source: The post is based on an article “Urban woes and construction catastrophe” published in the Live Mint on 21st July 2022.

Syllabus: GS 1 Urbanization in India; GS 3 Infrastructure; Cities

Relevance: City Development

News: Recently, the United Nations released its report titled the **World Population Prospects 2022**. The population in India is expected to surpass China’s by 2023. Thus, the urban population is also going to increase in the coming years.

In 2020, around 35% of the Indian population was already living in cities. However, the number of urban dwellers is set to increase with the **population rise in India**.

Some key determinants behind rapid urbanisation are **economic development** and **growth**, and investment in cities.

Problems in Indian Cities

There are issues like traffic, repeated road closures, and diversions due to construction and congestion. The issues negatively impact the liveability of a place.

Noida Case

The Comptroller and Auditor General’s “**Performance and Audit Report on Land Acquisition and Allotment of Properties in Noida, Uttar Pradesh**” stated:

- (1) There has been complete disregard for **basic tenets of governance** viz., adherence to the public interest, accountability, transparency in decision making, ethics, and integrity in Noida.
- (2) There were instances of “**contravention of law**” and “**wilful concealment of facts**”.
- (3) There has been a nexus between the **authorities** and **builders**, as well as **multiple violations** that went unchecked, resulting in massive losses for the government and distress for the people.

Further such brazen corruption and disregard for the law are not peculiar to Noida itself.

Case of Gurugram

Despite being a **modern infrastructural marvel** with its high-rise structures and capable of offering affordability to luxury to everyone. The cities faced issues:

- (1) The long traffic hours on the **National Highway** connecting Delhi and Gurugram due to congestion. Further, alternative routes are also full of traffic and jam due to the **closure of main roads** on account of more construction.
- (2) The rampant constructions are causing **profound environmental costs**, like the declining groundwater table in the city and the low availability of potable water.
- (3) Also, there are issues of water scarcity, poor drainage infrastructure, and roadblocks.

What are the causes of such issues in every city?

Role of private players: The **private developers** are not only monopolising a resource, but dominating the whole process of urbanisation for their own advantages. **For Example**, In **Gurugram**, the companies are involved in the **construction** and use of a part of the **main roads**,

9 PM Compilation for the Month of July, 2022

leading to **traffic** and **congestion**. Their power is their **wealth** and the **vested interests** of the few.

Urban planning has been poor in India. The plans are poorly designed and lead to environmental degradation. For example, the Punjab Land Preservation Act was amended to open up 33% of the forest land, including over 16,000 acres of the Aravalli Forests in Gurugram.

Poor city design greatly influences the kind of inequities and spatial relations produced in that region.

What should be done?

Undeniably, **cities need to expand** as the population living in them would increase. But the **smart city design** should ensure equitable access to everyday necessities and sources of leisure. These should be restricted to a few or should not be entirely cut off.

There should be soft policy actions to regulate **land allocation processes** and **foster transparency**.

Smart **city designs** need to prioritize facilitating **movement** and **accessibility** and **enhance the quality of life**. The transport infrastructure should be strengthened in a way that it positively impacts the attractiveness of a city.

Further, the government should build more and **better housing facilities**, schools, hospitals, working spaces, and markets, ensuring access to safe drinking water and water management, and reducing pollution in the Indian Cities.

There should be **assertive policy actions**. This would be to make sure that public assets remain with the public. Public assets should be managed by the public sector to ensure that resources are properly regulated and not captured.

Further, **urban local governance** should be made more **accountable** and **transparent**.

Further, the city development should be based on **ease of living** for its people and not profits for its developers.

9. [Incentivize the world's farmers to improve soil health](#)

Source: The post is based on an article "**Incentivize the world's farmers to improve soil health**" published in the **Live Mint** on **21st July 2022**.

Syllabus: GS 1 Salient features of World's Physical Geography; and GS 3 Ecology and Environment

Relevance: Soil Health

News: Recently, '**Conscious Planet: Save Soil**', a global movement to change the narrative around soil, was launched.

As part of this movement, the Indian spiritual leader has embarked on a motorcycle journey across 27 countries, covering 30,000 km in 100 days. It was to raise awareness and recommend policy changes that would ensure a **minimum of 3–6% organic content** in soil everywhere.

Trends of soil degradation

9 PM Compilation for the Month of July, 2022

For any soil to have agricultural potential, it must have a **minimum of 3-6% organic** content. However, in large parts of the world, **organic content is well below 1%**.

There is not a single country across the world that has soil with a minimum of 3% organic content. In the last 25 years, an estimated 10% of the earth's land has become desert.

What are the underlying causes behind such a high level of soil degradation?

At present, agricultural scientists, universities, and agricultural departments address soil as a **'material'**. They see soil from the perspective like 'Soil just needs a little more nitrogen, a little more potassium, a little more phosphorus.' However, they ignore that soil needs living organisms. It is from this **microbial** life that all other life on this planet has evolved.

Every year, on an average, 27,000 species in the soil habitat are going extinct across the world.

What are the possible consequences of inadequate organic content in the soil?

The **United Nations agencies** say that there will be no agricultural soil left to grow anything in another 50-60 years because the **organic content of the soil** is in deep decline

Over the last 20 years, about **300,000 farmers** have **committed suicide** in India. Further, even in the **US**, farmers account for the **highest number of suicides** among all professions.

Outcomes of the movement

Many United Nations agencies and Nine Countries have signed **memoranda of understanding (MOUs)** with Conscious Planet: Save Soil.

About 74 nations committed themselves to the urgent cause of saving the planet's soil at the **15th session** of the **United Nations Convention to Combat Desertification (UNCCD) Conference of Parties (CoP-15)**.

What should be done?

(1) If we want to reclaim soil, it needs to be understood that soil is living, not dead material.

(2) Every nation could set up **3% organic content** as a **minimum average** for the soil. Further, every government should provide incentives for every farmer in the world to work actively towards a **minimum of 3-6% organic content** in agricultural soil.

(3) At the CoP-15 session, a **three-pronged incentive scheme** for farmers was proposed.

(a) The government can provide attractive incentives for farmers to aspire to get there.

(b) Industry and business could facilitate carbon credit systems as a second line of incentives for farmers.

(c) The third level can be addressed by changing the way food is labeled in consumer markets. The agencies should measure the organic content of the soil. Then, agricultural products grown on tracts of land that have reached 3% organic content should be labeled.

9 PM Compilation for the Month of July, 2022

10. [Exploration, imports, private firms: India's search for lithium spreads out](#)

Source: The post is based on an article “**Exploration, imports, private firms: India's search for lithium spreads out**” published in the **Business Standard** on 23rd July 2022.

Syllabus: **GS 1 Distribution of key mineral resources; and GS 3 Science and Technology- Developments and their Applications and Effects in Everyday Life; Achievements of Indians in Science & Technology; Indigenization of Technology and Developing New Technology.**

Relevance: Li-Batteries Technology' Lithium Minerals; EV Technology etc.

News: Recently, the Centre has listed a bill in the parliament related to mining sector reforms. It is expected to allow private companies to dig for lithium.

Lithium called as “**white gold**” is an essential component in electric car batteries and 74% of overall global production is used in battery production.

Across the world, there is a rush to find Lithium. Therefore, the Indian government is also promoting the same.

Estimate of Lithium Resources

Global

According to the **US Geological Survey**, a total of about 89 million tonnes (mt) of lithium reserve is available worldwide. The top countries with resources are Bolivia (21 mt), Argentina (19 mt), Chile (9.8 mt), US (9.1 mt), Australia (7.3 mt), and China (5.1mt).

Lithium reserves in India

According to government data, no reserves or resources of lithium-bearing metals are so far part of the national-mineral inventory.

Measures Taken for exploration of Lithium reserves in India

The **Geological Survey of India (GSI)** has carried out **14 projects** on lithium and associated elements in Bihar, Chhattisgarh, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Madhya Pradesh, Meghalaya, Karnataka, and Rajasthan during the **field season programme (FSP)** 2016-2017 to 2020-2021.

The GSI has also carried out 5 projects in Arunachal Pradesh, Andhra Pradesh, Chhattisgarh, Jammu & Kashmir, and Rajasthan during FSP 2021-22.

The **Atomic Minerals Directorate for Exploration and Research (AMDER)** has carried out preliminary surveys and limited subsurface exploration projects in **Marlagalla in Mandya district of Karnataka**. The surveys have shown the first traces of lithium resources of 1,600 tonnes in the country. But the reserves found are classified in the “**inferred category**”. Therefore, the associated confidence level is low.

Other measures taken by the government to solve India's Lithium problem

Australia is the largest country in terms of production. Therefore, India and Australia agreed to undertake due diligence on greenfield and brownfield lithium and cobalt mineral assets, looking at **India's long-term clean energy roadmap**.

Australia had signed a deal to supply India with critical minerals needed for the new-energy economy.

Further, Indian companies are also tying up with suppliers in countries that have major resources.

9 PM Compilation for the Month of July, 2022

India has planned to set up a Giga factory for lithium-ion cell manufacturing in India by 2024. The Li-mineral will be sourced from mines in South America, Africa, and Australia.

Further, in addition to the above, a number of companies have signed MOUs to set lithium-ion up battery plants and cell technology in India, in the last 3-4 years.

The **PLI scheme 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage'** is also aimed at reducing imports by building a manufacturing capacity of 50-gigawatt hour (GWh).

India's Import of Lithium

India's EV Sector is dependent on imports. Lithium is primarily imported in the form of **lithium-ion batteries** for EVs and **energy storage systems (ESS)**.

India's imports of lithium and lithium-ion in FY21 stood at Rs 8,984 crore in FY21 and increased to Rs 13,838.22 crore in FY22.

Source Countries: China and Hong Kong are the major sources from where India imports.

What are the challenges?

Globally, the demand for Li-battery has surged, Therefore, the prices of lithium carbonate, used in rechargeable lithium batteries, have also surged a lot. For example, in the last year, prices of **Chinese lithium carbonate** increased by more than **400 percent** as demand outstripped supply.

There is a plan for **30% EV sales penetration** by 2030. Therefore, the demand for lithium is expected to surge. And it is going to be dependent on Lithium imports.

11. [India is greying – and what we can do about it](#)

Source: The post is based on an article "**India is greying and what we can do about it**" published in the **Live Mint** on **25th July 2022**.

Syllabus: GS 1 Population in India; GS 2 Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation

Relevance: Population Ageing in India

News: Recently, Population trends and forecasts undertaken by the government and several other agencies were released in the public domain. The points that ageing is going to be one of the most critical concerns for India.

Ageing refers to a demographic situation in which the population is heading towards such a situation where the **share of 60+ population** in the overall population steadily increases.

Why is this a matter of concern for India?

(1) Though the proportion of **older persons** in the overall population is low (8.6%), their overall number is very high (104 million), as per the 2011 census. The overall number is projected to be four times in 50 years, i.e., to reach **425 million** by 2061.

(2) The proportion of the older population of the total population is **different in different states**. This is because **different states** of India are at **different stages** of the **demographic transitions**. Therefore, their projected population share is going to range from 11.6% in Bihar to 23.9% in Kerala, by 2041.

9 PM Compilation for the Month of July, 2022

(3) Ageing in India is happening at a **super-quick pace**. In France and Sweden, the older population took 110 years and 80 years respectively to double its share from 7% to 14%. However, in the case of India, it is projected to take only 20 years to double. In 2061, every 4th person in India is expected to be 60+.

(4), India is aging before becoming rich. The **poverty rates** are higher among older persons. As per the **United Nations Population Fund** 2012 study, 52% of the older population is economically fully dependent and 18% share is partially dependent (18%) on others for livelihood. Further, a large number of older persons continue to work or are forced to work because of economic conditions.

For example, in 2021, almost 10% of the total workers in MGNREGA were 61 years or older.

(5) The level of **social security coverage** and access to **health services** for the elderly is fairly low.

Measures Taken for the older population in India so far

The Indian government had launched the **National Policy for Older persons** in 1999. This was launched even before the **Madrid International Plan of Action on Ageing**.

The **Kerala government** addresses the issue with initiatives and budgetary allocations right from the panchayat level.

In the last two years, the **ministry of social justice** has been active in coming up with some innovative solutions.

What should be done?

There is a **plethora of schemes** for the elderly, but they are **tokenistic** because they **lack the depth** and **financial support** needed to make any meaningful impact.

Given the scenario of the poor financial status of the elderly and lack of financial support for schemes under implementation, there is a need for **high-level political engagement** over this issue.

There is a need for a **differentiated approach** to planning for **older persons** across states.

There should be **proactive** and **prospective policies** and **programmes** on older population both at the **national** and **state levels**. These initiatives should be formulated **and implemented** with the engagement of all the stakeholders including corporates and civil society,

There is much to learn from countries such as **Taiwan** and **China** on this front.

[12. Overcoming the Aryan-Dravidian divide](#)

Source: This post is based on the article **“Overcoming the Aryan-Dravidian divide”** published in **The Hindu** on **30th July 2022**.

Syllabus: GS 1 – Indian culture: salient aspects of Art Forms, literature and Architecture from ancient to modern times.

Relevance: About the Aryans and Dravidians.

News: Recently the Governor of Tamil Nadu has been criticised for his views on the Aryan-Dravidian divide. This is unfair as expressing one's views on a sensitive issue cannot be construed as political interference.

9 PM Compilation for the Month of July, 2022

About the cultural difference between Aryans and Dravidians
The eminent historian, P.T. Srinivasa Iyengar maintained that cultural differences existed between the Vedic and non-Vedic people. He also said that the Vedic culture is so reminiscent of the Indian soil and of the Indian atmosphere and the idea of its non-Indian origin is absurd.

What was the contribution of Caldwell to Dravidian languages?

Caldwell is one of the key early proponents of the idea of the Dravidian language family as a scientific entity. Caldwell's work was published in 1856. But 40 years before Caldwell, **Francis Whyte Ellis**, the Collector of Madras, had laid the foundation for Caldwell's theories through his writings.

Just a decade after Caldwell's work, **Charles E. Grover** of the **Royal Asiatic Society** wrote in his famous work on Tamil folk songs wrote about the true character of the language and linguistic progress made since the publication of Dr. Caldwell's book.

In that, he wrote, Caldwell "gives an appendix containing a considerable number of Dravidian words which he asserts to be Scythian... It is now known that **every word in this list is distinctly Aryan.**"

Read more: [An ancient Dravidian language link with the Indus Valley civilisation](#)

How did the policy of divide and rule impacted Dravidian movements?

Many eminent scholars, both local and international, have written about the Dravidian movement's colonial origins.

The eminent Cambridge historian, David Washbrook, identified the roots of Dravidian or non-Brahmin politics. He did this not in historic fault lines but in "the novel types of government and politics" He also mentioned the British's 'divide and rule' policy in "caste cliques".

Washbrook gave concrete examples of that policy and concluded as follows: "In his manual on Coimbatore district... F. A. Nicholson freely admitted his inability to separate 'true' Gounder Vellalas from the hosts of rich peasants who had adopted or were adopting Gounder ceremonies, dress and customs. In the census of 1891, Sir Harold Stuart noted the ability of the Nairs of Malabar to absorb immigrants... in a single generation without apparent friction."

The American historian Thomas Trautmann writes about the **languages-and-race project** of British. He describes the project as, "European view of race as a fundamental force of history and had a deep effect on the interpretation of Indian history."

Read more: [Endangered Languages in India – Explained, pointwise](#)

What were the later debates on Aryans and Dravidians?

Scholars like Ashis Nandy have for long highlighted the importance of unclear and overlapping identities in pre-modern India as sources of tolerance.

Many neutral observers have noticed parallels between Dravidian politics and other chauvinistic ideologies. But one does not see the criticism of Aryans in mainstream intellectual circles as it is normally reserved for other nationalist ideologies.

13. [The JWST images can help us cherish earth's present](#)

Source: The post is based on an article "**The JWST images can help us cherish Earth's present**" published in **The Times of India** on **30th July 2022**.

Syllabus: GS 1 World Geography; and GS 3 Awareness in the fields of Space

Relevance: Origin and Evolution of Earth; and James Webb Space Telescope (JWST);

News: Recently, the James Webb Space Telescope (JWST) captured high-resolution astronomical images of the galaxies which were formed billions of years ago.

9 PM Compilation for the Month of July, 2022

What is the importance of the JWST?

The JWST, having **infrared technology**, can help us see galaxies that were formed 11 to 13 billion years ago, which has not been done before. This can help scientists understand the evolution of space or the universe.

It can see galaxies that are **extremely far away**, from earlier and farther back in time.

It can help us understand the formation of **our** solar system, located in the **Milky Way galaxy**. Further, it can validate the computer models which simulate the early universe.

Such JWST's astronomical images can help us cherish our present and hopefully save our future.

It can help us understand how vast the universe is, and how many different galaxies, planets, and stars are present there in the universe.

9 PM Compilation for the Month of July, 2022

General Studies Paper –2

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

General Studies - 2

1. [Breather for NGOs](#)

Source: This post is based on the article “Breather for NGOs” published in The Indian Express on 3rd Jul 22.

Syllabus: GS2 – Govt policies and interventions

Relevance: Regulation of NGO sector and related issues

News: The Centre has recently amended the Foreign Contribution Regulation Act (FCRA) rules. These modifications are a welcome step after the escalation of restrictions on the NGO sector since 2015.

What are the modifications introduced?

The government **extended to September 30 the validity of FCRA entities** whose five-year permits would lapse between July 1 and September 30 and had applied or would apply for renewal in this period.

The home ministry has also **raised the limit that entities can receive from relatives abroad** from Rs 1 lakh to Rs 10 lakh without informing the government and has extended the disclosure period for donations above that from 30 to 90 days.

– The **time limit** for applying for FCRA registration or prior permission to receive donations has been **extended** from 30 days to 45 days.

– The requirement on declaring details of foreign donors every quarter has been reduced to once a year. And the stipulation that only 20% of foreign funds could be used for administrative purposes has been extended to 50%.

What are the issues with the changes introduced?

Although these relaxations will go some way towards easing the regulatory burden for NGOs, they **do not significantly improve the ease of operating environment for NGOs**, which are prey to arbitrary rules.

The relaxation of the donation threshold, for instance, from foreign “relatives” is **inadequate**, given the scale of funds that NGOs, especially rights-based ones, need to function efficiently.

Way forward

NGOs and civil society play an important role in a country like India in defending the interests of the poor, the hungry, and the disenfranchised.

Hence, rules that run contrary to the commitments to free speech and the defence of democratic rights are counter-productive for a country’s polity.

2. [There Are Cracks In Brics & Trouble For India](#)

Source: This post is based on the article “There Are Cracks In Brics & Trouble For India” published in Times of India on 4th Jul 22.

Syllabus: GS2 – International Relations (IR) – Organizations and Groupings

Relevance: BRICS and related issues

Context: Amid the evolving geopolitical situation, the BRICS mechanism appears to be undergoing an identity crisis. There is a deepening contradiction at the heart of the grouping, which is likely to result in extremely difficult choices for Indian foreign policy.

What are the major pillars of BRICS?

Historically, the group’s agenda was not just economic, but also political. The addition of South Africa, the only African economy in the G20, to the BRICS in 2010 further underscored this.

Officially, BRICS cooperation has expanded to be premised on the three pillars: **a)** political and security, **b)** economic and financial, and **c)** cultural and people-to-people exchanges.

In practice, it is the **economy and finance pillar**, however, that has done the heavy lifting.

– This is most evident in the establishment of the **New Development Bank and the Contingent Reserve Arrangement**.

– In contrast, the **political and security pillar** has largely under-delivered. Of course, there have been annual meetings of Brics foreign ministers and security advisers since 2009. But those have generally been about reaffirming shared perspectives on global governance issues and coordinating positions on shared concerns.

What is the future outlook for BRICS?

Beijing-Moscow recalibration

– Beijing and Moscow appear to be keen to readjust the dynamic between the **economy and security pillars**. Each of the key points in Chinese President Xi Jinping’s speech at the summit underscored this.

– He said that China would like to work with BRICS partners to operationalize the **Global Security Initiative (GSI)**. This is an initiative that Xi outlined in April, following the Russian invasion of Ukraine.

– The principles that GSI espouses and comments by Chinese officials clearly indicate that it is framed in **opposition to what China believes is an increasingly coordinated effort at containment by the West**, led by the United States.

After the events of the last few months, it is little surprise that this effort has **Moscow’s support**.

India’s dilemma

In contrast to those two, the comments by the leaders of India, Brazil and South Africa suggested that the three countries largely continue to view BRICS from the **prism of development** as opposed to security.

In the long run, however, **India faces the possibility of isolation** in this regard. This situation could be exacerbated with the addition of new members.

9 PM Compilation for the Month of July, 2022

As a leading developing country, India cannot appear to be **unsupportive of the aspirations of developing countries**. At the same time, an expanded BRICS with an evidently anti-Western agenda, as envisioned by Xi and Putin, would likely dilute India's influence.

Further, it shall make India's multi-alignment strategy even more untenable.

3. [Technology is no panacea for custodial deaths](#)

Source: This post is created based on the article "Technology is no panacea for custodial deaths", published in The Hindu on 4th July, 2022.

Syllabus: GS Paper 2, Social Issues, Criminal Justice system and issues linked to a vulnerable section in India

Context: Technology has been proposed as a silver bullet against custodial deaths by many. However, these solutions are not as effective as they were intended to be.

A recent increase in the custodial deaths in Tamil Nadu has brought the issue of custodial deaths into the limelight.

Between 2001 and 2018, 1,727 persons died in police custody, but only 26 policemen were convicted for such deaths.

Although a huge time and money have been spent on training police personnel to embrace scientific methods of investigation, custodial deaths are still common.

Technological solutions have been suggested as a prevention measure against custodial deaths. Let's see how effective have been these solutions.

What are the technological solutions?

Body cameras could hold officers liable.

Deception Detection Tests (DDTs), such as polygraph, narco-analysis, and brain mapping could detect if the person is hiding some truth.

Among the DDTs, the Brain Fingerprinting System (BFS) has proved helpful for solving crimes, identifying perpetrators, and exonerating innocent suspects.

Robots are being used increasingly for surveillance and bomb detection.

Robotic interrogation: Human-Computer Interaction (HCI) researcher Joseph Weizenbaum concluded that suspects might be more receptive to opening up to automated conversational counterparts than the police. Thus, many robotic interrogators are being favored for interrogating suspects.

AVATAR system: Researchers at the University of Arizona have created **automated interrogation technology** called The Automated Virtual Agent for Truth Assessments in Real-Time (AVATAR). The Canadian Border Services Agency tested AVATAR last year. The HCI system uses visual, auditory, near-infrared and other sensors to scrutinize a suspect's eye movements, voice, and other qualities throughout an interaction. The aggregation of information and its analysis by the system have been highly accurate.

9 PM Compilation for the Month of July, 2022

AL and ML: Artificial Intelligence (AI) and Machine Learning (ML) are emerging as tools for interrogations. ML can in real-time alert superiors when police are meting out inhumane treatment to suspects.

What are the issues with technological solutions?

In 2010, the Supreme Court, in *Selvi v. the State of Karnataka*, made the evidence inadmissible as the state cannot perform narco analysis, polygraph, and brain-mapping tests, on an individual, without his consent. However, if consent has been acquired, BFS tests can be part of the evidence.

AI or robot interrogations can be subject to the risk of bias, misuse for surveillance, and targeting of individuals and communities.

Although technological solutions might provide comfort and transparency, they can never address the underlying issues that lead to custodial deaths.

What can be done?

Formulation of a multi-pronged strategy by the decision-makers. Which covers legal enactments, technology, accountability, training, and community relations.

Implementing the Law Commission of India's proposition in 2003 to change the Evidence Act to place the onus of proof on the police for not having tortured suspects.

Implement the Supreme Court's judgment in the in **D.K. Basu v. State of West Bengal (1997) case**. In this judgment, SC held that the use of third-degree methods by police is illegal and should not be used to extract the information from the accused.

Revive and Implement Draft bill on the Prevention of Torture, 2017.

4. [Strains on India-Russia defence cooperation](#)

Context: The status of India-Russia defense cooperation is under doubt, due to the Russia-Ukraine conflict.

Syllabus topic: GS Paper 2, International Relations

Context: Amid the ongoing Russia-Ukraine war, India-Russia defense cooperation is under threat.

When the war started in Feb., the Indian armed forces had stocks of spares and supplies for eight to ten months. They expected that war would be over soon and supply from Russia will be resumed, however, it didn't happen. Now, **there are apprehensions about Russia's ability to adhere to the timelines for both spares and new deliveries.**

India is dependent on Russia in the area of air defense, rockets, missiles, and certain tanks.

Indian defence officials have stated that due to delays in timelines, there would not be any dent in the Army's operational preparedness along the borders, especially the Line of Actual Control. However, India is looking for certain alternative mitigation measures and identifying alternate sources from friendly foreign countries.

Status of India-Russia defense cooperation

9 PM Compilation for the Month of July, 2022

The **defence trade between India and Russia has crossed \$15 billion since 2018**. It includes some big deals like the \$5.43 billion S-400 long-range air defense systems, construction of four additional stealth frigates in Russia and India, and AK-203 assault rifles among others.

Many other deals such as MiG-29 fighter jets, SU-30 MKI aircraft, and K-226T utility helicopters are under consideration as well.

How India-Russia payment system is working after the SWIFT ban?

India and Russia have agreed to conduct payments through the Rupee-Rouble arrangement. This mechanism is being used for making small payments. However, work is on to resolve larger payments.

5. [Why is defection a non-issue for voters?](#)

Source: The post is based on an article “Why is defection a non-issue for voters?”

published in the “The Hindu” on 4th July 2022.

Syllabus: GS2 Important Provisions of the Constitution of India; Functioning of the Legislature

Relevance: Anti-Defection Law

News: Recently, India has seen a political drama in **Maharashtra** in which 37 Shiv Sena legislators were involved in defection.

Anti-Defection Laws in India

It is not new to Indian politics, and has been around for a long time. It is a routine exercise in Indian politics.

There have been several attempts to strengthen laws to curb this menace of defection in politics.

The bill for this menace was first introduced in the **4th Lok Sabha** in 1967. However, it became a law as the **Anti-Defection law** in 1984. Further, the act was amended in 2003 to strengthen the legislation.

What are the causes of such a high level of defection in India?

Indian voters do not have concern about candidates defecting from one political party to another.

There is a **party-centred approach** in voting in India.

– For example, a large majority of Indian voters vote for the party and not for the candidate.

Further, such a voting pattern is prevalent amongst both uneducated and educated voters, amongst urban and rural voters and amongst voters with various degrees of media exposure.

Many **legislators** defect to other parties for **purely personal gains**.

– For example, there would be greater chances of win if elections are contested on the ticket of any “**popular**” political party. It is the party’s ticket and the popularity of its leader that helps them win the election.

Indian voters are divided on what **kind of representatives** they would prefer to vote for.

9 PM Compilation for the Month of July, 2022

– For example, 48% voters are happy to vote for an honest but inaccessible candidate, 24% voters are happy to vote for a candidate who is corrupt but accessible and 36% voters are ready to vote for a candidate with criminal background, but gets work done etc.

Way Forward

If voters take into **consideration** the merits and demerits of candidates, then many **defectors** and **candidates** with questionable records would fail to make it into Parliament or the Assemblies of different States.

Voters should decide to **choose** the candidate rather than the party during elections. It would push the MLAs/etc. to do work instead of just switching to parties just for electoral gain.

There is a slight increase in **candidate-centred voting** amongst **Indian voters** during the last few years.

– As per the **Lokniti-CSDS's the National Elections Studies**, during the 2014 Lok Sabha elections, 58% voters mentioned voting for the party while 33% said they voted for the candidate. However, findings of 2019 Lok Sabha elections, says, 52% voted for the party and 37% voters preferred voting for the candidate.

6. [After Ukraine, the new energy disorder](#)

Source: The post is based on an article “**After Ukraine, the new energy disorder**” published in the **Indian Express** on **4th July 2022**.

Syllabus: GS2 – Effects of the policies of developed and developing countries on India's interests

Relevance: New Energy Disorder, Impact of the Russia-Ukraine war

News: The Ukrainian crisis has radically altered the contours of the **global energy landscape**. It has created a tangle of relationships and issues for India.

What are the issues involved?

The petroleum market is tight and prices are ratcheting up. For example, Oil prices are close to \$120/bbl.

India is now a **major purchaser** of Russian crude. It is now **our largest provider** of crude oil surpassing Saudi Arabia and Iraq. India ramped up its imports from Russia because Russia offered price discounts and provided an opportunity as a measure of **good economics** and **energy security**.

Russia and China have signed a “**no limits**” **partnership**. Therefore, China expanded its purchase of Russian oil and gas. Russia has become the largest supplier of petroleum to China. There are doubts, it can act as a client state instead of being **politically autonomous**, if India's relations deteriorate on its border with China.

Our, India's **long-standing “friend”** (Russia) is now in the bad books of our other friends (the US and Europe) and in a deepening relationship with our **adversary** (China).

At present, there is **no executive authority** responsible for energy in India. There are ministries responsible for **components** of energy policy. There is **no formal mechanism** to align their separate approaches.

Way Forward

The Gulf Countries have a lot of importance in the reordered **post-Ukraine energy landscape**.

– For example, The US and several other European leaders are looking towards the Gulf for a promise of higher production to lower oil prices and to negotiate gas supply deals to offset the shortfall out of Russia.

Therefore, India should also engage with the **Gulf producers** for **supply security**.

The Gulf countries should stay outside both **orbits, neutral** and **opportunistic**, instead joining the Russia/China group, or moving back into the Western fold.

India should create a mechanism for the **development** and **execution** of an **integrated energy policy**.

The Niti Aayog is well-placed to provide the **intellectual basis** for designing and developing relevant new institutions. It can play an important role in preparing the road map for **developing institutional mechanisms** for facilitating a **“whole of the system approach”** to energy policy.

7. The WTO's leaky boat may be our best hope in a storm

Source: The post is based on an article “The WTO's leaky boat may be our best hope in a storm” published in the Live Mint on 3rd July 2022.

Syllabus: GS 2 International Organizations

Relevance: The Ukraine War and the Rules based International Order

News: In recent months, Russia's incursion into Ukraine's sovereign territory has led to new **arrangements in the geo-economic and geopolitical arena**.

What are the new arrangements or consequences?

The Western academics are arguing that the war spells the end of **a liberal world order regime** that was established since the fall of the Berlin Wall and break-up of the Soviet Union,

The Russia-Ukraine conflict has reactivated many fault-lines that lay dormant in the global economy.

There may be a renewed contestation between the West and poor nations, or even civil wars in **poverty-stricken nations** because the notion of trade in the US and EU is still rooted in an outdated economic orthodoxy.

What are the reasons for such re-arrangement?

(1) A report of the FAO and the UN's World Food Programme (WFP), titled **Hunger Hotspots**, predicts that around 20 countries will be facing a heightened **food availability crisis** over the next three months.

(2) Although the world was already facing a food emergency before **The Ukraine War**, due to the pandemic and climate change during 2020 and 2021. However, the **Russian aggression** has worsened the case and triggered a major **global food crisis**“.

(3) India and 29 other countries have banned wheat exports after the grain prices skyrocketed globally. India saw **wheat production falling** short of forecasts and total food grain stocks dipping

9 PM Compilation for the Month of July, 2022

What are the challenges to India's wheat export ban decision?

Seven WTO members—including the US, Japan, the EU and UK, have raised concerns over India's export bans at the WTO's first agriculture meeting after MC12.

The **Western leadership** has undermined India's attempts to ensure food security for its citizens. This food security is done through **subsidies** at both the production and consumption stages at the WTO forum. For example, The US Congressmen want to register formal objections at the WTO against **India's trade-distorting agricultural policies**.

The formula being used to determine whether these subsidies are within permissible limits is based on outdated data.

All attempts made by India and other developing countries to seek a permanent solution have failed so far.

Other related challenges

These advanced nations put **private profit** ahead of public health in times of global crisis.

For example, rich nations refused to relax **intellectual property rights (IPR)** for global vaccine distribution at the height of the pandemic when India and South Africa proposed such a **covid occasioned relaxation**.

Way Forward

The WTO's role has become non-negotiable, given the severe food crisis confronting the planet. Therefore, the multilateral platforms like the World Trade Organization (WTO) hold out the best chance of confronting these challenges for the sake of developing countries.

At the **WTO's 12th Ministerial Conference, or MC12**, it agreed that India and the others will supply wheat to the WFP, while being allowed to meet their domestic food security needs.

At the MC12, the developing countries were allowed to produce and sell patented vaccines, both in the domestic and international markets

India should continue to defend India's decisions at **plurilateral meetings**, including in the media.

India' should create a **coalition of developing nations** on multilateral platforms in order to oppose the resistance..

8. [C Raja Mohan writes: With China's expanding influence, Asia is also seeking to diversify its security partnerships](#)

Source: This post is based on the article "**C Raja Mohan writes: With China's expanding influence, Asia is also seeking to diversify its security partnerships**" published in **The Indian Express** on **5th Jul 22**.

Syllabus: GS2 – International Relations

Relevance: Impact of Chinese expansionism on Asia's security relations

News: One of the many interesting features of last week's summit of NATO in Madrid was the significant **Indo-Pacific presence**.

9 PM Compilation for the Month of July, 2022

For the first time, the prime ministers of Australia, Japan, and New Zealand as well as the president of South Korea participated in a NATO summit.

The Russian and Chinese actions have helped to consolidate old alliances and give birth to new security coalitions in Asia.

How has NATO's view of Russia and China evolved?

Previously

More than a decade ago, in 2010, when NATO agreed on a strategic doctrine, it was discussing it with its Russian partners. There was no reference to China in the 2010 strategic concept.

At that time, the West was trying to **deepen ties with Russia** and build expansive economic cooperation with China.

Present

In the backdrop of the Ukraine war, NATO has declared Russia "*the most significant and direct threat to Allies' security and to peace and stability in the Euro-Atlantic area*".

– NATO is determined to cope with the Russian threat.

The new focus on Russia has not meant ignoring the China problem. NATO has declared that China's "*stated ambitions and coercive policies challenge our interests, security, and values.*"

How has the Russia-Ukraine conflict impacted NATO?

Russia's actions in Ukraine have re-energized NATO, with its members promising to do more for security and more countries in Europe joining it as new members.

– **Germany**, which has long sought good political and commercial relations with Russia, has agreed to raise its defense spending and do more for European security.

– **Sweden** and **Finland** have ended their historic neutrality and decided to join NATO.

– **The US** is doubling down on its military commitments to Europe.

Why smaller European states are inclined to join NATO?

Most Central European states don't want to rely purely on a European response to the Russian challenge.

They suspect France and Germany are more likely to accommodate Moscow at their expense than stand up to Russia.

For the Central Europeans, it is the US that offers a real balance against Russia.

This turning of European countries towards NATO is similar to India's own turn to the Quad, which was a direct consequence of Chinese actions on the disputed bilateral frontier.

Has Asian NATO started to take shape?

The new engagement with NATO does not mean that we now have "Asia in NATO". Nor is there any prospect of an "Asian NATO"—the creation of a pan-Asian military alliance.

Japan, South Korea, Australia, and New Zealand will not become formal members of the European military alliance.

Developing deeper institutional military ties to NATO is **only one element of the Asian strategy** to improve deterrence against Chinese aggression.

9 PM Compilation for the Month of July, 2022

The creation of more sophisticated national military capabilities has been the first priority of some of Beijing's neighbors.

Resolving mutual differences and strengthening security cooperation — for example between Japan and South Korea — has been another.

Boosting bilateral alliances with the US is yet another.

Way forward

Even as nations in the region reboot ties with the US, Asia is also seeking to **diversify its security partnerships**.

This has led to **greater Asian engagement with Europe** as well as the creation of new Indo-Pacific regional institutions – including the Quad, and the AUKUS.

Due to the expansionism of Russia and China, the **strategic integration of the Asian and European geopolitical theatres** has now begun.

9. [Vasudev Devadasan writes: The conflict between free speech and consent](#)

Source: This post is based on the article “**Vasudev Devadasan writes: The conflict between free speech and consent**” published in **The Indian Express** on **5th Jul 22**.

Syllabus: GS2 – Government policies and interventions

Relevance: Sharing of non-consensual intimate images

News: The Delhi High Court in **Mrs. X v Union of India** is confronted with a familiar problem. A woman whose nude photos were shared online without her consent approached the Court to block this content.

The case highlights the need for courts, law enforcement, and technology platforms to have a coordinated response to the sharing of non-consensual intimate images (NCII) online.

What are the legal provisions wrt NCII in India?

Publishing NCII is a **criminal offence** under the Information Technology Act 2000.

The **Intermediary Guidelines 2021** provide a partial solution. They empower victims to **complain directly to any website** that has allowed the uploading of non-consensual images or videos of a person in a state of nudity or engaging in a sexual act.

– This includes content that has been digitally altered to depict the person as such. The website must remove the content within 24 hours of receiving a complaint, or risk facing criminal charges.

What are the associated issues?

Issue with intermediary guidelines: The approach listed in these guidelines **relies on victims identifying and sharing every URL** hosting their intimate images.

– Further, the same images may be re-uploaded at different locations or by different user accounts in the future.

– While the Intermediary Guidelines do encourage large social media platforms to proactively remove certain types of content, the **focus is on child pornography and rape videos**.

9 PM Compilation for the Month of July, 2022

– Victims of NCII abuse have few options other than lodging complaints every time their content surfaces, forcing them to approach courts.

Efforts by tech companies to tackle spread of NCII

Meta recently built a tool to curtail the spread of NCII (www.stopncii.org).

– The tool relies on a “**hashing**” technology to match known NCII against future uploads. The victim’s private images stay with them, with only the hash being added to a database to guard against future uploads.

Similar technology is already used against child-sex abuse material (CSAM) with promising results.

What are the concerns associated with use of image matching tech?

Image-matching technology could be used for **surveillance** or to simply remove unpopular (but not illegal) content from the internet.

– The CBI has already reportedly asked Microsoft to deploy its “**PhotoDNA**” tool (an image-matching software built to identify CSAM) for investigatory purposes.

The use of automated tools also raises **free speech concerns** that lawful content may accidentally be taken down. Automatic filters often ignore context. Content that may be illegal in one context may not be illegal in another.

Way forward

If well-designed and administered, other websites could eventually **use Meta’s NCII hash database** to identify illegal content they may be unwillingly hosting.

– Victims could report NCII abuse at a centralised location and have it taken down across a range of websites.

The government can also play a role in **facilitating a redressal mechanism**.

– For example, **Australia** has appointed an “**e-Safety Commissioner**”. He receives complaints against NCII and coordinates between complainants, websites, and individuals who posted the content – with the Commissioner empowered to issue “removal notices” against illegal content.

The government’s reported overhaul of the IT Act is an opportunity to develop a **coordinated response to NCII-abuse** that will provide victims meaningful redress without restricting online speech.

Going forward, courts may consider tasking a state functionary or independent body with verifying the URLs and coordinating with online platforms and internet service providers.

– If courts direct platforms to take down NCII, they should only do so where the NCII-content will be illegal in every foreseeable context.

10. India needs to scale up direct nutrition interventions

Source: The post is based on an article “India needs to scale up direct nutrition interventions” published in the “The Hindu” on 5th July 2022.

Syllabus: GS2 – Social Sector; Health Sector; Poverty and Hunger;

Relevance: Hunger and Nutrition; POSHAN 2.0

9 PM Compilation for the Month of July, 2022

News: India's is going to celebrate 75th Anniversary of Independence, therefore, it is important to see India's achievements on various fronts as well as areas where India has not performed well.

India's Achievements

About Prime Minister's Overarching Scheme for Holistic Nutrition, or POSHAN Abhiyaan 2.0 (or National Nutrition Mission (NNM))

It aims to reduce malnutrition in women, children and adolescent girls. The MOWCD is the nodal Ministry to implement. It aligns with different ministries to work in tandem for the first 1,000 days in life.

It emphasizes on selected high **impact essential nutrition interventions**, combined with **nutrition-sensitive interventions**, which indirectly impact mother, infant and young child nutrition.

Key Indicators

As per the **NFHS-5 2019-21**, India has substantially improved in various indicators of women's empowerment as compared to the **NFHS-4 2015-16**. The substantial improvements are:

- (1) Antenatal service attendance (58.6 to 70.0%);
- (2) women having their own saving bank accounts (63.0 to 78.6%);
- (3) women owning mobile phones that they themselves use (45.9 % to 54.0%);
- (4) women married before 18 years of age (26.8 % to 23.3 %);
- (5) women with 10 or more years of schooling (35.7% to 41.0%), and
- (6) access to clean fuel for cooking (43.8 % to 68.6%).

Key areas still that still to be addressed even after seven decades of Independence (As per NFHS-5)

(1) There are gaps in **direct nutrition interventions**, like **preconception nutrition, maternal nutrition**, and **appropriate infant and child feeding** between NFHS4 and 5. For example,

(i) Child undernutrition remains high in the first three months. India has 20% to 30% undernutrition even in the first six months of life.

(ii) There has only been a marginal improvement in the practice of **exclusive breastfeeding (EBF)**. This has been despite the fact that there is a policy on infant and young child feeding, and also, there is a ban on sale of commercial milk for infant feeding.

(2) There are gaps in **other nutrition intervention**, like, **complementary feeding practices**, i.e., complementing semi-solid feeding with continuation of breast milk from six months onwards. This has been due to **lack of awareness** to start feeding at six to eight months etc.

What are the implications of poor nutrition?

It adversely impacts health, survival and diminishes the learning capacity, and leads to poor school performance.

In adulthood, it means reduced earnings and increased risks of chronic diseases such as diabetes, hypertension, and obesity.

Way Forward

The government should create awareness at the right time with the right tools and techniques. For example, special care should be given in the first 1,000 days.

9 PM Compilation for the Month of July, 2022

The POSHAN 2.0 should be given a push like was done to Swachh Bharat Abhiyaan (SBA). For example, PM can use his 'Mann Ki Baat' programme to focus on the scheme.

The POSHAN 2.0 implementation agency should be overhauled to remove any flaws in its implementation.

The government should revisit the **Integrated Child Development Scheme (ICDS)** which is the nodal system for nutrition programme.

The **supplementary nutrition** supplied under ICDS can be alternatively supplied through the PDS as **Take- Home Ration packets**. Further, the ICDS anganwadi workers can be freed to undertake timely counselling on appropriate maternal and child feeding practices.

The government should combine the human resource of ICDS and health sector from village to the district and State levels to delivery of services in the first 1000 days of life.

The government should create awareness on EBF. A **well-planned breastfeeding** counselling should be given to pregnant women during antenatal check-up prior to delivery. The government should promote the technique of **appropriate holding, latching and manually emptying** the breast for the optimal transfer of breast milk to a baby.

11. A chaotic world, the perils of multilateralism

Source: The post is based on an article "A chaotic world, the perils of multilateralism" published in the "The Hindu" on 5th July 2022.

Syllabus: GS 2 International Organization; Bilateral Relations

Relevance: Bilateralism and Multilateralism

News: Recently, a Quad summit, a BRICS summit and a G-7 summit were convened across the world. The world leaders exchanged ideas for seeking common ground on burning issues and recalibrating policy accordingly.

What are the challenges to multilateral negotiations?

Multilateral negotiations have become increasingly difficult in the present chaotic global. These organizations have failed to make good attempts for **collective bargaining**.

BRICS

The BRICS's joint statement did not indicate the beginning of a new relationship within BRICS. Its joint statements 2022 incorporated diverse statements rather than a real joint statement.

China attempted to hijack the grouping in its **14th virtual BRICS summit**. Surprisingly, the BRICS was not meant to be a political grouping when it was established.

Russia and China are **two permanent members** of the United Nations Security Council (UNSCs). However, India, South Africa and Brazil are aspiring to become permanent membership. **China strongly opposes any expansion** of the permanent membership of the UNSC.

The BRICS members like India and China have **border disputes**. For example, China is trying to change the Line of Actual Control (LAC). It has halted the process of disengagement from certain sectors after Galwan Dispute.

9 PM Compilation for the Month of July, 2022

The BRICS **failed to determine the dynamics of the future course in the Indo-Pacific**. For example, Both China and Russia do not favour even the change of nomenclature of the region from Asia-Pacific to Indo-Pacific.

Russia and China have come **close** to each other since the Russian Invasion of Ukraine. Now, Russia is **legally obliged** to take the Chinese side in any future showdown between India and China. Russia is engaged in the war and China has failed to disengage from areas occupied in 2020. Both try to support each other at present.

China is **unilaterally trying to expand the BRICS grouping**. It has brought **13 like-minded countries** for a high-level dialogue on global development in the recently concluded summit.

The G7

In the G7 Summit 2022, the members were preoccupied with its increasing involvement in the war through supply of money, sophisticated weapons, etc. It failed to produce any results on other major issues like climate change etc.

Way Forward

India should continue to participate in the grouping as the meeting provides the opportunity to interact with world leaders

Bilateral engagements may be much more productive at this point in history. India should work bilaterally with potential allies.

India can attain the status of a pole in the new world with steadfast friends and followers.

[12. Shanthie Mariet D'Souza writes: A balancing act — In re-establishing Indian presence in Afghanistan, timing and tact are crucial](#)

Source: The post is based on an article “A balancing act in re-establishing Indian presence in Afghanistan, timing, and tact are crucial” published in the Indian Express on 5th July 2022.

Syllabus: GS2 – International Relations; Bilateral Relations

Relevance: India-Afghanistan Relations

News: Recently, India has re-established its **diplomatic presence** in Afghanistan, after a strategic retreat from Kabul following the Taliban takeover in August 2021.

India's engagement with Afghanistan Since Taliban Takeover

Even after the closure of its consulates and embassy, India has never abandoned Afghanistan.

India has continued to express concerns about the **humanitarian crisis** in the country and it has built **regional consensus** about the threat of terrorism

It has voiced its support for an **inclusive government**, and it has also provided **aid and assistance** to the people of Afghanistan. This has been in accordance to the **Agreement on Strategic Partnership (ASP)** 2011.

Recent efforts of India

(1) India sent a small technical team to Kabul to deal with the humanitarian crisis following the earthquake in Paktika and Khost provinces.

(2) India handed over relief materials for earthquake victims, to the United Nations Office for Coordination of Humanitarian Affairs (UNOCHA) and the Afghan Red Crescent Society (ARCS) in Kabul.

9 PM Compilation for the Month of July, 2022

(2) In addition, India has also reopened its embassy in Afghanistan.

Significance: It is a signal that New Delhi is back to retrieve its **lost leverage** in Afghanistan since Taliban takeover.

The moves have the potency of securing many of **India's strategic interests** in the long-term strategy.

Why has India changed its stand?

(1) There is a realisation that the Taliban regime is there to stay and would not be dislodged from power at least in the near-medium term. Therefore, India decided to build a working relationship.

(2) There is a belief that India should not complete detach, rather, it should engage to secure India's huge **strategic interests** in Afghanistan. India should win over the moderates in Taliban and dilute the agenda of the hardliners. It should do business with the **Islamic Emirate of the Taliban** instead of turning it **anti-India** as was done in 1996 when India shut its embassy for five long years.

(3) New Delhi should not wait for an **elusive international consensus** to engage with Taliban. The Western world is preoccupied with the Ukraine war. Further, Indian adversaries may use this time for their advantage and to **restart proxy warfare**.

Way Forward

The Afghanistan earthquake provides a reason for India to revisit its **11-month-old policy**. Its if important for both sides to engage.

The Taliban has followed up with **two back-to-back statements** on strengthening its defence relationship with New Delhi. It has also offered to give back jobs to the former members of the **Afghan National Defence and Security Forces (ANDSF)** who were trained in India.

However, while smoothening relationship with Taliban, India needs to **tread cautiously**. India should keep the **people of Afghanistan** and not the current regime, at the **centre** of its declared **Afghan policy**. It means, the **legitimacy and acceptance of the Taliban** by the Afghan people should be the fulcrum of any such engagement.

For Taliban

Taliban should strive towards an **inclusive government** and frame a **comprehensive long-term policy** to engage with all the stakeholders to ensure that peace and stability return to Afghanistan.

13. The problem with our university vision

Source: The post is based on an article "The problem with our university visions" published in the "The Hindu" on 5th July 2022.

Syllabus: GS 2 Social Sector; Education Sector

Relevance: Higher Education reforms

News: Recently, the global ranking systems such as the coveted QS World University Rankings were announced for the international rankings of higher education institutions (HEI).

The NEP 2020 Vision

It has envisaged all HEIs to become multidisciplinary institutions by 2040.

9 PM Compilation for the Month of July, 2022

It aims to ensure that there is at least one large multidisciplinary HEI in or near every district by 2030. It means that **single-stream specialised institutions** will eventually be phased out.

About the QS World University Rankings 2022

It has ranked HEIs on the following components: (i) academic reputation (40%), (ii) employer reputation (10%), (iii) faculty student ratio (20%), (iv) citations per faculty (20%), (v) international faculty ratio (5%) and (vi) international student ratio (5%).

Performance of Indian HEIs in International Ranking

(1) Firstly, number of Indian institutes among the top 1,000 globally has risen to 27 from 22 last year

(2) The Indian Institute of Science (IISc), Bangalore, has moved up 31 places to emerge as the highest ranked Indian institute in the 2023 edition,

(3) The Institutes of Eminence (IOE) dominated in the top 500 in the QS World University Rankings comes as no surprise. They performed well because they are granted more academic and administrative autonomy. Further, public IOEs get additional funding.

Issues of Concern

The **prominent multidisciplinary universities** such as JNU, Delhi University, the University of Hyderabad, and Jamia Millia Islamia have slipped in the QS World University Rankings.

However, **single-stream specialised HEIs** such as the Indian Institutes of Technology and IISc have performed better than their multidisciplinary counterparts. For example, 8 IITs are placed among the top 500 globally, in addition to IISc, Bangalore.

Other Important issues in HEIs in India?

There is an unequal and unfair system in the Indian higher education system. The State-sponsored HEIs are provided step-motherly treatment. They are positioned poorly vis-à-vis centrally funded institutions.

The central HEIs institutions get **generous allocation** of financial resources from the Indian Government. However, the financial support provided by State governments to State HEIs is far from adequate. They barely manage to pay salaries and pensions. This has been despite the fact that the number of under-graduate students is largest in State public universities.

Therefore, **Centre** perform better than their **State-sponsored counterparts** on all academic performance indicators — faculty strength, modernised laboratories, building infrastructure, digitised libraries, etc. Therefore, the **academic and administrative infrastructure** of the State-level HEIs has not been strengthened. For example, faculty positions are not filled, quality of teaching and research in HEIs has worsened.

Way Forward

For India to perform better on these rankings, we need to pay more attention to the State HEIs.

The Indian government should revisit the **NEP focus** on the multidisciplinary HEIs in the coming years because the specialised HEIs have performed well over multidisciplinary institutions in the QS World Rankings.

All HEIs should not be converted into multidisciplinary institutions. No study or data support the idea of transforming all the specialised institutions into multidisciplinary/multi-faculty universities.

9 PM Compilation for the Month of July, 2022

India should develop our higher education system while taking into account Indian conditions and market demands.

14. [As students gear up for university, the devil is in the NEP's details](#)

Source: The post is based on the article “**As students gear up for university, the devil is in the NEP's details**” published in “**Indian Express**” on **6th July 2022**.

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

Relevance: To understand the challenges associated with the National Education Policy.

News: Along with the rest of the world, India has seen the “massification” of higher education over the past two decades. The [National Education Policy 2020 \(NEP\)](#) is poised to transform Indian higher education. But, the sweeping changes the NEP brings might not likely to provide the desired outcomes.

Read more: [One year of National Education Policy – Explained, pointwise](#)

How does the NEP plans to transform Indian higher education?

The NEP's core objective for higher education is to make it “holistic and multidisciplinary education” (HME). The NEP ties the goal of HME to three specific reforms: **a)** A four-year undergraduate programme (FYUP); **b)** a “multiple exit/entry system” (MEES); and **c)** a nationwide [Academic Bank of Credit \(ABC\) system](#) for storing and transferring credits.

What are the challenges associated with the NEP?

FYUP requires justification: In Europe and the UK, the three-year format is preferred for HME. Given that the three-year format is used in reputed institutions abroad and was already established in India, the change to the FYUP as the universal norm for degrees in general education has the not explained the following,

a) Need to shift for three years to FYUP, **b)** challenges associated with the three-year program, and **c)** benefits for students in FYUP.

MEES has no necessary relationship with the FYUP: To reap the benefits of MEES, FYUP has to be modified accordingly. For instance, the first year of the FYUP must fulfill the requirements of a standalone certificate course. But it is **impossible to design a single curriculum** that does justice to four different courses.

Since the **existing syllabi are force-fitted into FYUP format**, the most likely outcomes are diluted long courses, lopsided short courses, or both.

NEP does not address the root cause: According to the latest NSSO report on education, two-thirds of those in the 18-24 age group who had enrolled in higher education institutions were currently not attending them. The three most common reasons given for not attending are financial constraints, economic activities and domestic activities.

NEP and its multiple exit and entry points will not address these issues. Instead, Multiple exit points will help in renaming drop-outs as certificate or diploma-holders. Short-term credentials will encourage families to withdraw their wards from education, especially women.

NEP falls prey to global trends in higher education: Modalities such as credit transfers originated in Europe and the OECD and were promoted by multilateral agreements like the Bologna Process, the Lisbon and Incheon Declarations.

9 PM Compilation for the Month of July, 2022

But all these are designed to solve the European problem of excess capacity in higher education and to expand the catchment area for institutions to ensure their viability.

On the other hand, problems of Indian education are radically different and demand context-sensitive solutions.

Read more: [Our National Education policy could yet rescue school students](#)

What should be done to improve HME?

The unprecedented widening of access to higher education in India has failed to reduce inequalities or promote mobility. A far more direct method would be to provide targeted scholarships for students with financial constraints.

15. [The rush to overhaul education](#)

Source: This post is based on the article “**The rush to overhaul education**” published in **The Hindu** on **5th Jul 22**.

Syllabus: GS2 – Issues related to development of Education

Relevance: Concerns regarding education reforms initiated by the Andhra Govt

News: The Andhra Pradesh government’s hurried education reforms are a cause for worry.

The Andhra Education Department has been tasked with implementing a slew of government initiatives in sync with the National Education Policy (NEP), 2020, this academic year, starting July 5.

What reforms are being initiated by the Andhra govt?

The Andhra School Education Department is focused on **conceptual learning** instead of rote learning.

Emphasis is being laid not on evaluating the students on a three-hour examination but on their **classroom participation, projects, communication skills, leadership skills** and **extracurricular activities**.

– Training teachers in English

– Mapping Classes 3-5 in primary schools in the government sector to high schools located nearby

– Re-apportion teaching staff

– Implement Section 12(1)(C) of the Right to Education (RTE) Act, 2009, which mandates private, unaided schools to reserve 25% of seats in entry-level classes for children belonging to weaker sections; and bring select schools under the CBSE syllabus.

Restructuring programme: The proposal is to categorise educational institutions into satellite foundational schools comprising

– pre-primary 1 and pre-primary 2

– Foundation schools comprising Classes 1 and 2

– Foundation plus schools with Classes 1 to 5

– Pre-high schools with Classes 1 to 8

9 PM Compilation for the Month of July, 2022

- High schools with Classes 3 to 10, and
- High school plus with Classes 3 to 12.

What are the concerns being raised?

Educationists say there is too much to do and too little time.

They have raised serious concerns about the **“incoherence” of the initiatives**. They worry that **no homework was done** before these initiatives were introduced and that the **reforms lack sound footing**.

The Chief Minister’s **English medium project was set aside by the High Court** and the matter is sub-judice in the Supreme Court.

- Despite this, the State has embarked on training teachers in English. It has also started printing textbooks with lessons in both English and Telugu to facilitate the smooth transition of children to English as a medium of instruction. It also has plans to shift from the State Board to the CBSE in phases.

There is also **confusion about the school restructuring programme**. It is being argued that merging primary classes with high schools would violate the ‘neighbourhood school system’ endorsed by the RTE Act. This would result in a **higher school dropout rate**, especially of girls in remote tribal areas.

The earlier deadline of June 30 for completing the school-mapping exercise has been pushed to July 31. People worry that there will be **confusion if the merger exercise is carried out even as students attend classes in their old schools**.

There’s no clarity on the proposed re-apportionment of the teaching staff, the long-pending transfers, and promotions of teachers.

- Teachers are demanding the repeal of these orders saying they will be overburdened and the quality of education will suffer.

Way forward

Given the formidable challenges, it may take a few years at least for the government to achieve its lofty educational goals.

Its race against time is ill-advised; instead, it would serve everyone well if the process was gradual with all these concerns addressed.

[16. CARs of foreign policy: Uzbekistan’s troubles are a reminder of Central Asian Republics’ importance to India](#)

Source: This post is based on the article **“CARs of foreign policy: Uzbekistan’s troubles are a reminder of Central Asian Republics’ importance to India”** published in **The Times of India** on **5th Jul 22**.

Syllabus: GS2 – International Relations – India and its neighborhood

Relevance: India’s foreign policy and related issues

News: Last week’s unrest in Uzbekistan’s autonomous region of **Karakalpakstan** that left at least 18 people dead and wounded another 243 should concern India.

Uzbekistan is a key Central Asian Republic that borders Afghanistan.

9 PM Compilation for the Month of July, 2022

What are the reasons behind the protest?

Protests in Karakalpakstan broke out over plans to revise the Uzbek constitution that would change the autonomous region's status and curtail its right to secede. Those plans have now been put on hold.



Source: Researchgate

How have the countries reacted to the situation?

Despite Karakalpakstan's close ties with Russia, **Moscow has backed Tashkent** saying the unrest was Uzbekistan's internal matter.

Why the unrest in CAR is problematic for the entire region?

Islamist extremism here received a second wind with the conflict in Syria. And though regional governments have been largely successful in containing extremist groups, the latter could still take advantage of any social, economic or political turmoil.

That would be bad news given Taliban's return in Afghanistan. **Security implications** stretch all the way to South Asia.

This is precisely why in November 2021 India hosted the **national security advisers of the five CARs** for its regional security dialogue on Afghanistan, and the Prime Minister held a virtual summit with the leaders of these nations earlier this year.

Way forward

India's outreach to the CARs must have a **strong economic component**.

With Uzbekistan, India in 2020 concluded agreements on 15 investment projects for \$3 billion and also extended a line of credit of \$448 million. Plus, both Amity and Sharda universities opened branches in Uzbekistan in 2018.

9 PM Compilation for the Month of July, 2022

Meanwhile, **Kazakhstan is a uranium giant** and **Turkmenistan has the world's fourth-largest gas reserves**. Together, they could fulfil India's energy needs and provide vital connectivity as part of the International North-South Transport Corridor.

But there is also competition in the form of China's growing influence in the region through its Belt and Road Initiative.

India should, therefore, **present itself as a long-term trustworthy partner for the CARs** by supporting regional stability, coordinating on security and actualising transparent, need-based investment projects.

17. [Handcuffing, a judicial tap, and the long arm of the law](#)

Source: The post is based on an article "Handcuffing, a judicial tap, and the long arm of the law" published in the "The Hindu" on 6th July 2022.

Syllabus: GS 2 Important Provisions of the Constitution of India

Relevance: Fundamental Rights; Handcuffing

News: Recently, the Karnataka High Court, in **Suprit Ishwar Divate vs The State of Karnataka**, passed a verdict in which Rs. 2 lakh compensation was awarded to an accused, for handcuffing.

He was handcuffed without recording the reasons in the police case diary.

What are the principles of handcuffing?

There can be **three different occasions** when a person can be legally handcuffed,

- (1) An accused on his arrest and before he is produced before the magistrate;
- (2) An under-trial prisoner during transit from jail to the court and back; and
- (3) A convict being transported from jail to the court and back.

If a person is under the **judicial custody** of the court, the court's permission is required for handcuffing except under emergent circumstances.

Circumstances

An accused need not be handcuffed on arrest, in **normal circumstances**. Further, the officers are allowed to resort to handcuffing only under **exceptional circumstances**.

In **Prem Shankar Shukla vs Delhi Administration (1980)**, the SC held that the norm should be that the security of an arrestee or a convict be increased to prevent him/her from escaping. However, the **handcuffing** can be allowed only when the escape of the arrestee or a convict cannot be prevented without the use of handcuffs.

In case of **handcuffing**, the arresting officer must record the reasons in the police diary.

Further, the court must inquire with the person arrested as to whether he had been handcuffed or not. It will be the duty of the court to do judicial/court scrutiny of the recorded reasons and then approve or reject the reason.

On compensation

There is a strict liability for violating the guaranteed basic and indefeasible rights of the citizens.

9 PM Compilation for the Month of July, 2022

If there is an **‘established infringement’** of the **fundamental right** (FR) guaranteed under Article 21 of the Constitution.

The constitutional courts are empowered to grant such relief **‘against the state or its servants in the purported exercise of their powers’**.

Who should pay such compensation?

In the Supreme Court has ruled that in case of violation of the FR, the **state (and not the concerned officer) has to pay the compensation.**

This was on the ground that the police officers are not personally liable for such acts. They act in their official capacity.

Argument in favor of handcuffing

It has been found there is a lack of manpower, in **police stations** or a **reserve police line** to provide **sufficient escort** to jail authorities while transporting the **under-trial prisoners to court.**

In addition, it is difficult at times to predict the conduct of an arrestee on the spot. For example, as per the **NCRB publication on ‘Crime in India- 2020’**, there were around 810 cases of prisoner escape from police custody in 2020. Most of them were not due to negligent police officers.

Therefore, handcuffs are generally done to prevent escape and not to dehumanise criminals.

What are the possible solutions?

In case if malice is found behind the use of handcuffs, the department should **initiate disciplinary action** against the **errant officer** under service conduct rules, rather than to **order the payment of compensation.**

The Karnataka HC Judgment

The blame of non-compliance cannot be shifted only to the police officer because there is an absence of the required infrastructure. It is the **state’s responsibility** to equip all police stations with adequate and necessary **police personnel** to discharge their obligations.

The State governments should review the mobility of the police. It should review the requirement of **additional manpower** and **technical gadgets**, such as body cameras.

The enforcement agencies and lower courts are duty bound to implement, in letter and spirit, the Supreme Court’s directives on handcuffing.

[18. Rule of law, anyone?](#)

Source: The post is based on an article “Rule of law, anyone?” published in the Business Standard on 5th July 2022.

Syllabus: GS2 Basic Features of the Constitution of India

Relevance: The rule of law

News: In recent months, there have been various cases across the world, in which the violation of the rule of law has been seen. It means the rule of law does not work in all circumstances.

A few examples will prove that point.

Global Level

9 PM Compilation for the Month of July, 2022

(1) The US Supreme Court over-ruled a half-century-old law that made abortion a part of women's rights.

(2) Swedish PM said that their integration had failed because mainstream Swedish society and its immigrant citizens lived in "parallel societies". And there was a case of Muslim groups who rioted over alleged blasphemy by one politician,

(3) In 2018, former German chancellor Angela Merkel acknowledged that there were no-go zones, referred to Muslim ghettos in some cities, for the law enforcement agencies.

India

In India, in some states, the vigilante groups take the laws, which do not allow cow slaughter or the transportation of bovine animals without permits, in their hand.

What are the important conditions for working on the rule of law across the world?

First, there must be a very strong **group of interests** that must want the law legislated and enforced.

Second, the state itself must be powerful enough to be able to do so.

Third, when societies change, the law must be **flexible** enough to quickly change too. But when large communities live in "parallel" universes, this change will not happen fast enough.

Fourth, when different **social groups** exist and cannot agree on what the law should be, the rule of law cannot work. In this situation, these groups should come to **agreements** before making the laws.

What are the challenges to the rule of law?

In general

The laws made through a process of **one-sided concessions** result in more bad blood between communities rather than peace and amity.

Global Example

The **Non-proliferation treaty** is not respected by various countries including India because it was a one-sided treaty.

India

The founding fathers of the Indian Republic, made one sided concessions or non-reciprocal concessions. Therefore, the laws enshrined into the **Constitution** or the **Indian Penal Code** are dead letters. Every community does not agree upon various laws. Therefore, they don't cooperate in their implementation. For example, Hindus and Muslims don't agree on the cow slaughter ban etc.

Way Forward

The contentious laws work best when they are **negotiated** and **reciprocal** in nature.

There has to be **community-level negotiation** based on give and take, for laws to work. For example, If Hindus and Muslims agree that there will be no ban on cow slaughter, i.e., a concession by Hindus, then there has to be a significant **reciprocal concession** made by Muslims for any agreement to be honoured.

9 PM Compilation for the Month of July, 2022

The rule of law must be backed by all groups and communities based on reciprocity and give and take.

19. The way to control tuberculosis

Source: The post is based on an article “The way to control tuberculosis” published in the “The Hindu” on 6th July 2022.

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

Relevance: Revised National TB Control Programme (RNTCP)

News: In recent years, WHO revised its target of TB elimination to 2035. Further, the Prime Minister also announced that India would eliminate TB by 2025.

Threat posed by TB

As per WHO, Tuberculosis is the worst among **endemic diseases**. It kills **1.5 million people** every year. It affects adults in their **most productive years**. As a result, it **impoverishes** the family and the nation.

India is the **TB capital of the world**. In a gross estimate, it kills some 1,400 persons every day in India.

History of India's TB control measures

In the 1950s and '60s, India was the global leader in **research** in **epidemiology, transmission** and **domiciliary** treatment of TB.

In 1962, the government adopted **the National TB Control Programme**. It was a **district-based initiative** which strived to control TB with public-private participation.

Later on, the Indian government adopted the WHO's **Revised National TB Control Programme (RNTCP)**

What are the flaws in the RNTCP programme which is being implemented in India?

The programme has been proved unsuccessful and the programme failed to control TB.

It has been developed with the help of a **theoretical construct** of **TB control**. It does not factor in the differences between the **TB epidemiology of poor** and **rich countries**.

In India, there is no prescribed method of monitoring the trajectory of TB control.

Till now, the Indian policy makers have assumed that **treating pulmonary TB patients** alone would control TB. However, it was an **epidemiologically fallacious** decision in India.

The programme has failed to **elicit people's partnership** in TB control. Without **people's informed participation**, there will be stigma and delay in seeking help to control TB.

Way Forward

Before the **National AIDS Control Organization** was established, the **Indian Council of Medical Research (ICMR)** used to work on it. It set up an **AIDS Control Task Force** which had a unique method of monitoring the control trajectory, popularly called '**sentinel surveillance**'. India can adopt the same method today.

9 PM Compilation for the Month of July, 2022

India should design its **own comprehensive strategy** and point out the flaws in the **WHO-designed RNTCP**.

The government should focus on early diagnosis and treatment of the TB patients in order to curb TB through **'source reduction'**.

India should adopt its earlier **AIDS Control Programme**, in which public education was given high priority. For example, red ribbon clubs were established in schools and colleges.

In order to **control TB**, in addition to the **specific interventions**, the government should also work upon interventions such as the **'secular trend'**, for example, better housing, nutrition, education and income. Such 'secular trend' has reduced the burden of TB by 1% or 1.5% per year, globally.

The policy makers should first focus on a **high level of control** over the TB Cases rather than **elimination** (refers to **achieving zero frequency** of new cases). This is because India has a huge backlog of latent TB and it is not possible to eliminate TB in near future.

India should leverage **Trained State and District TB officers**, extensive network of **TB clinics** and an **army of community** and field workers.

20. [Greening better: NGT is a vital cog in environment regulation but it needs a performance review & better staffing](#)

Source: The post is based on the article **"Greening better: NGT is a vital cog in environment regulation but it needs a performance review & better staffing"** published in **"The Times of India"** on **6th July 2022**.

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

Relevance: To understand the challenges faced by NGT.

News: Given the rampant ecological degradation and related localised grievances, an adjudicatory body(NGT) staffed with judicial and technical experts having significant powers offers a lot of promise. However, many of the **National Green Tribunal (NGT)** orders are being appealed in Supreme Court and high courts.

What are the few recent instances?

A construction firm complained that it wasn't heard before NGT imposed a penalty of Rs 40 crore on it. In that case, the Supreme Court criticised the NGT for passing "mechanical and pre-drafted" orders.

Another SC bench expressed displeasure with NGT's tendency to set up expert committees. The bench noted that NGT's adjudicatory functions cannot be delegated in this manner.

Read more: [SC empowers green tribunal to initiate action on its own](#)

What are the challenges faced by NGT?

Lack of political support: Some of NGTs big-bang orders include de-registering 10-year-old diesel vehicles, bans on firecrackers, RO-water purifiers and sand-mining, etc. But these had minimal impact in the absence of political support.

Staffing issues: Against NGT Act's mandate to have 10-20 judicial and expert members each, NGT presently has seven judicial and six expert members. In 2019, these numbers were down to four and two respectively. This resulted in **increasing backlogs and hasty disposals**.

9 PM Compilation for the Month of July, 2022

Judicial intervention: Hasty disposals resulted in increasing stays against NGT orders from SC and HCs, especially in clearing or blocking projects. Thus eroding NGT's credibility.

Challenges with virtual mode: NGT was one of the pioneers of virtual hearings, but lawyers say the lack of physical interface has affected NGT's ability to make a more urgent cases before the bench.

Apart from that, NGT has also struck between the **"development vs environment" debate**.

Read more: [NITI Aayog study to track "Economic Impact of Green Verdicts"](#)

NGT must get the support it needs from the government but NGT must also do more to avoid backlogs and hasty disposals. This can be done by conducting a performance review of NGT & providing better staffing.

21. [Twitter's legal challenge to Centre's takedown orders flags issues of free speech](#)

Source: This post is based on the article "Twitter's legal challenge to Centre's takedown orders flags issues of free speech" published in The Indian Express on 7th Jul 22.

Syllabus: GS2 – Govt policies and interventions

Relevance: Digital India, Free speech

News: As the Ministry of Electronics and IT (MEITY) conducts a week-long celebration to mark eight years of the Digital India program, Twitter has filed a writ petition in the Karnataka High Court against it.

It is representative of a **Faustian bargain of digitization** that promises financial and social benefits when we give up our civil and political rights.

Digital connectivity has increased manifold in India over the years. But, is mere connectivity enough to fulfill the democratic promises of the Constitution?

Why has Twitter gone to court?

Twitter has been prompted to go to court to protect the integrity of its platform, rather than in arrogant defiance against the laws of India.

– As per parliamentary data, the **number of such orders has risen** from 471 in 2014 to 9,849 in 2020 representing a 1991 percent increase (Unstarred Question 1788).

What are the issues involved?

A comprehensive qualitative assessment of such orders is prevented by official secrecy. The need for disclosure emerges directly from a joint reading of the [Shreya Singhal](#) and [Anuradha Bhasin judgments](#).

– Through a voluntary mechanism, Twitter sporadically uploads the specific web addresses included in blocking orders to the **Lumen Database**, a project that houses legal complaints and requests for the removal of content. This is a transparency practice not followed by any other social media company operating in India.

From a citizens' rights perspective, however, the need to **rely on a voluntary mechanism is a cause for concern**. It is also unsustainable, as it may eventually come under threat.

Another persisting issue has been the **failure to provide a prior show-cause notice and opportunity to the actual users** whose web content is blocked.

9 PM Compilation for the Month of July, 2022

– Take the case of Tanul Thakur, a journalist who in his free time made a satirical website to parody the social evil of dowry. His website was **blocked without any notice** provided to him, and the blocking order itself was never provided. Even after approaching the Delhi High Court, MEITY only provided the order to him and his lawyers.

– Another instance is when Sushant Singh, an actor, author, and presenter, was blocked without any order being served on him. He had to approach the Bombay High Court for redress.

There are **regulatory proposals to increase government control** over the internet. In a recently concluded public consultation to amend the Information Technology (Guidelines for Intermediaries and Digital Media Ethics Code) Rules, 2021 injuries to free expression and privacy are being reinforced.

– A draft of the amendments proposes the **appointment of a Grievance Appellate Committee (GAC)** as a government body that would hear appeals against the decisions of social media platforms to remove or not remove content.

– The draft amendments state that the GAC will be a government-appointed body, but do not state whether this body will grant a right of hearing to content creators or even publish its orders.

What are the concerns with GAC?

Firstly, the executive-constituted committee will make the central government (instead of, ideally, an independent judicial or a regulatory body) the arbiter of permissible speech on the internet.

– It would incentivise social media platforms to suppress any speech that may not be palatable to the government, public officials, or those who can exert political pressure.

Secondly, it will empower the government to censor speech on grounds not stated under Section 69A of the IT Act, 2000 or Article 19(2) of the Constitution.

– Hence, the government may even bypass the need to issue blocking orders, and instead, decide to crowdsource censorship.

[22. Unleashing the ropeways](#)

Source: This post is based on the article “**Unleashing the ropeways**” published in **Business Standard** on **6th Jul 22**.

Syllabus: GS2 – Govt policies and interventions

Relevance: Govt’s vision of Ropeways as transportation solutions

News: Union Finance minister made a pointed reference in her Budget speech about ropeways, not merely as tourist attractions, but also as transportation solutions.

It is noteworthy that the government’s vision of “ropeways as transportation solutions” covers congested urban areas and river-crossings too.

What did Union Finance Minister say about ropeways in her budget speech?

The minister stated that –

– Parvatmala, or the National Ropeways Development Programme, is a preferred ecologically sustainable alternative to conventional roads in difficult hilly areas.

9 PM Compilation for the Month of July, 2022

– It will be taken up in PPP (public-private partnership) mode. The aim is to improve connectivity and convenience for commuters, besides promoting tourism.

– This may also cover congested urban areas, where a conventional mass transit system is not feasible. Contracts for eight ropeway projects for a length of 60 km will be awarded in 2022-23.

What are examples of some ropeway projects across the globe?

Colombia

– On urban connectivity, getting acclaim internationally is **Colombia's largest public works project** — the new mass transit cable car service in the capital city of Bogota.

– It connects high points of two of the city's low-income neighbourhoods. It is able to transport 3,600 passengers per hour and benefits 700,000 residents who are now able to make a trip in 10 minutes that earlier took 60-90 minutes.

India

– India has its iconic project across the **Brahmaputra river**. In the summer of 2020, a 1.8 km ropeway was commissioned, making it the longest river ropeway in the country.

– Thousands of people commute every day between Guwahati and North Guwahati. The ropeway enables travel in 10 minutes — a journey that otherwise takes 45 minutes by ferry, or over an hour by road.

What are different types of ropeways?

Passenger ropeways are classified according to their operational characteristics. The more common forms are aerial tramways, gondolas, funiculars, and chair lifts.

Advantages of ropeways

As a transportation alternative, they present clear advantages, with reference to specific terrains.

– **a)** lower land acquisition costs, **b)** environmentally friendly and **c)** contrary to popular belief, can handle volumes. A robust ropeway can carry up to 10,000 passengers an hour — the equivalent of 200 busloads, **d)** Ropeways can handle steep gradients, **e)** Optimal use of land – In urban settings, ropeways need only narrow-based vertical supports at intervals. This leaves the rest of the ground free.

Which ministry has been tasked with dev of ropeways?

The **Ministry of Road Transport and Highways (MoRTH)** has been made responsible for the development of ropeways and alternative mobility solutions.

It thus now has the responsibility for crafting a regulatory regime for the sector, including issues related to choice of technology, safety and operational guidelines.

Within MoRTH, an in-house subsidiary, the **National Highways Logistics Management Ltd (NHLML)**, has been assigned to undertake all the work related to the development of ropeways.

How the safety issues are being handled?

The Union home ministry issued an **advisory to all states** in April in the wake of a ropeway accident that happened in Deoghar district of Jharkhand.

9 PM Compilation for the Month of July, 2022

The ministry has stressed the **need to have detailed standard operating procedures** and a contingency plan on ropeway operations to prevent the occurrence of any such incidents in future.

Internationally, the ropeways industry is dominated by EU companies, which account for 90% of the industry worldwide. The EU has specific **safety legislation** in place.

Way forward

It is expected that with an emphasis on “Atmanirbharta”, India’s existing ropeway manufacturers and developers will now get an opportunity to scale up and emerge as key players in a global context.

23. Across democracies, supreme courts’ legitimacy, autonomy are under question

Source: The post is based on the article **“Across democracies, supreme courts’ legitimacy, autonomy are under question”** published in **“Indian Express”** on **7th July 2022**.

Syllabus: GS 2 – Structure, organization and functioning of the Executive and the Judiciary.

Relevance: To understand the declining legitimacy of the Supreme Court.

News: Recently, the US Senator declared that the Supreme Court of the United States (SCOTUS) has “burned whatever legitimacy they still have”. The New York Times has referred to “the Supreme Court’s declining institutional credibility [that] has wounded the nation’s confidence in the judge as an impartial guardian of the law”

But the question of the “declining legitimacy of a Supreme Court” is a concern of all democrats, even in India.

What are the challenges faced by Supreme Courts worldwide?

The centrality of all these issues is the **court’s autonomy**. For example,

-In Poland, the present government tries to undermine the supreme court’s independence. This resulted in the European Union warning the Polish government that its membership of the EU was at risk.

-In the US, the recent array of decisions has severely eroded the court’s legitimacy. These include, **a)** Overturning the 50-year-old judgment of Roe versus Wade on the right to abortions, **b)** The affirmation of gun rights deriving from the Second Amendment, **c)** limiting the power of the Environment Protection Agency (EPA) to reduce greenhouse gases across states.

Read more: [Supreme Court recognises sex work as a ‘profession](#)

How can the Supreme Court address the question of legitimacy?

On this question of “legitimacy”, there are three important aspects. These include **1)** The court’s role in enforcing the core principle of “limited government”, **2)** The court’s recognition, and endorsement of the fundamental distinction between “rule of law” and “rule by law”, and **3)** The court’s role as the promoter of “constitutional morality”.

Enforcing limited government: The executive controls the machinery of government and often tends to misuse it, particularly in situations when they dominate the other institutions of the state. The court must clip the executive’s wings. The court’s must speak on behalf of the rights of the ordinary citizen.

The court’s sometimes misread their role as implementers of government policy, but they are not.

9 PM Compilation for the Month of July, 2022

The distinction between “rule of law” and “rule by law”: According to the Stanford Encyclopedia of Philosophy, “The rule of law is supposed to lift law above politics. The idea is that the law should stand above every powerful person and agency in the land. Rule by law, in contrast, connotes the instrumental use of the law as a tool of political power. It means that the state uses law to control its citizens but tries never to allow law to be used to control the state”.

Authoritarian regimes hide behind rule by law. Those regimes also seek to control the appointment of judges. By controlling the judiciary, regimes are able to shift the dispute from the domain of politics to the chambers of the courts. This must end.

Court as a custodian of constitutional morality: Whenever democracy spreads and colonises aspects of social and political life, the court must immediately enter the playing field and regulate this spread. The court must remind politics of what is permitted and what is proscribed.

Read more: [The Supreme Court’s Judgment on GST – Explained, pointwise](#)

Supreme courts **need to be vigilant about the threats to their “legitimacy”**. They need to stand some distance above political dynamics so that they can reflect on their privileged position and their sacred responsibility.

24. [Words from Bandung to relive in Bali and Delhi](#)

Source: The post is based on an article “Words from Bandung to relive in Bali and Delhi” published in the “The Hindu” on 7th July 2022.

Syllabus: GS 2 International Relations; Bilateral Relations, Multilateral Organization

Relevance: Rule based International Order;

News: In the last month, **the BRICS Summit, the G-7 summit, and the North Atlantic Treaty Organization (NATO) Summit** were held. The Indian Prime Minister attended the BRICS summit and the G-7 Summit. India was not a part of the NATO summit.

What are the emerging issues in the statements of these plurilateral/ multilateral meetings?

The BRICS Beijing Declaration

Both Mr. Xi and Mr. Putin mostly targeted the unilateral economic sanctions imposed by the United States and the European Union on Russia.

The BRICS **economic initiatives** are poised to challenge the **western-led sanctions** against Russia. For example:

(1) The New Development Bank (NDB) has approved about 17 loans for Russian energy and infrastructure projects,

(2) The **Contingent Reserve Arrangement (CRA)**, and a **BRICS Payments Task Force (BPTF)** aims to coordinate between their central banks for an **alternative to the SWIFT payments system**.

(3) Mr. Putin also proposed building a **global reserve currency** based on a “basket of currencies” and trading in local currencies.

9 PM Compilation for the Month of July, 2022

The G-7 Summit Statement

In a number of statements, the members targeted **Russia's war in Ukraine** and China's economic aggression.

The grouping also released the “**Resilient Democracies**” and “**Clean and Just Transitions towards Climate Neutrality**” outreach document, on which India and other invitees signed. However, invitees were not allowed to mention their stand on the Ukraine issue.

The NATO meeting

In its number statements, NATO members had committed themselves to take more actions against “**Russian aggression**”. They called **China's action** a form of “**systemic competition**”, which is a challenge to NATO “**interests, security and values**”.

Therefore, The U.S.'s **trans-Atlantic and trans-Pacific military allies** sent out a clear message against a perceived **Russia-China alliance**.

Consequently, another Indo-Pacific coalition called the “**Partners in the Blue Pacific**” (PBP), was launched, in addition to last year's Australia-U.K.-U.S. (AUKUS).

What are the Foreign Policy Challenges in front of India?

There is growing **deep polarisation** between the **Western Atlantic-Pacific axis** and the **Russia-China combine**, in the world.

India's Foreign Policy seems to have a **tightrope walk** on the Russian issue. For example:

(1) On one side, India has been working hard to **diversify** its defence purchases from Russia. Further, India's hostilities with **China** are at an all-time high. Therefore, India is also **strategically moving** towards the U.S. and Quad partners in the Indo-Pacific Region.

(2) On the other hand,

(a) India has chosen to neither **condone** Russia for its attacks on Ukraine, nor criticise it.

(b) Since the Western sanctions, India has increased import of **oil, fertilizer, cement** and **other commodities**, from Russia. This is being done using different means. For example, India is paying for the import, in the Chinese Yuan to circumvent sanctions.

What should be the approach of India's foreign policy in the coming period?

India should seize the **moment for leadership** in a world that is becoming increasingly uncomfortable due to polarisation. In 1955, it was in such a similar moment that India took leadership that eventually led to the **Non-Aligned Movement (NAM)**. “

For example, India is going to be the next President of the G-20. Therefore, it should work to ensure that the **G-20 stays together**. India should **reassure** those worried by the **brinkmanship** of the West on one side and Russia and China on the other.

India should bring together a **large pool of independently like-minded countries** who cannot afford hostilities, and want to avoid the possibility of a global war at all costs.

9 PM Compilation for the Month of July, 2022

25. A 'no' to pharma freebies, a 'yes' for public good

Source: The post is based on an article "A 'no' to pharma freebies, a 'yes' for public good" published in the "The Hindu" on 7th July 2022.

Syllabus: GS2 Issues Relating to Development and Management of Social Sector/Services relating to Health, Education, Human Resources.

Relevance: Freebies in Pharma Sector

News: Recently, a bench of the Supreme Court has given a judgment on freebies given to doctors by the pharma companies.

About the *M/s Apex Laboratories Pvt. Ltd. vs Deputy Commissioner of Income Tax, Large Tax Payer Unit-II Case*,

The company was giving out freebies to doctors to create awareness about a health supplement it was manufacturing, which was called **Zincovit**.

The Judgment

The court held that the act of pharmaceutical companies giving freebies to doctors is clearly '**prohibited by the law**'.

Earlier, it was prohibited under **the Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002** framed under the Medical Council Act, 1956.

However, at present, the law has been repealed and substituted by **the National Medical Commission Act, 2019**.

Further, the freebies cannot be claimed as a deduction under Section 37(1) of the Income Tax Act, 1961.

Importance of the judgment

At present, the pharma products have become out of reach for the common man due to **unethical** and **illegal practices** in the pharma sector. The judgment will go a long way to check it.

The pharmaceutical companies have misused a **legislative gap**. They have actively perpetuated the **commission** of an **offence** of giving **freebies** to doctors to promote their brands.

The court laid emphasis on the **fiduciary relationship** between doctor and patient. The patients consider the **doctor's prescription** as the final word on medication. Therefore, it shouldn't be manipulated by the lure of freebies. It drives up the prices of the medicines.

The judgment referred to a report issued by **the United States Department of Health and Human Services Office**. The report mentioned that the patients could save in **out-of-pocket payments** if they buy **generic equivalent drugs** instead of branded ones.

What are the other Issues in the Pharma sector?

Most of the medicines are sold at the **Maximum Retail Price**, or **MRP** in pharmacist shops.

Although India has **the Drug Price Control Order and Drugs and Cosmetics Act**. The agency hardly takes any action to keep the sale price of medicines under **control**, and keep the profit margins within a prescribed limit.

Way Forward

The **Parliamentary Standing Committee on Health and Family Welfare** also highlighted the same issues in its 45th report, dated August 4, 2010.

9 PM Compilation for the Month of July, 2022

Therefore, the parliament should amend law in order to compel the **drug manufacturer** to sell their pharma products at the **verified genuine cost**. This should also factor in a **reasonable profit margin** for each product. There must be a **uniform rate** throughout the country.

Further, classified **life-saving drugs** should be sold at cost only or even at subsidised rates.

The government can use financial tools such as **income-tax provisions** for disallowing such expenditure etc.

26. [Hate crime, punishment](#)

Source: The post is based on an article “Hate crime, punishment” published in the “The Hindu” on 7th July 2022.

Syllabus: GS 2 Important Provisions of the Constitution of India

Relevance: Fundamental Right to freedom of speech and expression vs Hate Speech

News: In recent, **Umesh Kolhe**, a chemist working in Amravati, Maharashtra, and **Kanhaiya Lal**, a tailor working in Udaipur, Rajasthan were knifed to death in retaliation for their sharing of a post in support of controversial comments on the Prophet.

What are the problems with hate speech?

Although India laws clearly define the **reasonableness of the right to exercise** the freedom of expression in India. However, the Indian laws do not clearly define hate speech, which are directed at communities and intended to fan communal hatred.

In the age of **online media** and **messaging**, hate speech incidents have become a significant problem.

Legal Regime

There are provisions in the law that can be interpreted as allowing for **criminalising offences** that are related to hate speech, in particular those that are likely to incite violence.

Way Forward

The **Law Commission of India** has recommended **adding specific provisions** in the **Indian Penal Code** to tackle hate speech.

The Union and the State governments should **reassure** citizens on the need for communal amity and it should reassure that the purveyors of hate speech and those indulging in violence in retaliation will be prosecuted.

The governments must reorient themselves to the **rule of law**. They should strictly adhere to **constitutional values** like the secular fabric of the country must be preserved at all costs.

Justice and the application of the **rule of law** should not only be seen to be done. It should be applied in a **fair manner** without prejudice for or against specific communities.

The Union and State governments should not use the enforcement authorities to inflict **collective punishment** on communities for the **individual acts of transgression**.

All the political parties including those in power and in opposition, must refrain from fanning communal hatred.

9 PM Compilation for the Month of July, 2022

27. Weaponization of IPC to set police on journalists cuts across parties — and clamps down on press freedom

Source: The post is based on an article “Weaponization of IPC to set police on journalists cuts across parties – and clamps down on press freedom” published in the Indian Express on 7th July 2022.

Syllabus: GS2 – Important provisions of the constitution of India

Relevance: Fundamental Rights

News: Recently, Mohammed Zubair, co-founder of Alt News, and Rohit Ranjan, Zee News anchor were arrested by Delhi Police and Chhattisgarh Police, respectively, in different circumstances and specific contexts.

What were the causes?

Zubair was arrested for a 2018 tweet that shared a clip from a 1980s’ film by **Hrishikesh Mukherjee**, weeks after he flagged controversial remarks that were made on the Prophet, in his TV debate.

He was arrested under **Sections 153 (A) and 295 (A)**, for promoting enmity between different groups, and malicious acts intended to outrage religious feelings among the community.

Rohit Ranjan was arrested for his show which ran a misleading video of Rahul Gandhi, for which the channel later apologised.

Argument against such arrest

The arrest amounts to endangering **due process** and violations of the rights and freedoms of speech and expression.

The Constitution of India guarantees freedom to ask questions to the state, express opposition or **dissent**.

There are allegations of **weaponization** of the sections of IPC. For example, misuse of IPC’s Section 124A in Ravi’s case or Sections 153 and 295 against Zubair and Ranjan in the ongoing case.

On the world stage, India speaks of “**vibrant democracy**” and commits to “protecting the freedom of expression and opinion online and offline”.

Way Forward

The ruling parties as well as the opposition parties need to look at their failure to protect free speech.

9 PM Compilation for the Month of July, 2022

28. [Mental health issues of LGBTQIA++ community: A community and a health issue of concern](#)

Source: The post is based on the article “**A community and a health issue of concern**”

published in “**The Hindu**” on **8th July 2022**.

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

Relevance: To understand the mental health issues of LGBTQIA++ community.

News: Recently Pride month (June) has been celebrated successfully. However, India’s class, caste and regionally diverse LGBTQIA++ communities remain at risk of life-long mental illnesses and challenges.

What is the status of mental illnesses among LGBTQIA++ communities?

This relentless dissonance and alienation can result in internalised homophobia, often leading to anxiety, loneliness and substance use. For instance, LGBTQIA++ youth are likely to suffer 1.75 times more anxiety and depression than the rest of society. On the other hand, the transgender community is even more vulnerable as its members suffer 2.4 times higher anxiety and depression.

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

What is the reason for increasing mental illnesses among LGBTQIA++ communities?

Dissonance and stigma: This is caused by life-long dissonance, deep-rooted stigma, discrimination and often abuse, that the community experiences. This often leads to extreme distress and poor self-worth, resulting in self-hate and suffering.

Less discussions: Sexual orientation and gender identity are rarely discussed in Indian social, educational or familial environments. Even done, these discussions are stigmatising in nature.

Marginalisation: Society marginalises LGBTQIA++ people throughout life, no matter how accomplished they may be.

Inadequate access to health services: A large majority of the psychiatrists in India still consider diverse sexual orientations and gender identities as a disorder and practice ‘corrective therapy’.

A private study also found that numerous trans and gay men preferred to pay and seek help in the private sector rather than access government health care due to harassment and stigma.

Read more: [End discrimination, frame specific policies for LGBTQ+ workers: ILO](#)

What should be done to improve the mental health of LGBTQIA++?

Destigmatise diverse gender and sexual identities: India needs **comprehensive long-term solutions** that make queer mental health a priority and **address community needs**. This can be done by ensuring every aspect of mental health work in India must include aspects of queer mental health issues, especially in schools and universities.

Community building: facilitate the LGBTQIA++ community’s engagement with all stakeholders, including educational institutions, communities, health-care providers, mental health professionals, police personnel and families who are often a key source of mental health stress.

Further, India needs to create supportive, safe and educative spaces, access points for health care and information on mental health

Read more: [India’s 1st LGBT+ workplace equality index launched](#)

9 PM Compilation for the Month of July, 2022

Without addressing both the preventive and support aspects of the mental health of LGBTQIA++ people India will compound an already neglected problem of mental illness that will be hard to handle in the future.

[29. Which is the 'real' Shiv Sena? Answer lies with the Constitution and Supreme Court](#)

Source: This post is created based on the article **“Which is the ‘real’ Shiv Sena? Answer lies with the Constitution and Supreme Court”** published in **Indian Express** on **9th July, 2022**.

Syllabus: GS Paper 2- Indian Polity – Electoral Issues

News: Recently, a tussle in Maharashtra within the Shiv Sena for the control of the party, its election symbol, and the name is ongoing. It has brought into the limelight the legal and constitutional frameworks that manage such situations.

Legal and Constitutional frameworks

Article 324 of the Constitution: Election Commission is vested with the responsibilities of superintendence, direction, and control of elections.

The Election Symbols (Reservation and Allotment) Order 1968 deals with the matters like allotment of symbols in Parliamentary and Assembly constituencies and recognition of political parties.

Paragraph 15 of this Order empowers the election Commission to recognize the party formed by a splinter or rival groups, based upon the available facts and circumstances of the case.

Issue of party symbol and recognition of factions

The party symbols hold significant importance for political parties. Many voters, who cannot read, form an association with the symbols of parties.

Sadiq Ali v the Election Commission of India (1972): The case involved 2 factions of Indian National Congress (INC). One led by Jagjivan Ram i.e. INC (J), another led by C Subramaniam i.e. INC (O).

The Election Commission rules in favor of INC (J) being the recognised political party. The Supreme Court also relied on the data presented to the Commission by INC factions and found that a substantial majority of the members of the Congress in both its legislative wing as well as the organisational wing supported the Congress (J). Thus, SC also concurred with the decision of the Election Commission, with the following observations made by Justice H R Khanna.

Paragraph 15, gives the Commission power to settle such disputes pertaining to symbols between factions of a party. It is entirely legal because this power accrues from Article 324 that creates the Commission and vests in it the power of superintendence over elections.

[30. The clock is ticking on the issue of energy poverty](#)

Source: The post is based on an article **“The clock is ticking on the issue of energy poverty”** published in the **Indian Express** on **9th July 2022**.

Syllabus: GS 2 International Organization; GS 3 Indian Economy issues and Challenges to growth, development, etc.

Relevance: Global Energy Governance; Energy Poverty, etc.

9 PM Compilation for the Month of July, 2022

News: In the recently **concluded G-7 Summit**, the Prime Minister of India Modi reminded the leaders of the richest economies in the world that all the energy-poor countries should also be able to access energy as much as the rich global north.

The PM raised the bigger issue of **global energy governance at G7 because all world energy systems** are still tightly controlled by the **Atlantic countries**. The American dollar runs the global energy landscape.

The western countries build and push all **global energy narratives** in order to serve their own economic and **geopolitical interests**. For example, the International Energy Agency (IEA) serves the interests of the rich and developed countries.

What is the status of energy poverty globally?

The Latin American, Asian, and African regions account for around three billion energy-poor people.

In South Asia alone, over one billion people are struggling with extremely limited access to energy, despite the LPG and the LED revolutions in India.

What could be the implications of energy curbs imposed by western nations?

India and many other developed countries have been purchasing discounted Russian oil amid the increasing crude oil prices. But, the G-7 countries want to further **tighten** the sanctions or **completely curb** the flow of Russian oil in the **global supply system**. It would have many implications:

First, Russia accounts for 12.6% of the world's oil production. It could lead to even higher oil prices. Sri Lanka-like energy shocks may disrupt the nations due to these factors.

Second, a ban could also strengthen the **emergence of a parallel international oil market** led by Russia and, allegedly, supported by China.

Third, unlike rich countries, most energy deficit countries in the developing world cannot tackle a slump in growth; rise in inflation and unemployment rate, and social unrest. For example, India's oil import bill soared to \$119 billion in the FY2021-22.

What should be done?

Energy access should not be the **privilege** of the rich only. A **poor family** also has the same rights on energy.

The G-7 should explore some other ways to **tighten** the sanctions on Russia instead of weaponizing oil.

Undoubtedly, the world needs a **truly global intergovernmental organization** dedicated to just energy transition, energy access and justice, and energy and climate. For this, India and China should take the lead. Other large countries like Indonesia, South Africa, and Turkey could also be invited to brainstorm for initiating such a body.

Powerful platforms like the **G-20** and **the BRICS** need to focus more on energy access, poverty, and security.

9 PM Compilation for the Month of July, 2022

31. [What ails the current approach to Ayurveda](#)

Source: The post is based on the article “**What ails the current approach to Ayurveda**” published in **The Hindu** on **11th July 2022**.

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

Relevance: Issues associated with Ayurveda.

News: Ayurveda has been in practice for close to three millennia. Even today, India’s traditional medicine serves the healthcare needs of millions of Indians. But the Ayurveda faces a few challenges that need to be addressed.

What are the challenges associated with Ayurveda?

Has few obsolete treatises: Ayurveda’s ancient treatises contain useful portions alongside obsolete ones. Hence, valuable health promotion and illness management observations need to be carefully filtered from outdated theories and socio-religious superstitions.

Many experts admit that the anatomy and physiology contained in the Ayurvedic classics is mostly outdated and that the official approach to this subject is misguided.

For instance, On urine formation, the text posits that tiny ducts from the intestines carry urine to fill the bladder. This simplistic scheme of urine formation has no role for the kidneys at all.

Read more: [Explained: Surgery as part of Ayurveda](#)

Philosophical superiority: The belief in the philosophical superiority of Ayurveda has destroyed ancient medical writings from being revisable scientific treatises. The idea of Ayurveda being antithetical to the yukti-vyapashraya (reason-based) character of classical Ayurveda has made the reforms long overdue in Ayurveda. This is highlighted by Usman Committee (1923) and the Chopra Committee (1948).

Misinterpretations in practices: There is a flawed approach of making ancient concepts sound relevant by super-imposing current scientific findings upon them. This will lead to dangerously wrong clinical choices.

Read more: [First of its kind phase 3 clinical trial in Ayurveda for Rheumatoid Arthritis](#)

What should be done?

Revise Ayurvedic treatises: A century ago, P.S. Varier of the Arya Vaidya Sala Kottakkal noted that the “Sareerasthana (section on body structure and function in the Ayurvedic classics) must firstly be revised and made clearer and the remaining parts must be suited to it.

After this, the other important works should also be corrected. Further, necessary additions must be made either by translations or by collaboration with experts in portions still deficient.

As a medical system, Ayurveda is valuable immensely for its observations. Ministry of AYUSH must take cognisance actions to revive Ayurveda.

Read more: [Making Ayurveda a real science](#)

32. [Suman Bery writes: NITI Aayog's role in ensuring collaboration between states and centre](#)

Source: This post is based on the article “**Suman Bery writes: NITI Aayog's role in ensuring collaboration between states and centre**” published in **The Indian Express** on **12th Jul 22**.

Syllabus: GS2 – Polity – Relations between Centre and States

Relevance: NITI Aayog and improving Centre-State relations

Context: The Vice-Chairman of NITI Aayog lists out seven propositions centered around his understanding of NITI Aayog's role in enhancing alignment between the Centre and states.

How has NITI Aayog helped in improving federalism?

Since its inception in 2015, NITI Aayog has been instrumental in promoting competitive and cooperative federalism.

– NITI Aayog organises the **annual meeting of the Governing Council (GC) under the leadership of the PM**. It brings together chief ministers/Lieutenant-governors of the states/UTs to discuss inter-sectoral, inter-departmental and federal issues. The aim is to accelerate the implementation of the **National Development Agenda**.

How can NITI Aayog help improve alignment b/w Centre and States?

States must identify their strengths: States are the Indian economy's growth drivers. They control urban governance, agriculture, power distribution, land records modernisation, labour law simplification and pollution control.

– For India to remain one of the fastest-growing major economies, states must identify their strengths. NITI Aayog must ensure productive engagement and dialogue with the states to develop a growth roadmap.

Income convergence across states: Despite country-wide economic growth, the less developed Indian states are not catching up.

– NITI Aayog must address this crucial issue through improved governance structures, adequate financial development and infrastructure.

Performance on social indicators is a sound metric for assessing a state's performance. Social outcomes are de-linked from income in several states. Mizoram's performance on the Infant Mortality Rate (IMR) is one example. Despite being a middle-income state, its IMR is the lowest at 3 deaths per 1,000 live births, whereas the national average is 28.

– NITI Aayog has developed several social sector indices and dashboards for effectively tracking and monitoring outcomes. Regular monitoring and performance evaluation will incentivize states to achieve better social outcomes.

Growth at the grassroots: We must focus on ensuring that growth originates from the grassroots, while addressing significant inter-state and inter-district variations. The PM launched the Aspirational Districts Programme (ADP) to address these challenges through data-driven, outcome-based governance. While lauding the ADP during the conference, the PM emphasized the need to convert the Aspirational Districts into “**inspirational districts**”.

– NITI Aayog must focus on guiding state governments in replicating the ADP template at the block level and for districts not categorised as aspirational.

9 PM Compilation for the Month of July, 2022

Better managed urbanisation is crucial. Cities face challenges such as affordable housing, water supply and waste management. Further, there is a need to tap into resources other than government budgets, such as monetising land assets and engaging private capital in service delivery.

– Efforts to empower and make large urban local bodies atmanirbhar are the needs of the hour.

Sharing of best practices: Several best practices are already being implemented by states across India. NITI Aayog must act as an **intermediary** between the Centre and states to ensure cross-sharing of these best practices, insights and perspectives.

– Some areas that merit particular focus are the use of advanced technology using blockchain and AI, development of social registry and reducing compliance burden etc.

Conversation around climate change challenge: The world has so far witnessed two models of development— the Industrial Revolution and the rise of East Asia. Both depended on cheap, fossil-fuel energy. India aspires to grow equally fast but is now subject to a carbon constraint.

At the state level, it is critical to understand how the challenges facing states might be affected by decarbonisation, both with regard to mitigation and adaptation.

India needs to continue its national debate around this challenge. Using its convening power, NITI Aayog is well-positioned to generate such a conversation and guide states to catalyse climate action.

33. [Saving Sri Lanka](#)

Source: This post is based on the following articles

“Read Lanka right: Structural economic weakness, not illiberalism, caused the crisis. And that weakness doesn’t apply to India” published in **The Times of India** on **11th Jul 22**.

“Saving Sri Lanka” published in **Business Standard** on **12th Jul 22**.

Syllabus: GS2- India and its neighborhood

Relevance: India-Lanka relations

Context: The prevailing economic crisis in Sri Lanka, pre-crisis problems and how can India help in improving the situation.

Problems with Sri Lanka

Sri Lanka has been a South Asian epitome for many decades on Human Development Indicators (HDI). Health, education have been at near-European levels.

Average income has been above the rest of the subcontinent – with a pre-crisis per-capita income nearly double that of India.

But there were always problems in the island nation.

– Sri Lanka received IMF bailouts 16 times since 1965.

– There hasn’t been a single decade since the 1960s when Lanka did not receive at least 2 IMF bailouts.

9 PM Compilation for the Month of July, 2022

- With time, size of the bailouts has gone up, but essential bug has persisted.
- During this time, Lanka has endured civil war, political instability and long periods of presumptively “liberal, tolerant” governments – but frequency of bailouts needed didn’t change.

What led to present economic crisis in Sri Lanka?

First, the **lack of domestic savings** to fund government debt and the lack of stable capital flows to fund the shortage of dollars created every year with a persistent CAD.

Second, since the 1960s, Lanka has depended on **multilateral borrowings** to finance its Current Account Deficit (CAD) as well as undertake key development projects.

Third, lack of a development bank infrastructure and local savings meant that the bulk of Lanka’s famed HDI achievements came to be funded by the likes of World Bank.

Fourth, despite large concessional foreign loan flows, Lanka had to **periodically resort to IMF bailouts** in order to bridge its foreign exchange deficits.

Fifth, aided by the optimism around the end of the civil war, Lanka started **issuing International Sovereign Bonds (ISBs)**.

- By 2019 short-tenure ISBs became nearly 50% of government borrowings.

- ISBs, in the absence of drastic improvement in government finances and/or ability to raise local savings, need to be refinanced by raising further ISBs. All of this, in a country that has struggled to raise any meaningful non-debt capital inflows over the years, is close to a casino musical chair game.

Sixth, Loans by China: Belt and Road Initiative (BRI) loans fund large infrastructure projects (often unviable, like the Hambantota port) where bulk of the funding is to Chinese contractors executing the project.

This has resulted in a project with little cash flows, limited benefit to the local economy, but a funding liability of the Lanka government.

Seventh, the last and the final reason was likely the sudden wholesale switch to organic farming.

Why such a crisis isn’t possible in India?

India issues zero ISBs, and has negligible dependence on foreign flows to fund its budget.

As a large, sophisticated economy, it attracts enough non-debt capital flows to fund its CAD.

It has a world-class regulatory framework to manage external risks.

Way forward

Short term

Humanitarian suffering and a political vacuum must be avoided.

Money to pay for immediate and essential imports must be found, and New Delhi must support a peaceful transfer of power.

Long term

9 PM Compilation for the Month of July, 2022

Sri Lanka's debt, as currently structured, if unsustainable, will need to be restructured. This is critical as it will set precedents for other sovereign debt restructuring that appears inevitable, from Ghana to Laos.

India's role

India must now take up a leadership role in addressing Lanka's problems, without waiting for the global community.

Also, Sri Lanka is small compared to most Indian states, and so a bailout cost will not be prohibitive. Plus, bailing out a fundamentally productive neighbouring country is clearly in the national interest.

There was talk of the outgoing prime minister convening a conference of the country's creditors, including India, Japan, and China. Such a meeting should certainly go ahead even if the current prime minister himself is not around to conduct it.

34. [C Raja Mohan writes: India's new West Asia approach is a welcome break with past diffidence](#)

Source: The post is based on an article "India's new West Asia approach is a welcome break with past diffidence" published in the Indian Express on 12th July 2022.

Syllabus: GS2 – International Relations; Regional Grouping

Relevance: I2U2 Forum; Middle East Region

News: The first summit of a new forum known as I2U2 is expected to take place soon during Joe Biden's visit to Israel.

About I2U2

The forum was launched in 2021. It brings together four countries, namely, **India, Israel, the United Arab Emirates** and **the United States**.

How is this forum important for India, in terms of relationship with the Middle East Region?

The I2U2 sets the stage for a new and dynamic phase in India's relations with the Middle East. The US bet that India can contribute significantly to peace and prosperity in the Middle East region.

It indicates India's new trends in its **Middle East policy** since 2014 because India is now ready to engage with those countries with which India had traditionally kept a **safe political distance** from in the Middle Eastern Region.

India's relations with the Middle-Eastern Countries and the US

India-Israel Relations

Although India was one of the first countries to recognise Israel in 1950, India did not establish full diplomatic relations with it. For example, India has hosted the Israeli PM in 2003, and there were no prime ministerial visits in either direction during the **decade-long period of 2004-14**.

India feared that an **open engagement** with Israel might complicate its relations with the Arab partners.

9 PM Compilation for the Month of July, 2022

India-Arab World Relations

Traditionally, India preferred to engage with the **republics** in the Arab world. However, in the 1970s, India's ties to the monarchies improved because they became the main source of hydrocarbons, the main destination for Indian labor exports, and a major source of hard currency remittances.

However, despite improvement in **India's economic engagement** with the Arab world, India remained wary of engagement with the monarchies in the Arab World as India believed that they were **pro-Pakistan**.

No Indian PM visited Saudi Arabia between 1982 and 2010 and UAE between 1981 and 2015.

The US

India has opposed its policies in the region undertaken in the name of promoting an **"area of peace"**. Therefore, I2U2 marks a big break from the anti-Western tradition in India's approach to the region.

What developments made India to join the new forum?

India-Israel

India is engaging with Israel because various Muslim countries are improving ties with Israel. For example

- (1) Turkey, now a champion of political Islam, had diplomatic ties with Israel since the year 1949.
- (2) Egypt normalised its relation with Israel in 1980.

The UAE, Bahrain, Sudan and Morocco set up formal ties with Israel in 2020 Under the (3) Abrahamic accords, promoted by the Trump Administration.

India-Arab World

India is also deepening its ties with the Arab world. For example, PM Modi, while on his first visit to Israel in 2018, also became the first Indian PM to visit Palestine.

Since 2014, India has transformed its relations with the **Gulf Kingdoms**, especially the UAE and Saudi-Arabia based on **a personal rapport** of the Indian PM and without a reference to Pakistan.

India has negotiated **a free trade agreement** with the UAE. The UAE has also backed India's 2019 constitutional changes in Kashmir and is ready to invest in India's Union Territory of Jammu & Kashmir.

India-the US

India has increased its engagement with the US in the **Indo-Pacific** through the **Quad** in recent years.

India is participating in the **West Asian Quad**. This has brought India in line with other major powers- including Europe, China, and Russia which are trying and engaging with all parties in the region.

9 PM Compilation for the Month of July, 2022

35. [The new 'normal' of political splits and shifts](#)

Source: The post is based on an article “**The new 'normal' of political splits and shifts**” published in the “**The Hindu**” on 12th July 2022.

Syllabus: GS 2 Parliament and State Legislatures—Structure, Functioning, Conduct of Business, Powers & Privileges and Issues Arising out of these.

Relevance: Anti-Defection Law in India

News: Recently, the States of Maharashtra and Madhya Pradesh have seen splits in the ruling party. Subsequently, there has been realignment of legislators which inaugurated new governments.

Trends of splits and switches in India

Splits and switches are commonplace in legislatures across the globe. India has also witnessed at least three distinct waves. These were:

(1) In the latter half of the 1960s, there were a number of **free movement of legislators** across political parties which led to quick turnover of governments in India.

(2) In late 1980s, the anti-defection law was enacted to end the menace and regulate the behaviour of legislators. The law discouraged **individual movement** and incentivised a **collective movement** of legislators (mass defection). This happened because the law **legitimized** the defection of a **specific number of legislators**.

(3) Since 2014, there have been a number of splits and switches aimed to establish the governments. For example, such happenings were seen in Arunachal Pradesh (2016), Bihar (2017), Karnataka (2019), Madhya Pradesh (2020), and Maharashtra (2022).

What are the problematic aspects with the third phase of the splits and switches in India?

There is no respect for the **basic rules** of the game. The dominant parties are promoting splits and shifts.

The dominant parties have weaponized the **anti-defection law** and **institutions**. For example, these are used to **intervene** in the internal working of the opposition parties, etc.

Furthermore, legislators are also switching their support even if it does not lead to the making or maintenance of governments.

What are the associated issues?

It could have repercussions in terms of government formation, maintenance, and termination. Therefore, it is immoral and damages the foundations of **representative democracy** in India.

First, switchers violate the trust of those who voted in their favour on certain grounds.

Second, if it is assumed that voters vote for parties and not candidates, then it makes it difficult for voters to hold **party governments** accountable for their actions during elections.

Why do legislators split from and switch parties without fearing the negative connotations?

First of all, the notion of political parties is not static, it has changed with time and transformed. For example, Parties constantly adapt new modes to sustain and find success for themselves.

9 PM Compilation for the Month of July, 2022

Today's parties are not **classical mass parties**, which rise from societal movements and are internally democratic and share a common goal encompassing different dimensions of societal life.

Today's parties are **centralised vote-getting machines** which primarily work to ensure the return of **political leaders** to office. They are working without internal democracy. There is lack of link with the society and mass organization. It is the **central leadership** that counts and matters. All party activities begin and end with elections.

In this model, the **traditional campaign modes** have been replaced by **new forms of communication and campaign methods**. For example, **paid professionals** are hired to frame strategies, run campaigns and distribute tickets. Therefore, traditional voter bases like labour etc. don't form the backbone of parties and linkage between parties and the grassroots.

The voters see elected representatives or parties from the perspective of a **supplier of goods and services**. Therefore, the elected representatives are expected to be in government or at least close to the government. Therefore, the MLAs/MPs switch parties, and defections are not punished by voters.

36. [Concerns of Indian players should be taken care of while crafting FTAs](#)

Source: This post is based on the article "**Concerns of Indian players should be taken care of while crafting FTAs**" published in **The Indian Express** on **13th Jul 22**.

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

Relevance: Free Trade Agreements (FTAs)

News: A well-crafted trade agreement could help India enhance its share in global trade and help attain the government's target of making the country a \$5-trillion economy.

Signing FTAs with multiple countries

Recently, India has signed trade agreements with [Australia](#) and the [UAE](#).

In the last week of June, New Delhi began talks for a [similar agreement with the EU](#). These talks could have a bearing on tariff-related matters in agriculture and industry. India's successful sectors like textiles, pharmaceuticals and leather could benefit from these deliberations.

Why an FTA with EU is significant to India?

In the last decade, India's exports to EU countries have grown at a faster pace than the country's overall exports.

The Netherlands, Germany, Belgium, Italy, and France have emerged as key markets for Indian products.

Hence, a successful free trade agreement (FTA) with the EU could **help India to expand its footfall** in markets such as Poland, Portugal, Greece, the Czech Republic and Romania. India's exports have registered a double-digit annual growth rate in these countries in the last decade.

What are some concerns associated with signing of FTAs?

Before entering into trade agreements, India needs to take care of a few key concerns.

9 PM Compilation for the Month of July, 2022

– **Competing on equal terms:** It has been observed that when India is an importer, the preferential tariffs under the FTA are significantly lower than the rates charged from countries given Most Favoured Nation (MFN) status by New Delhi. But when the partner country is the importer, preferential tariffs on Indian goods, in most cases, are closer to the MFN tariffs.

- As a result, Indian exporters do not get the same returns as their counterparts in the partner countries — India’s trade with South Korea is a case in point.

Hence, before entering into a trade agreement care should, therefore, be taken to ensure that the domestic industry is not made to compete on unequal terms with the partner countries.

Rules of Origin: The India-UAE Comprehensive Economic Partnership Agreement includes a strong clause on the **rules of origin**. 40% value addition or substantial processing of up to 40% in the exporting country is required to qualify for lower tariffs. Rules of origin have been a bone of contention in most Indian trade agreements.

Way forward

Offset clauses should be built into trade agreements, especially for technology intensive sectors.

– Under such clauses, the exporter is obliged to undertake activities that directly benefit the importing country’s economy.

An **emergency action plan** could be another useful ingredient of trade agreements.

– In February 2020, the US made India ineligible for claims under GSP, America’s oldest preferential trade scheme. A contingency plan should be in place to tackle such situations.

Sunset Clause: India should also take a hint from the US-Mexico-Canada Agreement, to incorporate a “sunset” clause in trade agreements. The pact between the three North American nations provides for periodic reviews and the agreement is slated to end automatically in 16 years unless the countries renegotiate it.

Finally, **India should negotiate for parity between services and merchandise**. India’s trade in services is low, and its overall score in the OECD’s Services Trade Restrictiveness Index (STRI) exceeds the world average. It is especially high in legal and accounting services due to the licencing requirements in both these segments.

37. Courts must safeguard common spaces online

Source: This post is based on the article “**Courts must safeguard common spaces online**” published in **Livemint** on **12th Jul 22**.

Syllabus: GS2 – Polity – Fundamental Rights, Govt policies and interventions

Relevance: Freedom of speech and related issues

News: Recently, Twitter moved the Karnataka high court, asking it to overturn government orders to block tweets and handles.

Twitter has argued that the Centre’s demands are arbitrary and aimed at speech protected by Indian law; and complying with them would violate the right to free speech of its users.

9 PM Compilation for the Month of July, 2022

Last year, WhatsApp went to court against internet rules that demand it to break end-to-end encryption, a challenge that's still pending.

What is the Centre's stance?

The Centre insists that foreign companies with operations in India must follow Indian law.

Under the Information Technology Rules, 2021, the chief compliance officer of a social media platform is criminally liable if it refuses official orders.

Is the demand for oversight of social media platforms justified?

Yes.

Such platforms now constitute public spaces, but are owned by overseas corporate entities. Unlike democratic governments, they are not accountable to citizens, only their shareholders and regulators, but wield power over people's minds.

Their opaque algorithms and role in enabling fake news have come under scrutiny. As decisions taken by closely-held foreign firms cannot always serve our collective interest, sovereign administrations are justified in pressing for oversight of these platforms.

What are some associated concerns?

The need to impose oversight on these platforms should not ignore the necessity to **protect basic freedoms** enshrined in the Indian Constitution.

Hyper-vigilance and political overreach

- An analysis by The Indian Express of Twitter's global transparency reports shows that takedown demands in India soared 48,000% between 2014 and 2019.

- The government stated in Parliament that content blocking orders to social media companies went up nearly 2,000% in that period.

Typically issued under Section 69(A) of the Information Technology Act, 2000, these orders often come wrapped in layers of secrecy; users aren't informed or given prior notice, let alone an explanation of why their post was dropped.

The arrest of an AltNews co-founder for a tweet is but one among many examples of stiff action following a post, slogan or imaginary toolkit. While extant laws must apply, the limits of free speech need to be judiciously determined.

Way forward

The judiciary, as the guardian of our Constitution, must step in.

- It must hold both social media and the government to democratic principles. Voices of dissent that don't incite violence must be shielded.

- Since what speech endangers lives can be a close call in some cases, the country needs to hear from judges rather than cops on what is broadly legitimate.

A massive chunk of our population now has an online life, with a stake in a free and open Digital India. People need clarity on liberties. It's for the legal system to safeguard common spaces from violations of Article 19(1)(a).

9 PM Compilation for the Month of July, 2022

38. [Bail's in our courts: SC's idea on new bail law must be taken up by GoI. But judicial officers need reforming too](#)

Source: This post is based on the article “**Bail's in our courts: SC's idea on new bail law must be taken up by GoI. But judicial officers need reforming too**” published in **The Times of India** on **12th Jul 22**.

Syllabus: GS2 – Judiciary

Relevance: Criminal justice system reform and related issues

Context: SC recently took note of CrPC's colonial biases that continue till date and issued directions.

GoI must follow through on the Supreme Court's suggestion that India needs a comprehensive bail legislation, on the lines of the UK Bail Act.

What is the inequity that SC mentioned?

Police is quick to arrest citizens, and this puts poor and/or poorly educated citizens at a huge disadvantage as they are unable to take advantage of the legal system, unlike those with education and affluence and/or influence.

Around 70% of the prison population are undertrials, most of them poor and therefore unable to secure monetary bail.

What are the issues pointed by the SC?

Currently, provisions related to arrest and interrogation, issue of warrants and summons, execution of bonds and sureties, powers of police and courts, are **dispersed across CrPC** and various binding SC guidelines.

A law collating these in one place can check arbitrariness. But a problem, which SC notes too, is the attitude of judicial officers.

SC wondered whether the low rate of conviction tends to make judges adopt a **negative attitude towards bail**.

Sometimes, bail applications are kept pending for months. **Unnecessary arrest coupled with no bail** is a twofold blow.

– **Inaction on bail** happens in high courts too. Appeals by the convicted are pending for decades in some HCs.

What are the directions given by the SC?

Instead of a punitive approach to bail, SC has now directed that **bail applications should be disposed of within two weeks** in the normal course.

SC has reiterated that **arrest is a draconian measure** to be used sparingly, otherwise the “impression that it is a police state” will gain ground, which would be a disturbing description of a democracy.

Way forward

SC's scepticism over the compliance with its 2014 **Arnesh Kumar judgment** reveals how well-intentioned verdicts are being subverted.

9 PM Compilation for the Month of July, 2022

– The judgment had directed cops to diligently record specific reasons necessitating arrest, and magistrates to grant bail if the reasons don't make a persuasive case.

Disciplinary action against errant officers – in police, judiciary or executive – may produce beneficial changes. But quick bail is a good corrective against unnecessary arrests.

39. [A new judicial device for 'complete justice'](#)

Source: The post is based on the article “A new judicial device for complete justice” published in the “The Hindu” on 13th July 2022.

Syllabus: GS2 – Important Provisions of the Constitution of India

Relevance: Powers of the SC and Individual Liberty

News: In recent, **Mohammed Zubair**, the co-founder of Alt News was arrested by the Uttar Pradesh Police, under **Section 295A** and **Section 153-A** of the Indian Penal Code (IPC) for outraging **religious feelings** and promoting **religious enmity** respectively.

The **Supreme Court (SC) of India** granted him interim bail, but he will continue to be in jail because he is on remand in another case registered by the Delhi police. The court was aware of this, but didn't grant bail in the other case.

SC cannot be seen helpless in cases involving personal liberty.

Powers of the SC of India

The SC of India is regarded as the **world's most powerful top court**, on account of its wide power of **judicial review**.

Writ Jurisdiction: It has the jurisdiction to issue writs under **Article 32** of the Constitution.

Original Jurisdiction: It also has the **original jurisdiction** under Article 131 of the Constitution.

Appellate Jurisdiction: There is also wide appellate power under Articles 132, 133, 134 and 136 of the Constitution.

The Supreme Court has the power to “make such an order if it is necessary for doing complete justice in any cause or matter pending before it”, as per **Article 142** of the Constitution.

What are the challenges before the judiciary?

Many **political prisoners** languish in prison because their bail pleas have been repeatedly rejected by different courts.

The executive is able to register **multiple FIRs** in different States to ensure that the dissident is not released from prison even if bail is granted in some cases. For example, the Mohammad Zubair Case.

Thus, the **jail jurisprudence** of the executive effectively surpasses the Court's bail jurisdiction.

Way Forward

The Supreme Court cannot afford to work with **conventional legal wisdom**, which proclaims that every criminal case is a case which requires to be dealt with as such and taken to its logical conclusion.

9 PM Compilation for the Month of July, 2022

The SC should invoke its extraordinary power under **Article 142** in order to do **complete justice**. In **Delhi Development Authority vs Skipper Construction Company (1996)**, the SC has said that the power under Article 142 should remain “undefined and uncatalogued, so that it remains elastic enough to be moulded to suit the given situation”.

The **constitutional court** should evolve a new mechanism of its own in order to preserve the **democratic foundation** of the country, like the **Public Interest Litigation (PIL)**.

– For example, India can adopt the **new doctrine** of “**unconstitutional state of affairs**” that has been developed by the Constitutional courts in Colombia and Brazil. Under this doctrine, the court deviates from routine **procedural rigour** and is able to issue orders to address **structural deficits** or to **protect fundamental rights** with a sense of realism.

The courts should be determined to check the **executive’s excesses** and create and perpetuate a **democratic judicial atmosphere** that supports the cause of freedom like the SC’s intervention in the **Centre’s COVID-19 vaccine policy** and the **Pegasus episode**.

Treat them as a class: The SC can treat **political prisoners** and **dissenters** who are facing multiple FIRs and undergoing unjustified incarceration as a class. The SC should develop **effective jurisprudence** in which it can call for all the records pertaining to the multiple FIRs in order to do “complete justice”.

40. [The scale of municipal finances is inadequate](#)

Source: The post is based on an article “**The scale of municipal finances is inadequate**” published in the “The Hindu” on 13th July 2022.

Syllabus: GS2 Devolution of Powers and Finances up to Local Levels and Challenges Therein.

Relevance: Financial Issues in the ULBs

News: Recently, the Indian Institute for Human Settlements (IIHS) analysed data from 80 Urban Local Bodies (ULBs) across 24 States between 2012-13 and 2016-17 to understand their finance and spending, and found some key trends.

The legal regime for the local bodies in India

The **74th Constitution Amendment Act 1992** mandated setting up of ULBs as the lowest unit of governance in cities and towns in India.

Further, the constitution also mandated the devolution of powers to ULBs’, particularly ensuring their **fiscal empowerment**.

Importance of municipal finance

The health of municipal finances is a critical element of municipal governance. Further, it is also important for India to realise its economic and developmental promise.

What are the revenue sources for ULBs?

Taxes, fees, fines and **charges**, and **inter-governmental transfers** (IGTs) are the key **revenue sources** of the ULBs.

Inter-Governmental Transfers (IGTs) refers to transfers from **Central** and **State governments**. First, the transfers from the Central government are as stipulated by the **Central Finance**

9 PM Compilation for the Month of July, 2022

Commissions and through **grants** towards specific reforms. Second, the **State government transfers** are as **grants-in-aid** and devolution of State's collection of local taxes.

What are the key findings?

ULBs' **own revenue** was around 47% of their total revenue, in which the **largest component** was **tax revenue**. Their own revenues increased by 7% from 2012-13 to 2016-17.

(A) Own Revenue

The ULBs' own sources of revenue were less than half of their total revenue. The share of ULBs own revenue, in GDP was only 0.5% for the five-year period.

Further, the share of India's property tax, the **single largest contributor** to ULBs' own revenue, accounted for only about 0.15% of the GDP. In contrast, its share was about 0.6% and 1% in the ULBs of developing and developed countries respectively.

(B) IGTs

It accounted for about 40% of the ULBs' total revenue. It means ULBs are highly dependent on IGTs.

However, the dependence of ULBs on IGTs has dipped over the last 5 years between 2012-13 and 2016, due to modest increase in own revenue.

Further, the **scale of IGTs** in India remained at around 0.5% of GDP, which is far lower than the international average of 2% to 5% of GDP.

(C) Inter-city variations

There are considerable differences in the composition of **revenue sources** across cities of different sizes.

For example, Class I-A cities (population of over 50 lakh) primarily depend on their own tax revenue, while Class I-B cities and Class I-C cities (population of 10 lakh-50 lakh and 1 lakh-10 lakh, respectively) primarily rely more on IGTs.

(D) Operations and maintenance(O&M)

The O&M expenses refers to expenses used to upkeep of infrastructure and for maintaining quality of service delivery like water supply, solid waste management, etc.

The **share of O&M expenses** in ULBs' total revenue expenditure has increased from about 30% in 2012-13 to about 35% in 2016-17. However, these expenses remain inadequate.

Way Forward

The share of own revenue (property taxes, advertisements, and non-tax revenue from user charges and fees from building permissions and trade licencing etc.) to total revenue is an **important indicator** of **ULBs' fiscal health** and **autonomy**. Therefore, it should be improved

The ULBs can mobilise their **own revenue resources** like property taxes, other land-based resources and user charges. The ULBs can also explore **market-based instruments**.

IGTs can be improved by increasing the revenue assigned to ULBs from the State governments. Further, a share of the State and Centre's GST proceeds can be allocated to ULBs.

9 PM Compilation for the Month of July, 2022

– IGTs can also incentivise ULBs to deliver better service quality and maintain fiscal discipline.

41. [India-South Korea partnership: Scale up the India-South Korea bilateral partnership](#)

Source: The post is based on the article “**Scale up the India-South Korea bilateral partnership**” published in **The Hindu** on **14th July 2022**.

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

Relevance: India-South Korea partnership.

News: The newly elected Korean President has brought about a paradigm shift in South Korean foreign and security policies. He has proposed that South Korea should step up to become a “global pivotal state, anchored in liberal values and a rules-based order.” This will create multiple opportunities for a multidimensional India-South Korea partnership.

What are the challenges in the India-South Korea partnership?

Divergence of interest: During the past five years, India and South Korea have experienced considerable divergence in their respective national objectives. For instance, South Korea drifted away from multilateral security initiatives led by the United States, such as the Quad; meanwhile, India has been actively participating in them.

Trade: Trade between the two countries was slow and there was no significant inflow of South Korean investment into India. India and South Korea also tried to upgrade their Comprehensive Economic Partnership Agreement (CEPA) agreement, but it is not finalized.

Not receiving much attention from India: Unlike Japan, Vietnam and Australia, South Korea has not received the same level of attention from India.

Impact of China: Earlier South Korean administration was heavily shifted toward China. With the new policy, South Korea will face inevitable Chinese pressure.

Note: *South Korea was forced to sign the “three no’s” agreement with China. Under this agreement, Korea agreed to no additional Terminal High Altitude Area Defense (THAAD) deployment; no participation in the U.S.’s missile defence network, and no establishment of a trilateral military alliance with the U.S. and Japan.*

Regional tension: South Korea’s peace process with North Korea has completely collapsed. In the coming days, as North Korea conducts more missile and nuclear tests, it may lead to regional tension. Any breakout of hostilities on the Korean Peninsula can derail South Korea’s Indo-Pacific project.

Read more: [India-South Korea Relations](#)

What are the mutual benefits of the India-South Korea partnership?

Benefit for India: With South Korea’s emergence as a leader in critical technologies, cybersecurity and cyber-capacity building, outer space and space situational awareness capabilities, South Korea can contribute immensely to enhance India’s foundational strengths in the Indo-Pacific.

9 PM Compilation for the Month of July, 2022

Fourth pillar: South Korea could be the fourth pillar in India's Indo-Pacific strategy along with Japan, Australia, and Vietnam. This can bring about a paradigm shift in India's position and influence in the region.

Benefit for South Korea: India can help South Korea withstand Chinese pressure and North Korean threats.

Read more: [India, South Korea seal logistics pact](#)

How to improve the India-South Korea partnership?

New avenues for cooperation: The emerging strategic alignment is creating a new convergence of capabilities and closer synergy in new areas of economic cooperation such as **public health, green growth, digital connectivity, and trade**, among others.

Defence cooperation: In 2020, India and South Korea signed a Roadmap for Defence Industries Cooperation. With the strategic shift in South Korea's defence orientation, advanced defence technologies and modern combat systems are the new domains for the next level of defence cooperation between the two countries.

South Korea's participation in maritime security activities: South Korea's participation in annual Malabar and other exercises with Quad countries, will further strengthen India's naval footprint in the Indo-Pacific region.

An independent, strong, and democratic South Korea can be a long-term partner with India, that will add significant value to India's Indo-Pacific strategy. This new partnership can have a long-term positive impact for both countries and the Indo-Pacific region.

[42. Approval for home-grown cervical cancer vaccine could be a game-changer](#)

Source: This post is based on the article "**Approval for home-grown cervical cancer vaccine could be a game-changer**" published in **The Indian Express** on **14th Jul 22**.

Syllabus: GS2 – Health

Relevance: Development of indigenous vaccine against Human Papillomavirus (HPV)

News: Recently, the Drugs Controller General of India granted market authorisation to the Pune-based Serum Institute to manufacture the country's first indigenously developed vaccine, **Cervavac**, against the human papillomavirus (HPV).

If things go according to SII's schedule, Cervavac should be ready for mass manufacturing by the end of the year. The government shouldn't lose time in including the vaccine in the country's **Universal Immunisation Programme (UIP)**.

What is the significance of the development of indigenous vaccine?

Will ease the disease burden:

– HPV is responsible for more than 95% of cervical cancer cases, and it kills more than 60,000 women in India every year.

– The Ministry of Health and Family Welfare's data show that there are more than 4 lakh cervical cancer patients in the country at any given time — it's the second-most common cancer amongst Indian women.

9 PM Compilation for the Month of July, 2022

Low cost: In 2018, the National Technical Advisory Group on Immunisation recommended the inclusion of cervical cancer vaccines in the country's Universal Immunisation Programme. But the high costs of vaccines, proved to be a deterrent (*the regimen costs upwards of Rs 4,000*). The drug regulator's approval of the homegrown vaccine could prove to be a game-changer in the battle against cervical cancer.

What are the issues involved?

Lack of infra: The health ministry's guidelines recommend cervical cancer screening every five years for women above 30 at primary health centres and sub-health centres. But several studies have shown that the public health system in large parts of the country is **ill-equipped** to perform such gynaecological procedures, despite their relatively low cost.

Way forward

According to the WHO, a vast majority of cervical cancer deaths happen in middle- and low-income countries.

- The global health agency's plans to vaccinate 90% of women below the age of 15 by 2030 hasn't made much headway, largely because of global big pharma's monopoly on the vaccines.
- The SII's website notes that Cervavac will be available to developing countries in the near future.

Developments in the Pune-based manufacturer's laboratory will be keenly watched.

43. [Explained: As Uddhav Thackeray and Eknath Shinde battle over Shiv Sena symbol, how will EC decide?](#)

Source: This post is based on the article "**Explained: As Uddhav Thackeray and Eknath Shinde battle over Shiv Sena symbol, how will EC decide?**" published in **The Indian Express** on **14th Jul 22**.

Syllabus: GS2 – Polity

Relevance: Political party symbol disputes and related issues

News: Following the split led by Eknath Shinde, Uddhav Thackeray's Shiv Sena has urged the Election Commission to hear its side before deciding any claims to the party's bow & arrow symbol. How does the EC decide on such disputes?

What are the EC's powers in such a dispute?

In cases of dispute, in recognized national and state parties:

- On the question of a split in a political party outside the legislature, **Para 15 of the Symbols Order, 1968**, states:

"When the [Election] Commission is satisfied... that there are rival sections or groups of a recognised political party each of whom claims to be that party the Commission may, after taking into account all the available facts and circumstances of the case and hearing [their] representatives... and other persons as desire to be heard decide that one such rival section or group or none of such rival sections or groups is that recognised political party and the decision of the Commission shall be binding on all such rival sections or groups."

For splits in registered but unrecognized parties,

9 PM Compilation for the Month of July, 2022

– the EC usually advises the warring factions to resolve their differences internally or to approach the court.

How did the EC deal with such matters before the Symbols Order came into effect?

Before 1968, the EC issued notifications and executive orders under the **Conduct of Election Rules, 1961**.

Is there a way other than the test of majority to resolve a dispute over election symbols?

In almost all disputes decided by the EC so far, a clear majority of party delegates/office bearers, MPs and MLAs have supported one of the factions.

Whenever the EC could not test the strength of rival groups based on support within the party organisation (because of disputes regarding the list of office-bearers), it fell back on **testing the majority only among elected MPs and MLAs**.

What happens to the group that doesn't get the parent party's symbol?

Till 1997

In the case of the first Congress split, the EC recognised both the Congress(Old) and the breakaway faction whose president was Jagjivan Ram. The Congress(Old) had a substantial presence in some states and satisfied the criteria fixed for recognition of parties under Paras 6 and 7 of the Symbols Order.

This principle was followed up to 1997.

Post 1997

The EC now did not recognise the new parties as either state or national parties.

It felt that merely having MPs and MLAs is not enough, as the elected representatives had fought and won polls on tickets of their parent (undivided) parties.

The EC **introduced a new rule** under which the splinter group of the party (*other than the group that got the party symbol*) had to register itself as a separate party.

– It could lay claim to national or state party status only on the basis of its performance in state or central elections after registration.

44. The President is not a mere rubber stamp

Source: The post is based on the article **“The President is not a mere rubber stamp”** published in **The Hindu** on **14th July 2022**.

Syllabus: GS 2 – Structure, organization and functioning of the Executive and the Judiciary.

Relevance: Role of President.

News: Choosing the presidential candidate is an intensely political exercise. India is going to elect its new President on July 18. The new President will be sworn in on July 25.

About Constituent Assembly debates on the President

There was a great deal of debate in the Constituent Assembly on the President. The main question debated therein was whether India should have a directly elected President or an indirectly elected one. The Assembly opted for an indirectly elected President.

9 PM Compilation for the Month of July, 2022

Professor K.T. Shah argued that an indirectly elected President will be a “sort of mere gramophone of the Prime Minister.” Dr. B.R. Ambedkar said “Our President is merely a nominal figurehead. He has no discretion; he has no powers of administration at all.”

Read more: [Being Truly Presidential](#)

What is the role of the President in Indian democracy?

The Constitution of India wants the President to be vigilant and responsive and gives the freedom to him or her to take a broader view of things uninfluenced by the narrow political view of the executive.

Not a rubber stamp: The population of the country is a crucial factor in the election of the President. This means the people’s presence in the process of electing the President is very much visible.

This also gives the President a **greater moral authority**. So, the Indian President is not and cannot be a mere rubber stamp.

Caution and counsel the cabinet: He does not directly exercise the executive authority of the Union, but he can disagree with the decision of the Council of Ministers, caution them, counsel them, and so on.

The President can ask the Cabinet to reconsider its decisions. However, if the cabinet sends the same proposal back without any change, the President will have to sign it.

For instance, There were Presidents such as Rajendra Prasad and Sarvepalli Radhakrishnan who openly differed with the government on certain policy issues and could exert tremendous influence on the government.

Not a gramophone of the Prime Minister: The oath of the President contains two solemn promises. First, the President shall preserve, protect and defend the Constitution. Second, the President shall devote himself or herself to the service and the well-being of the people of India. A President who makes the above promises under oath to the people cannot act as a gramophone of the PM.

Read more: [The process of electing India’s President](#)

Thus, it is possible for a President to disagree with the government or intervene on behalf of the citizenry against the tyranny of the executive and persuade it to give up its ways. Such persons alone can rise to the level of the President; others can only be presidential office holders. India needs Presidents, not presidential office holders.

45. [India Inc’s missing whistle-blowers](#)

Source: The post is based on an article “India Inc’s missing whistle-blowers” published in the Business Standard on 14th Jul 2022.

Syllabus: GS2 – Governance

Relevance: Whistle Blower Protection

News: In the recent past, there have been insider revelations in western corporations like Uber, Facebook, Apple, Amazon, Netflix, Google. It raises uncomfortable questions about what is happening in India Inc.

9 PM Compilation for the Month of July, 2022

What are the issues in the Indian Inc.?

There have been a number of corporate scandals in India in the recent past, such as Global Trust, Satyam, IL&FS or YES Bank.

There is a **lack of whistle-blowers** in **Indian corporations**. Most of the exposure of Indian corporate scandals have been the result of **implosions** rather than **employee revelations**.

Few cases in which India Inc. faced whistle-blower incidents were related to Infosys and Ranbaxy. However, these revelations were either managed or were executed by the United States citizen.

Legal Regime for Whistle-Blowers in Indian Inc.

Internal Mechanism

As per **the Companies Act**, every listed company that has borrowed more than Rs 50 crore from banks or public financial institutions has to set up an **internal vigil mechanism** like Auditing Committee. Employees/ directors can report “genuine” concerns and grievances to such committees.

Further, it also mandates that **“adequate” safeguards** be provided against victimising the whistle-blower. For example, keeping the identity of the concerned employee confidential.

External Mechanism

In 2019, the **Securities and Exchange Board of India (SEBI)** allowed employees to report **insider trading violations** directly to it instead of via the **company’s internal mechanism**. In 2021, it raised the reward payable to whistle-blowers generously from Rs 1 crore to Rs 10 crore.

What are the reasons for lack of whistleblower activities in India?

Both the **Companies Act** and **the SEBI rules** cover **listed companies**. **Unlisted companies** such as **Unicorns** and the small and medium enterprise sector remain outside the purview of any whistle-blower rules.

The **whistle-blowers in India** do not enjoy **similar protections** for insider revelations as they do in the US. Therefore, a number of whistle-blowers in the public sector in India have lost their lives for doing insider revelations, for example, **Satyendra Dubey**, and **Shanmugam Manjunath**

Parliament have passed a **Whistle Blowers Protection Act 2014**. But it is limited to public servants, not private companies.

The **internal mechanism** mandated under the Company Act remains subordinate to the management of the company. A whistle-blower will remain completely prey to the management’s whims.

Way Forward

The government should **enact a law** to provide **universal protection** to the **whistle-blowers** in India.

The **Whistle-blower protection** can go a long way to enable **good corporate governance** and provide **check and balance** and an **early warning system** for potential crises, such as the one at IL&FS in India

9 PM Compilation for the Month of July, 2022

46. [In diversity of candidates for UK's next PM, a soft power lesson for India](#)

Source: The post is based on an article "UK's next PM, a soft power lesson for India" published in the Indian Express on 14th July 2022.

Syllabus: GS2 – International Relations

Relevance: Soft Power, Importance of Indian Diaspora

News: At more than half of the **contenders** (**Nadhim Zahawi**, **Rishi Sunak** and others) racing to become the leader of the **Conservative Party** and **Prime Minister of the UK**, are from immigrant, non-white, and ethnic minority community. It opens up a possibility that the next British PM may be brown or black.

Important personalities with Indian roots in the western countries

(A) Political leaders

(1) **The US: Barak Obama** who was elected as the **first black President** of the United States was born to a Kenyan father. Further, **Kamala Harris** who was appointed as the first black and woman Vice-President of the United States was born to an Indian mother and Jamaican father.

(2) In addition to above, **Leo Varadkar**, whose father is Indian, became the **Prime Minister of Ireland**.

(3) There are **several senior members** of the UK government who do not belong to the white community.

Others

There are **several black** and **brown people** who have **gained prominence** in sports, media, arts, medicine, and to a lesser extent in business, in the UK. For example, **Nasser Hussain** who captained the English cricket team as far back as 1999 was born to a Tamil Muslim father in Chennai.

What is the significant change in the western countries, particularly Britain, in terms of soft power?

There has been maturing of the **British public's views** on **race**, **religion**, and **even nationality**. There is an increasingly **relaxed attitude** towards the **identity of the contenders**. Therefore, it has redefined itself as an **inclusive** and **multicultural society** over the past two decades. For example,

(1) The **British political classes**, **media**, and **public** at large, do not mind to embrace a non-white, non-native as the head of the UK Government.

(2) In addition, there is virtually no discussion on the faith or religion of the contenders. For example, most of the runners and riders belong to a Hindu, a practising Buddhist with Hindu-Catholic roots, etc.

The **ongoing development** has emerged as a **key source** of the **UK's soft power**. This will give the small island **global influence**.

What are the reasons behind such development?

British universities have attracted the **brightest mind** from around the world. Further, they are now working in the corridors of **multinational companies** and **global institutions**.

9 PM Compilation for the Month of July, 2022

English has become the **lingua franca of the world**, relative to other languages such as French or German. It has **absorbed** and **transformed words** and usage from other languages across the world.

What are the challenges in front of India?

Indian society has been **open and accommodative** to **multiple faiths** and **traditions**, and has remained peaceful in nature.

This dimension has badly eroded over the past decade as the world due to various incidents in India. For example, right-wing movement

India's soft power is being degraded in the context of the **growing threat** from **China** in our neighbourhood.

Way Forward

India's **global moral** and **cultural influence** is perhaps the only dimension of power where we vastly outperform our northern neighbour. For example, there are a number of Indian-origin CEOs of leading Western companies.

India should not move from its **heritage of inclusiveness** towards a **narrow, religio-cultural nationalism**. India should learn from Britain's shift towards **multifaceted identity** having **global advantage**.

47. Crafting credible public systems

Source: The post is based on an article "Crafting credible public systems" published in the Business Standard on 14th July 2022.

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

Relevance: Public Management;

News: Recently, the government has approved the New National Education Policy and the Mission Karmayogi.

These policies and missions are the outcome of **intensive consultation** at all levels. But their successful implementation will depend upon various other aspects.

What are the issues in the formulation of public policies?

The public policies, so formulated do not include detail such as

- how the policy will be carried out,
- what skill sets would be required,
- what technology use options are available,
- how financing will be planned and provided, and
- how communities will become central to the implementation process, etc.

9 PM Compilation for the Month of July, 2022

Most of the **implementations** are done in a **centralized way** which do not address the needs of the **vulnerable** and **deprived households**. Therefore, a number of poor households are often left behind during the process of beneficiary selection, even after using the most sophisticated technology.

Poor implementations happen due to non-availability of the **credible public system**. In reality, **public goods** and **pro-poor asset** are not available in the sufficient manner. For example, there have been **market failures** in the healthcare system, on account of information asymmetry.

While technology offers many solutions to **long pending challenges**. But technology is a means and not an end. Further, despite **technological intervention**, there is a need for **strong last-mile facilitation**.

– For example, the successful implementation of the **Direct benefit transfer (DBT)** and **Aadhaar-linked payments** required sincere **local-level effort**. The frontline workers, panchayats, women's self-help groups (SHGs) have played key roles in ensuring outcomes.

Consequences of the poor public system

Human development is integral to a person's ability to exercise **his/her freedom of choice**. Therefore, there cannot be any compromise in access to public services.

Deficiency in the **public goods** and **asset base** compromises the ability of **deprived households** to exercise freedom of choice. In addition, the **deprived household** can also not **fully leverage** the **benefit of technology**. For example, it was found that poorer communities and those living in remote regions could not access high quality online education during the Covid pandemic.

Way Forward

The government should develop **credible public systems** to provide quality **public goods** in the field of healthcare, education sector etc. For example, **Singapore's education system** is known for its excellence.

The governments can do so by ensuring **last-mile facilitation** and **public information** is available to the deprived households. For example, the states which have followed these principles implemented the **Ayushman Bharat's Pradhan Mantri Jan Arogya Yojana (PMJAY)** in a better way.

More priority should be given to **human resource challenges** in India. India needs a greater number of managers than magistrates for **human development outcomes**. The government needs to harness the best skills and capacity to make a real difference. For example, the **State Government of Tamil Nadu** has developed a robust **public health cadre**. Therefore, it is able to **operationalise** many health initiatives far more effectively than many other states due to availability of human resources.

The government should **facilitate** more than doing **regulation**. For example, there should be transparent reasons for approval or rejection, simplified compliance parameters etc. These measures will build trust.

The government needs to focus on **decentralisation** within the framework of the Eleventh and Twelfth Schedule of the Indian Constitution. Thereon, the power of elected panchayats can be harnessed.

9 PM Compilation for the Month of July, 2022

In addition to this, the mobilisation of women can be done through self-help groups movement etc.

48. [India Inc could play a lead role in our economy's global emergence](#)

Source: The post is based on an article "India Inc could play a lead role in our economy's global emergence" published in the Live Mint on 13th July 2022.

Syllabus: GS 2 Indian Economy. Issues and Challenges Pertaining to Growth and Development; Industrial Policy

Relevance: Role of India Inc. in Indian Economy

News: In recent years, India has emerged as one of the world's fastest growing major economies. It is expected to be among the top 3 in the next 2 decades.

In this context, the Government of India (GOI) announced its aim to move from the status of a **\$3.2 trillion economy** to a **\$5 trillion economy** within this decade.

Journey of India's growth so far

(A) Pre-Independence: The British Raj had impoverished India till India became Independent. In this context, the **Former PM Manmohan Singh** once commented, "The brightest jewel in the British crown was the poorest country in the world in terms of per capita income at the beginning of the 20th century."

(B) Post-independence: The government established a number of public sector enterprises (PSEs), especially in the heavy industries sector, which were called the **"temples of modern India"**.

(C) Post-1991: The **economic liberalization** allowed the private sector to play a pivotal role in a free market economy.

(1) The **services sector** was focused. Therefore, the sector grew and thus contributed more than half of India's **gross domestic product (GDP)** at present. The sector also attracts 55% of foreign direct investment (FDI).

(2) Initially, the **manufacturing sector** remained laggard. However, in recent years, the government has launched **Skill India, Digital India** and **Startup India** initiatives and has been focussing on **"Make in India, Make for the world"**.

(3) The government is focussing on major infrastructure and logistics projects for India to leapfrog into a new era of growth. This is because Former US President John F. Kennedy once said, **"American roads are not good because America is rich. America is rich because American roads are good."**

Key challenges remain for Indian enterprises

First, India's **ease of doing business climate** remains inadequate. For example, industrial projects find it difficult to get contiguous land parcels and timely environmental and regulatory clearances.

9 PM Compilation for the Month of July, 2022

Therefore, **India's manufacturing** sector could increase its share in GDP from 15.3% to 17.4% in 2 decades ago. In contrast, Vietnam's manufacturing sector more than doubled its share of GDP in the same period.

Second, the cost of doing business in India is high. There are various **regulatory and bureaucratic procedures** that ultimately hurt India's image and chances of becoming a preferred **global manufacturing destination**.

Third, India's labour productivity is very poor. For example, Manufacturing productivity in Indonesia is twice India's, while in China and South Korea it is four times higher. This happens due to '**chalta hai**' (anything goes) attitude.

Fourth, there are **inconsistencies** in the **government's** policies. For example, Court judgements had cancelled 2G licences and coal block allocations.

Way Forward

The government should ensure **ease of doing business**. For example, it can adopt a **single-window clearance system** for **regulatory approval** and other aspects.

In order to **compete globally** and move up the value chain to more **value-added categories**, there is a need that Indian firms work on scale and quality

We need to fix the **labour productivity issues**. There is a need for **upskilling of our workforce** in order to become an **attractive destination** for global manufacturers.

Indian enterprises should be given **support** and **encouragement** to expand their operations on a **global scale** here in India. This will encourage **global prospective investors** to look at India as a favourable manufacturing destination.

The government should make **robust policies** which remain consistent because it is fundamental to investor confidence. It is good that the government has ensured regular auctions of coal blocks for commercial use.

49. [Bridging the gap-India needs to help women get greater access to jobs and resources](#)

Source: The post is based on the article "**Bridging the gap-India needs to help women get greater access to jobs and resources**" published in **The Hindu** on **15th July 2022**.

Syllabus: GS 2 – mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Relevance: To understand India's gender gap.

News: Recently, World Economic Forum released Global Gender Gap Index for 2022.

What are the findings of the Global Gender Gap Index?

Read more: [Explained: How gender equal is India as per the 2022 Global Gender Gap Index?](#)

About the global gender gap

The global gender gap has been closed by 68.1%, which means at the current rate of progress it will take 132 years to reach full parity.

9 PM Compilation for the Month of July, 2022

Due to broad stagnation in gender parity scores, it will take the longest (197 years) for South Asia to close the gender gap.

What is the status of India on the Global Gender Gap Index 2022?

India ranks poorly among its neighbours and is behind Bangladesh, Nepal, Sri Lanka, the Maldives and Bhutan. Only Iran, Pakistan and Afghanistan perform worse than India in the region.

India has fared the worst in at least one of the parameters — **‘health and survival’** — in which it **took the last spot**.

What is the status of Indian women on various parameters?

In the pandemic years, as incomes shrank, Indian women faced hurdles on every front, from food, health, and education for the girl child to jobs.

The latest NFHS data (2019-2021) show that 57% of women (15-49 age bracket) are anaemic (up from 53% in 2015-16).

Though, women using a bank account or savings account have increased to 78.6%, with schemes such as the Pradhan Mantri Jan Dhan Yojana, their participation in the labour force has shrunk.

According to Centre for Monitoring Indian Economy (CMIE) data, in 2016-17 about 15% of women were employed or looking for jobs; this further reduced to 9.2% in 2021-22.

Read more: [What does NFHS-5 data tell us about state of women empowerment in India](#)

How to achieve gender parity?

It is imperative to increase the representation of women in leadership positions at all levels so that women get greater access to jobs and resources. Hence, the government has to move beyond tokenism and help women overcome staggering economic and social barriers.

Read more: [\[Yojana September Summary\] SHG-led Women Empowerment – Explained, pointwise](#)

50. [The great omission in the draft disability policy](#)

Source: This post is based on the article **“The great omission in the draft disability policy”** published in **The Hindu** on **15th Jul 22**.

Syllabus: **GS2** – Govt policies and interventions

Relevance: Disability rights and related issues

News: The Department of Empowerment of Person with Disabilities (DoEPwD) recently released the draft of the national policy for persons with disabilities (“Policy”) inviting public comments till July 15, 2022.

The new policy will replace the 2006 policy.

Why a new policy on disability?

The necessity for a new policy was felt because of multiple factors, such as

– India’s signing of the United Nations Convention on Rights of Persons with Disabilities.

9 PM Compilation for the Month of July, 2022

– enactment of a new disability legislation (Rights of Persons with Disabilities Act 2016) which increased the number of disabilities from seven conditions to 21.

– Being a party to the Incheon Strategy for Asian and Pacific Decade of Persons with Disabilities, 2013-2022 (“Incheon commitment”).

These commitments have changed the discourse around disability by **shifting the focus from the individual to society**, i.e., from a medical model of disability to a social or human rights model of disability.

What are some associated issues?

Political participation: Political empowerment and the inclusion of the disabled are an issue that has not found traction in India’s democratic discussion. India does not have any policy commitment that is aimed at enhancing the political participation of disabled people.

Accessibility issues: Section 11 of the Rights of Persons with Disabilities Act prescribes that

- *“The Election Commission of India and the State Election Commissions shall ensure that all polling stations are accessible to persons with disabilities and all materials related to the electoral process are easily understandable by and accessible to them”.*

Although this mandate has been in existence for a few years, the disabled people still report accessibility issues before and on election day.

– There is often a **lack of accessible polling booths** in many locations.

– There’s still no widespread adaptation of braille electronic voting machines and even wheelchair services at all polling centres.

Political parties in India still do not find the disabled as the large electorate to specifically address their needs.

The **lack of live aggregate data** on the exact number of the disabled people in every constituency only furthers their marginalisation.

Inadequate representation: Representation plays an imperative role in furthering the interests of the marginalised community. Disabled people are not represented enough at all three levels of governance. Government does not maintain data on the disability aspect of members.

– The **first visually disabled Member of Parliament in independent India**, Sadhan Gupta, hardly finds mention in India’s political or disability discourse.

– Further, there has been a **failure to acknowledge disabled political personalities** who have overcome the myriad barriers in India’s political space.

Efforts for the disabled

The Election Commission of India has developed its **own procedures** for handling PwDs during the electoral process.

Few States have begun initiatives at local levels to increase political participation.

– For instance, **Chhattisgarh** started the initiative of nominating at least one disabled person in each panchayat. If a disabled person is not elected, then they are nominated as a panchayat member as per changes in the law concerned.

9 PM Compilation for the Month of July, 2022

Way forward

The goal of the policy document — of inclusiveness and empowerment — cannot be achieved without political inclusion.

The policy can follow a four-pronged approach: **a)** building the capacity of disabled people's organisations and 'empowering their members through training in the electoral system, government structure **b)** regulatory frameworks by lawmakers and election bodies to encourage the political participation of the disabled; **c)** inclusion of civil societies to 'conduct domestic election observation or voter education campaigns'; and **d)** a framework for political parties to 'conduct a meaningful outreach to persons with disabilities when creating election campaign strategies and developing policy positions'.

The document lays emphasis on the point that central and State governments must work together with other stakeholders to **make the right real**.

This right can be made real only when it includes political rights/political participation within it.

[51. It's what MPs do: List of unparliamentary words is not such a big deal. Quality of law-making is the real House test](#)

Source: This post is based on the article "**It's what MPs do: List of unparliamentary words is not such a big deal. Quality of law-making is the real House test**" published in **The Times of India** on **15th Jul 22**.

Syllabus: GS2 – Parliament

Relevance: Parliamentary debates and related issues

News: A list of 'unparliamentary' words and phrases, published by the Lok Sabha secretariat, saw opposition leaders accusing the government of trying to gag them.

Why the accusations hold no ground?

Publishing such words has been happening since 1950s.

The list is not a diktat, it's based on rulings by presiding officers in parliamentary and assembly proceedings in India and Commonwealth countries.

And none of the words is banned.

Presiding officers will expunge remarks they deem unacceptable.

Also, there are easy workarounds for many words listed as unparliamentary.

Way forward

Parliamentary secretariats should not entirely take a mechanical approach.

– House discussions must also reflect the liveliness of the politics in a democracy.

MPs can also help by reminding themselves that the five minutes of news television coverage they get for using unparliamentary words do nothing for their legislative career.

Ultimately, a Parliament is judged by the quality of its debate and its law-making.

9 PM Compilation for the Month of July, 2022

What's needed in greater measure is extensive deliberations in smaller parliamentary committees and deeper House debates on complex issues.

52. The Uber Files expose gaps in regulatory structures, underline need for govts to be more nimble as they regulate Big Tech

Source: The post is based on the article, "The Uber Files expose gaps in regulatory structures. Underline need for governments to be more nimble as they regulate Big Tech" published in the Indian Express on 15th July

Syllabus: GS2 – Govt policies and interventions

Relevance: Issues and Challenges related to the functioning of the Big Tech.

News: Over the past few days, investigation carried out in collaboration with the International Consortium of Investigative Journalists, has revealed issues in the manner in which Uber has conducted itself over the years

About Uber App

It started operation in 2010. The company has expanded globally and now operates in more than 70 countries and 10,000 cities. It has also become the world's most valued start-up.

It has become popular because it provides ease in availing the cabs and that too at a competitive pricing model. For example, In India alone it has served around 9.5 crore riders.

It employs millions of drivers across the world. For example, In India alone, it has nearly six lakh driver partners.

What are the associated issues?

The company has bypassed regulators and cut corners to expand its **business** and **presence**. It operated in the **regulatory grey zones** and **blind-spots**.

The technology tools like "**greyball**" and "**geofencing**" were used to stay ahead of law enforcement or to keep Uber rides away from prying policemen and government officials on the streets.

Further, the company did not bother about the concerns of both riders and drivers who are lying at the heart of the platform.

The "**critical elements of the new safety features**" that were meant to be put in place after the rape incident in Delhi in December 2014 have still not been implemented.

There are issues related to the **classification of drivers**, and as a consequence their treatment. For example, the **UK Supreme Court** has ruled to treat them as workers rather than self-employed. This would entitle them to minimum wages and other benefits.

There are concerns over **data privacy**. For example, the ride-sharing platform holds a treasure trove of information on the ride-hailers.

Way Forward

The government, instead of imposing **draconian rules**, should frame regulation with a light touch so as not to throttle innovation.

9 PM Compilation for the Month of July, 2022

Also, the government should become nimbler in their approach as they attempt to regulate the new age **behemoths**.

53. [No winners in Russia-Ukraine war, but an opportunity for India](#)

Source: The post is based on an article “No winners in Russia-Ukraine war, but an opportunity for India” published in the Indian Express on 15th July 2022.

Syllabus: GS2 – International Relations

Relevance: India’s Role in the Global Geopolitics

News: In the recent past, Russia started a “**special military operation**” against Ukraine. Since then the western media is full of solidarity with Ukraine and resistance against the incursion of Russian forces into Ukrainian territory.

Developments So Far

The US, the UK, NATO, EU and G-7, are not directly involved in the war. But they have been offering various kinds of support to Ukraine.

Like the supply of arms, intelligence, cash and logistics and training of Ukrainian troops, severe economic sanctions to cripple the Russian economy and weaken Russia.

Causes behind Russia aggression towards Ukraine

At the end of the Cold War in 1989-1990, it was agreed that NATO would not expand to the east. However, since then NATO has continued to expand in the east.

Russia has seen the emergence of a more **resolute leadership** in the Russian Federation under the command of the Russian President Vladimir Putin.

The Russian President articulated these apprehensions in his speech to the **Munich Security Conference in 2007**. However, the West ignored Russia and did not accommodate the apprehensions.

Why is there no winner in the Russia-Ukraine war?

The West has been at **war** before, in Vietnam, Afghanistan, Iraq, Libya, and Syria. But this is different. This is a war on **European soil** and a **war of attrition** that has pitted Western firepower against Russia.

The war that most expected to come to a **quick resolution** has turned out to be a **war of attrition**, reminiscent of the **brutal trench warfare** and **artillery duels** of the First World War.

The war in Ukraine has rung the **death knell** of **globalisation**. Unlike other wars, this one has snapped the **flow of global trade**, sports and cultural and scientific exchanges between the West and Russia.

Countries have started increasing **military spending**. For example, Germany has been radically altering its policy with regard to military spending, pledging 100 billion euros into upgrading the armed forces and so on.

In addition to above, there have been the **weaponization of trade** through the imposition of “sanctions”. There has been wholesale confiscation of assets in Western banks and financial institutions.

9 PM Compilation for the Month of July, 2022

The war and sanctions have resulted in the global inflation. It is biting into the budgets of low-income households all over the world.

There will be impact on the environment. For example, substituting oil and gas with coal is a potentially dangerous trade-off which will lead to failure of the efforts to rein in global warming.

Who are the real beneficiaries?

It is the **military-industrial complex** of the US and its global subsidiaries which are cashing in on the vast sums of taxpayer money made available to them by western governments. Otherwise, there are no winners in this war.

Way Forward

India has been able to keep **Indian diplomacy** open to both Russia and the United States during the Ukraine War. Due to this, India was able to repatriate vast numbers of Indians from Ukraine due to such diplomacy.

The negotiations between Russia and the West should be placed at the first priority. There might be a **window of opportunity** for India to mediate between both sides.

In the **post-independence period**, India stepped in as a mediator in the Korean conflict, under the leadership of PM Nehru. India can repeat it now

54. [Supreme Court's refusal to club all FIRs against Nupur Sharma is bad in law](#)

Source: The post is based on the article "**Supreme Court's refusal to club all FIRs against Nupur Sharma is bad in law**" published in the **Indian Express** on **16th July 2022**.

Syllabus: GS 2 – Structure, organization and functioning of the Executive and the Judiciary.

Relevance: To understand the issue of multiple FIRs.

News: Recently, the Supreme Court (SC) refused to consolidate multiple FIRs filed in several states against the former spokesperson of a political party for remarks against the Prophet flies.

About multiple FIRs in the present case

At least nine FIRs have been filed in multiple states. All these FIRs were filed subsequent to the filing of the FIR by the Delhi Police's Special Cell. The date and time of the occurrence of the alleged offence are the same in all the FIRs.

All the FIRs refer to the same television debate in which the former spokesperson made the remarks against the Prophet. The sections of the Indian Penal Code are almost the same in all the FIRs.

Read more: [India's judiciary and the slackening cog of trust](#)

What are the previous cases on multiple FIRs?

TT Antony vs. State of Kerala case, 2001: In this, the SC held that only the earliest information in regard to the commission of an offence could be investigated and tried.

Babubhai vs. State of Gujarat case, 2010: The Court explained that the test to determine the sameness of the offence is to identify whether "the subject matter of the FIRs is the same incident, same occurrence or are in regard to incidents which are two or more parts of the same transaction".

Read more: [The judiciary should have annual performance reports, too](#)

What are the challenges in present judgement on multiple FIRs?

The bench said that party spokespersons and journalists cannot be treated identically. The bench also said that the spokesperson has not unconditionally apologised for her remarks and her political clout is apparent from the fact that she has not been arrested despite an FIR being filed against her by the Delhi Police.

This has the following concerns,

Firstly, the **Constitution does not create any hierarchical difference** between journalists and ordinary citizens when it comes to the enforcement of fundamental rights. The right to approach the SC under Article 32 is in itself a fundamental right.

Secondly, seeking or tendering an apology may be a mitigating factor. But, the issue before the SC was whether to consolidate FIRs or not. Instead, the Court jumped into the merits of the case.

Thirdly, Consolidating FIRs will ensure that **state actors do not abuse the statutory power of investigation**. So, it is the SC which has to **exercise its writ powers under Article 32** because high courts cannot transfer cases from one state to another.

Fourthly, the multiplicity of proceedings would **result in a violation of the fundamental rights of the accused under Article 21** as parallel investigations might force him/her to join investigations in different police stations in different states.

Read more: [A wish list for reform in India's higher judiciary](#)

At best, the former spokesperson may file an application requesting the SC to relieve her of the concession to withdraw the petition and have it re-heard on merits. But, the SC should work within the confines of judicial propriety and augment the sanctity of the institution of the SC.

55. [The Ukraine war and the return to Euro-centrism](#)

Source: This post is based on the article **“The Ukraine war and the return to Euro-centrism”** published in **The Hindu** on **16th Jul 22**.

Syllabus: GS2 – International Relations

Relevance: The Russia-Ukraine conflict and its consequences

Context: The political and military aftermath of the Ukraine conflict could set the stage for the return of a Euro-centric world order.

Is the current world order Euro-centric?

No.

a) Decolonisation, **b)** the emergence of the United States as the western world's sole superpower, and **c)** the rise of the rest. These factors have dramatically diminished the centuries old domination of the European states.

The contemporary international order is **hardly Euro-centric**, is **dominated by the U.S.**, and challenged by rising great powers or superpowers.

It is moving toward a **multipolar order**, wherein Europe's system shaping capabilities have been rather limited.

9 PM Compilation for the Month of July, 2022

War and insecurity in Europe

Going forward, Europe will emerge as a major locus of trans-Atlantic security imagination. The process has clearly begun.

– The political and military aftermath of Russia’s war in Ukraine could potentially **tilt the current global balance** towards a new Euro-centric world order, albeit far less powerful and dominating than its earlier forms.

The Russian aggression against Ukraine has led to an unmissable feeling of insecurity in Europe, particularly in Germany.

– Berlin, has decided to spend an additional €100 billion for defence over and above its €50 billion annual expenditure on defence. It is set to announce a new national security strategy early next year.

– Currently, the U.S. continues to dominate the trans-Atlantic security landscape and this is likely to remain so. The **new security consciousness in Europe** will reduce Washington’s ability to continue as the fulcrum of the trans-Atlantic strategic imagination.

- The United States, fatigued from the Iraq and Afghan wars, does not appear to be keen on another round of wars and military engagements.

– If Donald Trump returns to the White House in 2024, the Europeans are likely to take their own security far more seriously.

Impact of Russia-Ukraine war

On multilateral institutions

Notably, there appears little faith in the United Nations or the UN Security Council anymore in Berlin, they have decided to put their faith in a revitalised EU and NATO.

European states are **deeply worried about globalisation-induced vulnerability** and this has set in a rethink about the inherent problems of indiscriminate globalisation. This turn away from multilateralism in favour of ‘Europeanism’ will further undercut global institutions.

Implications of the new Euro-centric world order

It can lead to an even stronger regulatory, norm/standard-setting superpower of the Europe, backed with military power.

The EU already has a worryingly **disproportionate ability to set standards for the rest of the world**. Instruments such as the Digital Services Act and the Digital Assets Act or its human rights standards will be unilaterally adopted, and will be unavoidable by other parts of the world.

A **euro-centric worldview of ‘friends and enemies’** will define its engagement with the rest of the world. India is a friend, but its take on the Ukraine war is not friendly enough for Europe!

Norm setting and system-shaping discussions are likely to be conducted by Europeans, among Europeans, for Europeans and non-Europeans. This will lead to **fewer consultations and even lesser consensus with the rest of the international community**. This will not be a truly global world order.

9 PM Compilation for the Month of July, 2022

Way forward

European states want to see their wars and conflicts as threatening international stability and the 'rules-based' global order.

There is little recognition in the West today that the global non-West's political priorities are altogether different — from addressing abject poverty and underdevelopment to managing social cohesion and local conflicts.

The genuine surprise in western capitals at the lack of interest in other parts of the world about the Russian aggression in Europe, is indicative of the inherent Euro-centric view of the European nations about the world.

56. I2U2 And The Middle Power Great Game

Source: This post is based on the articles

“**I2U2 And The Middle Power Great Game**” published in **The Times of India** on **16th Jul 22**.

“**I2U2 summit was made possible by India's nimble diplomatic moves, can provide a foothold for a greater role in West Asia**” published in **The Indian Express** on **16th Jul 22**.

Syllabus: GS2 – International Organisations and groupings

Relevance: The new QUAD

Context: In October 2021, Indian and Israeli foreign ministers sat together and created the 'West Asia Quad' with Anthony Blinken and Abdullah bin Zayed on a screen.

Nine months later, Joe Biden is sitting with Yair Lapid (former foreign minister), now prime minister of Israel, with the Indian PM and Mohammed bin Zayed in technological proximity, to start of the first summit of the same Quad, renamed as 'I2U2'.

What are some opportunity areas for I2U2?

Connectivity: The I2U2's emphasis on connectivity, transportation and a 'food corridor' should enable movement of critical supply chains seamlessly across South Asia, Gulf and Middle East all the way to the Mediterranean and southern Europe.

One simple example is the **Etihad Rail project** that promises to link all of the Gulf with its partners by 2030. That could open up more than one market for India.

Standards and benchmarks: The new Quad will not only work to “reduce trade barriers, but also harmonise standards and benchmarks” for production and trade. That's important for Indian agri exports, which suffer at the hands of phytosanitary issues.

The setting of rules and benchmarks is a big component of the Indo-Pacific Economic Framework (IPEF) signed just a couple of months ago. From technology to food and finance, these new plurilateral arrangements are bringing middle powers together to the new rules-making table.

Regional integration: India is hoping to make the most of the opportunities created by the Abraham Accords.

Strategic quotient: The region brings together the world's biggest stakeholders, and, for the first time in decades, the Middle East is not the source of the latest global problem.

9 PM Compilation for the Month of July, 2022

What are some factors that lead to the formation of I2U2?

A grouping like the I2U2 has been made possible by several developments:

- In recent years, Delhi has responded to the **new diplomatic and strategic dynamic** in the region — by giving a political imprimatur to the relationship with Israel and engaging more deeply with the Gulf monarchies
- The foreign office also seems to have **shed its earlier wariness about the US's role in West Asia**. Washington, in turn, seems both comfortable with and keen for India playing a more proactive role.

The Abraham Accords of 2020, under which the UAE, Bahrain, Sudan and Morocco now have formal ties with Israel too altered the diplomatic calculus in West Asia.

- That Delhi is already a player in this ongoing realignment is a prospect for cautious optimism about India's place at the diplomatic table in the region.

Way forward

It's time for India to throw off its own "hesitations of history" and step out of the closet for a larger role in the region. In the more medium term, India might want to consider bringing Iran into the QUAD. Perhaps even Russia.

It is important to take into account the immense capital accumulation in the West Asian region, and how it has been deployed in infrastructure projects and corridors as far as Africa.

Despite the presence of the Indian diaspora, and the country's energy needs, Delhi currently has a negligible presence in these projects.

It must gradually address this deficit, and the I2U2 could help in that regard.

The I2U2 is a validation of New Delhi's nimble foreign policy in West Asia as well as a pointer to the as yet untapped potential in the region.

57. [The 'permanent' problem: Why is there a 'caste system' in govt employment?](#)

Source: The post is based on an article "Why is there a caste system in government employment?" published in the Business Standard on 15th July 2022. **Syllabus:** GS2 – Govt policies and interventions

Relevance: Types of the government employments

News: Recently, protests were seen against the **Agnipath scheme** which was launched to cut costs in the armed forces as schemes like one rank-one pension were putting pressure on the public purse.

Therefore, this has raised debate over the nature of employment in government institutions.

Types of government employment?

There is a presence of a **caste system**: (1) **permanent**, (2) **contractual**, and (3) **casual employees**.

It is noted that the strength of contractual employees has doubled in four years to 2.43 million. And their share in **total government** employment has soared.

9 PM Compilation for the Month of July, 2022

What are the trends in government employment?

(1) The governments have been increasingly **hiring contractual, and casual employees** instead of permanent employees because the permanent category gets paid much better than the former two. Thus, these employees are cheaper than the permanent employees.

(2) The central and state governments **don't fill vacancies** in the departments and agencies.

(3) The government employees don't get **paid**, sometimes for months together. For example, a school teacher, a sanitation worker, or a social health (ASHA) worker.

Why governments and associate bodies are moving away from hiring permanent employees?

Cost. The permanent government employees receive guaranteed sum of money as salary, housing rent allowance, full inflation-indexation and job security, medical benefits for life and pension and so on. And at present, the governments are under tremendous fiscal pressures.

Productivity. In the absence of any **reward system** for work well done, there is no incentive to work. At the same time, statutory provisions make it hard to use the stick.

– For example, there have been cases in which the teachers with relatively **comfortable salaries** sit at home and send surrogates to teach on their behalf in return for part-payment out of the teacher's salary.

What are the issues in the coming future?

The unfairness of this caste system is bound to remain in the future because one of the new labour codes is poised to encourage hiring on contract.

Way Forward

Five years ago, the pay commission had recommended for a minimum wage of Rs 18,000 per month,

Some years ago, the Supreme Court ordered that there should be no difference between permanent and contractual categories, in pay or benefits.

[58. Learn These Lanka Lessons](#)

Source: The post is based on an article "Learn These Lanka Lessons" published in the Times of India on 16th July 2022.

Syllabus: GS 2 Indian Economy; Issues and Challenges pertaining to growth and development

Relevance: Lesson's to be learn from the Sri Lanka's Crisis

News: In recent months, Sri Lanka has run out of fuel, millions are going hungry, the healthcare system is near collapse, inflation is soaring, the currency has crashed, and the debt-laden economy is bankrupt.

What are the causes of Sri Lanka's Crisis?

At the heart of Sri Lanka's crisis is the **twin deficit problem** which is related to unsustainable **fiscal** and **current account deficits**.

In fact, India's **own balance of payments crisis** of 1991 and near crisis in 2013 were the result of India's spiralling twin deficits.

9 PM Compilation for the Month of July, 2022

Sri Lanka's fiscal problems:

First, in the recent past, the government **reduced the value added tax by half** and abolished the capital gains tax. It eroded an already narrow tax base.

Second, there was a massive **expenditure outgo** on subsidies.

Other causes

The **Central Bank of Sri Lanka (CBSL)** deferred monetary tightening even as inflation soared and the currency also plummeted. This happened ostensibly under pressure from the government.

Sri Lanka has avoided taking IMF assistance and tried to find an alternative. A stigma attached to IMF assistance still persists in Asia. However, taking alternative help proved to be costly and time-consuming for the Sri Lankan government.

- **Read more:** Click [here](#)

Why is it unlikely to have a similar crisis in India in the coming future?

There are **big differences** between the **external situation** of India then and now.

First, at that time, there was a pressure built up in the **exchange rate**. Today, the **exchange rate** is tracking **fundamentals** more closely.

Second, at that time, India's **macro situation** was fragile because of year-on-year high fiscal and current account deficits. Today there is more credibility on the fiscal front and the expected CAD of over 3% this year will hopefully be a one off.

Third, India's **war-chest of reserves** are at a very good position at \$600 billion. India lacked such a level of reserves at that time.

What are the lessons that can be learned from the Sri Lanka's Crisis?

The countries should diversify sources of **foreign exchange earnings** to avoid becoming hostage to problems in one sector or one geography.

Careful borrowing: Although, at present, the countries are forced to borrow **bilateral loans** due to dwindling **multilateral sources of debt**, the governments should borrow from countries that follow the **Paris Club norms of responsible lending**.

The governments shouldn't **float sovereign dollar bonds because** the commercial entities within an economy already borrow in foreign currency. It is dangerous because a government can inflate away its domestic debt by printing money. But it cannot print dollars.

Sri Lanka's crisis is also a reminder of the importance of **timing of public policies**. For example, it was a good step that the Sri Lankan government decided to encourage **organic farming**, but it should have been preceded by a campaign to educate farmers. Moreover, it should've been implemented after building buffer stocks to insure against possible production declines in the initial years.

Emerging and developing countries are at the mercy of a global order which has been shaped by advanced economic policies and priorities. Therefore, these countries should build their own **safety-nets** and do responsible **economic management** in order to protect themselves and prevent being hostage to **vote bank politics**.

9 PM Compilation for the Month of July, 2022

59. [Questions about I2U2](#)

Source: This post is based on the article “**Questions about I2U2**” published in **Business Standard** on **17th July 2022**.

Syllabus: GS2 – International Organisations and groupings.

Relevance: About the I2U2.

News: Recently, the virtual meeting of the I2U2 leaders took place.

What is the I2U2 Summit?

Read here: [India, Israel, US, UAE are I2U2, summit next month](#)

What are the advantages of the I2U2 summit for India?

1) Helps in broadening and deepening the already cordial political and economic relations with Israel and the UAE, **2)** I2U2 will align closely with the Indian broad policy goals in sectors such as health, water, and transportation, **3)** Enhance basic physical and social infrastructure. For instance, India collaborated with Israel on drip irrigation projects in Gujarat.

Read more: [C Raja Mohan writes: India’s new West Asia approach is a welcome break with past diffidence](#)

What are the challenges associated with the I2U2 summit for India?

India might face challenges in balancing India’s geopolitical equilibrium. For example, Israel views I2U2 as a step towards augmenting opposition to Iran. The growth of I2U2 might create a potential challenge for India to develop India-Iran relations.

Read more: [I2U2 And The Middle Power Great Game](#)

Does I2U2 have a security dimension?

No, the I2U2 has not yet acquired a security dimension. But the US views I2U2 as a complement to its China-centred security initiatives in the Indo-Pacific(Quad). Further, I2U2 is also referred to as a “western Asian Quad.” So, there is a high possibility like Quad, the I2U2 might acquire a security dimension.

Note: Initially the Quad started as a joint response to the devastation in the region caused by the Tsunami in 2004.

What does India need to do?

Given the tensions between India and China, India has to downplay the idea of a West Asian Quad and focus on the collaborations that will enhance the country’s developmental needs.

Read more: [India to give land for I2U2-backed food parks](#)

60. [The Agniveer’s journey](#)

Source: This post is based on the article “**The Agniveer’s journey**” published in the **Indian Express** on **17th July 2022**.

Syllabus: GS2 – Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Relevance: Agnipath Scheme.

News:

9 PM Compilation for the Month of July, 2022

Recently, the government of India introduced a new recruitment scheme for the armed forces, [Agnipath](#).

Must read: [Agnipath Scheme: Need, Benefits and Challenges – Explained, pointwise](#)

What are the advantages of the Agnipath scheme?

1) Until now more than half of India's defence budget is spent on pensions, while just around 5% is earmarked for research and development. This situation will change after the implementation of Agnipath. **2)** A significant number of Agniveers will be employed in paramilitary forces, and their service and training will be recognised as a degree.

Must read: [How can Agnipath be made more attractive? Recommendations from 2 former army leaders](#)

What are the outcomes of the US's Tour of Duty scheme?

a) According to the US National Institute for Drug Abuse, almost 20% of the veterans coming out of the US's tour of duty scheme suffer from homelessness and mental health issues compared to the rest of the population, **b)** Veterans who are unable to readjust well with civilian life have been involved in violent, organised crime and even terrorist activities. For instance, World War II veterans formed the Hells Angels (an "outlaw" motorcycle club). Similarly, On his return, a decorated pilot in the Vietnam War, has joined the Ku Klux Klan(KKK) and is now one of the leading ideologues for racist organisations.

Read more: [Arun Prakash writes: Agnipath, between the lines](#)

What are the lessons India needs to learn from the Tour of Duty scheme?

1) The free market may pay lip service to patriotic sentiments, but it does not give salaries or jobs based on them, **2)** As a large number of armed forces gig workers come out of their service, the agniveers will need assistance with their social and psychological readjustment, **3)** The movie Rambo highlighted the "war vet" genre. I.e., the stories of soldiers who come back to a world that does not, cannot understand them. Hence, India must address such incidents.

Read more: [Will Agnipath energise or demoralise the military?](#)

Serious consideration and resources must be put in place to help agniveers to readjust. Further, India needs to provide assistance in mental health, community and vocational therapy.

61. [The monkeypox outbreak is an alert on global health inequities](#)

Source: This post is based on the following articles "**What monkeypox alarm tells us about global health inequality**" published in **The Livemint** on **18th Jul 22**.

"**How India can keep the monkeypox threat at bay: Precautionary vaccines for healthcare workers, disease surveillance and communication are essential**" published in **The Times of India** on **17th Jul 22**.

Syllabus: GS2 – Issues related to health

Relevance: Monkeypox outbreak and related issues

Context: Despite causing deaths and being regularly reported from endemic African countries, Monkeypox got global attention only when high-income countries got affected.

The total number of suspected cases reported by the Democratic Republic of Congo in 2022 alone are manifold more than any other country affected by the ongoing outbreak.

Unfortunately, this phenomenon is not an isolated story of its kind.

9 PM Compilation for the Month of July, 2022

Reasons for global outbreak

This is the first time that such a large number of monkeypox cases have been detected in non-endemic countries.

It could partially be attributed to **a)** decrease in immunity provided by smallpox vaccination, **b)** increase in RT-PCR testing post Covid pandemic and **c)** increased global travel.

One of the other possible reasons could be new mutations in the virus, although preliminary supporting data is weak.

What are the global health inequities?

Disproportionate attention to diseases affecting developed countries: There are a number of diseases in low- and middle-income countries that affect a large proportion of their populations, but get disproportionately less attention from the global community.

This is a challenge recognized as the '10/90 gap'

– It states that diseases and health problems that constitute roughly 10% of the global disease burden but affect people mostly in rich countries receive 90% of the overall health research attention and funding.

However, health problems that constitute 90% of the world's burden of disease but affect mainly low- and lower-middle income countries get merely 10% of the attention and funds.

Example: A specific example is a group of about 17 diseases, which include leprosy, Lymphatic filariasis and rabies, collectively called '**neglected tropical diseases**' or NTDs. These diseases have long been a major health problem in low and low-middle income (LMIC) countries, but have not received sufficient/commensurate attention in health policies and financial allocations for years.

Inequity in the availability of potentially effective therapies and vaccines: A drug used to treat smallpox, Tecovirimat, was approved in the US earlier in 2022 for the treatment of monkeypox. There are three second and third generation smallpox vaccines, a few of which have been approved for use against monkeypox, including most recently MVA-BN, approved in 2019.

– However, the US and some countries in Europe have almost exclusive access to Tecovirimat and smallpox vaccines, while these are hardly available in the endemic countries in Africa.

Way forward

World

Outbreaks and epidemics are going to be the unfortunate reality of the future. The only way to respond is with more, better and stronger global collaboration.

India

Improving disease detection and surveillance capabilities is of utmost importance. This includes ramping up RT-PCR testing capacity and making testing more accessible.

An important part in this is **educating healthcare workers** vis-à-vis monkeypox symptoms, testing and treatment.

Using ring vaccination: In this, the vaccine is given to contacts of all suspected or confirmed cases. Smallpox vaccines can be used like this until monkeypox vaccines are readily available for all. Smallpox vaccines are highly effective in prevention and if given early even in treatment of monkeypox disease.

9 PM Compilation for the Month of July, 2022

Utilise India's large vaccine-manufacturing base for making smallpox and monkeypox vaccines available for all.

Public health emergencies can be better tackled with appropriate communication messages. **Implementing effective risk communication messages** should be made a priority, starting with informing the citizens about how the virus spreads and what they can do to protect themselves.

62. [Secure Indian interests: Ensure fair play in media](#)

Source: The post is based on an article "Secure Indian Interests: Ensure fair play in media" published in the Live Mint on 18th July 2022.

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

Relevance: Digital media

News: Recently, the **union minister of state for Information Technology** indicated to enact a legislation which would make it mandatory for the Big Tech like Google, Meta, Microsoft, Apple, Twitter and Amazon to pay a slice of revenue to Indian news- papers and websites, for using their original content.

What are the reasons which have compelled the government to move towards this direction?

In Europe, the **EU's copyright rules 2019** mandates Big Tech like Google News to share part of their revenues with the publishers. This has pushed Germany, Spain, and France to institutes legal regime to make it mandatory for the platform to share revenue with the news publishers.

In addition, to the **European Countries, Australia** had also passed a law to assure its local media a fairer share.

Other reasons

In the information age, the **valuable resources** are required to create **Intellectual properties** and such a creation should entail fair rewards.

The market has been distorted due to **power asymmetry**. Indian news publishers work is routinely used by **Big Tech firms** for their own business ends and it involves **unfair split-up of returns**.

There is global demand for efforts in order to restrain the clout of **outsized online news dispensers**.

The Big Tech majors exercise their **market power on digital advertising**. This places Indian media companies at a position of disadvantage. Therefore, there is a demand for **digital governance** as well as a framework which can help **Indian news generators** to undo such a distortion.

The media constitutes an important institution that upholds **core Indian values** and supports national sovereignty.

Way Forward

Last year, the **Indian Newspaper Society (INS)** and the **Digital News Publishers Association (DNPA)** took Google to regulators on allegation that it has been abusing its dominant position in laying out terms for **news aggregation**.

9 PM Compilation for the Month of July, 2022

The regulator is already doing a probe in this case. The findings of the case could help in building a robust legal framework.

63. [Preserving democracy in India](#)

Source: The post is based on an article “Preserving democracy in India” published in the “The Hindu” on 18th July 2022.

Syllabus: GS2 – Parliament and State Legislatures—Structure, Functioning, Conduct of Business, Powers & Privileges and Issues Arising out of these.

Relevance: Issues and Challenges in the Parliamentary System of India

News: In recent period, the government of Madhya Pradesh, Karnataka and Maharashtra toppled. Further, there were selective arrests of Opposition leaders. This indicates serious issues in the functioning of the Indian democracy

Basic Concept of a democracy

A **democratic executive** must satisfy two conditions – (1) It must be a **stable executive** and (2) it must be a **responsible executive**.

It is not possible to ensure a **stable executive** and a **responsible executive** in equal degree in a particular system. Therefore, the constitutional makers have to adopt either of the two features. Former is ensured in the **Presidential System** and later is ensured in the **Parliamentary system**. For Example:

(a) **England Case:** executives are subjected to **daily assessment** by members of Parliament, through questions, resolutions, no-confidence motions, adjournment motions and debates on addresses and they are also subjected to **Periodic assessment** by the electorate at the time of the election.

(b) **The US Executive:** Daily assessment is not available under the American system. There is only periodic assessment.

Therefore, the constituent assembly India adopted the **parliamentary system** because the fathers of the Indian constitution preferred “**more responsibility to more stability**” as per the Indian need.

What are the problems being faced by Indian democracy?

(1) India has preferred **responsible executives** to **stable executives**. However, there are attempts to weaken the opposition in India, which is not in the interest of parliamentary democracy. A vigilant opposition is important for **daily assessment** of the executive, ensuring a **vibrant democracy** as well as the **very survival of the democracy**.

(2) The Anti-defection law has failed to serve its purpose. It was inserted in the **10th Schedule** through the **52nd Constitutional Amendment Act**. Further, the Supreme Court upheld its constitutional validity long ago.

There are cases when a party member shows **disloyalty** to his party through violation of the whip. They simultaneously decline to **resign** from his/her seat and to fight an **immediate by-election**.

Others Issues

In the recent past, the draconian provisions of various legislations, especially **the Prevention of Money Laundering Act**, have been invoked by the ruling regime against Opposition members.

9 PM Compilation for the Month of July, 2022

Way Forward

Political parties, the **judiciary** and **civil society** must take steps to ensure that democracy does not fail.

Some **political thinkers'** advocates for the '**theory of recall**,' so that a member whose personal behaviour falls below standards expected of his constituents goes back and seeks the approval of the voters.

Role of Judiciary

The judiciary must be aware of the **ground realities** and not allow such **politically motivated investigations**. Judges should readily grant **anticipatory bail** or **regular bail** in politically motivated matters.

The Supreme Court can re-write the anti-defection law by invoking powers under Article 142 of the Constitution.

Political Parties

In a democratic set up, criticism from the opposition parties must be tolerated because it is the essence of democracy.

During the Constituent Assembly debates, Ram Narayan Singh said, "A government which does not like opposition and always wants to be in power is not a patriotic but a traitor government."

At the same time, while Opposition must be **credible** and **strong**. It must work constructively. It can make itself credible and strong by feeling the pulse of the people of India and reforming itself.

64. [Lessons on navigating the evolving geopolitics in the Middle East](#)

Source: This post is created based on the article "**Lessons on navigating the evolving geopolitics in the Middle East**" published in **Indian Express** on **19th July 2022**.

Syllabus: GS Paper 2 –International Relations

Context: Joe Biden's recent trip to the Middle East highlights some new trends that are reshaping the region. India should consider these new trends and take lessons in its engagement with the region.

What are the new trends that are reshaping the geopolitics of the Middle East?

First, it was a common belief among the liberals now that US will now separate itself from the messy politics of the Middle East. This belief was strengthened by the events like US exit from Afghanistan and expansion of hydrocarbon production in the US or energy independence of US from the Middle East. However, **US has clarified that it "will not walk away and leave a vacuum to be filled by China, Russia, or Iran"**.

Second, US is changing its pattern of engagement with the region. It is **changing its role from the sole provider of regional security to helping its regional partners develop capabilities** to secure themselves. For example, efforts are being made to develop Middle East Air Defence (MEAD) coalition involving the US, Israel, and some of the Arab nations. [I2U2 \(India-Israel-UAE-USA\) Grouping](#) is another example.

Third, Biden has **modified the popular belief** that the major contradiction in the world is the "**conflict between democracies and autocracies**." It was necessary as the Middle East, in particular, is a place where ideologies come to die due to existing monarchies and autocracies.

9 PM Compilation for the Month of July, 2022

Fourth, Biden's attitude proves that **"interests" generally tend to triumph over "values"** in the conduct of foreign policy. During his election campaign, Biden vowed to isolate Saudi Arabia (SA) from the rest of the world, due to the killing of Jamal Khashoggi by Saudi agents. However, amidst the pressing need to cool down the global oil market and ease domestic inflation, Biden had to repair the relations with SA.

Fifth, Middle East is learning to put national interest above other identities such as ethnicity and religion. **For example;**

Normalisation of relations with Israel to counter the threat from Iran.

The contradiction between Arabs and Iran has emerged as a major fault line in the region, despite their shared Islamic identity.

Many Gulf kingdoms, including Saudi Arabia and the UAE, are now consciously promoting a national identity among their peoples. It is being done by celebrating "national days" and creating greater popular awareness of national histories and heritage.

Sixth, Israel in the past aligned with non-Arab Muslim states like Iran and Turkey to act against Arabs. However, now it is aligning with Arabs against Iran. **Turkey**, despite shared religious identities, undermined many of the Arab regimes recently. Whereas, **Qatar** is closer to non-Arab Turkey and in opposition to its Gulf Arab neighbors.

Thus, India should consider the complexity of the changing dynamics in the Middle East in framing its foreign policies for the region.

65. The win-win potential of India's partnership with African nations – on African Continental Free Trade Area

Source: This post is created based on the article **"The win-win potential of India's partnership with African nations"** published in **Live Mint** on **19th July 2022**.

Syllabus: GS Paper 2 –International Relations – Bilateral and Multilateral relation of India

News: The [African Continental Free Trade Area \(AfCFTA\)](#) has the potential to create the largest free trade area in the world, by geography.

India and Africa share a long and rich relationship. Our freedom movement became an inspiration for African nationalists in their desire for independence from colonialism. Now African Continental Free Trade Area (AfCFTA) will strengthen trade and investment relations between India and Africa.

India's present engagement in developmental activities of Africa

India has already been involved in several developmental projects in Africa via concessional loans, grants, and capacity-building programs. It has played a significant role in Africa's socio-economic development.

India's cumulative investments in Africa stand at \$70 billion.

Lines of Credit (LoCs) worth \$12.26 billion have been extended to African countries.

193 projects have been completed and 66 are under execution. These projects related to oil and gas, mining, banking, pharma, textiles, the automotive sector, and agriculture.

9 PM Compilation for the Month of July, 2022

Skill development and capacity building play a vital role in the empowerment of the youth and women. India has been engaged on this front as well. In 2017, under **Indian Council for Cultural Relations**, almost 50,000 scholarships had been granted to African students over five years. **Indian Technical and Economic Cooperation program** is assisting Africa in giving people opportunities to learn new skills and acquire knowledge through training programs.

What is the significance of the African Continental Free Trade Area (AfCFTA)?

AfCFTA provides a wide scope to **create the largest free trade area in the world**, by geography, and an opportunity to lift 30 million people out of extreme poverty.

It will **create a single market for goods and services**, thereby enabling a single market for goods and services, easy movement of persons, and promoting industrial development.

India can leverage the new opportunities presented by the AfCFTA. India can facilitate **a digital transformation of Africa** through innovation and the transfer of technology.

The 17th Confederation of Indian Industry Exim Bank Conclave on the India Africa Growth Partnership has marked the following priority areas to focus on:

Indian industries could align their efforts with the priority areas set by a free trade agreement. It will promote India-Africa bilateral trade and investment under AfCFTA.

There are **opportunities in services trade** with Africa in the fields of Information Technology (IT), Mobile payment solutions, banking, and financial services.

India's success in manufacturing vaccines and pharmaceuticals, and advances in telemedicine, can open up new opportunities in the pharmaceuticals and the healthcare sector.

India is the world's third-largest startup ecosystem. Thus, it could count on its **strengths to fortify the digital infrastructure of an entire continent**, thereby contributing to the achievement of the continent's Agenda 2063.

The AfCFTA seeks to facilitate international **supply chains for food, pharmaceuticals, and various other essential products**. India can help in building important infrastructure for cross-border supply chains. It will help Indian industries to operate efficiently in Africa.

Women consist of 90% of Africa's labor force in the informal sector, engaged mainly in education, healthcare, and tertiary services. Under the AfCFTA these **women-oriented developmental sectors** will get a boost. India's efforts on this part would enhance its brand image across the continent as its economy emerges.

66. Preparing for the presidency – On Assuming G20 Presidency

News: This post is created based on the article **“Preparing for the presidency”** published in **Business Standard** on **19th July 2022**.

Syllabus: GS Paper 2 – Important International Institutions

News: India is going to take over the presidency of the Group of 20 (G20) nations from Indonesia in a few months.

India's Group of 20 (G20) presidency comes amidst many challenges. Some challenges are the Russian invasion of Ukraine, inflation induced by consequent Western sanctions, and the effect of the pandemic is still prevalent. Furthermore, G20 is more divided due to freezing relations between Russia and Western nations.

9 PM Compilation for the Month of July, 2022

However, it is still the only effective grouping. Thus, India needs to fully utilize this opportunity.

What are the challenges facing India in setting its G-20 agenda?

Generally, at this point in time, a president's nation should be well-developed. However, India is still working on this part. Following are some issues:

1. Indian government functions with multiple silos that coordinate only afterward.
2. Just a few months before the summit, the G20 Sherpa role has been assigned to the outgoing chief executive officer of the NITI Aayog, by the Union commerce minister.
3. The finance track of the G20 remains technically the business of the Union finance ministry. Sous-Sherpa has been appointed from within the foreign ministry.
4. The most effective G20 presidencies of the past ensured there was close coordination between the Sherpa and finance tracks.

There are concerns that considering the challenges and too many centers of power and responsibility, India might be over-prepared or under-prepared.

What are the different tracks of the G20?

G20 is divided into two channels, to discuss the various issues, namely the **financial track** and the **Sherpa track**.

Financial Track addresses a number of agendas related to the financial sectors and involves Finance Ministers and Central Bank Governors from all G20 members.

The Sherpa Track addresses other agendas that are outside the financial sector. Sherpas are generally appointed directly by the Head of Government / Country and are seen as their representation at various G20 meetings. He/she is assisted by several sous Sherpas.

What should be done?

A coherent and interlinked strategy should be developed by coordination between different ministries, PMO, and new Sherpa.

India should be able to take major agendas to the institution, like reform of the multilateral development banks and principles for digital payment systems. The time is ripe for pushing such reforms. Because, with the next presidency to Brazil, past, present and future G20 presidents will for the first time be from developing nations.

[67. Sharing power with the next generations](#)

Source: This post is based on the article "**Sharing power with the next generations**" published in **The Hindu** on **19th July 2022**.

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

Relevance: About the inter-generational justice.

News: The recent Ukraine crisis highlighted that the institutions of global governance which were supposed to guarantee peace have failed.

A new concept of "**inter-generational justice**" is gaining traction as a better way of producing a more equitable global order and arresting mankind's breakneck destruction of the planet.

Why does the standard model of hierarchical organisations fail?

After two world wars, a new breed of global institutions was created to prevent the proliferation of weapons of mass destruction, rebuild shattered economies, and maintain global peace.

9 PM Compilation for the Month of July, 2022

These include the United Nations headquartered in New York and the Bretton Woods institutions — the World Bank and the International Monetary Fund (IMF) — in Washington.

However, power in these institutions was retained by the victors. This shows new ideas for global governance are required because, **a)** They follow standard “one size” solution, whereas this cannot fit all, **b)** There is also a trust breakdown between the leaders on top of large international organisations and people on the ground,

c) They are also ineffective and constantly struck between issues between nations. For instance, after the Bretton Woods institutions failed to prevent oil large “oil shocks”, the world created G7. This was later expanded to G8 and G20. But the G20 is facing issues as the G7 wants to throw Russia out.

Read more: [UN Reforms](#)

What is the prevailing scientific theory and its drawbacks?

The modern approach to progress is disseminated widely through “STEM” (Science, Technology, Engineering, and Math) education. This is done by extracting resources from the planet to create new products for human benefit. And then to find new technological approaches to repair the damage caused to the planet by those technologies.

But, the climate is heating up. Inequalities are growing. People are losing their patience. New ways must be found to solve complex global problems.

A **scientific theory cannot work** in socio-ecological systems because, **a)** Unlike machines designed by engineers, social scientists and economists are situated within the systems, **b)** Unlike ‘scientific’ design thinkers who try to design systems ‘objectively’, natural systems thinkers learn to live with and within the systems that give them life. For instance, They do not feel the need for rockets to take them to other planets after they have spoiled this one.

Read more: [IBSA grouping issue joint statement calling for UNSC reforms](#)

How to achieve inter-generational justice and lasting peace?

To ensure peace and prosperity, the **power must shift between generations** to create a more equitable global order. In other words, globally, the power must shift from the older, so-called ‘advanced’ countries to younger ‘emerging’ economies.

1) All generations and countries must work together. All must listen to others’ aspirations and must understand others’ wisdom. **2)** The world should move away from the so-called ‘white man’s burden’. So, the G7 and the Security Council must invite the rest to find new solutions to global problems. **3)** Native communities’ natural knowledge must be reaped. **4)** Local systems solutions should be cooperatively implemented within their communities by old and young persons together.

These are the way to solve these global systemic problems.

9 PM Compilation for the Month of July, 2022

68. [The case for a portable safety net for migrants](#)

Source: The post is based on an article “**The case for a portable safety net for migrants**” published in the Live Mint on 19th July 2022.

Syllabus: GS 2 Government Policies and Interventions for Development in various sectors and issues arising out of their Design and Implementation; GS 3 Inclusive Growth

Relevance: Safety Net of Migrants

News: The recently released **Periodic Labour Force Survey (PLFS) 2020-21** shows that 20.8% of total male migration in the country was from urban to rural areas in 2020-21.

What is the certainty effect?

Humans are naturally risk-averse. It means they try to reduce uncertainties in their decisions due to the **certainty effect**.

The certainty effect suggests people are less likely to select the outcomes that are merely probable, in comparison to the outcomes that are certain.

During the **first phase of the covid pandemic**, there was a **sudden reverse migration** from urban to rural. It reflects the phenomenon of the **certainty effect**. The migrants were trying to **avoid the risk, i.e. risk-aversion**.

What were the reasons for reverse migration which indicated risk aversion?

The PLFS lists 16 reasons for migration. Few are

- (1) Around 6.7% of **male migrants** have attributed their migration to the loss of a job, closure of unit or lack of employment opportunities.
- (2) There were other reasons like health-related uncertainty, lockdowns, the temporary closure of shops and establishments, coupled with the absence of a safety net in some instances.

What are the issues in accessing the safety nets for the migrant labourers?

Although the government policies **create safety nets** for those who need them, when people **migrate**, they often miss out on the **geographically-fixed safety** net benefits.

Some states have safety net provisions, but there are problems with the dissemination of information.

Urban housing for migrants remains a big concern. **For example**, the slums have mushroomed in tier 1 and tier 2 cities.

The **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act 1979** mandates the **registration** of inter-state migrants. As per the act, the **contractor** has the duties and obligations to register the migrant labor. But the states have not enforced the act.

What should be done?

States should work with the Centre to reduce uncertainties for migrant workers.

- (1) The **Economic Survey of 2020-21** came up with a **bare necessities index**. The **Ministry of Statistics** could rely on this index to define a safety net in its computations. The Union government has initiated the process of making access to **bare necessities portable**. This has several benefits.

9 PM Compilation for the Month of July, 2022

(2) The government has launched **One Nation, One Ration Card** and **Ayushman Bharat** schemes to ensure uniform access to food and healthcare across India. Further, the Union government has introduced affordable rental housing complexes, a sub-scheme under the urban Pradhan Mantri Awas Yojana.

(3) Before **policy intervention** for migrants, the government should identify who the **migrants** are. The **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act 1979** should be implemented to register the inter-state migrants.

69. [Fresh urgency on pension reforms](#)

Source: The post is based on an article “Fresh urgency on pension reforms” published in the Times of India on 19th July 2022.

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

Relevance: New Pension Scheme

News: In recent periods, various state governments have proposed to shift away from the **National pensions Scheme (NPS)** to the old pension scheme. They are undoing the reform achieved in the past two decades. However, the Union government has been absolutely steadfast in its support for the NPS.

Evolution of the Pensions System in India

Phase-Before the launch of NPS: The Indian pension system covered **three categories of people**.

(1) **Government employees** who received them under the traditional pay-as-you-go **defined benefit (DB) system**. It was applicable to those recruited up until 2003. In this scheme, the Governments have to pay full pension to individuals.

(2) **Destitute persons** were eligible under the National Old Age Pension Scheme, and

(3) The **organised sector workers** were covered under the Employees’ Provident Fund Organisation’s pension scheme.

Criticism of the Defined Benefits (DB) Pension Scheme

The pension bill of the Union government increased from 0.24% of GDP in 1980-81 to 0.73% of GDP in 1999-2000.

The pension bill of the Government of India consumed 8% of the **revenue receipts** in the year 1999-2000 as against 2.9 percent in 1980-81.

In 1998, a committee was established under Surendra Dave to build a new pension system. This was called as the **Old Age Social and Income Security (OASIS) Project**.

Phase of New Pensions Scheme (NPS)

Project OASIS helped create and socialise new knowledge on the failure of **DB systems** worldwide. It proposed newer **defined contribution (DC) systems** that had been rolled out in many countries at that time.

Therefore, in February 2002, the union government announced the creation of a **DC pension system**. Subsequently, **Himachal Pradesh** became the first state to join NPS in 2003. Later on, other states also joined the scheme.

9 PM Compilation for the Month of July, 2022

About the Direct Contribution (DC) Pensions Plan or NPS

It is a pension scheme for **new recruits** to the civil services and the uncovered segment of the population, who were recruited starting from 2004.

The **Pension Fund Regulatory and Development Authority of India (PFRDA)** was also created.

Arguments in favor of the NPS

The NPS has been able to drive fiscal **down costs**. It has become the **cheapest fund management system** in India.

In the NPS reform, the government evolves from double payment to only paying contributions for the employee. Further, the young are de-risked from fiscal concerns.

The importance of the NPS will be realized when the persons receiving the **DB pension** at present would fade away.

The NPS was formulated based on **intellectual** and **evidence-based consensus**, public debate and discussion, and good usage of external domain expertise.

At present, India is undergoing an accelerated **demographic transition**. As per recent data, the share of the youth (aged 15-29) in India has dropped to 26.7% in 2021 in the last decade. Further, it is projected to go down to 22.6% by 2036. Therefore, there is a stronger need for the NPS reform.

What are the causes of the state government's proposal for the revival of the old pension scheme?

- (1) It may be a **populist consideration**, as there is a demand from a section of employees.
- (2) The decision may be partly to allay **immediate fiscal pressures** because, in NPS, the government has to contribute its share of NPS.

70. Unsayable in the House – On issue of unparliamentary words

Source: The post is based on an article “Unsayable in the house” published in the Indian Express on 19th July 2022.

Syllabus: GS 2 Parliament and State Legislatures—Structure, Functioning, Conduct of Business, Powers & Privileges and Issues Arising out of these.

Relevance: Parliamentary Discussion

News: Recently, there has been controversy surrounding the release of a Lok Sabha publication which contains a list of unparliamentary words.

About the Parliamentary rules for unparliamentary words in India

Parliamentary rules specify that **presiding officers** can delete words from the day's proceedings that they consider **defamatory, indecent, unparliamentary, or undignified** in the parliament. Therefore, the presiding officers of Parliament have the **final authority** on what gets recorded in the day's proceedings.

Members of Parliament (MPs) can also draw attention to any **unparliamentary words** and urge the chair to delete them.

Further, Parliament television also edits **its video recording** of the debate to reflect the **deletion**.

9 PM Compilation for the Month of July, 2022

Any reporting of the parliamentary discussion that includes the **deleted portion** is a breach of **parliamentary privilege** and **invites the ire of the House**.

Deleted words are then added by the parliament secretariat to its compilation of unparliamentary expressions.

Origin of the exercise of deleting unparliamentary words

This exercise started in **parliamentary functioning** in England. The Speaker of the House of Commons started removing the offending words from the written proceedings of the house.

In 1873, the **constitutional theorist Erskine May** started recording words and expressions that the Speaker considered **unparliamentary** in an **eponymous guide** to parliamentary procedure.

Further, later editions of this book laid down the **principle of parliamentary language**. It states, “good temper and moderation are the characteristics of parliamentary language.”

In 1983, the **Speaker of the House of Commons** held that “whether a word should be regarded as **unparliamentary** depends on the context in which it is used. The context is critical and all-important. Here, “**Context**” means how the word is said, the circumstances in which it is said, and when it is said.

History of application of this rule

(1) In 1956, a Lok Sabha MP referred to **Mahatma Gandhi’s assassin Nathuram Godse** during the debate on a bill. The presiding officer deleted the name from **the day’s written record**, and the **parliament secretariat** added the word to its compilation of **unparliamentary expressions**.

(2) **In 2014, Hemant Tukaram Godse** was elected as the Lok Sabha Member of Parliament (MP). His surname was considered unparliamentary. Therefore, the presiding officer of Rajya Sabha deleted the word “Godse” from the House proceedings.

(3) **In 2020**, the Chairman of Rajya Sabha deleted the words used by the Prime Minister while replying to the debate on the Motion of Thanks to the President’s address, from the day’s proceedings.

What are the issues around deletion of unparliamentary words in a Lok Sabha publication?

First, Even if Parliament edits its record, the unparliamentary expression will be available online as a ready reference for using such words. In such a scenario, such a compilation of the words classified as unparliamentary will not deter a Member of Parliament from using them on the floor of the House.

Second, in a political discussion, a restriction of unparliamentary expression, without considering context, will unnecessarily stifle the voices of MPs.

[71. A new legislation that mirrors the old – On Drugs regulations in India](#)

Source: This post is created based on the article “**A new legislation that mirrors the old**” published in **The Hindu** on **20th July 2022**.

Syllabus: GS Paper 2 – Social Issues – Issues related to health

News: The Union Health Ministry recently published a new draft Bill to replace the antiquated Drugs and Cosmetics Act, 1940. However, the bill seems to lack the provisions that can address the burning issues in the sector.

9 PM Compilation for the Month of July, 2022

The Drugs and Cosmetics Act, 1940 was introduced, when the drug industry was in its infancy, now it is antiquated. It was based on the following procedure:

1) Drug inspectors purchasing manufactured drugs from an open market > 2) if a drug fails quality testing, the manufacturer will be punished.

What is the need for changing the regulations in drug industry?

Absence of provision of Good Manufacturing Practices (GMPs)

1) The present system is based on luck, if on a certain day, a good quality product fails a test, the manufacturer will be punished or vice versa.

2) Much of the world has shifted to a more rigorous system of regulation centred on the compliance of manufacturing units with good manufacturing practices (GMPs). A drug manufactured in compliance with GMPs is unlikely to fail tests in the market due to the quality checks it goes through.

3) In the U.S., the law presumes that any drug that is manufactured in a facility and fails to comply with GMPs is 'adulterated'. U.S. law mandates drug inspectors to publish reports of inspection.

Whereas, in 1988, India incorporated a system of GMPs via government rules, instead of Parliament, with no criminal penalties for companies failing to comply with GMPs. Even, drug inspectors are not liable to publish their reports. Many evidences prove that such inspections are not carried out.

Regulatory Structure

India has 37 agencies for enforcing drug regulation, including one in each State and Union Territory, Central Drugs Standard Control Organisation (CDSCO) at the center.

- **State drug controllers** license drug manufacturing and conduct enforcement actions such as sampling, testing, and prosecution for substandard drugs.
- **CDSCO** regulates imports and decides if new drugs have adequate clinical evidence before they can be sold.
- **Health ministry** lays down rules and regulations and bans drugs with no supporting clinical evidence.

Now, the issue arises, when the states like Himachal Pradesh (HP), do not enforce the Drugs and Cosmetics Act properly. HP accounts for the bulk of pharmaceutical manufacturing on account of a tax holiday. They fear, it will stop the investments by the pharmaceutical industry.

The problem increases, as the drugs from states like Himachal Pradesh are sold across the country, even in the states with more competent drug regulators.

Regulatory bodies

Drug regulations give discretionary power to the unelected bureaucrats for approving a new drug or a new manufacturing facility. However, the process is not transparent.

What are the issues with the new draft bill?

Even the new bill does not provide for the provisions of GMP.

The bill does not address the need for a single regulator.

9 PM Compilation for the Month of July, 2022

The new law doesn't address the critical issue of transparency.

The proposed legislation does not make accommodations for public participation.

What should be done?

Mashelkar Committee in 2003 had recommended centralizing drug licensing with the central regulator.

The law should **guarantee proactive disclosure** of all crucial documentation related to regulatory decisions on the approval or rejection of drugs. If a new drug is being approved, the regulator should be required to disclose all the data, including clinical trial data.

Each inspection for GMP compliance should conclude with an **inspection report accessible** to the general public.

Public participation in the regulatory process should be made legal by allowing public hearings or citizen petitions to question regulators and explain their rationale for approving the new drug.

72. [No inner-party democracy](#)

Source: This post is based on the article **"No inner-party democracy"** published in **The Hindu** on **20th July 2022**.

Syllabus: GS 2 – Comparison of the Indian constitutional scheme with that of other countries.

Relevance: Inner-party democracy in India and the UK.

News: Recently, the British Conservative Party ousted their leader Boris Johnson. The incident showcases the amount of power ordinary MPs have over the Prime Minister. But this inner-party democracy is absent in India.

What is the position of PM in India?

In India, the Prime Minister **exercises absolute authority** over party MPs. MPs' ability to even diverge slightly from the official government line on routine policy matters is almost non-existent.

The Prime Minister's power is **strengthened by the anti-defection law**. Under it, recalcitrant MPs who do not manage to carry two-thirds of their colleagues with them can always be disqualified.

MPs do not enjoy any autonomy at all to question and challenge their party leadership.

Read more: [Problems associated with Anti Defection Law](#)

How MPs in the UK are different from MPs in India?

Firstly, MPs in the U.K. are able to act boldly because they do not owe their nomination to the party leader, but are selected by the local constituency party. In India, however, it is the party leadership that decides candidates, with an informal consultation with the local party.

Secondly, MPs in the U.K. does not face a risk of disqualification if they speak out against the leader.

These factors are the biggest stumbling blocks toward ensuring inner-party democracy in India.

Read more: [Explained: How are Rajya Sabha MPs elected?](#)

9 PM Compilation for the Month of July, 2022

What should be done to ensure inner-party democracy?

Borrow the model from the UK: Individual Conservative MPs write to the 1922 Committee (which comprises backbench MPs, and looks out for their interests) expressing that they have “no confidence” in their leader.

If a numerical or percentage threshold (15% of the party’s MPs in the U.K.) is breached, an automatic leadership vote is triggered. In this, the party leader is forced to seek a fresh mandate from the parliamentary party.

Empower MPs: India should consider empowering its elected representatives, to ensure accountability for party leadership. For this, an exception has to be made to the anti-defection law.

In the long run, the Westminster model dictates that control over candidates must shift from central party leaders to local party members.

Read more: [The issues faced by MPs in India in initiating reforms on their own](#)

73. [Chile marks a notch in global constitutionalism](#)

Source: This post is based on the article “**Chile marks a notch in global constitutionalism**” published in **The Hindu** on **20th July 2022**.

Syllabus: GS 2 – Comparison of the Indian constitutional scheme with that of other countries.

Relevance: About the draft Chilean constitution.

News: In 2019, Chilean protests revolve around themes such as social inequality, the cost of living, and probity in governance. One of the demands of the Chilean protesters was to replace Pinochet’s Constitution with a democratic Constitution, written by the People of Chile

What are the issues with Chile’s constitution?

Chile’s constitution was drafted in 1980, under the military regime. The Constitution embodied what is popularly known as Chicago School economics. These include **a)** Market deregulation was encoded into the Constitution, **b)** Privatisation of water as a constitutional imperative. Over the years, this led to Chile becoming one of the most unequal countries in the world.

What are the various models of the Constitution?

United States model

In the early to mid-20th century, constitutional drafting around the world often followed the United States model. It was believed that the purpose of a Constitution was to constrain state power. Constitutions set out enforceable bills of rights, and divided power between the three wings of State — the legislature, the executive, and the judiciary.

But the US Model tends to ignore the “social question”, and issues around equitable access to material resources.

Later models

Firstly, after 1980s, Constitutions began to **include “socio-economic rights”** — such as the rights to housing, to education, and to health, among others — within their bills of rights. For example, South Africa’s post-apartheid Constitution of 1996.

9 PM Compilation for the Month of July, 2022

Secondly, the constitution **recognises the complexities of governance** and establishes a **set of institutions that are independent** of the legislature and the executive. These are sometimes referred to as “integrity institutions”.

These include information commissions, human rights commissions, and electoral commissions. For example, Chapter Fifteen of the 2010 Constitution of Kenya lists out 10 commissions and guarantees their independence from the government.

Thirdly, the constitution also **recognises active public participation**. For instance, the 2010 Constitution of Kenya mandates public participation in the process of law-making, and also envisions popular initiatives as one way of bringing about constitutional change.

Read more: [Shouldn't regulators have constitutional status?](#)

What are the salient features of the draft Chilean constitution?

The Chilean government eventually conceded to protesters' demand. This led to the formation of a directly-elected Constituent Assembly. The constitutional draft was finalised at the beginning of July and will be put to a nationwide referendum in September.

The Chilean government include all three post 80's constitutional features. Apart from that, the constitution is also a future-facing document. For example, the Constitution recognises the role of technology and guaranteed the right to digital connectivity.

The draft Constitution acknowledges the gravity of the climate crisis, and constitutionalises important principles of international environmental law, such as inter-generational equity.

If approved through the referendum, then it will be hailed as a historic triumph in the annals of global constitutionalism.

Read more: [Drafting a new Constitution is impossible](#)

[74. SC view on deciding minority community status on state-wise basis solves one problem and creates others](#)

Source: This post is created based on the article “SC view on deciding minority community status on state-wise basis solves one problem and creates others” published in **The Times of India** on **20th July 2022**.

Syllabus: GS Paper 2 – India Constitution

Context: Supreme Court in its recent observation stated that it is a settled position in law that religious and linguistic minority status is to be decided state-wise. This position settles one issue and raise another.

Under the National Minorities Commission Act, Muslims, Christians, Sikhs, Parsis, Buddhists, and Jains have been notified nationally as minority communities.

However, in some states, the listed minorities are the majority. Also, in almost every state, there can be a linguistic minority.

The significance of minority status lies in the fact that it allows significant autonomy to administer the education institutions to minorities.

What are the issues in empowering states to decide the minority status?

9 PM Compilation for the Month of July, 2022

First, there are state-wise differences in minority status, like the reservation policy. Every community in the central OBC list is not classified likewise in states.

Second, if minority status is a state decision, would a minority in the central list will lose its minority tag, if it is in majority in a state? Like Sikhs in Punjab or Christians in Mizoram. It will be a big question.

Third, it won't help in rising in human capital that creates skills for the job market needs. It is because India is witnessing immense competition for scarce education and employment opportunities. Thus, labeling communities as backward or minority has become a political decision.

What should be done?

There are a few reasons behind the demand for minority status tags by educational institutions, like, 1) Overregulation by the regulators like UGC (University Grant Commission), and 2) Excessive demands of laws like the RTE (Right to Education) act. Thus, there should be a focus on providing quality education for all instead of regulating the institutions.

75. [The trade policy India needs](#)

Source: The post is based on an article "The trade policy India needs" published in the Live Mint on 20th July 2022.

Syllabus: GS 2 – Government policies for various sectors

Relevance: New Trade Policy

News: The ministry of commerce is working on a **new trade policy**. In this context, Professor **Amita Batra** has published a book, **India's Trade Policy** in the 21st century, which has important messages for policy.

Role of Global Value Chains (GVCs)

Now, a **successful export strategy** doesn't involve producing a product made largely in one country for export. Instead, it is based on the **global value chains (GVCs)** which have driven the growth of trade.

Now, the multiple components of a typical export product are produced by different companies, based on the competitiveness of that location in producing that particular component. Thereafter, components are shipped to other locations for further value addition. The final product is ultimately **assembled** somewhere else for final shipment to centers of consumption.

The **backward integration** with GVCs is an important indicator of integration with global supply chains.

For example, the iPhone has 178 components that are sourced from 200 different suppliers across 26 countries!

The benefit of the Global Value Chains (GVCs)

The share of developed countries in the export of manufactured goods has reduced as they **offshore** the production process. And the share of developing countries has increased which had the necessary **human skills** and **physical infrastructure** to enter the value chain.

9 PM Compilation for the Month of July, 2022

Which developing countries benefitted from the GVCs?

India: India's share in world exports of goods had been declining before the 1991 reforms. It reached to 0.5% in 1990. However, India benefited from GVCs since the 1991 reforms. It improved in the post-reforms period to touch 0.7% in 2000 and 1.8% in 2021.

China: China drew the most benefit. Its share increased from 3.9% in 2000 to 15% in 2021. It shaped its trade policy to take advantage of the GVC phenomenon.

Therefore, the Prime Minister of India has now set an **ambitious objective**: integrating the country with global supply chains and indeed even making it a hub.

Some reforms are required while designing the new trade policy of India

One of India's trade policy weaknesses is the increase in import tariffs implemented over the last four years. There is a need to **lower tariff levels** to integrate with global value chains. For example, **customs duties** can be reduced to levels that are prevailing in East Asia.

Second, India's **bound tariffs** are much higher than applied tariffs.

Third, India should integrate as closely as possible with East and South East Asia. Because the countries in these areas have the greatest potential for expanding trade and hosting GVCs.

Fourth, India's decision to opt-out of the Regional Comprehensive Economic Partnership (RCEP), was a missed opportunity. However, the **Indo-Pacific Economic Framework (IPEF) agreement** which we have joined offers a new opportunity for integration with GVC. The Indian government should work to push the IPEF towards a trade agreement.

Fifth, India has traditionally opposed '**extraneous issues**' in trade agreements like labour, the environment, intellectual property rights (IPR), and even investment protection. However, such issues are bound to become part of future **trade agreements**. Therefore, India should be open to them in order to attract investments for greater integration with GVCs.

Sixth, India should not hold itself back from joining **the Comprehensive and Progressive Agreement for Transpacific Partnership**. Other developing countries are willing to join such agreements because China has already applied to join them. It includes many provisions for deeper integration.

Seventh, India should remain open to **digital trade, e-commerce, and digital payments** as these are **new areas for global integration** in the years ahead. India has substantial strengths in this area.

Eighth, trade policy needs to be supported by **other policies** which are outside the realm of the commerce ministry. For example, the **production-linked incentives (PLI) scheme** is a new initiative in building a competitive domestic industry.

76. [Indian MNCs are absent from discussions on digital policy](#)

Source: The post is based on an article “Indian MNCs are absent from discussion on digital policy” published in the Indian Express on 20th July 2022.

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

Relevance: Digital Economy related policies

News: In 2022, the Ministry of Electronics and Information Technology (MeitY) has announced the **draft amendment to the IT Rules 2021, the draft India Data Accessibility and Use Policy, National Data Governance Framework Policy and the new cyber security directions**. All these proposals have been put out for consultation. In addition to these, the government is also likely to announce the **e-commerce policy** and the **Data Protection Bill** soon.

Issues

There are those who say that India’s digital economy has been operating in a regulatory vacuum.

What are the causes behind the MEITY moves?

There has been accelerated growth of the digital ecosystem, which needs regulatory nurturing.

There has been an enormous backlash against the growing power and influence of internet giants. They do bring benefits to consumers, businesses and governments, but then they also enjoy dominant positions, engender misinformation and at the extreme, undermine democratic processes.

These platforms have developed other ways to influence the government. For example, they have upped their advocacy by **hiring qualified professionals** and **funding empirical research**, not only in India but also across the world.

Other issues

First of all, the **government** does not always **consult businesses** before announcing a new policy or regulation. But, the government has recently **invited stakeholders** to an open house discussion on the **proposed changes** to the IT Rules. But there are problems in this ongoing process:

(1) The **Big Giants** like Google, Amazon, Facebook, Twitter etc. are all **actively engaged** in policy discussions, either directly or through third parties to put forth a point of view. Further, start-ups, **think tanks, civil society organisations** and **academics** invested in the issues of the digital economy either as **users** or as **observers** have also been contributing in the process of policy discourse.

(2) **Indian origin multinational corporations** — the Tatas, Reliance, Aditya Birla Group, Godrej, ITC, Bajaj, and Hero, who have collectively contributed to the country’s development are missing in the discussion.

(3) Many of these Indian MNCs are working towards **adopting digital technologies** for manufacturing, distribution, and client service. **For example**, many companies now have online distribution channels. Like The Tatas have entered into e-commerce, first with **Tata Cliq** and recently with **Neu**.

(4) Over the last few years there has been an **overwhelming presence of the Big Tech Indian start-ups** competing in this space on the active debate on critical digital policies including those

9 PM Compilation for the Month of July, 2022

on data governance, privacy, anti-trust, and intermediary liability. However, **Indian MNCs** have been mostly absent.

The Way Forward

Government relations and **outreach functions** have always been important to big businesses. **For example**, the government listened to the plea of **the Bombay Club** which resisted 1991 economic reforms.

The practice of **multi-stakeholderism in policy formulation** must also be adhered to in the digital economy sector.

The government should work to create an **enabling, secure and trusted digital ecosystem in India**.

77. India-Vietnam ties, from strong to stronger

Source: This post is created based on the article **“India-Vietnam ties, from strong to stronger”** published in **The Hindu** on **21st July 2022**.

Syllabus: GS Paper 2 – International Relations

Context: The article analyses various dimensions of India-Vietnam relations.

India’s external trade (over 90% by volume and 70% by value) is by sea, thus oceans are the key to India’s future. Thus, India has intensified its efforts to engage with maritime neighbors, including Vietnam.

With the following developments, the scale of the India-Vietnam strategic and defense cooperation was enhanced:

1. Formal declaration of a strategic partnership made in 2007.
2. Comprehensive Strategic Partnership, 2016,
3. Signing of ‘Joint Vision for Defence Cooperation and
4. A memorandum of understanding on mutual logistics support
5. India granted the U.S. \$100 million Defence Line of Credit to Vietnam and announced finalization of another U.S. \$500 million Defence Line of Credit.
6. India has also agreed to expand military training and assist the Vietnam Navy’s strike capabilities.
7. India’s Defence Minister handed over 12 high-speed boats, a Khukri-class corvette, to Vietnam recently’.

Other areas of cooperation between India and Vietnam

1) Maritime security dialogue, 2) naval exercises, 3) Coast Guard cooperation, and training and capacity building, and 4) cooperation in the Indo-Pacific region.

Furthermore, both countries are synergizing their efforts to work in bilateral and other sub-regional and multilateral frameworks, such as IORA, BIMSTEC, Mekong-Ganga Cooperation, etc.

Both countries are also looking at collaboration around the seven pillars of the Indo-Pacific Oceans Initiative (IPOI).

Significance of India-Vietnam relationship

As India pursues its **‘Act East Policy’**, Vietnam has become a valuable partner in India’s political and security engagements in the Indo-Pacific region.

9 PM Compilation for the Month of July, 2022

Both countries share some **strategic concerns** like energy security and open and secure sea lines of communication.

India's is broadening its **economic and strategic interests** in the region, while Vietnam's desire for strategic autonomy. Both will be benefitted by the strong relationship.

Vietnam is of great strategic importance because its **position enables it to control 'the South China Sea** — a true Mediterranean of the Pacific'.

What are the driving factors behind India's growing maritime engagement with Vietnam?

- 1) To counter an **assertive China** by strengthening Vietnam's military power.
- 2) Recognising **geostrategic and geo-economic importance** of sea lines of communication beyond its geographical proximity like the South China Sea. It is important as almost 55% of India's trade with the Indo-Pacific region passes through the South China Sea.
- 3) To track potential developments in the **maritime domain** that could affect its national interests
- 4) Importance of a **forward maritime presence and naval partnership** to deter potential adversaries, has been recognised by the Indian Navy.

What are the potential areas of cooperation?

- 1) Meaningful academic and cultural collaborations,
- 2) blue economy,
- 3) marine habitat conservation,
- 4) advance collaboration between maritime security agencies.

Indo-Pacific Oceans Initiative (IPOI) presents immense opportunities for India-Vietnam relations. It will be helpful in addressing common challenges and strengthening India- Vietnam relationship.

78. [Revamp India's school health services](#)

Source: This post is created based on the article "**Revamp India's school health services**" published in **The Hindu** on **21st July 2022**.

Syllabus: GS Paper 2 – Issues related to education

Context: After the return of normalization post-pandemic, on the education front, there has been some discourse on 'learning recovery'. However, the health needs of schoolchildren are not getting due attention yet. There is a need for improved school health services.

Government initiatives and past efforts toward School Health Services (SHS)

The first documented record of school health services in India is from 1909. Then presidency of Baroda began the medical examination of schoolchildren.

In its 1946 report, Sir Joseph Bhore committee observed that school health services in India were practically non-existent.

In 1953, the secondary education committee recommended comprehensive policy interventions dealing with school health and school feeding programs.

However, most of the interventions focused on nutrition instead of comprehensive school health.

In March 2022, the government of Delhi began 20 school health clinics, with the following significance. 1) The initiative recognized the importance of school health services. 2) It was based

9 PM Compilation for the Month of July, 2022

on the multi-stakeholder partnership, i.e. funded through a corporate social responsibility fund and run with collaboration between health and education departments.

This Delhi initiative also suffered from the same issue, i.e. lack of knowledge on what makes comprehensive school health services.

What are the constituents of comprehensive School Health Services (SHS)?

Health-care needs are often equated with medical care needs.

Although school children have limited medical care needs, there are many required health needs. Such as unhealthy dietary habits, irregular sleep, lack of physical activity, mental, dental, and eye problems, sexual behavior, the use of tobacco and other substances, addiction, etc.

The health knowledge acquired, and lifestyle adopted at the school-going age stays in adulthood. They lay the foundations of healthy behavior for the rest of their life. **For example**, scientific evidence shows that tobacco cessation efforts are far more successful if started in school.

FRESH Framework: UNESCO, UNICEF, the World Health Organization (WHO) and the World Bank have published an inter-agency framework called **FRESH** — an acronym for Focusing Resources on Effective School Health. It proposes four core areas and three supporting strategies:

The **core areas** include; 1) focus on school health policies, i.e., water, sanitation, and the environment 2) skills-based health education 3) school-based health 4) school-based nutrition.

The **supporting strategies** include; 1) effective partnerships between the education and health sectors, 2) community partnership and 3) student participation.

Guidelines by the Centers for Disease Control and Prevention, Atlanta, U.S: School health services should focus on four main areas; 1) Acute and emergency care 2) family engagement 3) chronic disease management 4) care coordination

WHO guidelines: SHS should be designed based on local need assessment, with components; 1) health promotion, 2) health education, 3) screening leading to care and/or referral and support as appropriate.

What India should do?

First, states should draw up a road map to revamp and strengthen school health services, with a timeline and dedicated budgetary allocation.

Second, build upon the existing school health infrastructure. Health talks should be a part of teaching. Adolescent sexual health such as menstrual hygiene, etc. should be integrated into regular classroom teaching.

Third, school health clinics should be supplemented with online consultations for physical and mental health needs.

Fourth, the role and the participation of parents, especially through parent-teacher meetings, should be increased.

Fifth, Government's school health services initiatives should take care of both private schools and government-run schools.

Sixth, the School Health initiative under the Ayushman Bharat program must be revamped.

Seventh, elected representatives, professionals, pediatricians, and all other influential stakeholders should raise the issue and work towards improved school health services.

9 PM Compilation for the Month of July, 2022

Lastly, a convergence of the National Health Policy, 2017 and National Education Policy, 2020 may result in the provision of comprehensive school health services in every Indian State.

79. [What is India's law on abortion?](#)

Source: This post is created based on the article “**What is India's law on abortion**” published in **Indian Express** on **21st July 2022**.

Syllabus: GS Paper 2 – Women and related issues

News: A woman has moved to the Supreme Court after her plea was declined in the High Court. The plea has challenged Rule 3B of the Medical Termination of Pregnancy Rules, 2003.

The woman is seeking permission for termination of a pregnancy of 23 weeks and 5 days.

Delhi High Court's Decision

Delhi HC denied permission to terminate the pregnancy. In oral observations, HC asked the woman to carry her pregnancy to term and to give up the newborn for adoption.

What is India's law on abortion?

Section 312 of the Indian Penal Code, 1860, criminalizes voluntarily “causing miscarriage”. It is an offense, even with the pregnant woman's consent. However, it is allowed when the miscarriage is caused to save the woman's life.

Medical **Termination of Pregnancy Act (MTP Act)** was introduced in 1971 and amended in 2021. After 2021 amendment, few changes were made. 1) For terminating pregnancy up to 20 weeks, the opinion of one doctor was required. 2) For terminating pregnancies between 20 and 24 weeks, the opinion of two doctors was required.

However, under the 2nd category, certain categories of women could seek termination of pregnancy, such as survivors of sexual assault or rape or incest, minor, widowhood, and divorce during pregnancy, mentally ill women, foetal malformation, etc.

What is the intent behind MTP act?

MTP is not a legislation, focused on women and their reproductive rights. Instead, it is a law that sets limits for medical practitioners that cannot be breached while performing abortions.

The law transfers the decision-making power from the pregnant woman to the RMP. Thus, it seeks to shield medical practitioners from criminal liability.

80. [Saving mothers – Data on MMR should lead to restructuring health-care systems for women](#)

Source: This post is based on the article “**Saving mothers – Data on MMR should lead to restructuring health-care systems for women**” published in **The Hindu** on **21st July 2022**.

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

Relevance: Maternal Mortality Ratio.

News: A recent study published in the peer-reviewed journal, PLOS Global Public Health, casts a shadow on the progress of health care targeting women in the country. Further, it also questions the reliability of the country's own periodic estimates of [maternal mortality ratio, or MMR](#).

9 PM Compilation for the Month of July, 2022

Note: MMR denotes the number of mothers who die from complications in pregnancy for every one lakh live births.

What are the key findings of the study?

Researchers from the International Institute for Population Sciences triangulated data from routine records of maternal deaths under the Health Management Information System, with Census data and the Sample Registration System (SRS) to provide the MMR for all States and districts of India.

-The analysis suggests that **70% of districts** (448 out of 640 districts) in India have **reported MMR above 70 deaths**.

-Many of the districts in **southern India and Maharashtra** have an MMR of less than 70.

-The **north-eastern and central regions** have the least number of districts (12 and six districts, respectively) with an MMR less than 70.

Note: MMR of 70 is a target under the United Nations' Sustainable Development Goals (SDG).

Read more: [Maternal Mortality Ratio of India declines by 10 points](#)

What is the significance of the study?

a) The analysis demonstrates the presence of huge within-State inequalities, even among the better performers — Karnataka, Tamil Nadu, Kerala, Andhra Pradesh, and Telangana, **b)** According to the SRS (2016-18), only Assam (215) has an MMR of more than 200. But this district-level assessment indicates that about 130 districts have reported above 200 MMR, **c)** The high MMR also indicates the inadequacy of responsiveness of health systems in India.

Read more: [May all mothers live: on Maternal Mortality rate](#)

How to reduce MMR in India?

There is adequate proof that focusing on the following things will help to reduce MMR. These include, **a)** Improvements in access to contraceptives, **b)** Focus on antenatal care, post-delivery health care, body mass index, **c)** Economic status, **d)** A concerted reduction of higher-order births, births in higher ages.

Hence, India should improve overall care for women, and keep real-time track of crucial health data. These urgent and intense actions can reduce MMR and help India to control eminently preventable deaths.

Must read: [Maternal Mortality Ratio in India: Status, Challenges and Way Forward – Explained, pointwise](#)

[81. A friendlier tax regime can hold back an exodus](#)

Source: The post is based on an article “A friendlier tax regime can hold back an exodus” published in the Live Mint on 20th July 2022.

Syllabus: GS 2 International Relations; Indian Diaspora

Relevance: Indian Citizenship

News: This week, the government has placed the latest data in Parliament, which shows a rising number of people giving up Indian citizenship.

In 2021, over **163,000 Indians** chose to become citizens of other countries. This is the highest in **seven years**.

9 PM Compilation for the Month of July, 2022

About the laws of Indian citizenship

Last year, half of those who left Indian citizenship, took **US citizenship**.

Last year's tally of Indians who opted to be citizens of Australia stood at 23,533, Canada at 21,597, the UK at 14,637, Italy at 5,986, New Zealand at 2,643, and Singapore at 2,516.

Apart from small tax havens, this list features Germany, Netherlands, Sweden, Spain, and Portugal,

What were the reasons for choosing citizenship in these countries?

Some of the above-said countries offer **easy entry with a citizenship option** if one brings along a modest amount of money to invest there.

On international surveys of '**passport power**', India still ranks much too low for comfort. The Indian passport is weak to let us get into richer countries. The scroll of nations that grant us either **visa-free** or **swift entry** also remains too short. Therefore, some switchover chose those countries, whose passports enable **smoother global travel**.

Some of the **well-off residents** chose to move abroad due to the high **taxation regime in India**. For example, after counting **surcharges** on the rich, the taxation regime on the rich class has entered a zone that's closer to '**half my earnings**' than '**one-third**'. Thus, taxpayers are feeling **over-squeezed** if not extorted.

For some years now, the Centre has adopted a tendency to harden taxes. For, case of wealth tax.

Another big barrier in front of the **well-off class** has been our curbs on **capital transfers overseas**. In India, up to \$250,000/year can be remitted legally.

What should be done?

The Indian government can **reduce outbound motivations** to contain the possibility of emigration turning into an exodus in following ways:

- (1) **Lighter taxation** should top the list of **retention measures**. This trend could be weakened if **our top-bracket tax burden** were eased.
- (2) Diplomatic efforts can be made to make it easy for Indian passport holders to go to a greater number of countries.

82. ['Advantage New Delhi' in Sri Lanka's India lifeline](#)

Source: This post is based on the article "**'Advantage New Delhi' in Sri Lanka's India lifeline**" published in **The Hindu** on **22nd July 2022**.

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

Relevance: India-Sri Lanka relations.

News: The situation in Sri Lanka gives India an opportunity to take the lead in the foreign aid game in its neighbourhood.

What are the Economic challenges faced by Sri Lanka?

This is Sri Lanka's worst economic crisis since its independence in 1948. **a)** The Sri Lankan economy is experiencing stagflation after the debt default and a shortage of dollars, **b)** Inflation

9 PM Compilation for the Month of July, 2022

has spiralled to over 50%, translating into higher food and fuel prices, **c)** Sri Lanka is also facing challenges in getting foreign aid.

At this level, the economy could contract by at least 6% in 2022. Sri Lanka would require financing that falls between \$20 billion to \$25 billion over the next three years to ensure essential imports of food, medicine and fuel for its people and help in stabilising the economy.

Read more: [What led to the economic crisis in Sri Lanka? Highlight the lessons that can be taken from this crisis.](#)

How did India help Sri Lanka to avert its economic challenges?

India was the **first responder to Sri Lanka's calls for foreign aid** to help tackle its crippling debt and economic crisis. In the first six months of 2022, Indian aid worth \$3.8 billion has flowed to Sri Lanka through loans, swaps and grants. This is India's largest bilateral aid programme in recent times.

Why does India need to help Sri Lanka to manage its economic challenges?

There are questions by some that why taxpayers should be used to bail out another country's failed economy. But this is wrong because

a) Stabilising Sri Lanka's economy could prove to be a major win for India's 'neighbourhood-first' policy, **b)** Once the Sri Lankan economy stabilises, India can deepen its trade and investment linkages with Sri Lanka. This can exceed the current humanitarian aid relationship, **c)** Stable Sri Lanka could spur regional integration and prosperity and **d)** Unstable Sri Lanka also poses security risks to India and lead to a flood of refugees across the Palk Strait.

Read more: [In Sri Lankan crisis, a window of economic opportunity](#)

How China's dilemma to help Sri Lanka will help India?

1) China has emerged as a major partner for Sri Lanka, especially for infrastructure projects. However, many of them are under scrutiny for their 'debt trap' narrative, **2)** China worries that unilaterally restructuring Sri Lanka's debt would set a new precedent in its lending practices. This might facilitate similarly distressed countries seeking debt relief from China, and **3)** China being a G2 economy and wanting to challenge the U.S., does not want its reputation to be spoiled by bailing out a floundering economy.

All this provides an opportunity for India to upscale its aid and cement its first mover advantage over China.

What does Sri Lanka need to do to overcome the economic challenges?

a) Quickly concluding talks on an IMF programme which will increase taxes and utility prices to raise revenue and increase interest rates to control inflation while preserving social welfare expenditures to protect the poor, **b)** Implement structural reforms to make the economy more open to trade and investment and allow market forces to determine resource allocation, **c)** Restore the rule of law and enforce strong anti-corruption policies, **d)** Reset foreign policy towards a more neutral direction and away from the pro-China stance.

Read more: [Not just dollars: Sri Lanka needs deep economic reforms to dig its way out of the crisis](#)

9 PM Compilation for the Month of July, 2022

83. [PM's 'revdi' remark: We need to disentangle good subsidies from bad](#)

Source: This post is based on the article **“PM's 'revdi' remark: We need to disentangle good subsidies from bad”** published in the **Indian Express** on **22nd July 2022**.

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

Relevance: India's subsidy burden.

News: Recently, the Prime Minister has called for an end to this free “revdi” (freebies) culture. This shows curbing freebies may now be a policy priority.

What are various types of subsidies?

Technically, a subsidy is the unrecovered cost of any service (or good) provided by the government. The deficit between the receipts and expenditure of a government department in providing a service is the unrecovered cost of providing that service. This is a subsidy.

Freebies mean different things to different people. Separating this mixed bag is important for making policy. For instance,

Highly visible and discussed freebies: The most notable freebies include, free televisions distributed in Tamil Nadu, free cycles distributed in Bihar, and laptops distributed in Uttar Pradesh.

Other visible subsidies: The highly visible and discussed freebies are fiscally insignificant compared to the much larger subsidies on food, fertiliser and petroleum. These “visible” subsidies in government budgets remain a major source of fiscal stress.

Invisible subsidies: These include especially in state government budgets, not always recognised as such, but which are also very large.

Other subsidies: These include freebies of pure cash grants for poor households.

Read more: [With no subsidy, cooking fuel burns a hole in consumers' pocket](#)

What is the status of the subsidy in India?

Subsidy-GDP link: According to a study, the volume of subsidies as a proportion of GDP comes down with rising per capita incomes. For instance, The total volume of subsidies came down from 13% of GDP way back in 1987-88 to a little over 10% by 2015-16.

Major provider: State governments provide the bulk of these subsidies, mainly for social services like education and health. The central government accounts for less than 30% of total subsidies, provided mainly for economic services including food.

Which subsidies should India eliminate?

India should allow “merit subsidies.” These are essential for the public interest. These include subsidies on **1) food, 2) education and health services, 3) water supply and 4) sanitation** have large benefits for society.

These four “merit” subsidies account for only a third of total subsidies. Thus, two-thirds of total subsidies, about 6% of GDP, are unwarranted freebies or non-merit subsidies which should be eliminated.

Read more: [Growing Food Subsidy Bill: Reasons and Suggestions](#)

9 PM Compilation for the Month of July, 2022

Why does India need to eliminate non-merit subsidies?

Phasing out these unwarranted freebies, along with much of the tax exemptions and concessions will amount to about 5% of GDP. That would free up huge fiscal space for the government.

This would enable a massive reduction in the combined fiscal deficit of the Centre and the states, while at the same time stepping up required expenditure on education, health and infrastructure.

Can India provide “Universal Basic Income” instead of non-merit subsidies?

These demands are supported by global corporate leaders like Mark Zuckerberg as well as leading economists and think tanks.

Schemes like MGNREGA and other schemes in the states pay much less than the minimum wage, they obviously cannot raise rural wages beyond what is the legal minimum wage anyway.

A randomised control trial (RCT) by SEWA in Madhya Pradesh shows that small cash support provided in the villages will be spent primarily on seeking better education for children, repairing dwelling huts and supplementing the very meagre diets of these poor households. Hence, India should implement UBI.

Read more: [Issue of fertilizer subsidy in India – Explained, Pointwise](#)

84. [How To End The Jail Mania? – On Bail system of India](#)

Source: The post is based on an article “**How to end the jail mania?**” published in **The Times of India** on 22nd July 2022.

Syllabus: GS 2 Important Provisions of the Constitution of India

Relevance: Fundamental Rights

News; Recently, questions have been raised by the Chief Justice of India and the Supreme Court on the status of the criminal justice system (CJS). The Chief Justice of India used the expression “Process (of Criminal justice system) is punishment” to describe the state of the present system.

What are the issues that are highlighted in the Criminal Justice System of India?

First, the SC judgment emphasized that there are three fundamental presuppositions of a criminal trial India criminal justice system, 1) **presumption of innocence**; 2) **jail being an exception**; and 3) **the sanctity of personal liberty**.

However, arbitrary arrests and denial of bail to the accused have become normal. The above fundamentals are being ignored.

Second, there are **25 central and state preventive detention** laws that seek to control **everyday crime**. Under these laws, a person can be detained on mere suspicion and never be put to trial. For example, in 2020, around 89,405 persons were detained under preventive detention laws.

In India, **offences relating** to terror, drugs, sexual abuse against children are all subjected to strict bail restrictions and presumption of guilt.

Third, SC stated that arbitrary arrests and denial of bail are the hallmarks of a **police state**. In 2020, around 70 lakhs people were **preventively arrested** under various provisions of the CrPC. Further, these included thousands of arrests under provisions that do not even provide for arrest.

9 PM Compilation for the Month of July, 2022

Fourth, Section 437 of the CrPC, which deals with bail, restricts bail in **offences punishable** with death and life imprisonment. This leaves **unfettered discretion** in the hands of every judge who hears a bail case.

Therefore, there is an **unpredictable application** of bail provision by our courts. Further, there are **conspicuous inconsistencies** in who gets bail, who does not, and at what stage of the trial the bail is granted.

What are the suggestions of Supreme Court?

All the **investigative agencies** must follow the procedure for arrest as laid down under the **Code of Criminal Procedure (CrPC)**.

The court called arrest, a “**draconian measure**” that must be used “sparingly”.

It also recommended the enactment of a “Bail Act”, a **special law** to streamline the process of granting bail.

What are the foundational principles of criminal law that should be followed in the special bail act?

(1) Bail must be recognised as a general right.

(2) Bail can be rejected only if the court finds **substantial grounds** to believe that the accused will fail to surrender, commit an offence, or interfere with witnesses if released on bail.

(3) Bail is not to be denied as a form of **punishment**.

How can the court’s suggestion pave the way for reform?

The bail act might help address the **inadequacies** of the current bail system.

The bail law will ensure that the **criminal process** will remain sacrosanct and would no longer be felt as the punishment.

There should be a provision for the **Annual Confidential Reports of judges** who routinely deny bail to be subject to strict scrutiny.

85. [Why the Rajya Sabha matters](#)

Source: This post is based on the article “**Why the Rajya Sabha matters**” published in the **Indian Express** on **23rd July 2022**.

Syllabus: GS 2 – Parliament and State legislatures—structure, functioning, conduct of business, powers & privileges and issues arising out of these.

Relevance: To understand the functions of Rajya Sabha.

News: Given the political scenario in the country, an appraisal of the functions of the Rajya Sabha becomes necessary.

About the formation of the Rajya Sabha

The genesis of the Rajya Sabha can be traced to the Montague-Chelmsford report of 1918. Consequently, the Government of India Act, 1919 provided for a second federal chamber or the “Council of States”.

9 PM Compilation for the Month of July, 2022

The relevance of the Rajya Sabha was debated in the Constituent Assembly. Few members argued that such a House, over and above the Lok Sabha, would unnecessarily delay law-making.

However, many others argued that the “second chamber” would instead introduce an element of solemnity and enhance the quality of debate and discussion.

Must read: [What has Rajya Sabha achieved that a stand-alone Lok Sabha has not, or would not?](#)

On what matters Rajya Sabha exercises limited powers?

1) Money bills: The Lok Sabha has the power to introduce Money Bills and also exercises the final say over these bills, **2) A no-confidence motion cannot be introduced in the Rajya Sabha,** **3) Rajya Sabha exercises a limited role in the functioning of the Public Accounts Committee and has no part in the Estimates Committee.**

On what matters Rajya Sabha exercises special powers?

a) The Rajya Sabha exercises the ability to create new All-India Services under Article 312 by passing a resolution subject to support and voting by two-thirds of members, **b) The Rajya Sabha exercises power to make laws on any subject included in the State List toward “national importance” under Article 249,** **c) Rajya Sabha can approve proclamations under Article 352 or 356 or 360 if the Lok Sabha stands dissolved.**

Read more: [Rajya Sabha is essential for Indian democracy](#)

What is the significance of Rajya Sabha?

a) Rajya Sabha ensures healthy bicameralism by providing some kind of accountability to the law-making process undertaken in the Lok Sabha, **b) The process of indirect elections (elected by the members of the state legislative assemblies) acts as a passage between the states, people, and Parliament. This furthers the principles of decentralisation** by lending an independent voice to the states.

c) Rajya Sabha meticulously analyses the merits and demerits of a Bill. It also empowers its members to voice resistance, dissent, or any disagreement, even if the Lok Sabha dominates as the primary stakeholder in the law-making process.

On all bills except Money Bills, there exists a balance of power between the Lok Sabha and the Rajya Sabha.

d) The provision of the nomination of eminent persons from fields makes Rajya Sabha even more democratic and participatory.

e) Rajya Sabha is not subject to dissolution. Hence, it is often referred to as the permanent house of Parliament.

Read more: [Explained: How are Rajya Sabha MPs elected?](#)

How to empower the functioning of the Rajya Sabha further?

Give more voice to State concerns: Matters related to finance, fiscal federalism, and economic reforms must be brought under the purview of the Rajya Sabha. This will further help articulate states’ concerns and strengthen the premise of cooperative and competitive federalism.

Should not be a resort to non-elected party members: The Rajya Sabha must not be used by political parties to accommodate candidates who fail to win mass elections. Instead, parties should select their candidates with the specific role of the Upper House in mind.

9 PM Compilation for the Month of July, 2022

Need to safeguard the rights of states: Rajya Sabha's rich quality of ideas and debate, and the discussions in the Rajya Sabha mould the thinking of students, political enthusiasts, and the general masses. But there have been veiled encroachments as well as attacks on the rights of states. Rajya Sabha needs to safeguard the rights of states.

86. Judging Our Judges

Source: The post is based on an article "**Judging our judges**" published in **The Times of India** on **23rd July 2022**.

Syllabus: GS 2 Functioning of the Indian Judiciary

Relevance: Judicial Transparency and Accountability

News: Recently, AK Ganguly, a former judge of the Supreme Court, commented that India is a "**mature**" **democracy**. However, JB Pardiwala, a present SC judge, commented more recently that India isn't a "**completely mature**" **democracy**. This raised a debate over whether India is a "mature" democracy?

What are the parameters of a mature democracy?

Transparency is the **hallmark** of a **mature democracy**. This implies the **dissemination of information** to the citizen, especially about the public servants who are funded through the **public exchequer**. This also applies in the case of Indian democracy.

Democracy seems to be more mature when the disclosure of information has been done voluntarily than due to the stick of law (or legal mandate).

Why is India a mature democracy?

The public servants including **Ministers, MPs, and Bureaucrats** (all-India services) disclose information about their assets and liabilities.

The government has also enacted the **Lokpal and Lokayuktas Act (2013)** for that reason.

Why is India not a completely mature democracy?

In India, the judiciary has failed to disclose the information voluntarily.

The government tried to make it mandatory through the '**Declaration of Assets and Liabilities by Supreme Court, High Court and Subordinate Court Judges Bill**' of 2009. However, the law could not be passed.

In 2009, the **Central Information Commission (CIC)** tried to bring judges under the ambit of the RTI. But SC and HCs exempted themselves from the disclosure under Right to Information (RTI) Act.

In 1997, the SC adopted a resolution, making **asset disclosure** mandatory for SC judges. Some of the HCs also followed the path. But they mandated the disclosure within "**a reasonable time**" after assuming office. There were no clear deadlines. Therefore, the rules failed.

In 2009, the SC resolution watered down **mandatory disclosure** to voluntary disclosure. Further, the 2009 resolution of the Supreme Court (SC) was followed by around **25 High Courts (HCs)**.

Status of voluntary disclosure by the Judges at Global and India

(A) Indian Judiciary (as of 13 July 2022)

9 PM Compilation for the Month of July, 2022

(1) The **SC's website** gives **asset information** for only four judges. Of these, two (including the former Chief Justice) have already retired.

(2) Out of 25 HCs, only 7 HCs have put the information about the assets and liabilities of judges on their websites. However, the percentage of judges who have **done voluntary declarations** varies across these 7 HCs.

(a) Punjab & Haryana HC, Kerala HC, and Himachal HC have disclosed information of 75% of judges. Thus, these can be said to be matured institutions.

(b) The Delhi HC has published information of only 36. 1% judges.

(B) Global: As per the findings of the report titled '**Getting the Full Picture on Public Officials**' in 2017, published by the **World Bank** and United Nations Office on Drugs and Crime (**UNODC**).

(1) In more than half of the 161 countries covered, judges and prosecutors mandatorily disclose assets.

(2) More than 60% of the SC judges have done disclosure.

(3) In 56% of those 161 countries, in addition to the **public officials**, judges and prosecutors are also required to **disclose assets**.

87. [Significance of bail: A shot in the arm for rule of law](#)

Source: This post is based on the article "**A shot in the arm for rule of law**" published in **The Hindu** on **25th July 2022**.

Syllabus: GS 2 – Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Relevance: About the criminal-justice reforms in India.

News: In **Satender Kumar Antil v. Central Bureau of Investigation (2022)**, the Supreme Court expressed its unhappiness with the current state of India's criminal justice system. The court said that indiscriminate arrests are indicative of a colonial mindset and create the impression of India being a "police state".

What is the significance of the court ruling?

The court highlighted the following **a)** Safeguarding basic human rights, **b)** the emphasis on quickening the pace of trials, **c)** Suggesting a new Bail Act, like that of the UK, **d)** Demanding that the agencies must be civilised towards both crime suspects and convicts, and **d)** Provision for electronic surveillance of those released on bail.

Must read: [Explained: The bail law and Supreme Court call for reform](#)

What are the reasons behind indiscriminate arrests?

a) Members of the lower judiciary often ask investigating officers why they did not arrest some suspects while arresting others, **b)** Courts suspect that the police lack integrity in discriminating between the accused, **c)** An average police officer invariably believes that it is only in the rigour of custody that a suspect will cough out the truth.

Read more: [Bail's in our courts: SC's idea on new bail law must be taken up by GoI. But judicial officers need reforming too](#)

About the problem of overcrowding

The problem of overcrowding of prisons has accompanying issues such as corruption, crime and hygiene within prisons. This is because **1)** There is an insistence during trial on judicial custody.

9 PM Compilation for the Month of July, 2022

This is different from what prevails in many countries, especially the U.K., where the grant of bail is much more liberal, 2) The court proceedings in India are lengthy and complex.

Read more: [Explained: When can an individual get statutory bail?](#)

What are the other instances where the judiciary highlighted bail is the rule and jail as the exception?

In the State of Rajasthan, Jaipur V. Balchandalias Baliay (1977) case: The court held, “The basic rule is bail, not jail, except where there are circumstances suggestive of fleeing from justice or thwarting the course of justice or creating other troubles in the shape of repeating offences or intimidating witnesses.”

What should be done to reform India’s criminal justice system?

Even if not framed a separate law, the existing legal provisions, especially the Criminal Procedure Code, are adequate to curb the overeager practices of law enforcement agencies. Hence, India’s arbitrary and cruel practices must change.

The political and bureaucratic leadership should convince themselves of the role of ethics in public life.

Read more: [How To End The Jail Mania? – On Bail system of India](#)

88. [Adding digital layers of indignity](#)

Source: This post is created based on the article “**Adding digital layers of indignity**” published in **The Hindu** on **25th July 2022**.

Syllabus: GS Paper 2 – Social Issues – Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes

Context: The article provides many examples to prove that outsourcing humane aspects of governance to technologies lead to dehumanisation.

Right to live with dignity is a constitutional imperative. Digital initiatives in governance like Centralised data dashboards have become the go-to mode for assessing policies. **It has lowered the value of principles such as human dignity and hardships in accessing rights.**

Author has provided one such example. Natho Ba, an MGNREGA worker wasn’t able to access his own MGNREGA wages because his biometrics wouldn’t work. Moreover, the bank manager also used dehumanised technocratic vocabulary “His fingers are defective”.

Thus, when trust and humane aspects of governance are outsourced to technologies, dehumanisation is the likely outcome.

Some examples of dehumanised nature of technocratic initiatives

1) [Integrated Child Development Scheme \(ICDS\)](#)

An important component of ICDS is supplementary nutrition for children in the 0 to 6 years age group, pregnant women and lactating mothers. In 2021, the Union government launched the [Poshan Tracker](#), a centralised platform, to monitor all nutrition initiatives, including ICDS.

Updating of Aadhaar of ICDS rights-holders, including children, on the Poshan Tracker is mandatory. Subsequent Central funds for supplementary nutrition to States is dependent on this. However, as per government clarifications, only the Aadhaar of mothers need to be authenticated at Anganwadis.

9 PM Compilation for the Month of July, 2022

Technocratic issues

Nearly three-fourths of children between the ages of 0 to 5 years do not have Aadhaar cards, and Supreme Court orders specify that children cannot be denied their rights for lack of Aadhaar.

This is the case despite Common Service Centres (CSC) owners reported that biometrics of 42% of the users don't work on the first attempt.

36% of children under the age of five are stunted and nearly one-third of children in this age group are underweight. Thus, creating new hurdles for children in the name of digitisation will worsen this situation.

2) National Mobile Monitoring Software (NMMS) app

As per the order, the app will record "two time-stamped and geo-tagged photographs of the workers in a day". It was intended to "increase citizen oversight of the programme besides potentially enabling processing of payments faster."

Technocratic issues

1) Earlier, MGNREGA workers could complete their share of work and leave for household work or for other for supplementary income. However, **now they have to now stay back at the worksite** even after completing their work only to get photographed and geo-tagged.

2) **Photo attendance is taken by Mates** who are usually local women in charge of worksite supervision. Now, the mates need to own a phone, many of whom doesn't have that. Many of them are forced to take loans to buy smartphones to use the app.

3) Now there are technical issues. **Workers are losing money** when they are unable to upload their attendance due to technical glitches. Network connectivity is another issue.

4) The **sense of being constantly watched** induces fear among people. Gradually, it forms a habit among the subjects of internalising and accepting this form of coercion.

Social audits need strengthening instead of technocratic solutions of transparency. Democratic dictum suggests that **people should be able to 'see' the state clearly, not the other way around. It is the dignity and trust of people at stake otherwise.**

89. Out of bounds: Unusual or onerous bail conditions ought to have no place in judicial orders

Source: This post is based on the article "**Out of bounds: Unusual or onerous bail**

conditions ought to have no place in judicial orders" published in **The Hindu** on **25th July 2022**.

Syllabus: GS 2 – Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Relevance: About the criminal-justice reforms in India.

News: The Supreme Court recently disapproved the tendency among some courts to impose unusual conditions for bail.

About the case

In a land grabbing case, the interim bail order of the District Magistrate, asked the person to take possession of the property and, after putting up a boundary wall and barbed wire around it and deliver it to the Custodian, Evacuee/Enemy Property.

The Allahabad High Court also granted interim bail based on similar conditions. But the Supreme Court had taken an exception and asked the lower courts to not impose conditions that went beyond what was necessary to ensure the presence or attendance of an accused during the trial.

9 PM Compilation for the Month of July, 2022

Must read: [Explained: The bail law and Supreme Court call for reform](#)

What are the conditions to grant bail?

The conditions for not granting bail have specific objectives. Such as preventing the accused from fleeing justice and precluding any scope for tampering with evidence or influencing witnesses.

These objectives are usually secured by directing them to stay in a particular place and asking them to record their presence before a police officer or a court at a specified frequency.

What are the previous instances of permitting bail with unusual conditions?

Some recent examples include **a)** being asked to do a spell of community service, **b)** apologising to victims, **c)** reading a moral treatise or chapters from Mahatma Gandhi's autobiography.

For instance, in 2020, the Madhya Pradesh High Court had ordered a man accused of molesting a woman to visit the victim at home and agree to her tying a 'rakhi'. However, the SC denounced the attempt to convert a 'molester' into a 'brother' by judicial mandate.

Read more: [Explained: When can an individual get statutory bail?](#)

What should be done?

The sharp observations, whether oral or part of detailed orders, can often help in conveying a sense of the judicial conscience. But their casual use of such will undermine public confidence in the court's impartiality. The courts has to avoid these.

90. [The key to US-India partnership: Defence and technology cooperation](#)

Source: This post is based on the article **"The key to US-India partnership: Defence and technology cooperation"** published in the **Indian Express** on **25th July 2022**.

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

Relevance: About the India-US relations.

News: To improve India-US relations, the recently concluded India-US 2+2 Ministerial Dialogue recognised closer cooperation in scientific research and critical emerging technologies.

About the present political scenario

The 21st century is a bipolar era dominated by the US and China.

Status of China: China is now home to a manufacturing-led and technology-driven economy, competing head-on with the US in areas like biotech, robotics, artificial intelligence, and advanced materials.

Status of India: India's consistent commitment and concerted policy action focused on building domestic capabilities in critical technologies, key manufacturing industries and pursuing important structural economic reforms has started yielding results. The possibility of India's continuing rise over this century seems to be stronger.

Hence, Asia might once again take its place as the geo-economic epicentre of the world.

Read more: [India US bridge Ukraine differences](#)

What is the present approach of India-US on China?

India: India once welcomed Chinese involvement in its economy, has recalibrated after the 2020 Galwan face-off.

The US: The US once see non-democratic China as a benign partner, has now sees it as a threat.

9 PM Compilation for the Month of July, 2022

According to the former Foreign Secretary, unlike India and the US, which are both well-established republics with deep democratic cultures, China is “a party with a state attached to it.” At present, India and the US are natural allies to confront the challenges posed by an expansionist and aggressive China in the Indo-Pacific and beyond.

Read more: [India US 2+2 Dialogue and the Dynamics of India-US relations – Explained, pointwise](#)

Why does the US want to engage with India more?

1) India is not a part of the geopolitical and cultural West yet is “westernised” enough to be comfortable in that bloc, **2)** Unlike some other countries in the Indian Subcontinent, India never has been nor will be anybody’s servant, **3)** Demographic and economic trends position India as a global force that will have the weight to stride alongside America and China.

Read more: [Dynamism in India US ties](#)

How to improve India-US relations?

a) Beyond the consumer tech and software sectors, both countries should **broaden the technology collaboration** in areas like artificial intelligence, drones, advanced materials, space technology, semiconductors, and biotech.

b) India and the US should be closely aligned in addressing the threat posed by an authoritarian China.

Read more: [Measures to Strengthen India US economic partnership](#)

The combined financial firepower, human capital, and technology prowess available between the India and US would place the world safer. So, the India-US partnership is not a convenience but a necessity for the new multipolar world order.

91. [Why Agnipath scheme needs to be extended to All India Services](#)

Source: The post is based on an article “**Why Agnipath scheme needs to be extended to All India Services**” published in the **Indian Express** on 25th July 2022.

Syllabus: GS Paper 2 , Role of Civil Services in Bureaucracy

Relevance: Civil Services Reforms

News: Recently, the government has launched an [Agnipath scheme](#) for the armed forces of the country with a view to make these a leaner force without compromising on their combat abilities. Thereafter, a similar scheme is being demanded with regard to the **All-India Services (AIS)**.

Argument Against such a scheme for AIS

The AIS have rendered excellent services to the country despite the **severe constraints** under which the officers function.

To cope with the **increasing responsibilities**, there has been a **steady expansion** of the civil services.

The government activities today cover a much **wider spectrum**. Now the **welfare schemes** are being undertaken on a massive scale. To cope with the increasing responsibilities, there has been a steady expansion of the civil services.

The **law-and-order problems** have become far more complex and people are not happy with police. But, still, no one would ask for abolition of police as it would result in lawlessness and chaos. Thus, it is same with the civil services.

9 PM Compilation for the Month of July, 2022

Argument in favour of Agnipath like scheme for AIS

There is a huge **sense of dissatisfaction** over the performance of the civil services, particularly AIS. For example, the people are generally **dissatisfied** with the **performance of the police** and there are credible complaints about its brutality, **third-degree methods** and **extra-judicial killings**.

It has been noticed that once an officer is selected for the AIS, he/she develops a **smug attitude** that his/her career for the next **30/35 years is** now secure. Therefore, there is a lack of pressure to perform, an incentive to innovate, and a desire to excel.

Senior officers of the IAS and IPS have gone to the **Supreme Court** for reforms in the civil services and the police.

The judiciary has, from time to time, given directions for reforms but these have not been implemented in letter and spirit.

In the last few decades, the AIS have grown in size and have become **very, very top-heavy**. There are a number of officers who are holding **top positions** but have **very little work** to do. Therefore, they are frustrated and look for politicians to get a **top post** in the **bureaucratic mainstream**.

What could be the Features of the Agnipath Scheme for AIS? Performance Appraisal System

(1) There should be a performance-appraisal system in **three stages**. There should be **strict review** once when the AIS officers have completed 15 years of service, then after 25 years of service, and, finally, after 30 years of service.

(2) After the **first stage** of performance appraisal, 25% officers should be weeded out, 10% officers at the **second stage** and 5% officers at the **third stage**. Weeding out should be for **poor performance**, charges of corruption, any other misconduct of a serious nature, or for being physically unfit.

Screening at each stage will have to be **very rigorous** and the **mechanism** to do so must be **impartial**.

The **appraisal system** should be devised to **doubly ensure** that the officers are not **victimised for political reasons**. The officers may be given **copper/silver/golden handshakes** at the three stages.

Panel for weeding out AIS

There should be a **panel for weeding** out at different stages. The members can be **the retired judges, officers** of impeccable integrity drawn from different services, distinguished members of the civil society and representatives from all the state governments of the country.

Every time the review is undertaken, **three to five** from the panel should be chosen by **lottery**, taking care that they are from **states** other than the one whose officers' performance is going to be reviewed.

If an officer feels aggrieved by the decision of the panel, he should be able to approach a tribunal.

Benefits of this scheme for AIS

The periodic trimming of services would ensure that officers become **performance-oriented**, **acquire new skills** and a **flair for innovation** in administration. The complacency and smugness would disappear in a majority of cases.

The bureaucratic top would become lighter. It would also ensure that the structure of services becomes **pyramid-shaped** and not the **trapezium** it is now.

9 PM Compilation for the Month of July, 2022

92. [It's time India and Japan rethink their nuclear policy](#)

Source: This post is created based on the article “**It’s time India and Japan rethink their nuclear policy**” published on **The Hindu** on **26th July 2022**.

Syllabus: GS Paper 2 – Foreign policy of India – India’s nuclear policy

News: A recent report on Asian nuclear transitions by Ashley Tellis of the Carnegie Endowment underlined the shared security challenges for Delhi and Tokyo. The shared challenge is increasing Chinese military power and the rapid modernisation of Beijing’s nuclear arsenal.

Until now, both Japan and India were relaxed by the fact that China’s modest nuclear arsenal is not an existential threat. But much has changed now.

What are the factors emphasising shared concerns of India and Japan with regard to China?

First, China’s modernisation and expansion of nuclear arsenal. As per some estimates, China’s arsenal could grow from about 350 now to 1,000 warheads by 2030.

Second, China’s muscular approach to its territorial disputes with other countries. It has adopted the strategies of salami slicing and coercive diplomacy at frontiers with Japan and India.

Salami slicing is a divide-and-conquer tactic used to dominate opposition. Such operations are too small that they do not give an excuse for war or attract international criticism. However, they give the aggressor country a strategic advantage in the long term.

Third, Russian invasion of Ukraine has made it clear that if a nuclear power invade another country, international powers feel reluctant to interfere. It is due to the fear of facing nuclear war or attack.

Fourth, given the fact that China is closing the economic and military gap with US, credibility of the US-extended deterrence for Japan is under question.

Fifth, India’s policy of minimum deterrence and a doctrine of no-first-use of nuclear weapons are not sufficient against the China’s aggressive policies.

Sixth, both India and Japan are not well positioned to be champions for the global abolition of nuclear weapons. While India never agreed to give up its own nuclear weapons, Japan despite being the victim of nuclear weapons, is under US nuclear umbrella.

What should be done?

India needs to reconsider its India’s minimum deterrence posture.

US needs to revise its confronting attitudes towards India’s nuclear weapons programme. Instead US should facilitate India’s development of more sophisticated nuclear warheads.

“INFRUS” agreement — between India, France and the US could help India build an underwater deterrence based on ballistic missile carrying submarines (SSBN) as well as nuclear attack submarines (SSN).

93. [A global order caught up in a swirl of chaos](#)

Source: This post is based on the article “**A global order caught up in a swirl of chaos**” published in **The Hindu** on **26th July 2022**.

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

Relevance: About the various issues that can alter world governance.

9 PM Compilation for the Month of July, 2022

News: [Ukraine-Russia conflict](#) is one of the many strands currently altering the shapes of world governance.

What are the various challenges that can alter world governance?

Europe: Germany has steered European politics for almost two decades under Angela Merkel. But their new Chancellor has hardly any foreign policy experience. Without Germany's steadying hand, Europe would face significant challenges.

The United Kingdom: The UK is facing a political crisis ever since it came out of the EU.

Food crisis: Ukraine and Russia were generally viewed as the granaries of the world. The conflict between them placed few countries to confront the food scarcity.

Other issues: The other issues include the foreign exchange crisis, the spiralling cost of energy and fertilizers. Many of these problems may have existed earlier but have been aggravated by the ongoing conflict.

The impact is being felt now well beyond Europe. Outside Europe, the conflict is beginning to take on a different dimension, leading to the emergence of new patchworks of relationships.

How did China stand benefitted?

China-Russia ties: China and Russia appear to have further cemented their relationship and the situation is shifting towards a formal alliance. China's growing influence in the Pacific region, including in the Indo-Pacific, is further strengthened by the alliance with Russia.

China in the Middle East: The U.S.'s relations with Arab nations in West Asia appear to weaken. Russia and China are beginning to play key roles, with Iran as the fulcrum for establishing new relationships.

So various efforts of the United States, including the [AUKUS](#) (Australia, the U.K. and the U.S.) and the [Quad](#), or the launch of another Indo-Pacific entity, viz., '[Partners in the Blue Pacific](#)' (comprising the U.S., the U.K., Australia, New Zealand and Japan) might not yield results.

Read more: [Ukraine War and the Global Food Crisis – Explained, pointwise](#)

What does India need to do?

Most Asian nations appear unwilling to take sides in the event of a conflict including India.

Ties with China and Russia: India cannot ignore the situation created by the stronger bonds between Russia and China. India will need to determine whether Russia can be expected to play a role as a 'trusted friend'.

Ties in the Middle-East: India-Israel relationship dates back to the 1990s, and the India-UAE relationship has flourished in the past couple of years. But India-Iran relations seem to have reached a stalemate.

India's membership in the [I2U2](#) indicates that this body could become a 'feature' of the West Asian region, just like the Quad was for the Indo-Pacific.

Ties with other neighbourhood countries:

Afghanistan: India urgently needs to come to terms with a Taliban Afghanistan. Its attempt to devise a working relationship with Taliban Afghanistan is as yet in a very nascent stage.

Sri Lanka: The democratic upsurge in Sri Lanka presents India with a fresh set of problems. India needs to ensure that its advent does not result in the emergence of an anti-India atmosphere in Sri Lanka.

9 PM Compilation for the Month of July, 2022

India's nuclear deterrence: There is a wide gap that exists today in regard to China and India's nuclear deterrent capabilities. The U.S. strategists blame India for its voluntary ban on testing and its 'no-first-use' doctrine.

India needs to guard against such attempts to undo the carefully negotiated and structured nuclear policy and doctrine, and should not be tempted by any anti-China western move on this front.

94. [The need of the hour: ASHA for elderly](#)

Source: This post is based on the article **"The need of the hour: ASHA for elderly"** published in the **Indian Express** on **26th July 2022**.

Syllabus: GS 2 – mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Relevance: About the challenges faced by the elderly in India.

News: The United Nations' **"World Population Prospects"** highlights the continuing growth of the population in the coming decades is largely driven by increasing life expectancy, rather than babies being born.

How much has the life expectancy improved?

During the time of Independence, the life expectancy was around 30 years. The population projections suggest that the country is already home to 30 million persons who are 75 or older. The World Population Prospects estimates there will be nearly 100 million persons older than 75 in India in 2039.

Must read: [The UN World Population Prospects Report and Population Issues in India – Explained, pointwise](#)

What are the vulnerabilities faced by older people?

1) Elderly people require vast sums of money, (out-of-pocket expenses), for the diverse types of care they required, **2) Threat of Dementia:** It is a condition associated with ageing and resulting from progressive degeneration of the brain. Dementia poses an enormous burden of care as one gradually loses the ability to care for oneself and to think, plan and behave in a rational way. A private study reported that about 8% of the elderly population over 75 in India was afflicted by this condition.

3) Reduction in caregivers: India's traditional multi-generational families could be relied upon for caregiving. The population transition has been accompanied by dramatic changes in the family structure, so an increasing proportion of the elderly will live only with their elderly spouse or alone.

4) There is no comprehensive, community-based, care system for elders. Families have to make their own arrangements through out-of-pocket payments for each service which is needed.

5) Civic infrastructure, such as public transport, **is insensitive** to the needs of persons with different abilities and elders with disabling conditions.

Must read: [Elderly population in India – Explained, pointwise](#)

What should be done to improve the lives of the elderly?

India's celebrated **Accredited Social Health Activists (ASHAs)** have been singularly responsible not only for the dramatic reductions in maternal and infant mortality contributing to increased life expectancy but also for achieving impressive Covid vaccination coverage.

9 PM Compilation for the Month of July, 2022

The **ASHA program is a template** for building a community-based workforce, anchored in the large and growing network of government Health and Wellness Centres across the country. This can be utilised to support the diverse health and social care needs of elders.

As the population projections show, India is rich with human resources and many are young and looking for work, the government could empower working-age adults who are jobless in the service of elders.

95. [Reform bail law, but make the right diagnosis first](#)

Source: This post is based on the article **“Reform bail law, but make the right diagnosis first”** published in **The Hindu** on **26th July 2022**.

Syllabus: GS 2 – Mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Relevance: About the bail reforms in India.

News: Over 75% of India’s prison population are undertrial while overcrowding in Indian prisons stands at 118%. The Supreme Court of India in the **Satender Kumar Antil vs CBI case**, acknowledged the ineffectiveness of India’s bail system and its contribution to the above crisis.

What is the significance of the court ruling?

Must read: [Explained: The bail law and Supreme Court call for reform](#)

What is the procedure to get bail?

The power to grant bail is largely based on the court’s discretion and depends on the facts of each case. The Supreme Court has many times laid down principles for guiding the exercise of such discretion by courts in deciding bail applications.

These guidelines stress the need to release applicants. Despite existing guidelines, courts do not usually record reasons for rejecting bail.

Read more: [Significance of bail: A shot in the arm for rule of law](#)

What are the challenges in bail compliance?

Marginalised sections are either denied bail or granted bail with onerous conditions. Some common conditions are the nature of cash bonds, surety bonds, proof of property ownership and solvency.

Lack of means to arrange for money/property and local sureties are the most significant reasons accounting for an undertrial’s inability to comply with bail conditions. Hence, more undertrial prisoners are languishing in jails.

The other factors are **a)** lack of residence and identity proof, **b)** abandonment by family and **c)** limitations in navigating the court system. These also undermine an undertrial’s ability to comply with bail conditions.

Read more: [Bail’s in our courts: SC’s idea on new bail law must be taken up by GoI. But judicial officers need reforming too](#)

What should be done to reform the bail system comprehensively?

The bail system presumes that the **risk of financial loss is necessary** to ensure the presence of the accused in court. Such assumptions have the effect of rendering the rule of ‘bail not jail’ meaningless for a significant proportion of undertrial persons.

A careful re-evaluation of the presumptions is imperative. An effective bail law must be based on the correlation of the following,

9 PM Compilation for the Month of July, 2022

a) Proportion of undertrials applying for bail, b) Proportion of bail applications accepted or rejected, c) The amount of bail compliance and the amount of denial of bail, d) demographics of undertrials, e) category of offences and timelines for bail, f) address socio-economic and structural barriers and g) effective enforcement of safeguards against arbitrary arrest that would eliminate the need to seek bail from courts.

Read more: [Explained: When can an individual get statutory bail?](#)

96. What CJI Must Prioritise

Source: The post is based on an article “What CJI Must prioritise?” published in the Times of India on 26th July 2022.

Syllabus: GS 2 – Issues associated with the functioning of Judiciary

Relevance: Justice

News: Recently, The **Supreme Court** delivered a verdict, after a **long period** of 26 years, in a simple case. In this case, the politician **Raj Babbar** was accused of assaulting a police officer in 1996.

The **Chief Justice of India** in his recent statement underlined that the judiciary is answerable to the Constitution and the Constitution alone.

The motto of the Supreme Court of India is **Yato Dharma Sthato Jaya**. Therefore, the SC held that dharma can be upheld only if **privilege** and **responsibility** go hand-in-hand. It means higher the privilege, greater the responsibility. It can also be referred to “**no free lunch in society**” in terms of economics.

What are the shortcomings of present functioning of Judiciary?

In every society, judges and scholars are held in the **highest esteem**. Therefore, in return, the society also expects scholars and judges to pursue their respective dharma in the **highest spirit**. It is not right to blame politicians, the government, or us citizens for expecting far, far more from the judiciary. The CJI should acknowledge that the judicial system owes timely justice to the citizens of this country. This is because there are a lot of lacunae in the functioning of the Judiciary:

- (1) India is in the bottom **15th percentile** of all nations in **ease of enforcement of contracts**.
- (2) Around **4.5 crore cases** are pending. Thereby, justice is getting delayed and is being denied to far more Indians than citizens in **160-odd countries**.
- (3) The Indian judicial system enjoys total independence. Therefore, it should also fulfil greater accountability.

Why should the judiciary move forward for the ease of enforcement of contract in India?

The **ease of enforcement of contracts** is most fundamental to any society and economy. For example, attracting corporate investments, fostering innovation and entrepreneurship, to enable greater competition in the economy etc.

The judiciary has the obligation to secure to all its citizens **JUSTICE, social, economic and political**, as per the Constitution of India.

What should be done?

9 PM Compilation for the Month of July, 2022

Every CJI should lay out a timebound plan to eliminate the **Himalayan backlog of cases**. The plan must include use of technology, the routine cases can be dealt with quickly using technology, and the innovative way to work with the government.

The judicial system should focus exclusively on its primary function, until the backlog of cases is cleared.

There should be **ease of enforcement of contracts** for India to grow 7-8% annually.

Every CJI should evolve a time-bound plan for India's judicial system to be ranked in the top quartile of nations.

97. [Seeking to destroy India's civil society](#)

Source: This post is based on the article "**Seeking to destroy India's civil society**" published in **The Hindu** on **27th July 2022**.

Syllabus: GS 2 – the role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders.

Relevance: About recent restrictions on civil society organisations.

News: There is a suspicion that the government is attacking non-governmental organisations (NGOs) and civil society.

Why do civil society organisations need to be regulated?

Minority rights were deemed essential for the consolidation of the Indian state where citizens needed to feel a sense of belonging. The Constitution and law sought to protect minority communities and mandated equal rights and protection from the state to persons of all faiths and identities.

Civil society organisations need to be regulated for defending those values. The [Foreign Contributions \(Regulation\) Act \(FCRA\)](#), and the [Prevention of Money Laundering Act \(PMLA\)](#), are used in conjunction with a range of other measures such as the [Unlawful Activities Prevention Act \(UAPA\)](#) for regulating Civil society organisations.

Read more: [On FCRA & NGOs: Killing the license](#)

What are the recent restrictions placed on CSOs by the government?

2010 amendment of FCRA: The FCRA amended in 2010 gave substantial discretionary powers to the state to deal with NGOs. NGOs now needed to renew their licences every five years.

More than 20,000 civil society organisations that lost their registration between 2011 and May 2022. More than 16,000 NGOs were denied registration between 2015 and 2022.

2020 amendment of FCRA: This amendment forced NGOs to spend less on administrative costs. Finally, all NGOs were required to operate their foreign accounts through the State Bank of India's branch located on Parliament Street in New Delhi.

Read more: [Govt. curbs funding for 10 climate change, child labour NGOs](#)

Application of PMLA: The Enforcement Directorate (ED) of the Department of Revenue has wide-ranging powers to search and arrest citizens under the PMLA. This provision was used by the government to curb the activities of NGOs and political dissenters.

Other restrictions: **a)** In 2020, the government announced that the tax-free status of domestic donations would be reviewed every five years, **b)** The government grants were largely discontinued.

Read more: [Impact of New FCRA Rules on Relief Work of NGOs – Explained, Pointwise](#)

Social values can be saved if democratic politics protects those values. Excessive control over NGOs restricts the pluralistic nature of Indian society that is at the heart of India's democracy.

98. [To jail or not to jail isn't such a difficult decision](#)

Source: The post is based on the article **"To jail or not to jail isn't such a difficult decision"** published in the **Live Mint** on 27th July 2022.

Syllabus: GS 2 Important Provisions of the Constitution of India

Relevance: Fundamental Rights: Right to personal liberty

News: Recently, The Supreme court of India granted bail to a fact-checker. He was arrested for tweeting a still from a 1983 Hindi film.

The fact-checker was trapped in a loop of multiple cases which were lodged against him in two states. Therefore, he was subjected to rounds of arrest, bail pleas, and dock hearings.

What are the key takeaways from the Supreme Court's ruling in this regard?

"The machinery of criminal justice was being relentlessly employed" against the accused. Thus, the process of criminal justice has itself become the punishment for the accused.

An arrest is not meant to be and must not be used as a punitive tool because it results in the **loss of personal liberty**.

When the power to arrest is exercised by the law agencies without application of mind and without **due regard to the law**, it amounts to an abuse of power.

Issues in the Indian Criminal Justice System

- (1) **Mindless arrests and jails** have become one of the features of criminal justice in the country.
- (2) Over 75% of Indian prisoners are under-trials, locked up for months and years in the prisons without their case coming to trial.
- (3) Further, **two-thirds** of those locked up as under-trials belong to **marginalized castes and tribes**.
- (4) Many lack the means to access legal aid, take on the maze, or even put-up bail money.
- (5) Despite the **top judiciary's vocal activism**, the lower judiciary's rulings continue to violate the personal liberty of the citizen accused in cases.
- (6) In harsh anti-terror laws, the judiciary at all levels has appeared hesitant to grant bail.

What are the suggestions for reforms by the judiciary?

- (1) **Fair trials and respect for personal liberty should be the cornerstones of democracy.**
- (2) The Judges must pay heed to the first principles of criminal procedure when it comes to arrests, i.e., **"bail, not jail"**. They must not be put behind bars for long stints if they pose no danger of influencing the probe, or escape.
- (3) A **comprehensive law on bail** which recognizes a right to bail must be framed. Such law should be modeled on similar legislation in the UK.

9 PM Compilation for the Month of July, 2022

99. Why Burmese Generals Should Worry New Delhi

Source: The post is based on an article “**Why Burmese Generals should worry New Delhi?**” published in the Times of India on 27th July 2022.

Syllabus: GS 2 International Relations: Bilateral Relations

Relevance: India-Myanmar Relations

Context: Recently, **four pro-democracy activists** were executed in Myanmar. These were few of the political prisoners in military-ruled Myanmar. The article discusses, are there any repercussions of happenings in Myanmar on India?

After the coup in Myanmar, 2,100 people have been killed, 1 million displaced, 8,000 put in custody and 114 sentenced to death.

As per the report, at least 382 children have been killed or maimed and over 1,400 children have been arrested since the military takeover.

The **UN Human Rights Chief** has condemned the executions and called for the release of all political prisoners in Myanmar.

India-Myanmar Relations – The Northeast-Myanmar connect

(A) The Northeast region of India shares a 1,642 km border with Myanmar. Therefore, the entire region has long been known as the “Indo-Burma Border”.

(B) **Historical links** between the Northeast and Myanmar have existed for centuries.

(1) Myanmar took over parts of the former Kingdom of Manipur during a period of history called “**Chahi Taret Khuntakpa**” or “**Seven Years Devastation**” between 1819 and 1826.

(2) Myanmar was part of British India till 1935.

(3) The McMahon Line was drawn by the British separated families and communities.

(C) Till today there are many Manipuri villages in Myanmar and several indigenous communities straddle both sides of the border.

Repercussions of the current military takeover of Myanmar for India

A large number of people have been displaced from Myanmar to Mizoram and Manipur. There are around 70,000 Burmese refugees in Mizoram and more than 30,000 in Manipur, including 16 Burmese lawmakers.

There are over 100 refugee camps in Mizoram for this incoming population.

Unlike Mizoram, Manipur has not established refugee camps and has even arrested several Burmese refugees.

What should be done?

(1) The Government of India (GOI) must provide a **cross-border assistance program** to address the **displacement crisis** in western Myanmar bordering Northeast India.

(2) Immediate and flexible assistance should be provided for the refugees, particularly for displaced women and children.

(3) In the spirit of **Act East policy**, the GOI should go for **long-term cross-border programs** to address the **humanitarian crisis** and rising xenophobia in Mizoram and Manipur.

9 PM Compilation for the Month of July, 2022

(4) The **Indo-Burma region** is of immense **geo-strategic importance**. Therefore, the GOI should support **Myanmar democracy leaders** who **espouse democracy** and **rule of law** in Myanmar. India is already hosting the Tibetan government in exile. This would be of great strategic value for **peace building** on India's eastern borders.

100. [A future free of hepatitis](#)

Source: This post is based on the article **“A future free of hepatitis”** published in **The Hindu** on **28th July 2022**.

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

Relevance: About the elimination of hepatitis.

News: On World Hepatitis Day, the World Health Organization (WHO) highlighted the need to make hepatitis care available, affordable and accessible to all without discrimination. This is crucial to eliminate viral hepatitis as a public health threat by 2030, a global target.

Note: Elimination would translate to a 90% reduction in incidence and a 65% reduction in mortality by 2030, compared to the corresponding figures of 2015.

Why the world should focus on eliminating hepatitis?

Firstly, Hepatitis is the only communicable disease where **mortality is showing an increasing trend**. About 95% of all hepatitis-related deaths are due to cirrhosis and liver cancers caused by the hepatitis B and C virus. Southeast Asia has 20% of the global morbidity burden of hepatitis.

Secondly, viral hepatitis is preventable. Clean food and good personal hygiene, along with access to safe water and sanitation, can protect us from hepatitis A and E. Measures to prevent hepatitis B and C need to focus on full coverage with hepatitis B immunisation.

Thus, the world can prevent 4.5 million premature deaths in low- and middle-income countries by 2030 globally.

Thirdly, a world free of hepatitis is practical and feasible. The world at present has the tools to diagnose, treat, prevent and therefore eliminate chronic viral hepatitis.

Read more: [WHO says Bangladesh, Bhutan, Nepal & Thailand achieve Hepatitis B control](#)

What are the various initiatives taken around the world to eliminate hepatitis?

The **Southeast Asia region** has launched an Action Plan for viral hepatitis 2016–2021. Nine countries have achieved more than 90% coverage of the third dose of hepatitis B vaccine. Four countries have achieved the hepatitis B control target of less than 1% seroprevalence among children over five years of age.

An **integrated Regional Action Plan for viral hepatitis, HIV and STIs 2022–2026** is being developed by WHO. This will ensure effective and efficient utilisation of limited resources and will guide countries to adopt a person-centred approach rather than a disease-specific one.

Must read: [Explained: The discovery of Hepatitis C virus that helped three scientists win the Medicine Nobel](#)

What are the challenges in eliminating hepatitis?

a) **Access to diagnose and treat hepatitis is out of reach** for communities as they are usually available at centralised/specialised hospitals, **b) People continue to die because of late diagnosis or lack of appropriate treatment**, In the Southeast Asia region, only about 10% of people with hepatitis know their status; and of them, only 5% are on treatment.

Read more: [Action plan for free treatment of hepatitis patients launched](#)

9 PM Compilation for the Month of July, 2022

What should be done to eliminate hepatitis?

To eliminate hepatitis by 2030, the world in 2025 must reduce new infections of hepatitis B and C by half, reduce deaths from liver cancer by 40%, and ensure that 60% of people living with hepatitis B and C are diagnosed. This can be done by,

a) Enhanced political commitment across all countries of the region, **b) Ensuring sustained domestic funding** for hepatitis, **c) Improving access to drugs and diagnostics** by reducing prices, **d) Developing communication strategies** to increase awareness; **e) Innovate service delivery** to maximise the people-centred service delivery options across HIV, viral hepatitis and STIs, and **f) decentralising hepatitis care** to peripheral health facilities, community-based venues and locations beyond hospital sites to improve patients' access to diagnose and treat Hepatitis.

101. [The poor state of India's fiscal federalism](#)

Source: This post is based on the article **“The poor state of India's fiscal federalism”** published in **The Hindu** on **28th July 2022**.

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

Relevance: About India's fiscal federalism.

News: A degree of centralisation in fiscal power was required to address the concerns of socio-economic and regional disparities after the Independence. This asymmetric fiscal federalism was accelerated and mutually reinforced in recent times.

About India's fiscal federalism

India was a **'holding together federalism'** in contrast to the **'coming together federalism,'** in which smaller independent entities come together to form a federation (as in the United States of America).

B.R. Ambedkar in Constituent Assembly said “In politics we will have equality and in social and economic life we will have inequality. These conflicts demanded attention: fail to do so, and those denied will blow up the structure of political democracy.”

Anticipating this threat of centralisation, the Tamil Nadu government, constituted a committee under Justice P.V. Rajamannar in 1969, the first of its kind by a State government. The committee looked at Centre-State fiscal relations and recommended more transfers and taxation powers for regional governments.

Read more: [Fiscal Federalism: The sustained attack on federalism](#)

What is the present structure of India's fiscal federalism?

India's fiscal transfer worked through two pillars, the **Planning Commission and the Finance Commission**. Ever since the abolition of the Planning Commission, the Finance Commission became the major means of fiscal transfer.

The finance commission broadened its scope of sharing all taxes since 2000 from its original design of just two taxes – income tax and Union excise duties.

Read more: [The implications of 'Mohit Minerals' judgment on the fiscal federalism of India](#)

What is the status of state's revenues and expenditures?

The ability of States to finance current expenditures from their own revenues has declined from 69% in 1955-56 to less than 38% in 2019-20. They still spend 60% of the expenditure in the country — 85% on education and 82% on health.

9 PM Compilation for the Month of July, 2022

The expenditure of the States has been increasing, but their revenues did not. States cannot raise tax revenue because of curtailed indirect tax rights (under GST). Their revenue has been stagnant at 6% of GDP in the past decade.

What are the recent instances that hamper fiscal federalism?

1) States lost their **capacity to generate revenue** by surrendering their rights after the **Goods and Services Tax (GST)** regime, **2)** The **Fourteenth Finance Commission** increased share of devolution from 32% to 42%. But, the **increasing non-divisive pool in the Centre's gross tax revenues** and **reduction in the divisible pool of resources** hampers the revenue, **3)** States are forced to pay **differential interest** — about 10% against 7% — by the Union for market borrowings.

4) The issue of centrally sponsored schemes: State's expenditure pattern was distorted by the Union's intrusion, mainly through its **centrally sponsored schemes(CSSs)**. This is because,

a) There are 131 centrally sponsored schemes. **States are required to share a part of the cost.**
b) CSSs are driven by the one-size-fits-all approach and are given precedence over State schemes. Thus **undermining the electorally mandated democratic politics of States,** **c)** The schemes conceived by States have proved to be **beneficial to the people** and have contributed to social development, and **d)** Many State schemes are **adopted at the national level**, For instance, the employment guarantee in Maharashtra, the noon meals in Tamil Nadu, local governance in Karnataka and Kerala, and school education in Himachal Pradesh.

Read more: [The new era of fiscal federalism could strengthen national unity](#)

What are the impacts of the centralisation of fiscal policy?

Heavy centralisation made India, one of the **lowest tax bases built on a regressive indirect taxation system** in the world. India has simply failed to tax the following,

a) Agriculture income, **b)** Reduced corporate tax to boost the economy, **c)** India does not have any wealth tax, **d)** Indirect tax still accounts for about 56% of total taxes.

Overall, India's fiscal federalism driven by political centralisation has deepened socio-economic inequality and has not altered inter-state disparities either.

102. [Death by hooch – India needs a more honest discussion on the risks and benefits of prohibition](#)

Source: This post is based on the article **“Death by hooch – India needs a more honest discussion on the risks and benefits of prohibition”** published in **The Hindu** on **28th July 2022**.

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

Relevance: About the challenges associated with the prohibition of alcohol.

News: Gujarat is one of the four States in India that prohibits alcohol. The recent hooch tragedy in Gujarat claimed over 40 lives and brings again the contentious question of prohibition. The victims consumed poisonous methyl alcohol.

Note: The Gujarat High Court is considering five petitions that challenge the constitutional validity of the Gujarat Prohibition Act, 1949 on grounds that it violates fundamental rights including privacy.

9 PM Compilation for the Month of July, 2022

What are the impacts of the prohibition of alcohol.?

This shows the **a)** Complicity of the administration in protecting the black market for alcohol after prohibition, **b)** a vast network of illegal manufacturing and sale of liquor could exist without the patronage of the police and politicians, **c)** Though prohibition is listed among the Directive Principles of state policy in the Constitution, no State has been able to achieve it with any enduring effectiveness, and **d)** The prohibition laws give sweeping and intrusive powers to the police. In Gujarat, for example, police used them against political protesters.

Must read: [Prohibition of Liquor: Benefits and Challenges – Explained, pointwise](#)

What should be done?

Several political parties in India carry a moral burden to discourage or bar alcohol consumption. Rather than clinging to dogmas and impossible goals of social reform through coercive law, there must be a more honest discussion on prohibition.

103. [From freebies to welfare](#)

Source: This post is based on the article **“From freebies to welfare”** published in the **Indian Express** on **28th July 2022**.

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

Relevance: India’s subsidy burden.

News: Recently, the Prime Minister has called for an end to this free “revdi” (freebies) culture. A recent report of the RBI on states’ finances also highlighted the dangerous condition of states’ finances and enhanced debt stress on account of these flawed policies.

What are the various types of subsidies given by the government?

Read here: [PM’s ‘revdi’ remark: We need to disentangle good subsidies from bad](#)

Why does India need to eliminate freebies?

Upset India’s quest for sustainable development: Subsidies are being promised in one form or the other by way of free electricity. This **a)** Deteriorates the health of state distribution companies and seriously undercuts their financial viability, **b)** Make discoms inability to actively encourage solar power, **c)** India’s orderly and socially-cohesive transition to an era of non-fossil fuel energy critically depends on the health of state electricity boards. This is hampered by the freebie culture.

The Delhi government’s decision to make the electricity subsidy optional was largely due to rising costs.

In Punjab, as pointed out by the RBI, the free power promised undercuts its ability to move to a more sustainable pattern of growth.

Not ensure access to basic facilities: The government seeks to address the challenge of inequity by ensuring access to a wide range of basic facilities such as access to banking, electricity, housing, insurance, water and clean cooking fuel, etc. Eliminating freebies will help the government to provide access to these facilities.

Irreversible empowerment from other programs: Benefits under various welfare schemes such as PM Awas Yojana, Swachh Bharat Mission and Jal Jeevan Mission have provided irreversible empowerment and self-reliance. For instance, a house built under the PM Awas Yojana is a lifelong asset for the beneficiary household that cannot be taken back by any government.

Use of technology in direct transfer benefits: Identification of beneficiaries through the SECC and prioritisation based on deprivation criteria has enabled the government to assist those who

9 PM Compilation for the Month of July, 2022

need it the most. But the universal subsidies or freebies often end up ignoring the poor and transferring public resources to the affluent.

Weakening effect of freebies: The future of manufacturing and employment gets hampered by the freebies. Freebies lower the quality and competitiveness of the manufacturing sector by detracting from efficient and competitive infrastructure.

Aristotle said, “the worst form of inequality is to try to make unequal things equal.” The PM’s recent remarks about the perils of freebie culture should serve as a timely reminder to those promising fiscally imprudent and unsustainable subsidies. The freebie culture is not a road to prosperity, but a quick ticket to fiscal disaster.

104. [IPEF versus RCEP](#)

Source: The post is based on an article “**IPEF versus RCEP**” published in the **Business Standard** on **28th July 2022**.

Syllabus: GS 2 International Relations: Regional Grouping etc.

Relevance: Indo-Pacific Economic Framework (IPEF) and Regional Economic Cooperation Partnership (RCEP)

News: In recent months, The US announced the formation of **the Indo-Pacific Economic Framework (IPEF)** at **the Quadrilateral Security Dialogue (QUAD) Summit** meeting in Tokyo.

[About the IPEF](#)

Members: It includes the four QUAD countries, South Korea, New Zealand, Fiji and seven out of the 10 members of the Association of South-East Asian Nations (ASEAN).

[About the Regional Comprehensive Economic Partnership \(RCEP\)](#)

India participated in multiple rounds of RCEP discussions but chose to opt out of this grouping.

Issues with the IPEF

The **major ASEAN economies** may continue to maintain close economic ties with China while simultaneously establishing ties with the US, as they have done in the past.

The major ASEAN economies may be averse to the IPEF because it can dilute the centrality in South-East Asia.

What were the reasons which compelled India to join the IPEF?

(1) At present global organizations like the G20 may not achieve anything of systemic significance for India. This is because the ongoing Ukraine war has created a rift between the US and West-Europe with both **Russia-China**.

(2) India is facing an ongoing **military stalemate** with China on the Indo-Sino Border.

(3) There are other matters of continuing concern for China. Since the 1950s, China has been making comparisons between its one-party communist China with the plurality of democratic India despite the latter’s much smaller economy.

(4) India has given shelter to “**His Holiness the Dalai Lama**” in India.

What should be done?

India should learn from Japan. It has taken practical steps. It has become a member of RCEP and IPEF, keeping its trading interests in mind. India too should have been a member of RCEP.

9 PM Compilation for the Month of July, 2022

Plurilateral groupings that are **trade-related** or **strategic** can be useful.

However, **multi-country formations** cannot overcome failures in implementing sound policies relating to a nation's economy or defence. Therefore, reforms should be taken in this regard.

105. [Draft Drugs, Medical Devices and Cosmetics Bill 2022: The making of the digital pharmacist](#)

Source: The post is based on an article "Draft Drugs, medical Devices and Cosmetics Bill 2022: The making of the digital pharmacist" published in the Indian Express on 28th July 2022.

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

Relevance: Draft Drugs, medical Devices and Cosmetics Bill 2022

News: Recently, the Union Health Ministry has announced **the Drugs, Medical Devices and Cosmetics Bill 2022**, for seeking public comments and objections, within a period of 45 days.

About the bill

The bill is proposed to replace **the 1940 Drugs and Cosmetics Act**. The primary objective is to ensure that the medical products sold in a country are safe, effective and conform to prescribed quality standards.

It proposes a **greater focus** on quality of medical devices,

It is proposed to establish a statutory **Medical Device Technical Advisory Board**. The board will have experts from the fields of atomic energy, science and technology, electronics, and related fields like biomedical technology to guide the process.

What are the advantages of online sale of medical products?

(1) Like all online shopping, the consumer gets the advantage of discounts and the comfort of shopping from home.

(2) In normal times, e-commerce can address **three uniquely disadvantages** prevalent in Indian market

First, it can meet climatic conditions, which require medicines to be stored at below 30 degrees Celsius and 70% relative humidity, which is unattainable in most parts of India.

Second, it can mandate the back-end brick and mortar store to have good storage conditions for drug supply.

Third, further, e-commerce is useful to encrypt all transactions otherwise impossible to track.

(3) The e-commerce could be **fulfilling a legal requirement**: (a) providing a bill to the consumer and retaining one copy bearing the batch numbers and expiry dates of the drugs, and (b) it can abate the present practice of accessing prescription drugs over-the-counter as these drugs require a doctor's prescription.

(4) In the case of e-commerce, registration of a pharmacy can require enrolment with the central and state drug control organisations.

(5) This would enforce the practice of uploading a prescription from a registered medical practitioner.

What are the disadvantages of online sale of medical products?

9 PM Compilation for the Month of July, 2022

(1) It could encourage **overuse** or **incomplete use** of drugs, increase dependency on habit-forming medicine, like sleep-inducing drugs or self-medication with products for weight loss, male enhancement, even treating mental illness.

What more is required to be done?

There is the need to stop the **continued mismanagement** of the **wholesale** and **retail drugs trade** in India. For example, the **Bhagirath Palace** in Chandni Chowk, Delhi is **Asia's biggest drug wholesale market**. It is also classified as the hub of unqualified practitioner at the other end of the spectrum.

However, the **Rule 64 (2) of the Drugs and Cosmetics Rules 1945** mandates that a wholesale drug licence can be given to a **qualified pharmacist** or one who has passed the matriculation examination or its equivalent or a graduate with one year's experience in dealing with drug sale. But the eligibility criteria continue despite recommendation for deletion from the **health ministry's Drugs Consultative Committee** headed by the Drugs Controller General (India) and subsequently by **the Drugs Technical Advisory Committee** headed by the Director General of Health Services.

The sale of **substandard, even counterfeit, drugs** remain widespread in India, particularly, in smaller towns and villages. The drug wholesale hubs or small pharmacies sell counterfeit and spurious drugs to the poor patients.

106. [India at Commonwealth Games: Sports governance needs to change](#)

Source: The post is based on an article "India at Commonwealth Games: Sports governance needs to change" published in the Indian Express on 28th July 2022.

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

Relevance: Sports Development in India

News: Recently, the Indian contingent for the commonwealth games (CWG) has landed in the United Kingdom (UK)

Some developments in Indian Sport's Sector

In India, sports have become commercial. India's **sporting accomplishments** have grown quicker and medals have come at a faster clip than the rate at which the institutional setup for sport has evolved.

The government spends a lot of money on training people abroad and hiring foreign coaches. Therefore, Indian teams and individuals spend time training and acclimatising in Europe, Japan, Korea, and the United States.

Issues with Indian sports industry

In the **Olympics** and the **Commonwealth Games (CWG)**, India's performance is shadowed by the performance of other countries like China.

In comparison to China, **India's economic growth** does not strongly correlate with India's sports performance. India's sports market has not kept pace with the rapid economic growth of India. **For example**, the market has failed even when India registered an economic growth of over 9% during 2004-09. The institutions were unable to keep pace with a rapidly growing economy.

The national sports agencies still operate in the **20th-century mode**. The associated mindset is that there should be lifetime employment in the federations. Therefore, they are run like fiefdoms.

9 PM Compilation for the Month of July, 2022

This has been brought to the fore by **judicial intervention** in several cases involving national federations. **For example**, the courts appointed **Committee of Administrators (CoA)** ran the Board of Control for Cricket in India (BCCI) for six years before handing it over to an elected board.

There are several sports in India that are subject to the **same monopolistic attitude and conduct** of federations. These federations are run by bureaucrats rather than by people who know the game.

What should be done?

Institutions that govern the market in India should become much more friendly and facilitate the efficient functioning of markets.

The **Indian institutions** managing sports need to change their **culture** that supports sport is critical to move to the next level. Former sports persons can take charge of guiding, mentoring and even running federations if not completely,

India should become **a training hub** for sportspersons from different parts of the world. For example, in cricket, India can become the sought-after destination for training global talent.

107. [Sri Lanka is a warning against irrational government policy](#)

Source: The post is based on an article “Sri Lanka is a warning against irrational government policy” published in the Live Mint on 29th July 2022.

Syllabus: GS 2 Indian Economy and issues relating to planning, Mobilization of Resources, Growth, Development, and Employment.

Relevance: Government Policies for economic growth, and other measures

News: Sri Lanka is suffering the **world’s worst economic crisis** since World War II.

The citizens in Sri Lanka stand in queue for food and pharmaceuticals. There is a shortage of fuel for vehicles and big **power outages**. The situation is so dire that millions of people have taken to the streets.

The former president has fled the country and parliament has elected a new government.

[Causes Behind Sri Lanka crisis](#)

Now, Sri Lanka cannot obtain essential inputs to restart its economy until it has restructured its **debt** and installed a **working government**. The restructuring of debt will be complicated because a significant portion is owed to China, which does not participate in the **multilateral Western-led restructuring exercises** for overindebted **sovereign borrowers**.

Lessons for Sri Lanka and other debt-distressed nations

Policymakers in other economically struggling countries should take heed of the Sri Lanka crisis.

Sri Lanka should have approached the **IMF** late in 2021 (or even earlier). The implemented reforms could have controlled **inflation** and reduced its **current-account** and **fiscal deficits**, and further, at least six months of suffering could have been avoided.

The **country’s economic authorities** should not pursue **desperate** and **economically irrational** measures. The authorities should implement serious reforms in the economic sector.

9 PM Compilation for the Month of July, 2022

The G-20 has rolled out a **Debt Service Suspension Initiative** that extended some \$13 billion of relief to 48 countries in 2020-21. However, more such measures are needed for **heavily indebted developing countries**.

Lessons from Brazil: The country quickly adopted the **necessary policy reforms**, following its **2002 debt crisis**. Thereafter, it has enjoyed years of sustained growth

108. [How the current laws can shield doctors and police from violence](#)

Source: The post is based on an article “How the current laws can shield doctors and police from violence” published in the Indian Express on 29th July 2022.

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

Relevance: Draft Healthcare Service Personnel and Clinical Establishments (Prohibition of Violence & Damage to Property) Bill, 2019,

News: Recently, the Ministry of Health and Family Welfare admitted that it has withdrawn the **Draft Healthcare Service Personnel and Clinical Establishments (Prohibition of Violence & Damage to Property) Bill, 2019**,

About the bill

Doctors are increasingly facing violence and “malicious prosecution”. Therefore, the bill would have made such violence a non-bailable and cognisable offence with a jail term of up to five years.

Reasons for the withdrawal of the bill

According to reports, the government feared that other professional groups, like lawyers and police, would demand similar laws.

Instead of demanding **untenable pieces of legislation**, the pressure groups of medical bodies should focus on the effective use of already available legal shields like the IPC and CrPC, and focus afresh on **malicious prosecution**.

Issues with the malicious prosecution

It causes an assault on **reputation**. For example, a woman doctor in **Dausa district of Rajasthan** committed suicide when FIR was registered against her for alleged misconduct and negligence.

Even the government personnel get certain immunities while performing “**sovereign**” functions. For example, the police machinery gets immunity from tortious liability while performing this sovereign function like investigating a case, maintaining law and order (and arrest and detention), etc.

What should be done?

There should be a collective fight against the tyranny of **malicious prosecution** and **tutored reporting**.

The Law Commission of India, in “**Wrongful Prosecution (Miscarriage of Justice): Legal Remedies**” **report 2018** suggested a draft law. However, it was mostly **compensatory**, which talks about **criminal remedies**, but barely touches on preventive aspects. Therefore, efforts should be made to institute **preventive** and **substantive fear** through various measures as given below.

9 PM Compilation for the Month of July, 2022

The **IPC Sections 182 and 211** (for both public servant and private complainant) and section 166-A (for public servants) deals with acts of omission and commission to institute false charges. The Law Commission also looks at their role as possible remedies.

The **Section 211 of the IPC** can be an effective tool to penalise **false charges** made with intent to injure a person (including their reputation). The section is stringent with imprisonment up to seven years.

Disciplinary action should also be taken by **professional bodies** like the bar associations and prosecution bodies, in case of **tutoring** and **abetment** of false charges.

Lessons should be learnt from the **recent verdict of the trial courts in Jhunjhunu, Rajasthan**, where around **52 convictions** have been made for malicious prosecution in a special drive recently.

The medical bodies can create a corpus to **fund legal representation** in every case of **vandalism, violence** and **disruption of healthcare functions** and **premises** to ensure quick and certain convictions.

109. [Solution to the engineering sector: Infrastructure, not buzzwords](#)

Source: The post is based on the article “**Solution to the engineering sector: Infrastructure, not buzzwords**” published in the **Indian Express** on 29th July 2022.

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

Relevance: Higher Education Reforms

News: In a recent interview, the AICTE Chairman said, “the economy can’t run only on computer science or electronics, it requires civil and mechanical engineering, too”.

What are the issues in the core-engineering disciplines like civil and mechanical engineering in India?

The institutions are **shutting down** the mechanical and civil engineering disciplines due to a lack of demand from students.

One of the “problems” is that the **curricula** of such conventional disciplines are “**outdated**”. The institutions do not impart the spirit of entrepreneurship.

There is a lack of **industry readiness** in students graduating from civil and mechanical engineering disciplines.

The student lacks interest in core engineering courses based on their perceptions about the “job market”. Either there are not **enough jobs** to absorb the **civil and mechanical engineers**, or, the jobs so created are so **low paying** that these engineers prefer to become **coders** and **analysts**.

Most **conventional engineering industries** in India are **quite backward**. **Such** companies thrive on licenced or purchased technology and have little interest in anything advanced or cutting edge. These industries are involved in little or no research and development (R&D) activities themselves.

Some arguments against encouraging start-ups and entrepreneurship in the core engineering disciplines

Start-ups are not and never will be a solution to the unemployment crisis that is going on in these disciplines.

9 PM Compilation for the Month of July, 2022

In fact, merely establishing **innovation councils** or organizing **hackathons** does not do anything to unleash any real innovation. Unsurprisingly, in almost all cases the great “innovative idea” of the start-up has nothing to do with the engineering discipline the student comes from.

What should be done?

The **core concepts** of any conventional engineering branch do not get outdated as is often argued. However, new fields like Artificial intelligence (AI) and machine learning (ML), and virtual reality (VR) among others can be added to the course as elective courses in the curriculum.

The **teacher training** should be provided to improve **engineering education** like routine skills, making lesson plans, using audio-visual devices, incorporating **AI/ML/VR** in classrooms, etc.

In order to **promote critical thinking, analytical ability, data analytics, creativity**, etc., efforts should be made to reform the **rote-learning system** that prevails in school education in India.

The government should address faculty shortages, severe shortfalls in infrastructure, and funding needed for their development, in the institutions.

To create more jobs in core engineering, we need **more well-paid jobs, competitive and creative** ones. For this, the government should promote a large expansion of the manufacturing and infrastructure sectors in India.

110. [RTI Act and RTI Activists: We need to protect whistle blowers](#)

Source: This post is based on the article “**We need to protect whistle blowers**” published in **The Hindu** on **30th July 2022**.

Syllabus: GS 2 – Transparency & accountability and institutional and other measures.

Relevance: About the RTI Act.

News: The Centre for Law and Democracy classifies the [Right to Information \(RTI\) Act, 2005](#) among the top five laws in the world.

What is the significance of the RTI Act?

1) The RTI **empowers people to participate in the policymaking** process, by providing access to information relating to the functioning of all public authorities, **2)** Ordinary **citizens have used the law to make public authorities accountable and transparent** in their functioning, **3)** Cross section of citizens including activists, lawyers, bureaucrats, researchers and journalists used RTI to **unearth corruption of all kinds** from the Panchayat level right up to Parliament.

Must read: [Right to Information Act, 2005: An Analysis](#)

What are the concerns associated with the RTI Act?

Since the implementation of the Act, some 100 RTI activists across the country have been killed and several are harassed on a daily basis. Bihar ranks first in the number of deaths of RTI users.

Available evidences clearly show that the information requested by the murdered RTI users was information that should have been mandatorily disclosed to the public under Section 4 of the RTI Act.

Read more: [What are the various concerns related RTI act?](#)

What should be done to protect RTI Activists?

India must systematically address the challenges associated with the Act through strong legal and institutional safeguards. The government needs to move toward **creating a socio-legal system that recognises RTI users** under attack as human rights defenders and builds a

9 PM Compilation for the Month of July, 2022

framework that facilitates and protects them in their attempt to pursue issues of public interest. This can be done by the following steps,

1) State governments must direct law-enforcement agencies to expeditiously and in a time-bound manner complete investigations in all cases where RTI users are harassed, **2)** State governments must take immediate efforts to institutionalise proactive disclosure of actionable information. For instance, Rajasthan's Jan Sochna portal and Karnataka's Mahiti Kanaja are outstanding examples of mandatory disclosure.

Read more: [Has the Right to Information Act been weakened?](#)

3) State Information Commission must immediately direct the relevant public authorities to disclose and publicise all the questions raised and the answers given to the user. Creating greater public scrutiny may potentially act as a deterrent against attacks on RTI users and

4) The Central government should enact effective legislation to protect whistleblowers. Eight years have gone by and the Whistle Blowers Protection Act of 2014 has not been notified. In 2016, the Supreme Court condemned the Union government for its reluctance in notifying the Act. The government must decide on a specific time frame to establish an administrative setup to protect whistle-blowers. Until then, the State governments must introduce their own mechanisms for protecting whistle-blowers by enacting at least a State-level whistle-blower protection law.

Must read: [Whistleblower Protection in India – Explained, pointwise](#)

111. [The exodus is rational](#)

Source: The post is based on an article "**The exodus is rational**" published in **The Times of India** on 30th July 2022.

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

Relevance: Higher Education Reforms

News: The trend of Indian students going abroad for higher education continues to rise at a rapid pace in 2022, despite the weakening rupee.

There are currently **11.3 lakh Indian students** studying abroad. And 2022 is set to be a **record year** for students going abroad, as per the data presented in Rajya Sabha.

What are the issues with the Indian students going abroad?

(1) Some reports suggest **annual amounts** spent abroad by Indian students could be up to \$30bn. It includes tuition fee and money spent on living and travelling expenses.

(2) These annual expense amounts are sizable enough to fund the building of many new colleges and universities. **For instance**, the Rs 13,990 crore, or around \$2bn has been allocated for funding 8 new IITs in 2018.

(3) There are reports of **parents selling land** and other assets and taking massive loans just to send their child abroad.

Why do Indian students prefer to study abroad?

(1) The **average Indian college** isn't as good as **an average college in Australia, UK or US**. Most of the Indian educational institutes, barring a few Indian universities, have not been able to build **brands** in India. Here educational brands refer to trust, excellence, cutting-edge knowledge and ethics, not marketing, advertising or logos.

(2) **The few old Indian educational brands still dominate:** For example, St Stephen's College, the IITs still have a strong appeal. For example, even IITs and IIMs established in the recent years do not carry the same prestige as the old ones and are considered several notches lower.

9 PM Compilation for the Month of July, 2022

(3) Most of the **new Indian colleges** are not being run by **visionaries** who have experience of building an educational institution. They are random **businessmen** or **over-the-hill retired professors**.

(4) After decades of discussion, **foreign universities** still don't have campuses in India.

(5) India just **doesn't offer** as **much opportunity to** highly educated people as some other countries, except in a few sectors like the **software industry** etc. The jobs in multinationals are soaked up by a few elite college students. Although, India is able to provide good jobs for our top-2% students, it has not been able to provide jobs to **our top-20% students**.

What should be done?

At Economic level: The government should open our economy and drive massive economic growth. India should be made a manufacturing hub for the world, and have policies that attract investors into job-creating sectors so that jobs are created in the domestic market.

At Education Level: (1) We can reform and make **Indian colleges** more attractive. For this, **reputable institutions** should be created in India, and (2) Further, the **reputable international universities** can be invited to open a campus in India (with or without a local partner).

9 PM Compilation for the Month of July, 2022

General

Studies

Paper – 3

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

 ForumIAS

9 PM Compilation for the Month of July, 2022

1. [Explained: How Kerala has struggled to identify buffer zones around its protected forests](#)

Source: This post is based on the article “**Explained: How Kerala has struggled to identify buffer zones around its protected forests**” published in **The Indian Express** on **4th Jul 22**.

Syllabus: GS3 – Environment

Relevance: Environmental regulation

News: For over a month now, Kerala farmers living along the Western Ghats have been protesting a **June 3 directive** of the Supreme Court for setting up buffer or eco-sensitive zones (ESZ) for all protected forests in the country.

What is the Supreme Court order?

The SC in its order has said national parks, wildlife sanctuaries and such protected forests must have an ESZ of **minimum 1-km from their boundaries**.

The court said the guidelines issued by the Ministry of Environment on 9 February 2011, which have either banned or regulated a bunch of activities within the ESZ, should be strictly adhered to.

- The banned activities are mining, running of saw mills, polluting industries, commercial use of fire woods, mega hydel-power projects and manufacturing of hazardous objects.
- Mining would be allowed only for local use, the guidelines said.
- The regulated or restricted activities in the ESZ are felling of trees (only with permission from authorities), establishment of hotels and resorts as per approved master plan, drastic change in agricultural systems, etc.
- The permissible activities are ongoing agricultural and horticulture practices, rain water harvesting, organic farming and adoption of green technology for all activities.

What are the implications for Kerala?

The Kerala government does not have a clear picture about how the life and livelihood of people would be impacted by the declaring of the ESZ.

The opposition has said the verdict would **affect one lakh families**, 2.50 lakh acres of **agricultural land** and two dozen **townships**. Farmers are concerned as inclusion of human settlements with ESZ would hit their **life and economic activities**.

ESZ idea and its evolution

It was in 2002 that the national board of wildlife adopted a **national wildlife conservation strategy** that looked at a buffer zone for activities outside the sanctuaries and national parks. The board backed a **10-km buffer zone**.

A month later, in February, the wildlife board adopted the conservation strategy, and the Centre directed all states to list out such areas. Some states raised concern over applicability of 10 km range.

In 2005, the wildlife board **re-examined the issue** and decided that the delineation of the ESZ would have to be site specific and relate to regulation, rather than prohibition, of specific activities.

Several reminders were sent to states to submit the ESZ proposals. But many, including Kerala, did not respond.

9 PM Compilation for the Month of July, 2022

Acting on a PIL, the **SC intervened in December 2006** and directed all states to submit their proposals for declaration of ESZs.

In 2010, the Supreme Court, while considering a separate case related to construction of a park near Okhla bird sanctuary, **directed the Centre to formulate guidelines for declaring ESZ.**

An expert committee set up by the Union government to frame the guidelines to facilitate the states and UTs for declaration of ESZs identified parameters for the same.

Subsequently in February 2011, the ministry directed all states to list out ESZ, within 10 km from the boundaries of the protected forests and furnish proposals for their notation as ESZ, under the Environment Protection Act 1986.

2. [Don't count hybrids out of the race to go greener](#)

Source: This post is based on the article “**Don't count hybrids out of the race to go greener**” published in **Livemint** on **4th Jul 22.**

Syllabus: GS3 – Energy and Infrastructure

Relevance: Electric vehicles and related issues, transition to clean energy

Context: Maruti Suzuki's chairman recently said that hybrid technology, natural gas and biofuels offer a better path towards a cleaner future than fully-electric cars.

Globally, many electric models have hit the streets. Even in India, MG Motors, Hyundai and Tata Motors offer vehicles that liberate users from petrol or diesel refills.

However, both India's and the world's largest carmakers, Maruti and Toyota, have stayed in the slow lane.

Does it mean that hybrid technology might be the way forward?

What are the issues with EV ecosystem in the country?

Problems with infra: India's government favors a rapid EV transition, which requires an ecosystem to recharge or swap batteries.

– **Home set-ups for overnight charging** can't be installed for everyone. Also, long-distance travel makes roadside options a must.

– Further, **charging stations** must attain a critical mass of reach for 'network effects' to kick in, multiplying its utility as it expands.

Without a more robust private-public effort, EV sales may not pick up speed.

High prices of EVs: Given the premium pricing of EVs, there are two other sticky issues that also need to be tackled. **a)** their eco-friendly credentials in a country that runs largely on coal-fired energy remain unclear. And this summer's wet-bulb heat and power shortfalls raised doubts about the Indian grid's pace of carbon reduction. **b)** confidence in their safety was shaken by reports of battery fires.

Geopolitical issues: The **Ukraine war** has made battery-making inputs costlier, and, with both Russia and China key players in this value chain, geopolitical factors beyond India's control could continue to get in the way of cost reduction.

9 PM Compilation for the Month of July, 2022

Way forward

Regulators and engineers should work together to credibly **minimize the “thermal runaway” risk of EV power-packs** before a small likelihood gets a chance to turn into a big deterrent.

Though an electric recharge can cost as little as one-tenth of a petrol refill for the same distance driven, the **on-road prices of EVs also need to decrease** vis-a-vis fuel equivalents for bulk buyers to be lured.

Should cars powered by hybrid tech make leaps on fuel efficiency, they could impress buyers with a palpable impact on carbon emissions. Indian policy envisions EVs as the future, but let's not count hybrids out of the race for cleaner mobility

3. [Wake-up call – on Landslides in Manipur](#)

Source: This post is created based on the article **“Wake-up call – on Landslides in Manipur”**, published in **The Hindu** on 4th July, 2022.

Syllabus Topic: GS Paper 3- Disaster Management

News: One of the severest natural disasters in Manipur happened recently. The incident led to the death of around 37 people.

What has happened?

A landslide accident happened in Manipur, leading to deaths and many people trapped below the debris.

The disaster compounded due to the accumulation of debris on the pathway of Ijei River. It could result in inundation of low-lying areas if the “dam”-like structure is breached.

The place, where this disaster occurred, is a railway construction site in a landslide-prone area. This should stir a review of the project for development planners and government officials in the State.

The Environment Ministry has acknowledged that the disasters were “anthropogenically” induced, caused by:

1. Modification of slopes for construction,
2. Fragile lithography,
3. Widening of roads,
4. Quarrying for construction materials,
5. Complex geological structures and heavy rainfall

The area was identified as susceptible areas in the State through the National Landslide Susceptibility Mapping project. Still, it was not taken seriously before selecting the site.

What should be done?

The state government must evaluate whether sufficient soil and stability tests were done before choosing the site for railway construction. Researchers have confirmed that the area falls under very high, high, or moderate hazard zones.

9 PM Compilation for the Month of July, 2022

An early warning system for landslides is still being developed and refined by the Geological Survey of India. Early implementation of the system could help reduce the scale of such disasters, once deployed across vulnerable States.

Although States in the Northeast are accelerating connectivity projects to uplift a relatively economically backward region, they should consider the ecological challenges seriously.

4. [We need an urgent national plan on electrical safety](#)

Source: This post is created based on the article **“We need an urgent national plan on electrical safety”**, published in **The Hindu** on 4th July, 2022.

Syllabus topic: GS Paper 3, Infrastructure – Power sector

News: With the increasing access to electricity, the issue of electricity accidents must be addressed. National or State policies or programs do not provide targets or specific resource allocation for safety, at present.

Nearly all households have an electricity connection, as per reports. However, a small portion of the allocation to the electricity sector is spent on safety kits or training of staff.

As per the National Crime Records Bureau data, the rate of deaths (per lakh population) due to electric shocks and fires has steadily increased from 2,957 deaths and 0.36 deaths per lakh population in 1990 to 15,258 deaths and 1.13 deaths per lakh population in 2020.

Central Electricity Authority (CEA) data also suggest the same findings as above.

In many developed countries, the number of deaths has been reducing over the years and the deaths per lakh population is around 0.03 or lower.

Over 90% of the people who die due to electrical accidents are the general public. Thus, the safety of the general public must be the top priority.

What are the major factors behind electricity shocks?

6. Most fatalities occur at distribution networks (specifically 11 kV and Low-Tension systems) and Low-Tension consumer locations and therefore need higher attention.
7. Accidental contact with live conductors is the immediate cause of accidents.
8. Electrical faults, due to Poor design, construction, inadequate maintenance, etc. account for around 12% of the accidents.
9. There is no mechanism to ensure that safety regulations prepared by the CEA are followed. For example, distribution companies are expected to have safety officers and conduct periodic safety audits.
10. Revenue collection and fault repairs are given higher priorities by the companies.
11. Electrical inspectors are supposed to conduct inquiries on accidents, but they are heavily understaffed.
12. The focus of safety professionals is on industrial safety, and not on safety aspects of the rural public.
13. Many well-meaning grass-root organizations focus on ensuring ex gratia for accident victims, not on accident prevention.

What should be done?

Electricity safety can be handled only through coordinated action involving all stakeholders.

9 PM Compilation for the Month of July, 2022

The current safety regulatory mechanism can be strengthened through the following provisions:

- Better data collection,
- Introducing safety aspects in national programs,
- Strengthening safety institutions,
- Developing safety metrics for distribution companies,
- Involving the public and professionals in safety initiatives and
- Utilizing technological innovations

A national program to reduce electrical accidents in the distribution sector should be implemented, with sufficient resource allocation.

There should be sufficient resource allocation and robust monitoring and verification mechanism.

5. [Ashok Gulati and Ritika Juneja write: Why rice and wheat bans aren't the answer to inflation](#)

Source: The post is based on an article “Why rice and wheat bans aren't the answer to inflation” published in the Indian Express on 4th July 2022.

Syllabus: GS3 Indian Economy; Issues and Challenges pertaining to food security and PDS

Relevance: Food Inflation

News: Earlier, the government banned wheat exports to check the potential rise in prices in the face of low procurement. But now, there are reports that the government is mulling a ban on rice exports to tame inflation.

The wheat and rice exports ban was also done in 2007-08, in the wake of the global financial crisis.

What are the other possible measures that the government of India might also undertake?

There are chances of imposing **stocking limits** on traders for a host of commodities, **suspending futures trading** in food items, and there can even be conduct of **income tax raids** on traders of food.

What are the issues in the export ban?

All these extreme measures in the name of **taming inflation** only expose the **hollowness** and **lack of understanding** within the government about functioning of the **market economies** and the reason behind high inflation.

Export bans on food items is **irresponsible behaviour** at the global level. This can only be resorted in case of major calamity.

Abrupt export bans **inflict high costs** on poorer nations, and many millions fall below the poverty line as a result of such actions.

The recently concluded **WTO ministerial meeting** as well as the **G-7 meet** expressed concerns about food security in vulnerable nations.

Let us take the case of rice first.

9 PM Compilation for the Month of July, 2022

India exported **21 million metric tonnes (MMT)** of rice in 2021-22 (FY22) in a global market, i.e., about 41% of global exports of about 51.3 MMT. Such large volumes of rice exports brought down global prices of rice by about 23%, when all other cereal prices were going up substantially in global markets.

If India exports more than about 25% of the global trade in rice. It would have a dampening effect on global prices.

What are the suggestions?

India needs to impose for “**optimal export tax**”, say, a 5-10% tax on rice exports, instead of a ban on rice exports, to recover the **large input subsidies** that India gives for rice cultivation.

The reasons being:

- (1) Such **agricultural subsidies** create an **artificial competitive advantage** for Indian rice in global markets.
- (2) The government should recover a part of the **subsidy** like urea, from rice exports by imposing an **optimal export tax**.

Can imposition of optimal tax will help tame inflation at home?

No. India can't tame inflation because more than 95% of CPI inflation is due to items, other than wheat and rice. For example, inflation in vegetables contributed 14.4% to CPI inflation, which is more than three times the contribution of rice and wheat combined.

Way Forward

The **Agri-trade policies** need to be more stable and predictable, rather than a result of knee-jerk reactions.

In **perishable commodities** like vegetables, India needs to build efficient value chains and link these to processing facilities. So that people can switch processed form of food in case of high prices of vegetables.

India needs to take our food processing industry at priority because India industry is way behind the curve compared to **several Southeast Asian nations**.

If India wants to be a **globally responsible player**, it should avoid sudden and abrupt bans.

6. [Govt's move to tax fuel export will impact policy change in energy sector](#)

Source: The post is based on an article “Govt’ move to tax fuel export will impact policy change in energy sector” published in the Business Standard on 4th July 2022.

Syllabus: GS3 Indian Economy; infrastructure; Energy Sector

Relevance: New Taxation on Fuel Export

News: Recently, the government has imposed **export taxes** on fuels, and a cess on domestic crude production.

Background

9 PM Compilation for the Month of July, 2022

Lower domestic prices have incentivised refiners to export products at higher prices, resulting in domestic fuel shortages.

Before announcements, the fiscal deficit was tracking around Rs 2.2 trillion. It was above budget estimates due to higher subsidies and cuts in fuel excise duty.

Objectives

As per the FM statement, the taxes will improve the supply of diesel and petrol in the domestic market. At present, the private refiners concentrate on serving Europe and Asia.

The new fuel taxes could improve the already worsened fiscal condition in this FY

About the new taxation

The government slapped an export duty of Rs 6 a litre each on overseas sales of petrol and aviation turbine fuel.

The government has imposed **Rs. 13** a litre on **high-speed diesel**, translating into 10-23% of current crude prices.

In addition, exporters must declare that 50% of the exported quantity in each shipping bill will be supplied domestically in the fiscal.

There would be a cess of Rs 23,250 a tonne, or \$40 a barrel on domestic crude production.

The levies will be open-ended, and further, will be reviewed every fortnight.

What are the issues in these measures?

This is turning into the unease of doing business in India, at least, as far as the energy sector is concerned. For example, for Indian explorers, refiners, and prospective marquee investors led by Saudi Aramco, Adnoc, Exxon, Total and Shell.

There are concerns whether the **new tax applies** to exports from special export zone (SEZ) facilities run by **private refiners**, such as Reliance and Nayara.

The imposition of increased export duties on petroleum products is expected to **impact export volumes** in the short term. At present, Oil products contributed 16% of India's total merchandise exports of \$422 billion in 2021-22.

The government wants the **foreign investors** to invest in India's energy sector because India is 85% dependent on foreign oil. India requires foreign technology and capital to tap into our production and exploration potential to stop ever-growing dependence on imports. However, the move **will discourage foreign investors**.

It will impact India's aim to increase India's petroleum exports to \$1 trillion by 2030.

Further, India's overseas oil dependence will increase to 90% in the next few years as it plans to double its refining capacity by 2030.

Such policy flip flops impact the overall image of the country in the medium to long-term.

Way Forward

The measure should remain temporary, say for three to six months because it can scare new players and investors, if the new taxes remain there for a longer duration.

9 PM Compilation for the Month of July, 2022

India needs consistent, business-friendly policies and **investor-friendly policies**

The impact on investments would be limited because at present, the gross refining margins (**GRM**) are high which are unlikely to sustain for long. Further, most investment decisions assume more normalised GRM through the cycle.

Most private refineries are implementing capex towards crude-to-chemicals rather than crude-to-petroleum products.

7. [Enforcing the single-use plastic ban](#)

Source: The post is based on the article **“Enforcing the single-use plastic ban”** published in **“The Hindu”** on **5th July 2022**.

Syllabus: GS 3 – Environmental pollution and degradation.

Relevance: To understand the challenges associated with the Single-use plastic ban.

News: India’s ban on select single-use plastic(SUPs) items came into effect from July 1, 2022.

Why does the government ban SUPs?

Unlike thicker and denser plastic material, single-use plastic objects being light and flexible are less amenable to being recycled.

About 99% of recycled plastic constitutes heavier plastics that are likely to be collected by ragpickers and plastic waste recyclers. Single use plastics do not provide an incentive enough for the effort needed to collect them and hence they lie around.

Hence, SUPs leach their toxins into the soil and cause environmental damage in both land and sea.

Must read: [Ban on Single-Use Plastic – Explained, pointwise](#)

How does the ban be implemented?

So far 32 States/UTs have reportedly constituted a dedicated Task Force to eliminate the use of single-use plastics. Of these 14 states/UTs and 12 Central Ministries had developed action plans describing how they would be enforcing this.

Penal provisions: According to the Environment Protection (EP) Act, violating the ban could invite “punitive action”. The EP Act says that violating the ban could invite five-year imprisonment and a fine of upto ₹1 lakh, or both. If the violations are repeated, it could mean additional fines of up to ₹5000 for each day.

There are different penalties for companies, organisations, and government departments under the EP Act.

Read more: [Explained: Why is single-use plastic being banned in India from July 1](#)

About the previous ban on plastics in India

At the 4th United Nations Environment Assembly in 2019, India piloted a resolution on addressing single-use plastic product pollution.

Before the amendments came into force, the **Plastic Waste Management Rules** only prohibited the manufacture, import, stocking, distribution, sale and use of carry bags and plastic sheets less than 50 microns in thickness in the country. There is a ban on sachets using plastic material used for storing, packing or selling gutkha, tobacco and pan masala.

9 PM Compilation for the Month of July, 2022

Since October 2021, there is a ban on the manufacture, import, stocking, distribution, sale and use of carry bags made of virgin or recycled plastic less than 75 microns.

Note: Plastic packaging waste is a major contributor to the much larger problem of plastic waste pollution. But this single-use plastic item is yet to be phased out.

Read more: [Single-use plastic ban: Reading the fine print reveals ominous loopholes](#)

What are the impacts of the ban?

The All India Plastic Manufacturers Association said that the ban would shutter 88,000 units in the plastic manufacturing business. These employ close to a million people and contribute to exports worth ₹25,000 crores.

Fast Moving Consumer Goods companies (FMCG) would be severely affected by the ban due to their dependence on plastic straws, and plates.

Read more: [India's ban on select single-use plastic items: A start but still a long way from blanket ban](#)

8. [About the Draft E-waste Management Rules, 2022: Right intent, confusing content](#)

Source: The post is based on the article “**Right intent, confusing content**” published in “**The Hindu**” on **5th July 2022**.

Syllabus: GS 3 – Environmental pollution and degradation.

Relevance: To understand the challenges associated with the Draft E-waste Management Rules, 2022.

News: This year marks a decade since the E-waste (Management and Handling) Rules came into effect in India. The Rules have been amended a few times since. The most recent amendment is the Draft E-waste Management Rules, 2022.

What are the salient provisions of Draft E-waste Management Rules, 2022?

Read here: [Draft Notification for Electronic Waste \(E-Waste\) Management](#)

What are the advantages of the draft E-waste rules?

The rules propose **a)** expanding the definition of e-waste, **b)** more clearly specifying the penalties for violation of rules, **c)** introducing an environmental compensation fund based on the ‘polluter pays’ principle, and **d)** recognising the informal waste workers.

Read more: [New opportunities for e-waste recyclers](#)

What are the challenges associated with the draft E-waste rules?

First, large-scale recycling of e-waste is still in its infancy in India. Most of the recycling of valuable material is carried out within the informal sector using inefficient and unsafe technologies. Considering this, the target to recycle 60% of the e-waste generated in 2022-23 appears too optimistic.

Second, the government has to focus on existing formal and informal players if it wants to create better recycling facilities. But the draft rules are **silent on regulating registered collectors, dismantlers, and producer** responsibility organisations.

Third, the informal sector accounts for a vast majority of e-waste processed in India. Most e-waste policy debates have centred around the integration of the informal sector into the formal systems.

9 PM Compilation for the Month of July, 2022

But the proposed regulations place the responsibility of such integration on the State governments without specifying what the incentives are for them to do this.

Fourth, based on European experience, the regulators face more difficulties in monitoring and enforcing recycling targets than the collection targets. But the present draft is **silent on whether the rules will apply to the aggregate weight of e-waste or to every component of an e-product**.

Fifth, the **Steering Committee** mentioned in the draft **lacks representation** in the Committee. For instance, there is no representation from science/academia and civil society organisations.

Read more: [Time's Running out-Is India ready to handle 34,600 tonnes of solar waste?](#)

Hence, the core changes it proposes within the EPR framework require careful deliberation with all the relevant stakeholders before the Rules are finalised.

9. [The long-term hurdles to India's export growth](#)

Source: This post is based on the article "**The long-term hurdles to India's export growth**" published in **Business Standard** on **4th Jul 22**.

Syllabus: GS3 – Indian economy – Issues related to growth and development

Relevance: India's exports and related issues

Context: In FY21-22, Indian merchandise exports **jumped 43.18%** year-on-year, going up from \$291.81 billion to \$417.81 billion.

In this backdrop, the govt hopes that in the long term, exports can power India's economic growth.

But, despite last year's record performance, a close look at merchandise export trends of the past decade does not paint a very encouraging picture.

India's merchandise exports trends

India's merchandise exports stayed between \$280 billion and \$315 billion for a decade before its surge last year.

Even last year's record performance did not see much volume growth — it was **largely driven by higher prices/values**, according to a report by India Ratings.

India, unlike the Asian Tigers, has **never managed to be an export-driven economy**.

India's share in global merchandise trade has firmly **remained below 2%**.

What factors have primarily driven India's economic growth?

Since the economic reforms were initiated in 1991, **a)** private investment **b)** domestic consumption, and **c)** government spending — have primarily driven India's economic growth.

e) Merchandise exports have played only a supporting role.

f) Service exports — largely IT services — have been a redeeming factor in India's export story.

Why has India failed to become a global merchandise power?

It is largely because **India has not really become a hub for global manufacturing**.

9 PM Compilation for the Month of July, 2022

- Foreign manufacturers in India have **largely focused on the domestic market**, instead of treating it as a low-cost, high-quality manufacturing base for exports.
- Despite a realization among global companies that they need alternative hubs to reduce dependence on China, few of them have looked at India seriously.

Why India failed to become a global manufacturing powerhouse?

Three factors have played spoilsport to India becoming a global manufacturing power.

One, – rapid changes in policy and the uncertainty that investors have to face. Anyone putting millions to build a plant on the ground would like a stable policy regime, which has been missing for a decade now.

- Constant changes in tax rates, tweaking of rules and abrupt reversals following policy announcements have scared many investors.
- The changes in wheat, petroleum products and steel export policies or tariffs are recent examples.

Second – the cost and difficulty of doing business on the ground.

- This includes issues such as poor roads, higher cost of power, longer turnaround times at ports, dealing with local level officials, meeting myriad regulations at the state, district and city levels and other such problems.

These have often negated whatever cost benefits they have got from government incentives like the production-linked incentive scheme.

Third – poor quality standards set by Indian regulators and the government in almost every sector, and the even worse monitoring and implementation of these standards.

- In sectors ranging from pharmaceuticals and drugs to automobiles to food and cosmetics — **Indian manufacturers have a lower quality standard** to meet than their global counterparts.
- Worse, there is **little monitoring or penalty** even if these low standards are not adhered to. Product recalls are almost unknown in the country.

An Indian automaker or a generics drug company exports higher quality goods to other countries than it sells in the Indian market.

Way forward

The govt should focus on **removing hurdles that increase the cost of manufacturing or just doing business** in India.

At the same time, it should **set higher quality standards and monitor them stringently**. This is an essential condition if India's manufacturing needs to meet global standards.

That is the only way the country can become a major exporter of manufactured goods, not just software services.

9 PM Compilation for the Month of July, 2022

10. [The need for space sustainability](#)

Source: The post is based on the article **“The need for space sustainability”** published in **“The Hindu”** on **5th July 2022**.

Syllabus: GS 3 – Awareness in the fields of Space.

Relevance: To understand the challenges associated with space sustainability.

News: The U.K. hosted the fourth summit for Space Sustainability in London in collaboration with the Secure World Foundation. During the summit, the UK launched a new ‘Plan for Space Sustainability’.

What are the challenges in achieving space sustainability?

Orbital crowding poses a big threat to space sustainability. This poses a direct threat to the operations and safety of a mission and is likely to cause legal and insurance-related conflicts.

Space debris: After the completion of a mission, an ‘end-of-life protocol’ requires space objects to be moved to the graveyard orbit or to a low altitude. Neither of the options is sustainable in the long run.

Solar and magnetic storms: These storms can potentially damage communication systems. Such space weather threats need to be addressed along with the efforts to identify the terrestrial carbon footprint of outer space missions.

Note: *Outer space is considered a shared natural resource. The United Nations Committee on the Peaceful Uses of Outer Space (COPUOS) in 2019 adopted a set of 21 voluntary, non-binding guidelines to ensure the long-term sustainability of outer space activities.*

Read more: [India and Outer Space: Issues & Challenges – Explained, pointwise](#)

About the ‘Plan for Space Sustainability’

Aim:

-To set a global commercial framework for the insurability, licensing and regulation of commercial satellites.

-To reduce the cost for those who comply with the best sustainability standards and thus encourage a thriving ecosystem for the industry.

The plan also hopes to drive the sustainability factor internationally and provide an opportunity for the private sector to develop models that enhance operations’ safety and reduce debris footprint.

How does the plan propose to achieve space sustainability?

The U.K. calls for an **“Astro Carta” for space sustainability**, based on the Artemis Accords model for sustainable space exploration.

The plan proposes **a) Active debris removal and in-orbit servicing, b) Encouraging space research and the development of technology to ensure the reuse and recycling of satellites at every stage.**

Where does India stand on space sustainability?

India has always emphasised cost-effective and efficient missions with problem-solving applications. For example, India’s debris footprint is minuscule; India has 114 debris among the 25,182 pieces, of sizes larger than 10 cm, in the lower earth orbits. Apart from that, the recent activities of India on space sustainability are,

9 PM Compilation for the Month of July, 2022

1) **Project NETRA**: The Indian Space Research Organisation (ISRO) has initiated 'Project NETRA' to monitor space debris, **2)** Earlier this year, India and the U.S. signed a new pact for monitoring space objects at the 2+2 dialogue, **3) Increased private participation**: With **Indian National Space Promotion and Authorisation Centre (In-SPACe)**, India expects an increased role of the private sector in India's space activities, and

4) SPADEX: ISRO is developing a docking experiment to provide in-orbit servicing named SPADEX. It looks at docking a satellite on an existing satellite, offering support in re-fuelling and other in-orbit services while enhancing the capability of a satellite. Hence, the SPADEX can increase the longevity of a mission and also provide a futuristic option to combine missions/experiments.

Read more: [Indian Space Association \(ISpA\) – Explained, pointwise](#)

What should be done to achieve space sustainability?

1) A collective effort by all space players, with the active role of the UN COPUOS or the United Nations Office for Outer Space Affairs (UNOOSA), is needed to set equitable standards for the ease of activities, **2)** Many of the measures for sustainability are resource-consuming and expensive for medium-and-small space programs. Hence, there is a need for **addressing the principles and rules that guide the activities** in outer space with better clarity, and **3) Encourage the private sector with a set of sustainability guidelines** to ensure optimum utilisation of resources and increase the safety and productivity of missions

Read more: [Space Economy in India – Explained, pointwise](#)

11. [Lingering notes: Cash seems to have a logic-defying appeal. Digitisation may eventually lessen that](#)

Source: The post is based on the article “**Lingering notes: Cash seems to have a logic-defying appeal. Digitisation may eventually lessen that**” published in “**The Times of India**” on **5th July 2022**.

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

Relevance: To understand India's increasing cash holding.

News: In the last two years, the volume of UPI transactions rose over threefold to 46 billion in 2021-22. But concurrently, Indians still hold a relatively large share of the cash.

Read more: [RBI launches Digital payments index to track transactions](#)

Why India's cash holding is significant, and what are the global trends?

RBI estimates the **annual currency requirement** based on the forecast economic growth rate, inflation rate and disposal of soiled notes, among other things.

Present India's cash holding is one of the highest in the world in relation to GDP. For instance, India's currency per capita of Rs 22,752 is about 13% of per capita GDP. Currency in Circulation (CiC) as a proportion of GDP has also grown from 8.7% in 2016-17 to 13.7% in 2021-22.

A paper by ADB on the trend over 2000-18 in 11 advanced economies showed that Japan, Singapore, South Korea and the US showed a rising trend in CiC to GDP ratio. However, Denmark, Norway and Sweden deviated from this trend.

9 PM Compilation for the Month of July, 2022

Read more: [e-Rupi limit hike to promote offline digital payment push](#)

What is the reason for increased cash holding in India?

1) Big shocks such as Covid or the 2008 financial crisis trigger risk aversion among individuals. A consequence is an increase in cash holding, 2) Since 2019, India's inflation trajectory has trended upwards. This may partly explain the increase in CiC to GDP ratio to the pre-demonetisation level.

Read more: [Report card of demonetization after one year](#)

What should be done to reduce cash holding?

RBI should increase its focus on the digital payments landscape. Its policies should continue to be transformative at the grassroots level. Progress in digital mode will eventually loosen the grip of physical currency in payments.

Read more: [Digital Rupee: Advantages and Challenges – Explained, pointwise](#)

12. [Red signals for green laws](#)

Source: The post is based on article "Red signals for green laws" published in the Business Standard on 4th July 2022.

Syllabus: GS3 – Ecology and Environment

Relevance: Environmental Protection Laws

News: Recently, the Ministry of Environment, Forest and Climate Change (MoEFCC) has proposed to amend the environmental protection law; and air and water pollution laws.

About the proposals

The government wants to **decriminalize the provisions** to remove fear of imprisonment for "simple" violations, proposal to raise the penalty from Rs 1 lakh to Rs 5 lakh, instead of the imprisonment for the first default (originally up to five years).

For a repeat offence the penalty would become more interpretational. It will be treated as equivalent to the damage caused.

If the defaulter fails to pay both the original and additional penalty, then imprisonment would follow.

The aggrieved parties can appeal to the National Green Tribunal (NGT) against the adjudicating officer's order.

The government would create **an environment protection fund** where the penalty imposed by adjudicating officers under the amended rules will be deposited.

The fund will be used for the benefit of affected parties.

What are the issues?

The proposal's aim is to **dilute the penal provisions**. They would lead to loosening of the environment protection laws and establish a business-friendly regime.

India is facing ecological challenges. For example, the country is among the world's top **climate-induced disaster-hit countries**.

There are arguments to keep environmental protection laws as strict as possible.

9 PM Compilation for the Month of July, 2022

Traditionally, India has been adherent to the **principle of climate justice** and keeping **environment protection non-negotiable**.

What are the other government initiatives that seem to be great cause of concern?

In 2014, the government allowed factories to be set up in eight critically polluted belts.

The mid-sized polluting industries were allowed to operate within 5 km of eco-sensitive areas instead of 10 km.

The effluent norms for thermal power plants were eased. Further, ecologically sensitive areas (ESA) were denotified and coastal regulation zones (CRZ) were loosened.

The amendments to the Forest Act were proposed which aims to enable safaris, zoos, mining and other non-forest use on forest land.

The government has strengthened its role in **environmental decision-making bodies**. For example, it has reduced the number of independent members on the National Board for Wildlife from 15 to three.

The government also tried to take a bigger role in the appointment of the chairman of the NGT. However, the decision was stayed by the Supreme Court.

Way Forward

The balance between growth and environment sustainability should be maintained at all times.

13. A matter of import: On spectre of wider trade and current account deficits

Source: This post is based on the article “**A matter of import: On spectre of wider trade and current account deficits**” published in **The Hindu** on **5th Jul 22**.

Syllabus: GS3 – Indian Economy – Issues related to growth and development

Relevance: Boosting India’s exports

News: India’s monthly **merchandise trade deficit** hit a fresh record of \$25.6 billion in June, as per preliminary estimates released by the Commerce and Industry Ministry.

This is the third occasion in seven months and the second month in a row that the trade deficit has widened to all-time highs.

The trade deficit for Q1 adds up to a record \$70.25 billion, over two times higher than a year ago.

What is the situation wrt India’s exports and imports?

Exports

Four of India’s top 10 export items — engineering goods, cotton yarn, drugs and pharma and plastic products — contracted from a year ago.

Petroleum exports were up 98% from June 2021, but about \$0.7 billion lower than May 2022.

Imports

Even as exports growth slid, **imports surged** by over 51% to \$63.6 billion in June, crossing the \$60 billion mark for the fourth month in a row.

Coal imports, and petroleum inflows, drove nearly three-fourths of this surge.

9 PM Compilation for the Month of July, 2022

And although gold imports moderated from over \$6 billion that month to \$2.6 billion in June, they were still 169% higher than a year ago.

What are the associated concerns?

The tangible slowdown in exports, due to weaker global demand, is **unlikely to change much soon**, with recessions or sharp growth slowdowns expected in several developed markets.

Domestic demand for imports of oil, fertilizers, coal and even gold is largely inelastic, and elevated global prices for these will **continue to escalate the import bill** through this year.

The **weakening rupee will raise import costs** further. Analysts expect the rupee to scale the 82 to a dollar mark by the October to December quarter before recovering.

– Robust forex reserves notwithstanding, the persistent outflows of foreign capital from the financial markets have triggered concerns about the **balance of payments situation**.

The **current account deficit is expected to more than double** to around 3% of GDP this year from 1.2% in 2021-22.

Coal imports, are further expected to keep hitting record highs as the monsoon will affect domestic output.

Efforts by the govt

The Government has imposed a **windfall tax on crude oil production** that could help bridge concerns about the fiscal deficit.

It also **placed restrictions on petroleum products' exports** and **raised customs duties on gold imports** to 15% from 10.75%.

Policymakers must avoid missteps and domestic inefficiencies hurting exports must be reviewed urgently.

14. [The relentless march of FPIs to the exit gate](#)

Source: This post is based on the article “**The relentless march of FPIs to the exit gate**” published in **The Hindu** on **5th Jul 22**.

Syllabus: GS3 – Indian Economy

Relevance: Foreign Portfolio Investors (FPIs) exiting India, Impact of Russia-Ukraine war

News: FPIs have been on a selling spree in India. June 2022 witnessed the worst sell-off since March 2020 at ₹50,000 crore. This is the **second highest sell-off in a month** since 1993, after March 2020.

This comes on the back of May's sell-off figures of about ₹44,000 crore. June was also the ninth on the trot that FPIs sold more than they had purchased.

Their selling actions have triggered a **significant decline in benchmark indices**, resulting in a **drop in market capitalization** of companies.

What are FPIs?

Foreign portfolio investors are those that invest funds in markets outside their home turf.

Their investments typically include equities, bonds and mutual funds.

9 PM Compilation for the Month of July, 2022

They are generally **not active shareholders** and do not exert any control over the companies whose shares they hold.

The passive nature of their investment also allows them to enter or exit a stock at will and with ease.

What factors cause movement of the FPIs?

Promise of **attractive returns** on the back of economic growth draws investors, including FPIs into a country's markets.

FPIs also show keenness to **invest in bonds**. This happens when there is a favourable differential between the real interest rates on offer in the country they aim to invest in, and other markets, but more specifically, the U.S.

Why have FPIs been selling India holdings?

Due to the following factors, there has been a decline in confidence of robust economic performance of India. This has led to the FPIs exiting market investments over these past months.

Uneven recovery: Post-pandemic, recovery in the Indian economy has been uneven.

- The **second wave** of the COVID-19 pandemic in 2021 devastated lives and livelihoods.
- The economy stuttered again when a **third, albeit less severe, wave** saw the spread of the Omicron variant early this year.

Add to this the return of pent-up demand in economies worldwide as the pandemic subsided.

The **pace of recovery** caught suppliers off guard, contributing to supply-side shortages.

Russia-Ukraine war: As the industry was grappling with supply-side shortages challenge, came Russia's invasion of Ukraine.

- Sunflower and wheat supplies from these two nations were impacted, leading to a **rise in global prices** for these crops. As supplies in general tightened across the globe, commodity prices too rose and **overall inflation accelerated**.

Uncertainty of the industrial recovery: Industrial production has seen a bumpy ride without giving confidence of a full and final recovery from the pandemic.

- For example, the S&P Global India Manufacturing Purchasing Managers' Index (PMI) slid to 53.9 in June — the lowest level in nine months — from 54.6 in the previous month.

Consumption expenditure too has remained weak in the subcontinent.

U.S. Federal Reserve raised the benchmark interest rate starting March this year, in its battle against surging inflation.

- When the differential between the interest rates in the U.S. and other markets narrow, and if such an occurrence is accompanied by the strengthening of the dollar, then the ability of investors to realise healthy returns is impacted. For returns are measured not only by the value appreciation of assets but also by exchange rate changes.

In such a situation, the FPIs tend to exit assets seen as 'risky' such as in emerging markets like India, Brazil or South Africa.

9 PM Compilation for the Month of July, 2022

What impact does an FPI sell-off have?

When FPIs sell their holdings and repatriate funds back to their home markets, the value of local currency depreciates.

– After all, they sell rupees in exchange for their home market currency. As supply of the rupee in the market rises, its value declines.

The most telling impact is on the cost of India's crude oil imports that contribute to 85% of its oil needs.

15. [Making sense of Assam floods: Why rivers turned violent in the 20th century and how climate change is making them more unpredictable](#)

Source: The post is based on the article “**Making sense of Assam floods: Why rivers turned violent in the 20th century and how climate change is making them more unpredictable**” published in “**Indian Express**” on **6th July 2022**.

Syllabus: GS 3 – Disaster and disaster management.

Relevance: To understand the impacts of increasing floods in the northeast.

News: This year Assam floods disrupted normal life. The current cycle of flooding occurred in places that have not been flood-prone in recent years. This indicates that environmental factors unique to each locality are responsible for the floods.

Read more: [Here is what Assam can do to prevent floods](#)

What are the advantages of floods in the northeast?

Every year, the Brahmaputra and its tributaries transport billions of tonnes of sediment, mainly from the Eastern Himalayas. This raised the lowlands and regularly adjusted river beds.

Floods cause disruption and damage but they also generate a bounty of fish and rejuvenate flood-plain ecosystems all along the Brahmaputra, including in the Kaziranga.

The entire Assam landscape has been shaped over millions of years with the help of an active monsoonal environment and mighty rivers that carry sediments weathered from the still-rising Himalaya.

Must read: [\[Yojana October Summary\] The Himalayan Floods – Explained, pointwise](#)

What are the environmental factors responsible for increased Assam floods?

Two coupled ocean-atmosphere phenomena combined to create high rainfall in the Bay of Bengal.

a) La Niña in the Pacific, and **b)** A negative dipole condition in the tropical Indian Ocean.

To add to that, a warmer atmosphere because of climate change can hold more moisture leading to intense bouts of rain.

All this made Parts of the Northeast to experience a month-and-a-half of rains in 10-12 days. But there is no standard pattern for the recurrence of mega, unpredictable floods. In the last century, they occurred in 1934, 1950, 1954, 1955, 1966, 1988 and 2004.

How human footprint intensified floods in the northeast?

From an estimated 11,000 people in 1901, Guwahati now is home to close to 1.1 million people. Almost all cities witnessed an increase in population. As the human footprint intensified on the floodplains, the landscape was increasingly “developed and engineered”.

9 PM Compilation for the Month of July, 2022

The engineered and planned landscape has affected the floodplains in two ways: **1)** It has undermined their ability to store and absorb water and **2)** Reduced floodplain capacity to transport sediment.

Human interventions to “tame” rivers and “stabilise” hydrologically dynamic landscapes and riverscapes by building **dams and reservoirs**. But the operation of dams and reservoirs has also devastated the floodplains.

Read more: [Uttarakhand Floods: Respect Himalayan landscape if you want to preserve it, say experts](#)

What should be done?

Northeast India has fragile geology, changing rainfall patterns, and high seismicity and also face the risk of landslides. Along with the rapid transformation in rainfall characteristics and flooding patterns demands **building people’s resilience**.

Construction projects that impede the movement of water and sediment across the floodplain **must be reconsidered**.

Climate-imposed exigencies demand **new paradigms of early-warning and response systems** and securing livelihoods and economies in the northeast.

16. [Indian aviation needs a strong and steady tailwind](#)

Source: The post is based on an article “Indian aviation needs a strong and steady tailwind” published in the “The Hindu” on 6th July 2022.

Syllabus: GS 3 Infrastructure, Transport Sector

Relevance: Aviation Sector and Industry

Context: Since 1991, India has witnessed radical changes in various sectors including the airline sector like the no. of airlines has grown from Air India and Indian Airlines to many more. But still, the aviation sector has been struggling on various fronts.

The Aviation Sector since 1991 Reforms

The reforms opened up the aviation sector, ended the licence raj and the monopoly of Indian Airlines and Air India.

In 2003, the **concept of low-cost airlines** overcame the cost barrier and the common man could think of flying.

Importance of Aviation Sector

The **aviation sector** is integral to **economic growth**. It can make India **globally competitive**.

It is important for **balanced regional growth**. For example, Passenger airlines and air cargo overcome geography and connect remote areas which are alienated from the mainstream.

It can **boost tourism**, which is the **largest employment generator** in the unorganised sector. This will resolve the issues of poverty and unemployment in India.

Air cargo integrated with road, rail and port infrastructure is the backbone of a growing economy.

Why has Indian aviation become ‘the sick man of India’?

9 PM Compilation for the Month of July, 2022

There are **choking regulations**, tough entry barriers for new entrants, high fuel prices on account of sky-high taxes etc.

There are **inefficient public sector airports** which have monopoly in the airport segment. Due to this, there is **absence of robust competition**, and as a result, the airports are extortionist in nature.

There is an absence of **a long-term visionary strategic policy** not just for airlines but also for the entire gamut of sectors in aviation. The government resorts to frequent and knee-jerk actions.

India's **air cargo growth** is also languishing. For example, Hong Kong airport alone handles more cargo than all of India's over 100 airports put together.

India's aviation fuel taxes both at the State and central level are among the highest in the world.

India has **mega airports** which do not connect **rural** and **small towns** from the large metros. India's '**Ude Desh ka Aam Naagrik (UDAN) initiative**', has failed to bring much **regional connectivity** due to barriers like prohibitive costs in India.

India's MRO segment is in a dismal state. High customs, other duties and tortuous rules make it difficult to bring in parts, to facilitate repair and overhaul, etc. Indian Airlines send their aircraft to major MROs abroad like in Dubai, Singapore or Germany.

Further, it is to be mentioned that India's **charter business** has remained stagnant.

There are thousands of **pilots** and **technicians** unemployed in India. And Indian airlines have to look for **foreign pilots** and **engineers**. This pushes up costs in the process.

India's **Aircraft Act, 1934** and **Aircraft Rules, 1937** has not kept pace with modern technology in aerospace. This has increased costs to the industry and ultimately affected passenger growth.

Way Forward

India needs **entrepreneurs** in the aviation sector because they **have revolutionary ideas**. They are the driving force in **hi-tech companies**. They are disrupting many conventional businesses. Therefore, this force must spread to other areas including the aviation sector. The Indian government should leverage the '**Start-up India**' initiative.

India needs reforms in all areas of aviation, i.e., **air cargo, airports, aviation fuel taxes and Maintenance, Repair and Overhaul (MRO)**.

India's statutory regulatory authority, the **Directorate General of Civil Aviation (DGCA)** needs to be modernised, well-staffed, motivated and incentivised. It should be headed by **aviation professionals** rather than by bureaucrats from the Indian Administrative Service(IAS).

India has an **inexhaustible market**. The government should increase the figure of 4% who now fly to 50% in the next two decades.

9 PM Compilation for the Month of July, 2022

17. [Taking stock of five years of GST](#)

Source: The post is based on the article “**Taking stock of five years of GST**” published in “**The Hindu**” on **7th July 2022**.

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

Relevance: To understand the impacts of GST on inflation.

News: The Goods and Services Tax (GST) has completed five years in existence. It was said that GST would be a boon to the economy in terms of higher revenue buoyancy, lower inflation, higher revenue, higher growth, and so on. But five years after implementation India is still facing higher inflation levels.

Must read: [Five Years of GST: Achievements, Challenges and Way Ahead – Explained, pointwise](#)

What is the theoretical impact of GST on inflation?

Firstly, the revenue-neutral rate (RNR) is calculated so that it would not cause higher inflation. But revenue neutrality does not mean that prices would be maintained in the economy. This is because the weight of goods in the consumption basket and their contributions to indirect tax collections are not the same.

Secondly, the effect of GST on the prices of certain goods and services depends on the structure and design of taxation, such as the level of exemptions, the rate structure of GST, the weight of goods and services in the CPI basket, the tax base, the efficiency of the administrative machinery, and so on.

Thirdly, in a 2017 report, the RBI showed that about half of the groups of items that GST covers are not in the CPI basket. So, the effect of GST on prices was expected to be small.

Finally, prior to the GST implementation, it was expected that prices would go down because GST harmonises indirect tax rates and eliminates the cascading effect.

Read more: [GST: Five years stronger](#)

What is the actual impact of GST on inflation?

During the 12 months preceding GST implementation, the Consumer Price Index (CPI) inflation was 3.66%, while it increased to 4.24% post-GST in the next 12 months. A similar pattern was observed in Australia, New Zealand, and Canada. This is because,

First, rise in the tax rate of some goods and services, the inclusion of business activities that were not taxed earlier, or the market structure. This would result in higher prices since the firms would pass on the cost to the consumers.

Second, when market power increases, prices increase, and profit also increases. Further, taking advantage of market power, it is possible that most firms would have passed the taxes to end consumers, resulting in a cost-push inflationary impact of the GST.

GST is found to have a significant **positive impact on inflation of commodity groups** such as paan, tobacco and intoxicants, clothing and footwear, housing, and miscellaneous sectors (mainly consisting of services).

Must Read: [Goods and Services Tax at five: The new regime’s journey so far](#)

9 PM Compilation for the Month of July, 2022

To be precise **GST implementation has resulted in a decrease in inflation of food items and raised inflation of non-food items** such as CPI, paan, tobacco and intoxicants, clothing and footwear, housing, miscellaneous, and non-exempted food and beverages.

What should be done to check the GST's inflationary impact?

It is witnessed profiteering in select segments after GST. To pre-empt this possibility, the government set up the National Anti-profiteering Authority (NAA) to ensure companies did not use GST as an excuse to raise prices. NAA should monitor the prices of critical or essential goods and services to see the price impact of GST.

Similarly, the Competition Commission of India should observe anti-competitive producer behaviour that hurts consumers via excessive price increases. These measures may ensure that producers do not take advantage of the GST.

18. [India-EU: global dynamics](#)

Source: This post is based on the article "**India-EU: global dynamics**" published in **The Indian Express** on **7th Jul 22**.

Syllabus: GS3 – Environment

Relevance: Transition towards clean energy

Context: Both India and the EU are committed to climate change, and the recent progress in India-EU alliance opens prospects of a customised partnership and mutual growth.

Carbon neutrality and European Union

At the forefront of the commitment to net-zero is the European Union, which wants to be the **first carbon-neutral region in the world** by 2050.

It brought out the '**European Union Green Deal**' in July 2021 to focus on a new growth strategy. It aims to transform the EU society into a fair and wealthy one with a modern, resource-efficient and competitive economy.

What has the EU done to achieve carbon neutrality?

To attain carbon neutrality, the EU has set forth immediate targets and has brought out the '**Fit-for-55**' package, a communication of its 2030 climate targets.

– A provision in the policy plan is the introduction of **Carbon Border Adjustment Mechanism (CBAM)**, a carbon-pricing system proposed for imports into the EU. The CBAM suggests taxing the imported goods-based difference between carbon used in the production of domestic and imported goods.

– CBAM is proposed to be complementary to the EU Emission Trading Scheme (EUETS)

What are the concerns regarding CBAM?

Developing countries have raised their concern on the b pointing out its conflict with WTO and UNFCCC norms, and are afraid that it encourages protectionism.

Developing countries also flag the use of **revenue collected from CBAM**.

– According to the EU, revenue collected from CBAM will be a part of the EU's budget, the **NextGenerationEU**, a recent initiative launched to provide economic support to EU member countries impacted by the COVID-19 pandemic.

9 PM Compilation for the Month of July, 2022

– Countries opposing the proposed revenue utilisation mechanism suggest that if CBAM is to be implemented, revenue collected from it should be used for cleaner technology adoption in developing countries.

Trade relationship b/w India and EU
India and the EU share a healthy trade relationship.

The EU is India's **third-largest** trading partner, while India is EU's 11th largest trading partner.

Recently, there has been **increasing initiative from both sides to deepen engagement** with each other.

Talks on India-EU Free Trade Agreement (FTA) that were stalled a while ago have **picked up again** and are scheduled to take place in June. The target to finalise the Free Trade Agreement has been set for 2023-24.

Way forward

Both India and the EU are committed to climate change. Rather than taxing exports to EU as proposed in CBAM, India and EU can cooperate better by investing in cleaner and greener technologies in India and helping in cleaning up production in India.

Such a partnership will ensure that both India and the EU have their agendas of economic growth and sustainability fulfilled, a win-win situation for both entities.

19. [Improving the odds for 5G](#)

Source: The post is based on the article “**Improving the odds for 5G**” published in “**Business Standard**” on **7th July 2022**.

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

Relevance: To understand the way to improve the 5G spectrum.

News: Recently, the government announced 5G spectrum auctions and limited E-Band backhaul allocation. Two bands of 250 MHz of E-band spectrum (70-80 GHz) are to be assigned to each telco that wins the 5G spectrum. But this is confusing, as there are 10 GHz available.

What is a Spectrum Auction?

[Click Here to read about it](#)

What are the challenges with India's Spectrum allocation?

Restricting capacity: In other countries such as the US or the EU, policies are framed to enable usage of the full 10 GHz at a minimal cost. This provides flexible capacity for much higher output. But a self-imposed constraint by the government will restrict the capacity of telcos.

Even the spread of 4G small cells is constrained in India, thereby reducing efficiency and productivity.

Discriminatory allocation of spectrum to non-telcos: Private companies will apparently be allotted spectrum on preferential terms compared with telcos. The Organisation for Economic Co-operation and Development countries.

Note: Wireless backhaul is the use of wireless communication systems to transport data between the internet and subnetworks. It can help an organization or mobile network to eliminate the need for physical cabling.

9 PM Compilation for the Month of July, 2022

Limit India's 5G capability: Limiting wireless backhaul or pricing it high will cripple 5G and even 4G. This is because wireless backhaul will not be deployed extensively if the cost is prohibitive.

Without extensive wireless backhaul, the access spectrum from auctions cannot be fully utilised because of limited direct fibre connectivity.

Read more: [Opportunities and challenges associated with the launch of 5G Spectrum in India](#)

What should be done?

Enable telcos to use available resources: This will increase productivity and efficiency.

Follow the US, the EU, and the UK in E-band backhaul allocation: These include non-exclusive nationwide licences, with mandatory coordination and link registration (usually through a geolocation database).

Setting up and institutionalising processes: Indian authorities need to focus on setting up and institutionalising processes such as non-exclusive licensing to telcos, and the mechanism of geolocation databases for backhaul spectrum for mandatory coordination and registration.

Increase gigabit wireless links: Policies need to be framed to help build and grow gigabit wireless links to reinvigorate the sector and recover the trajectory and contribution. For instance, India can replicate “Square Mile” concept in London.

Read more: [Analysing spectrum auction](#)

“Square Mile” approach: In 2017, London initiated a project for providing free public gigabit Wi-Fi throughout Square Mile. The design incorporated 4G small cells for better connectivity.

The backhaul uses a self-organising millimetre wave (mmWave) mesh as a “neutral host” that enables use by multiple operators. The mesh gives all service providers gigabit backhaul and access applications at 12Gbps with its 60GHz mmWave access and backhaul.

Allocate spectrum equitably: There are only three serious telecom operators in India. Hence, the spectrum can be allocated equitably to all three without auctions. The funds diverted to auctions could then be invested in networks, and collections from revenue sharing are likely to far exceed collections from auctions.

Mandatory infrastructure sharing: Operators should share infrastructure with one neutral host network, or two competing networks owned by different consortiums.

Must read: [5G Impact: Traffic To Teaching, Factories To Farming](#)

20. [Shahida, Aura & Stories Of Two Markets](#)

Source: The post is based on an article “Shahida, Aira & Stories of Two markets” published in the Times of India on 7th July 2022.

Syllabus: GS3 – Inclusive Growth

Relevance: Female Labour Force Participation

News: In recent times, a number of surveys from the government and from private organisations like CMIE were released about the women labour force participation rate.

9 PM Compilation for the Month of July, 2022

What is the situation wrt women labour force participation rate in India?

Indian women's labour force participation is **one of the lowest** in the world.

Further, jobs done by most women are found to be in the informal sector.

What are the issues in women's labor force participation?

Most of the women do work out of **compulsion**, not by **choice**. For example, Shahida worked by compulsion because her husband fell chronically ill and could work no more. So Shahida had to find work.

There is a widening gap in **women's work participation**. The reasons are complex.

The government cannot reduce these gaps through job reservations or tax incentives to employers for hiring women because the problem is deeper.

Way Forward

(A) Role models

– Story of Shahida, a 21-years old self-employed e-rickshaw driver who lives in eastern Uttar Pradesh.

She received a day-long training to drive the e-rickshaw and change its tyres with the help of an NGO. Now she runs a e-rickshaw on rent.

– Aura, a cancer survivor,

She emigrated from Colombia to the US. She has a fulltime job, as a cleaner in a building at an educational facility. She also has social security like health insurance.

Further, on weekends, she cleans houses to supplement her income.

(B) There should be a change in **gender norms** that allow and expect a woman to **take charge of her life**

21. [Air pocket: Show cause to SpiceJet overdue. DGCA has to be more proactive on safety](#)

Source: The post is based on the article "**Air pocket: Show cause to SpiceJet overdue.**

DGCA has to be more proactive on safety" published in "**The Times of India**" on **7th July 2022**.

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

Relevance: To understand aviation safety in India.

News: India's civil aviation regulator [Directorate General of Civil Aviation\(DGCA\)](#) issued a show-cause notice to SpiceJet after reviewing a series of incidents. DGCA has concluded that the airline had poor internal safety oversight and inadequate maintenance.

Consequently, there's been a degradation in safety margin. There have been at least seven instances reported since May. For example, the Delhi-Dubai flight had to be diverted to Karachi after a snag.

Read more: [Year End Review -2021- Ministry of Civil Aviation](#)

9 PM Compilation for the Month of July, 2022

About the air accidents in India

The Government informed Rajya Sabha that there have been investigations into 49 air accidents since 2016. The findings showed that the main reasons for accidents were **a)** A failure on the part of the cockpit crew to stick to standard operating procedures, **b)** Technical defects and **c)** Factors related to the weather and ATC.

In 2013-14, the **US Federal Aviation Authority** decided to **downgrade Indian civil aviation from category I to category II** after an audit brought out shortcomings in safety and maintenance. It had an adverse impact on the international plans of some Indian carriers.

Read more: [Understanding bird strikes and aviation safety](#)

How DGCA can improve aviation safety?

DGCA primarily deals with safety issues. DGCA's primary responsibility is to take timely action to make sure that Indian flyers are guaranteed safety standards that match the best. That requires being proactive when problems are at a nascent stage.

Read more: [Indian aviation needs a strong and steady tailwind](#)

22. [Just Fine – On amending environmental laws](#)

Source: This post is created based on the article **“Just Fine – On amending environmental laws”** published in **The Hindu** on 8th July 2022.

Syllabus: GS Paper 3 – Indian Environment – Environment Degradation and Protection

News: Union Environment Ministry has proposed an amendment to the sections of key environmental legislation.

Read: [Government's Proposal to amend the environment laws and associated issues](#)

What is the current legal framework, and what is the proposal to change?

India's present environment regulatory framework ensures that natural resources are not exploited unnecessarily and polluters are punished.

The **present framework punish violators by imprisonment up to five years** or with a fine of up to one lakh rupees, or both. There is also a provision for the jail term to extend to up to 7 years in case of repeated violations. It deters or discourages the violators from harming the environment.

However, the proposed amendments are looking for **simple monetary fines** instead of imprisonment for simple violations. However, it retains imprisonment as punishment for the grave injury to the environment.

(Read more in the article link given above)

Could fines act as a deterrent against pending cases?

A monetary fine is not a unique proposal given in India. Research on environmental crime in the United States and Europe suggests that fining is the most common mode of punishment.

Indian courts took between 9-33 years to clear a backlog of cases for environmental violations. In 2018, close to 45,000 cases were pending for trial and in that very year, 35000 more cases were added.

Fines could theoretically help with faster redress. However, **large environmental fines will continue to be contested in courts**, adding to the prevailing practice of tardy justice.

9 PM Compilation for the Month of July, 2022

The threat of imprisonment might have acted as a deterrent in India, where the effectiveness of environmental regulation is under par.

23. Defending the rupee

Source: The post is based on an article “**Defending the rupee**” published in the **Business Standard** on **8th July 2022**.

Syllabus: GS 3 Indian Economy;

Relevance: Macroeconomic Conditions; Stabilization of the Indian Rupee

News: The **Indian rupee** and the **currencies across** the world, including in the developed economies, are under pressure. The Indian rupee has depreciated by about 4.4%. Therefore, the **Reserve Bank of India (RBI)** has announced measures.

The RBI's foreign exchange reserves have come down by over \$37 billion since the beginning of the year. Therefore, the RBI aims to boost **foreign exchange inflows** to support the Indian Rupee.

What are the reasons behind the RBI decision?

The rupee is under pressure because of a variety of reasons. They are as below:

- (1) Higher commodity prices and increasing imports have pushed up demand for foreign currency.
- (2) In June 2022, the trade deficit expanded to \$25.6 billion. The current account deficit (CAD) is expected to cross 3 percent of gross domestic product this fiscal year.
- (3) India is witnessing **large outflows** on the **capital account**. The FPIs (Foreign Portfolio Investors) have been selling Indian assets on account of **rising risk aversion** in the global **financial system** as well as increasing **interest rates** in the US. **For example**, the FPIs have taken out over **\$30 billion** since the beginning of the year, from India.

What are the measures that RBI is taking, to control the fall in currency value?

Following are some of the measures announced by RBI:

Banks will be exempted from maintaining the CRR and SLR for incremental non-residential external and foreign currency non-resident bank deposits for a limited period.

Banks have been given more freedom in terms of offering interest rates on the above-mentioned deposits.

The rules for FPIs in the debt market have been relaxed. The Indian firms have been allowed to borrow abroad in more liberal terms.

Why would the above steps have a limited impact?

At present, there is a **global environment** for the **overall global risk aversion**.

The companies may not be willing to **borrow** abroad because of the pressure on the rupee.

The **overall policy direction** may end up increasing risks. It may not be a wise step to increase the foreign debt of short-term nature, in order to defend the currency.

The global environment is likely to **remain uncertain** for some time. Therefore, the RBI's move to defend the currency may become increasingly costly and perhaps unsustainable.

9 PM Compilation for the Month of July, 2022

The Way Forward

The RBI has **ample reserves (\$593 billion)** to quell **excess volatility**. Therefore, it should allow the **rupee** to depreciate in an orderly way. It would benefit in the following ways:

- (1) It would protect the **tradable sectors**
- (2) It would also make **Indian assets** more attractive to foreign investors
- (3) It will help stabilize the **overall external account** and the **currency**.

Further, the RBI should address the inflation problem through monetary policy.

In addition to the above, the RBI should encourage firms to hedge foreign currency risks.

24. [Out on a wing – On Issues Faced by Indian Airlines](#)

Source: The post is based on an article “Out on a wing” published in the Business Standard on 8th July 2022.

Syllabus: GS 3 Infrastructure, Transportation Sector

Relevance: issues in Indian Aviation industry

News: The **Directorate General of Civil Aviation (DGCA)**, has issued a **show-cause notice** to SpiceJet airline for its “failure to establish safe, efficient and reliable” services.

In recent months, SpiceJet aircrafts have witnessed **eight malfunctions** in 18 days. Consequently, the aircrafts either had to turn back or land at their destination “with degraded safety margin”.

In addition to the above, the SpiceJet airline also suffered **three technical problems** in 24 hours, recently.

SpiceJet is not the only airline that is facing such problems. In Recent days, aircraft of Vistara, the Tata-Singapore Airline-owned carrier, suffered engine failure on landing in Delhi from Bangkok.

Is the DGCA’s move rationale?

As per some experts, **three technical glitches** do not amount to a crisis. On an average, 30 incidents of go-arounds, diversions, technical snags and medical emergencies occur in a day, but few of them have safety implications.

The DGCA took **a long time** to take action. Further, it has **restricted** itself to a **show-cause notice** that does not prevent the carrier from continuing operations.

What are the causes behind slipping safety standards?

This has happened because the **aircraft carriers** are following **challenging turnaround times**, i.e. one after another flight within a short period of time. This is being done to maximize profits after a pandemic-induced slowdown.

Further, the expansion of Indian domestic airlines for international operations is adding a burden upon them.

What should be done?

As per the Civil Aviation Minister, even the smallest error hindering safety should be investigated and course correction measures should be taken soon.

9 PM Compilation for the Month of July, 2022

The DGCA should impose more **vigilance measures** and **stringent consequences** on airlines for such incidents, even if they do not result in casualties.

25. [Barring restaurants from levying service charge is unfair, reeks of discrimination](#)

Source: The post is based on an article “Barring restaurants from levying service charge is unfair, reeks of discrimination” published in the Indian Express on 8th July 2022.

Syllabus: GS 3 Indian Economy, Government Industrial Policies

Relevance: Service Charges and Issues in the Hospitality Industry

News: In recent days, the **Central Consumer Protection Authority (CCPA)** issued guidelines wherein it has barred hotels and restaurants from **levying service charges** on the food bills of the customers.

What is the service charge?

A service charge is a charge linked to the sales of the restaurant, which is independent of wages. It isn't revenue for the restaurant since it is distributed among workers.

What are the arguments for the continuance of the service charge?

The **SC (Supreme Court)**, **HCs (High Courts)**, the **National Consumer Disputes Redressal Commission**, and the **Income Tax Appellate Tribunal** has upheld the **legality of levying of service charge** in various judicial pronouncements.

The different businesses have **different pricing models**.

Service Charge formalizes **equitable and fair distribution** among the restaurant's workforce. Restaurants have many people working in the background that do not interact with the customer. These workers have a **distinct disadvantage**, from an **earning perspective**, in comparison to workers who interact with customers (getting tips or other incentives).

Service charge induces **price transparency** to the customer as well as the **restaurant worker**. There are **different costs** for dine-in, takeaway, and delivery services for a particular restaurant. So, in addition to a **baseline menu price**, a uniform service charge adds transparency to the pricing system.

If the service charge is removed, the restaurants will have to increase the **menu prices**. Further, the **restaurant owners** will have to **renegotiate rental contracts** because of the **butterfly effect**. This is because, nowadays, other than the fixed rent, the restaurants also enter into “**revenue share**” clauses built into their **lease contracts**. Service charge is kept outside the mandate of shared revenues. But, if the service charge would be included in the menu, it will have to be shared, accordingly.

There has to be a **robust conversation around** service charges as it actually helps restaurant workers to earn their fair share and further, it also **optimizes operations** for a business owner.

9 PM Compilation for the Month of July, 2022

26. Welfare of the urban poor cannot be an afterthought in economic growth plans

Source: The post is based on an article “**Welfare of the urban poor cannot be an afterthought in economic growth plans**” published in the **Indian Express** on **8th July 2022**.

Syllabus: GS 3 – Inclusive Growth

Relevance: Urban Poor Wellbeing

News: In recent period, many migrants have come back to cities in search of work. They went back to their villages during the covid pandemic-induced lockdown.

What are the issues facing the urban poor?

The **social protection-related registration** of informal workers has increased, but the nature of opportunities continues to be insecure.

At present, **mechanisation** is resulting in the greater displacement of people dependent on farms.

The trail of migrants in search of livelihoods is going to increase in the coming future. For example, half of India is expected to **urbanize by 2030** and at least half of that population would be such migrants.

There are challenges of access to **public services**, for migrants in urban areas. For example, healthcare costs have gone up, and the cost of essential commodities, other than free food grains, has also increased. Further, nearly half the urban population does have access to cheap food grains under the **National Food Security Act (NFSA)**.

Most migrants including **domestic help** received lower than the **minimum wages** in the urban areas.

India’s large cities are among the **most segregated**. This is in contrast to **B R Ambedkar’s** hope that urbanisation will break caste hierarchies.

What can make the lives of the urban poor better in the short to medium term?

(1) There is a strong case for **elected leadership in urban local bodies (ULB)** at the **slum cluster level**. The **Article 243S (5)** of the Constitution allows the State Legislature(s) to make provision for the **Constitution of Committees** in addition to the **Ward Committees in a ULB.** Therefore, the government can establish such a committee at the level of **basti** or the **slum cluster**.

(2) In addition to the **portability** of names and **cards** to access grains, there is a need to identify the deprived households without access to the NFSA list. This can be done through a **participatory identification** of the poor through a community connect process. Further, **non-entitled beneficiaries of NFSA** should also be deleted.

(3) After the identification of the deprived households, the **special community connects campaigns should be started** to ensure access to **social welfare schemes**. For example, LPG connection, bank accounts, etc.

(4) The government should form **SHGs** of the deprived households under **the National Urban Livelihood Mission**. Access to credit for diversification of livelihoods should be promoted.

(5) The government needs to establish **Migration Support Centres**, for easing the arrival process of migrants to cities in search of work. Here, services for easy rental housing, etc. be provided.

9 PM Compilation for the Month of July, 2022

(6) There is a need for **skilling, upskilling, and re-skilling** poor households in ways that enable them to combine work with skill **up-gradation**. In addition, apprenticeships should be provided.

(7) The urban local bodies set up specially **designated teams** for the poor. They can increase property tax for it. To implement it, the ULB requires governance reforms and professionals with specialized skill sets.

(8) The government should leverage census towns and many rural growth clusters that were developed as part of the **Rurban Mission**. They can be developed as **robust growth centres**. Specific economic activity can be started at the clusters.

(9) Efforts should be made for **human development** through the improvement of schools, health facility expansion, etc. **The Atmanirbhar Health Infrastructure Yojana** has been launched, which has prioritized strengthening **urban health centers** and the creation of **frontline health teams**.

(10) There is a need to enforce **minimum wages**. For example, domestic help needs support for wages.

(11) Master Plans must factor in the **housing, wellbeing, and welfare needs** of the working class or the **urban poor**.

To make rapid economic progress, India needs to improve the **well-being** of the workforce that migrates to cities in the hope of a better life.

[27. A plan that is much more than just planting trees](#)

Source: This post is created based on the article “A plan that is much more than just planting trees” published in The Hindu on 9th July 2022.

Syllabus: GS Paper 3 – Environment – Degradation

Context: Forest Landscape Restoration can help in regaining ecological functionality and improving human welfare.

In today’s world, forests need to be celebrated more than ever before. Simultaneously, more forests need to be created and restored.

Deforestation and forest degradation contribute to around 12% of global greenhouse gas emissions. The total area occupied by primary forests in India has decreased by 3.6%.

Many efforts are ongoing for tree plantation, like under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and Van Mahotsav. The history of Van Mahotsav goes back to July 1947, when it was first organized by the Punjabi botanist, M.S. Randhawa.

However, there is much debate about the efforts around tree planting.

Generally, governments rely on afforestation and reforestation for growing trees on non-treed land. Now, these strategies have evolved to forest landscape restoration.

What is Forest Landscape Restoration (FLR)?

FLR is the process of **regaining ecological functionality and improving human welfare** on deforested or degraded forest landscapes.

It involves communities when the interventions are designed and executed for the up-gradation of landscapes.

9 PM Compilation for the Month of July, 2022

This process ensures the diversity of the native tree species during plantation. As diversity results in more efficient carbon-sequestering than monoculture tree plantations. Moreover, it is beneficial for the livelihood of local communities. For example, in Punjab, native tree species like Jhand (*Prosopis cineraria*), Desi Kikar (*Acacia nilotica*), and Pharwan are being planted. Most of these saplings have a high survival rate of 90%, which is very important for sustainable reforestation.

Nearly two billion hectares of degraded land in the world (and 140 million hectares in India) can be restored as forest land.

What are the benefits associated with Tree Plantation?

Environmental benefits

Influencing the carbon cycle and mitigating the effects of climate change. Annually, forests absorb roughly 2.6 billion tonnes of carbon dioxide. It is 33% of the total CO₂ released due to fossil fuel burning.

Regulating the ecosystem.

Community benefits

Planting trees is deeply linked to the **'wholistic' well-being of all individuals, the community, and the planet.**

First, Forests function as a resource base for goods and services for local communities.

Second, Forests are beneficial for agrarian cultures. According to academics from the World Resources Institute, forest ecosystems enrich soil fertility and water availability, and enhance agricultural productivity.

Third, Tree planting prevents erosion and stems flooding.

Fourth, Sustainable forest crops reduce food insecurity. It empowers women and allows them to gain access to more nutritional diets and new income streams.

Fifth, Agroforestry lessens rural-to-urban migration by increasing resources and household income.

Forest Restoration programs by India and the world

The period of 2021-2030 has been declared as the UN Decade on Ecosystem Restoration.

Bonn Challenge: Launched in 2011, with a global goal to restore 150 million hectares of degraded and deforested landscapes by 2020 and 350 million hectares by 2030. India joined it in 2015, with the pledge to restore 26 million hectares of degraded and deforested land by 2030.

Green Skill Development Programme: The program has been launched for the youth, looking for employment and livelihood in the forests and environment.

Telangana has initiated a large-scale tree planting program called 'Telanganaku Haritha Haram'.

What are the hurdles in Forest Restoration?

Identification of areas for restoration,

A lack of importance accorded to research and scientific strategies in tree planting,

Conflicts of interest among Stakeholders, and financing

9 PM Compilation for the Month of July, 2022

What should be done?

Forest landscape restoration must be implemented proactively.

The stakeholders including the community, champions, government, and landowners need to be involved in the process.

All reforestation efforts should consider the local socio-economic context and landscape history of a region.

Vulnerable forest-dependent communities should be included.

The example of the Punjab's Mansa district should be repeated everywhere in the country.

28. [Beating the heat](#)

Source: This post is created based on the article “**Beating the heat**” published in **The Hindu** on 9th July 2022.

Syllabus: GS Paper 3 – Environment – Climate Change

Context: Rising temperature is becoming a bigger problem with the days going by. Adapting to and mitigating this challenge is the need of the hour.

The planet's temperature is rising consistently. Furthermore, an analysis of public weather data suggests that **Monsoon temperatures are 0.3 °C higher than average summer temperatures** when compared from 1951-80. From 2012-2021, this anomaly rose to 0.4 °C. Whereas, **India's average temperature has risen 0.62 °C from 1901-2020**. However, it does not mean a uniform rise in temperature across seasons. Temperature is rising more during winter (January and February) and post-monsoon (October-December).

From 2015-2020, 2,137 people reportedly died due to heat stroke in northwest India. While, southern India had reported 2,444 deaths due to excessive environmental heat, with Andhra Pradesh accounting for over half the reported casualties.

The **urban heat island effect** is contributing to this stress. This phenomenon happens because of concrete surfaces, and dense populations tend to on average be hotter than rural habitations.

What are steps taken by the government to handle heat stress?

Some states, led by Gujarat, have **Heat Action Plans** (HAP).

The National Disaster Management Authority is working with 23 out of 28 heat-prone States to develop HAPs. **HAPs stress changes in the built environment by:**

First, using material that keeps the indoors cooler

Second, having an early warning system about heatwaves

Third, improving health infrastructure to treat heat stroke patients.

What should be done?

Governments should take steps to plan infrastructure and housing in ways that recognize the dangers of a warming environment.

India should include financial incentives for effective cooling plans, preferably via Budget outlays.

9 PM Compilation for the Month of July, 2022

29. Revving up in low gear: The paradoxes in India's transport sector

Source: The post is based on an article “**Reviving up in low gear: The paradoxes in India's transport sector**” published in the **Business Standard** on **8th July 2022**.

Syllabus: GS 3 Infrastructure; Transportation Sector

Relevance: Transportation Sector; Logistics

News: The transport sector is growing leaps and bounds in terms of infrastructure, with huge investments. However, the sector is not producing enough sustainable revenue.

Various measures are taken by the government to improve the transportation sector Indian Railways (IR)

IR is investing close to 1% of GDP annually. It is a better investment than ever before. Introduction of “**semi-high speed**” **passenger trains, Vista dome coaches** on scenic routes, and other major programs are being taken up for upgrading railway stations.

Airways

In the recent past, it has been noticed that **no Indian airline** is making money. This will create further pressure on fares and therefore more losses

There have been a lot of “**incidents**” in the aircrafts which has raised concerns about safety.

Further, the staff of Indian airlines is facing **pay cuts**. In addition, the airline sector is also facing the wrath of **high oil prices** and **high taxes**.

Railway Sector

The **dedicated freight corridors** have made **slow progress**. There has been a massive overshoot in the initial cost estimates.

Annual railway investment is now as much as revenue. Almost none of the investment is from **operational surpluses**. The bulk will come as **budgetary support**. Therefore, it could translate into **mounting debt**.

Roadways

The government is aggressively promoting **expressways, inter-modal traffic nodes, and port linkages** to address India's perennial infrastructure deficit.

As per data, truck traffic is reported to have **speeded up** on the **new highways**. The introduction of GST has speeded up the process.

Its annual investment is about half what it is for the railways (or 0.5% of GDP).

There is an imbalance between **revenue** and **investment**, the latter being about nine **times earnings**.

The distance moved in a day by the average truck remains well below what it is elsewhere.

The investment is being done out of the **Budget**, and that too without taking into consideration the primary metric of **return on investments**.

What are the issues in India's transport sector?

It has been witnessing stagnant traffic trends vis-a-vis passenger traffic & freight traffic and poor or negative returns.

9 PM Compilation for the Month of July, 2022

Further, the sector demands unprecedented levels of investment in the coming future. But there is an imbalance between **revenue generation** and expenditure.

What should be done?

The government has been **investing** in all **forms of transport**. The results of that investment would be visible in the **next two-three years** in the form of **transformational change** in the air, on highways and expressways, and on the railways.

Substantial **private funding** is required for the transport infrastructure.

Further, the **traffic growth** should justify the investment. Otherwise, the government's asset monetization program will not deliver the expected outcomes.

30. [Delayed payments for small firms stifle economic growth](#)

Source: The post is based on an article "**Delayed payments for small firm stifle economic growth**" published in the **Indian Express** on **9th July 2022**.

Syllabus: GS 3 Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development, and Employment; Inclusive Growth and issues arising from it.

Relevance: Issues linked to Micro, Small, Medium Enterprises (MSMEs)

News: In recent times, it has been reported that small business owners (MSMEs) are facing delays in payments from big companies and public sector units.

Status of payments to MSMEs

As per data, payments worth Rs 6.3-10.7 lakh crore were delayed to MSMEs during 2020-21.

The average days for the delays of payment to micro, small and medium enterprises (MSMEs) were estimated to 194, 68 and 46 days respectively.

What are the implications?

There is an erosion of value, for every day that payment is delayed. It locks in the capital that could have been deployed gainfully. The problem is being largely faced by cash-strapped and credit-starved MSMEs.

Micro and small enterprises borrow at **comparatively higher costs** and often operate in very competitive environments.

The delayed payment led to the foregoing of **business opportunities** due to lack of liquidity or disrupted cash flows. This is detrimental to the **specific firm or enterprise** as well as a deterrent to the **overall growth of MSMEs**. The firms face uncertainty in terms of **planning business cycles**.

The **other types of** costs incurred by such supplier firms include the **time spent, and the personnel costs** employed to **recover payments**.

The problem of delayed payments gives buyers an advantage that the economy cannot afford.

It increases the burden on the **MSMEs**. They are forced to work against the **smaller supplier firms**. Further, it also cripples economic activity for the vast majority of entrepreneurs in the country.

9 PM Compilation for the Month of July, 2022

What are the challenges in resolving such challenges?

(1) Although, the government launched **the SAMADHAN platform**. But there are gaps in the implementation. There are close to **one lakh complaints** at present on the portal. But the disposal rate is low.

(2) In addition, there are market-based solutions like **TReDS, supply chain financing, and in-time credit** to ensure amicable supplier-buyer relations while easing cash flows for MSMEs. But the biggest impediment here is that they rest on two preconditions: (i) heightened formality of practices and (ii) **buyers' intent**.

What should be done?

(1) The government should bring **regulatory interventions like** shifting the onus of timely payments onto the buyer firms. The **highest levels of government** should issue statements that such delays are not in the nation's interest.

(2) Efforts should be made to strengthen **associations and credit practices** of MSMEs. To quicken this, micro and small businesses need to coalesce and work towards gaining sustainable credit terms.

31. [About Commute time in Cities: The road to productivity](#)

Source: The post is based on the article **"The road to productivity"** published in **The Hindu** on **11th July 2022**.

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

Relevance: Challenges associated with commute time in cities.

News: The pandemic-induced lockdowns in cities played an important role in realising national and macroeconomic growth targets. But India's progress toward a \$5 trillion economy could be strangled due to pandemic-induced lockdowns.

Note: The **nominal labour market** of the city refers to all jobs created in the metropolitan area. The **effective labour market** refers to the jobs accessible within a certain commute.

What is the significance of Commute time in Cities?

The larger a city's effective labour market, the greater its agglomeration economies and knowledge spillovers.

The longer the commute time in a city, the smaller is its effective labour market and vice-versa. The labour force in the workplace plays a very important role in determining productivity in cities.

Travel time in Indian cities: The travel time to work was one of the slowest in Indian cities in 2016: Bengaluru being the slowest at 22 km per hour, Delhi at 25 km per hour, and Chennai the highest at 33 km per hour.

Benefits of short commute: **a)** From the micro perspective, it will benefit the commuter who otherwise wastes time, health and productivity with the delays in traffic, **b)** From the macro, city-level perspective, it will enable a large effective labour market.

Read more: [A road safety quartet and the road ahead](#)

9 PM Compilation for the Month of July, 2022

How ULBs can reduce commute time in Indian cities and improve themselves?

Urban Local Bodies (ULBs) can directly impact the city's economic output through their infrastructure. In recent research in Karnataka, researchers found that road length has a positive effect on the city's tax base. The estimate also indicated that for every one km increase in the road length of a ULB, there is an increase in the ULB's own revenues by roughly ₹430 per capita.

With an increased tax base, the ULB can create roads that lead to easy access to jobs and increased economic activity. Further, it also gives the public more confidence and motivation to pay taxes.

Investing in roads not only reduces travel time and enlarges effective labour markets of cities and their economic output, but also improves access to schooling for children as well as healthcare, thereby upgrading human development. This is indeed the road to the \$5 trillion economy along with improvement in human well-being.

Read more: [India State Support Program for Road Safety: World Bank approves \\$250 mn loan for road safety](#)

32. [An uncertain transition: As GST compensation ends, state governments need to be provided certainty of revenues](#)

Source: The post is based on the article “**An uncertain transition: As GST compensation ends, state governments need to be provided certainty of revenues**” published in **Indian Express** on **11th July 2022**.

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

Relevance: About the impacts of GST Compensation.

News: The Goods and Services Tax (GST) has completed its 5th year since its inception on 1 July 2017. With this, the era of GST compensation that the state governments were entitled to has also ended. Many state governments have asked for the compensation period to be extended by a few years.

The discontinuation would alter the revenue composition of some states adversely. Especially to those states with a relatively larger share of revenue receipts in their overall revenue streams.

Must read: [Five Years of GST: Achievements, Challenges and Way Ahead – Explained, pointwise](#)

How dependent States are on GST Compensation?

The indicative calendar of market borrowings by 23 state governments and two Union territories for the second quarter has pegged their total state development loan issuance at Rs 2.1 trillion.

Note: state development loan issuance is the primary source of financing state government deficits.

Of these 23 states, Tamil Nadu, Andhra Pradesh, Haryana, Punjab and Gujarat have indicated large increases in borrowings. Most of these states have an above-average dependence on GST compensation.

Read more: [GST: Five years stronger](#)

9 PM Compilation for the Month of July, 2022

About the restriction on off-budget borrowings of states

The Centre had informed state governments that their off-budget borrowings for the past two years (2020-21 and 2021-22) would be adjusted from their borrowing ceiling this year. This requires the detailed data calculation of the adjusted borrowing should be submitted to the Centre. This will be followed by a thorough assessment of the same by the Centre.

Despite changes in off-budget borrowings, Andhra Pradesh, Maharashtra, Haryana and Punjab were able to raise bonds in the first few weeks of the first quarter.

What are the remedial measures?

The tax devolution to states for 2021-22 was released in the fourth quarter. This may have allowed them to temporarily withstand the changes related to their borrowing permission.

If the government decides to increase tax devolution to the states, then it might reduce the size of state borrowings further. But such an increase in tax devolution may encourage states to ringfence their capital spending and provide a positive impulse to the economy.

Read more: [Taking stock of five years of GST](#)

33. [Links between infra & growth](#)

Source: The post is based on an article “Links between infra & growth” published in the Business Standard on 10th July 2022.

Syllabus: GS 3 Indian Economy; Infrastructure; Investment models

Relevance: Issues in Infrastructure Investment in India

News: In the 1990s, India removed barriers to **globalization** and opened the country to the outside world. This **unleashed** the growth episode of 1991-2011. However, in recent periods, the **high infrastructure investment** is not producing the same result.

In 1991, India left behind its policies around themes of autarky (Self-reliance) and hostility to the West. During 1991-2011, the performance of the Indian economy was good compared to the past. Many theories claim that infrastructure development was the sole factor behind this development and that India should continue to do so.

What are the past arguments for the link between infrastructure and economic growth?

Example: Most global production takes place in “**global value chains**”. Production takes place step by step at cost-efficient global locations, where Multi-National Companies (MNCs) set up their base.

In the case of India, low wages, are the attractive factor, thus, India has many companies in the hinterland. Now companies require ports/airports to deliver goods to India, and then roads to production sites with low wages.

Thus, the above example suggests that connectivity to remote locations with low-wage labor will create conditions for private investment and then sustained employment.

What are the issues in the above-mentioned theory?

Infrastructure investment is just a means to an end, that creates conditions in which private investment can create employment growth. Private investment is the key to domestic product

9 PM Compilation for the Month of July, 2022

growth, prosperity, and employment. **Thus, Infrastructure investment is impactful when it is followed by private investment.**

If we take an example of India, in the early years, many commendable steps were taken. The government **ended state control and established institutional apparatus** to improve infrastructure. It led to the constitution of the **NHAI** (National High Authority of India), **Delhi Metro Rail Corporations, Cochin airport, Jawaharlal Nehru Port Trust, etc.** Thereafter, the government pushed significant capital into these mechanisms. It all resulted in the following developments:

1. The metro cities like Bombay and Delhi have decent airports and some metro lines.
2. Remarkable surge in highway commissioning in the last six years.
3. As a result of airway infrastructure, the plane ticket prices have come down and the middle class is flying.
4. The improvement in **telecom infrastructure** like decent bandwidth has led to the growth of IT and ITES industries.

In the 1990s, transportation was a constraint. The development of infra then created a new set of possibilities for private investment in global value chains. But, it is not the case today.

However, since 2011, infrastructure growth has not resulted in growing private investment. Instead, Pvt. Investment is on the decline, since 2011. Reduced cost of transportation is definitely one of the factors, but not the only factor behind the development of the private investment.

What are the factors that suggest against state-led infrastructure development?

First, if a private company feels that it can make money by building an asset, it can take the risk and build an asset.

Second, state-led infrastructure development in India is facing the Chinese problem of declining incremental capital-output ratio. It means each investment is giving a lesser return to the government. Furthermore, every Rs 1 spent by the government imposes a cost of perhaps Rs 3 upon the economy.

Third, the factors that are leading to the low private investment are the following:

5. An **interventionist state** in India, which indulge in **sudden policy change**.
6. **Faults** in the **taxation system**.
7. Lack of **rule of law** followed by **coercive state agencies**, such as regulators.
8. The **wage remains** high in many pockets of the population, probably because the **labour supply** has been distorted due to the welfare programs.
9. Many non-economic factors like social issues hamper women's labour supply in the labour market.

Thus, instead of state-led infra development, government should focus on other aspects that are hindering growth.

9 PM Compilation for the Month of July, 2022

34. [How Green Zone Dilution In Draft NCR Plan 2041 Defied Objections](#)

Source: The post is based on an article “**How green zone dilution in draft NCR plan 2041 defied objections**” published in **The Times of India** on **11th July 2022**.

Syllabus: GS 3 Environment and Ecology

Relevance: Draft Delhi Master Plan 2041

News: Recently, the **draft NCR Regional Plan 2041 plan**, which sets the contours of how the region will develop over the next two decades, was put in the public domain after approval from the NCRPB, for 30 days for feedback. It has attracted several objections.

Arguments in favour of the NCR Planning Board (NCRPB’s) proposals in the plan?

It has been mentioned that **necessary provisions** related to **Natural Zone (NZ)** are already in line with the decisions held at the level of the Ministry of housing and urban affairs (MoHUA).

What are the issues?

There are issues in **balancing ecology and development** because it proposes to alter ‘natural conservation zones (NCZ)’ to ‘natural zones (NZ)’

NZ doesn’t require **mandatory conservation**, like NCZs. The NCZs are **ecologically sensitive areas (ESZ)** and restrict construction to only 0. 5% of the total area.

The Union environment and forest ministry have also flagged the shrinking of areas under NCZs. Therefore, it has suggested retaining the term ‘NCZ’ in the master plan 2041.

The Ministry also asked for the inclusion of a detailed land use plan, for NCZs and all of NCR, in the new plan.

Unlike, 2021 plan, where **NCZ** was clearly defined – “extension of Aravali ridge, forest areas, rivers, sanctuaries, major lakes and water bodies.”, the **definition of NZs** in the **draft plan** is generic, such as ‘mountains and hills’, and ‘rivers and water bodies created by nature’.

The draft plan does not mention a comparison of the change in land use, despite repeated insistence by the National Green Tribunal (NGT). However, the Land-use maps, existing and proposed, have been an integral part of all previous NCR Regional Plans.

The **scope of preservation** of the NZs has also been restricted. The **state governments** would have greater discretion to decide on NZs at times when the state already defies the very concept of uniform development of NCR.

The Way Forward

The directions of the NCRPB in December 2017 regarding the definition of Aravalis (all areas recorded as ‘gair mumkin pahar’, etc in NCR) and identification of forests as per dictionary meaning in line with **Supreme Court orders** should be included in the 2041 plan.

The NCR Planning Board should seriously take into account the responses received during the feedback exercise.

9 PM Compilation for the Month of July, 2022

35. Apart From the Foreign Hand

Source: The post is based on an article “Apart from the foreign hand” published in the Times of India on 11th July 2022.

Syllabus: GS 3 Indian Economy

Relevance: Macroeconomic Conditions; Inflation

News: In recent months, India first offered to export wheat to a hungry world. However, later on, it suddenly reversed its position because the spectre of inflation has been haunting the world, including India.

What are the causes behind high inflation?

Even before Russia invaded Ukraine, OPEC had squeezed supplies of crude oil. This has fuelled the oil prices.

Geopolitical Reasons: It has caused an increase in the prices of oil, other energy products, and food worldwide.

The Russia-Ukraine war further hiked the price of crude spike and other energy prices. For example, the Western countries have **imposed sanctions** on Russian produce.

Natural gas is not easy to either source or sell. Its transport infrastructure – pipelines, plants, special terminals for LNG tankers, LNG tankers, regasification facilities at import terminals, etc. are limited. It takes time and money to expand.

The West has cut back its **purchase of gas and oil** from Russia. Now, it is sourcing gas and coal from other sources, which has lifted all energy prices like ethanol.

This has hiked the prices of **other commodities**. For example, For **Ethanol**, the corn is diverted, pushing up the prices of chicken feed and chicken.

The West has put a ban on imports of **Russian grain, fertiliser, and oilseeds**. Russia is one of the largest exporters of wheat to the global wheat markets.

The war has also squeezed the **global wheat supplies** from **Ukraine**, which is the **fifth-largest wheat exporter**.

Implications of inflation

Inflation has a **differential impact** on different sections. The capitalists receive benefits out of it. **For example**, when wages and salaries shrink in real terms, the income distribution shifts in favor of gross profits, which means **capitalists** get more money.

The real cost of servicing debt falls – except when the debt is owed to foreigners. **For example**, Inflation induces currency depreciation, and a lower rupee increases the cost of servicing dollar debt.

Further, inflation also divides capitalists into two classes.

How is the RBI response correct?

RBI's approach has been prudent and appropriate. Its decision to not make sharp and pre-emptive interest rate increases is spot on.

9 PM Compilation for the Month of July, 2022

The Higher rates squeeze the **second-round effects** of inflation. For example, when the demand for higher wages and resultant higher wages lead to the spread of the initial price rises to all sectors.

What are the issues in the RBI actions?

Inflation-squeezing rate rises hurt growth. Growth helps the poor, creating new incomes, even as inflation crimps their consumption.

In recent years, the RBI easy money policies have also failed to create excess demand. Inf act, free food has ensured the survival of people.

36. [A make-or-break ban](#)

Source: The post is based on an article “A make or break ban” published in the Business Standard on 10th July 2022.

Syllabus: GS 3 Ecology and Environment

Relevance: Plastic Ban

News: Recently, India’s ban on certain single-use plastic has come into effect from July 1, to control the menace of plastic pollution.

The banned items include earbuds, cutlery, straws, and carry bags. And items of thickness less than 120 microns will be banned by December 2022.

Other laws for single-use plastic like multi-layered packaging

The extended producer responsibility (EPR) notification applies to all the packaging material. The companies that manufacture or consume this material are required to take it back and send it for reprocessing.

What are the limitations of the legal regime for plastic ban?

The current ban

The current ban is **limited** in sense because the plastic items that are difficult to collect or recycle are required to be eliminated from use. But it is difficult. For example, according to the latest report of the CPCB, 25 states and UTs have already banned such plastic. But these states say that it is difficult to regulate these items based on plastic thickness.

It has been found that the **enforcement of the plastic rules** remains inadequate in India.

The current list of banned items is **not comprehensive**. In order to get rid of the items that are difficult to collect or are single-use, then the list should have included **multi-layered packaging**, used from chips to shampoos to gutka pouches.

Issues with EPR

The EPR has been **poorly designed** and is being **poorly implemented**. There is no information on the quantity of the plastic material generated. The companies are not required to self-declare. There is a lack of information in the public domain to assess the implementation of the EPR regime.

9 PM Compilation for the Month of July, 2022

The companies are required to **recycle** or **reprocess** the material they collect only by **2024**.

There is no adequate information on whether the plastic waste that is being collected is being stored or dumped?

The **Producer Responsibility Organisations (PRO)** which fulfil the EPR targets on the behalf of the companies, sort the waste collected from municipal bodies. The PROs sort the items and simply store the items that could not be recycled, in the warehouse. These items are not processed but dumped into the yard.

What should be done?

We can adopt a **three-pronged strategy** to ensure plastic items are recycled or disposed of safely:

First, all the plastic produced and used should be collected for disposal.

Second, the waste plastic material must be recycled or incinerated. And, it should not reach landfills or choke the water bodies at any cost.

Third, further the reuse or disposal of the plastic materials has to be in a manner that is environmentally friendly and does not end up creating more pollution or health hazard for workers.

The solution for those items that are difficult to collect and process can be to send them to cement plants for incineration.

We should become responsible for our own waste and not use the banned items.

[37. The scam faultline is damaging Indian banking](#)

Source: The post is based on the article **“The scam faultline is damaging Indian banking”** published in **The Hindu** on **12th July 2022**.

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

Relevance: About the impacts of NPA on banking system.

News: The NPAs in banks incur mainly due to bad loans and scams. This affects the entire banking ecosystem. After the DHFL case, ABG Shipyard Limited of Surat had taken a loan of about ₹23,000 crores in a fake manner this year.

There are many examples of bank scams in India. For instance, the Nirav Modi and Mehul Choksi scam involving the Punjab National Bank, the case of businessman Vijay Mallya involves nearly 13 banks, the IDBI Bank fraud, and the R.P. Info Systems Bank scam to name just a few.

How do bad loans and scams impact the banking system?

Data by the Reserve Bank of India (RBI) show that around 34% of scams in the banking industry account for inside work and poor lending practices and the involvement of junior and mid-level management.

The RBI data also show that one of the fundamental problems in the development of banking is the rising bank scams and the costs consequently forced on the framework.

9 PM Compilation for the Month of July, 2022

Frauds in the banking industry can be grouped under four classifications: 'Management', 'Outsider', 'Insider' and 'Insider and Outsider' (jointly). However, all scams are the result of operational failures.

According to the RBI data, corporate loans account for nearly 70% of these bad loans. On the other hand, retail loans, including car loans, home loans and personal loans, account for only 4%.

In a Global Banking Fraud survey, the KPMG highlighted that the issue is not just for India alone; it is a worldwide issue.

Read more: [Government sets up 'bad bank' to clear the NPA mess](#)

What are the NPA Projections?

According to the [Financial Stability Report](#) released by the RBI in December 2021, the gross NPAs of banks will be rising from 6.9% in September 2021 to 8.1% of total assets by September 2022 (under a baseline scenario) and to 9.5% under a severe stress scenario.

A study by the Indian Institute of Management Bangalore has shown that poor bank corporate governance is the cause behind rising bank scams and NPAs.

What is the impact of NPA on customers?

The banking system of any country is the backbone of its economy. Excessive losses to banks affect every person in the country because the amounts deposited in banks belong to the citizens of the country.

A high NPA also reduces the net interest margin of banks besides increasing their operating cost; these banks meet this cost by increasing the convenience fee from their small customers on a day-to-day basis.

Read more: [PSBs to introduce common staff accountability guidelines for NPAs](#)

What should be done to improve India's banking system?

Ensure proper audit: The regulation and the control of chartered accountants is a very important step to reducing NPAs. There is also an urgent need to tighten the internal and external audit systems of banks.

Cautious approach: a) Banks should be cautious while lending to Indian companies that have taken huge loans abroad, b) Public sector banks should **set up an internal rating agency** for rigorous evaluation of large projects before sanctioning loans, c) There is a need to **implement an effective Management Information System (MIS)** to monitor early warning signals about business projects.

Use technology: Financial fraud can be reduced to a great extent by the use of artificial intelligence (AI) to monitor financial transactions.

Improve loan recovery process: India has to improve its loan recovery processes and establish an early warning system in the post-disbursement phase. Banks need to carry out fraud risk assessments every quarter.

Read more: [NARCL: Need and Challenges – Explained, pointwise](#)

38. [Nano urea potential](#)

Source: This post is based on the article “**Nano urea potential**” published in **Business Standard** on **12th Jul 22**.

Syllabus: GS3 – Industrial policy and growth

Relevance: Fertilizer sector in India and related issues, Nano Urea

News: The Union Minister for Chemicals and Fertilizers recently stated that India may not need to import urea after 2025, as domestic production of conventional urea and nano liquid urea supplies may be sufficient to meet the country’s demand.

Why India needs to reduce import dependence of fertilizers?

Currently, the global prices of Urea have soared to new highs and its availability has dwindled due to the Russian-Ukraine conflict and export cuts by China and other countries.

The international urea prices are currently ruling at their highest level since the 2008 food and financial crisis. So are, in fact, the prices of phosphatic and potassic fertilisers, for which the country’s reliance on imports is even higher than that for urea.

Due to India’s import dependence wrt Urea and phosphatic and potassic fertilisers, India has to bear a huge subsidy burden. The **fertiliser subsidy in the current fiscal year is projected to exceed Rs 2.5 trillion**, surpassing last fiscal year’s record of Rs 1.62 trillion by a big margin.

Efforts for Urea self-sufficiency

Self-sufficiency in urea has been on the cards ever since the introduction of the new urea policy in 2015. The policy focussed on **a)** maximising domestic output, **b)** promoting energy efficiency in urea manufacturing, and **c)** reviving the defunct fertiliser plants.

What is nano urea?

Nano-Urea is a new-generation urea, which condenses one bag equivalent of urea into a tiny bottle of 500 ml liquid. It has further speeded up the march towards shedding reliance on imports of Urea.

The cooperative sector fertiliser giant, IFFCO, must be given due credit for pioneering and promoting nano-urea technology, which has already proved its worth as a game-changer.

How can Nano-Urea help India become an exporter of Urea?

The **production capacity of nano urea is likely to increase** from the present 50 million bottles (each containing 500 ml liquid) to over 440 million bottles with the commissioning of the under-construction nano urea plants.

Moreover, the resurrected fertiliser plants at Ramagundam, Talcher, Gorakhpur, Sindri and Barauni, and a few new ones at other sites are also expected to begin producing to their full capacity.

Hence, many analysts believe that India should now be looking forward to exporting urea rather than importing it, by capitalising on its huge nano urea production potential.

The breakthrough in nano-technology has also opened up opportunities for the production of nano di-ammonium phosphate (DAP), which is the second-largest in consumption and highly import-dependent farm input.

9 PM Compilation for the Month of July, 2022

This product, currently in advanced stages of development, is expected to **bring down the cost of DAP by half**.

With such developments being on the horizon, India may well be on the cusp of transmuting from a bulk importer to a net exporter of plant nutrients.

What are the advantages offered by nano products?

The significance of these innovations goes far beyond alleviating import-dependence for fertilisers. They offer multiple advantages, like:

- Cost reduction and supply augmentation
- Improvement in fertiliser-use efficiency
- Rise in farmers' income.
- **Enhanced nutrient consumption by plants:** Studies have shown that while nutrient consumption by plants (*nutrient-use efficiency*) is only 25-30% in the case of conventional fertilisers, it rises to 90% for nano products. This helps in pushing up crop yields perceptibly.
- Additionally, the use of nano urea and DAP helps reduce the soil, air, and water pollution attributable to chemical fertilisers.

39. Safety in the sky – The DGCA should have no tolerance for laxity among airlines seeking to cut corners

Source: The post is based on the article “**Safety in the sky – The DGCA should have no tolerance for laxity among airlines seeking to cut corners**” published in **The Hindu** on **12th July 2022**.

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

Relevance: To understand aviation safety in India.

News: Recent incidents in Indian aviation have raised concerns about air passenger safety. These incidents cover [bird hits](#), cracked windshields, component failures, engine compressor surges and blade failures, flight diversions, mid-air engine shutdowns, and a case of severe turbulence in the monsoon.

With most of them affecting one airline, SpiceJet. The [Directorate General of Civil Aviation\(DGCA\)](#) has pointed out a ‘degradation of safety margins’, ‘poor internal oversight’ and ‘inadequate maintenance actions’ in aircraft.

Must read: [Air pocket: Show cause to SpiceJet overdue. DGCA has to be more proactive on safety](#)

What is the performance of aviation safety in India?

According to Ministry of Civil Aviation data, there were 5,268 aircraft movements in the domestic sector. It has even cited an average of 30 such episodes a day.

According to DGCA’s Annual Safety Review in 2020, under ‘Deficient maintenance’ (the objective is to improve the maintenance of Indian registered aircraft), for a target of 2.16 for incidents involving component/system failure per 10,000 flight hours, the achieved performance is 2.39.

9 PM Compilation for the Month of July, 2022

Similarly, under the number of maintenance errors per 10,000 flight hours, for a target of 1.43, the performance is 1.46.

Read more: [Year End Review -2021- Ministry of Civil Aviation](#)

What should be done to improve aviation safety?

In an ideal ecosystem, issues with safety would be analysed in terms of the rate of occurrence using tiered categorisation, with the goal of reducing to the minimum level.

With passenger numbers climbing back to pre-COVID-19 levels, the entry of new airlines, and the existing players indicating aggressive fleet expansion plans, the DGCA should have no tolerance for airlines seeking to cut corners in passenger safety.

Read more: [Indian aviation needs a strong and steady tailwind](#)

40. [ONDC is the disruption Indian commerce needs](#)

Source: The post is based on an article “ONDC is the disruption Indian commerce needs” published in the Live Mint on 12th July 2022.

Syllabus: GS3 – Indian Economy

Relevance: Open Network for Digital Commerce (ONDC)

News: Currently, Indian cities are seeing a pilot run of the **Open Network for Digital Commerce (ONDC)** which is aimed to make headway towards **democratizing e-commerce**.

What are the advantages of the ONDC?

It offers an opportunity to medium and small retailers to adopt **digit tools** and expand beyond the limits of **brick-and-mortar sales**.

It removes the need of the small sellers to register on multiple platforms, removes fear of predatory pricing and the **risk of losing visibility** to brands which are owned or favoured by the platform itself.

Read more: [What is ONDC? – Explained](#)

It would provide a **level playing field** between small businesses and big brands at **the e-commerce platform** as it will be inclusive in nature. The smallest seller in the ONDC ecosystem will be offered as much opportunity to sell products as available to large players.

It aims to provide access to e-commerce platforms, to small manufacturers and suppliers so that they **can create their own brands**.

The framework may help create **several new vertical marketplaces**, with players catering to specific or niche segments of customers.

New opportunities will be provided to local players (say in the **Tier-II+ cities**). For example, imagine a **homegrown health and beauty brand** collaborating with a **small retailer** in Madhya Pradesh that deals in forest-based products like mahua, honey, amla, or ashwagandha.

How can the small businesses signing up for the ONDC, create their brands?

They should set standards, maintain the quality of products and services, test products and read markets.

9 PM Compilation for the Month of July, 2022

Firms like **Mensa** and **Upscalio** could help small businesses create digital brands, optimize product distribution and integrate their operations with the **large supply chains**.

The small business can tie up with the **fast-moving consumer goods (FMCG)** companies like Marico and Tata Consumer Products. They procure raw materials or processed goods from smaller players, and help them with quality assurance, standardization and other aspects of branding along the way.

Way Forward

In order to become successful, the ONDC needs players of various stripes to build on it. For example, a greater number of sellers from smaller cities should embrace digital technology.

The ONDC should help in **integrating businesses** to create niche products, provide brand consultants or investors and facilitate hand-hold support of FMCG companies to smaller players.

41. [The pandemic-flagged need for a new fiscal framework](#)

Source: The post is based on an article “The pandemic-flagged need for a new fiscal framework” published in the Live Mint on 12th July 2022.

Syllabus: GS3 – Union Budgeting

Relevance: Fiscal Framework

News: In recent years, there has been suspension of fiscal rules across the globe due to the global financial crisis (GFC).

What were the causes behind suspension of the fiscal rules?

The costs of dealing with the pandemic has raised global government and private debt to record-high levels.

The GFC crisis has been compounded by the **Russia-Ukraine conflict** in the year 2022.

What are the traditional government approaches in the fiscal management domain?

Fiscal architecture: It involves a fiscal strategy, supported by fiscal institutions such as an accountable and efficient public financial management system (PFM).

Fiscal rules: There has been advocacy for well-designed and implemented **numerical fiscal rules**. These rules help strengthen the credibility of an **administration’s commitment** to fiscal sustainability.

What were the issues in the numerical fiscal rules approach?

India adopted **numerical fiscal rules** in 2003. However, there was pre-covid evidence that demonstrated that **numerical fiscal rules** did not prevent a large debt build-up over time. Therefore, the **rigid numerical fiscal rules** did more harm than good.

Thus, it prompted **modification of existing rules** and **revamping** of escape clauses. Therefore, the Centre updated **the Fiscal Responsibility and Budget Management (FRBM) Act in 2018** and adopted **multiple fiscal indicators** as targets.

9 PM Compilation for the Month of July, 2022

What are the issues with India's new fiscal rule regime?

The fiscal rules have been effectively circumvented by **off-budget fiscal operations**, **inconsistent budget classification** and **accounting standards**. In addition, there have been **improper use of public accounts** for budgetary purposes in India.

Definitions of key targets, such as **'fiscal deficit'** or **'public debt'**, vary across state governments and the Centre.

Though the PFM system was strengthened. But it has been able to meet only a fraction of **best practice standards**. It cannot check **misclassification** of accounts for compliance.

Way forward

India needs to develop a system which mandates **fiscal sustainability** through **institutional framework**. The institutions should also be allowed to take judgement in the times of crisis.

For example, fiscal responsibility principles should not be time-bound, but must allow the government to manage shocks. This can be done through **three key steps**:

- (1) Instead of adopting **numerical fiscal rules**, the government should adopt the **principles of fiscal responsibility**. Such a model has been adopted by New Zealand, Australia and the UK.
- (2) Various stands, criteria, procedures and methods should be established. This should be devised in a manner that ensures that standards are being met.
- (3) There must be institutions to do surveillance and to determine **ex-post compliance** with the fiscal responsibility principle.

In a post-pandemic framework, overall, India needs to improve the quality and efficiency of **public spending** and **financial management** across all levels of government.

(A) The New Zealand Model –Principles-Based Fiscal Strategy

- (1) NZ has enacted **'the fiscal strategy act'**, which requires adherence to the standards and principles of responsible fiscal management. For example, a **medium-to-long-term fiscal sustainability report** etc.
- (2) The government publishes **an annual fiscal strategy** explaining how its annual fiscal plan is consistent with the standards set out in the law etc.
- (3) It ensures **transparent public reporting** at regular frequency. Further, a periodic public review of the government's fiscal plans is done by the Parliament and independent fiscal institutions.

(B) In doing this, India should move toward **a new principles-based fiscal strategy**, rather than returning to a **fiscal framework** based on **rigid numerical fiscal targets**.

42. [70,000 Startups & The Helping Hand of Sarkar](#)

Source: The post is based on an article “**70,000 Startups & The Helping Hand of Sarkar**” published in the Times of India on 12th July 2022.

Syllabus: GS3 – Achievements of Indians in Science & Technology; Indigenization of Technology and Developing New Technology.

Relevance: Start-ups Ecosystem in India

News: In recent periods, the government has released a detailed ‘**Start-up India Action Plan**’, to support and empower start-ups in the country.

About the Start-up India action plan

It includes 19 action points **focussing** on three different categories as given below

- (a) handholding support to entrepreneurs/start-ups;
- (b) creating funding support and incentivisation mechanisms for start-ups; and
- (c) supporting **industry academia partnerships** and providing necessary incubation support for start-ups.

Status of Start-ups ecosystem in India

Today, India ranks at the third place in the **global start-up ecosystem**

The sector is also growing at an annual rate of 12-15%. In 2014, the number of start-ups were not more than 400. However, the number of start-ups has jumped to a whopping number of 70,000 in 2022.

Around 102 start-ups have risen into the **\$1 billion-plus valuation club**.

Why start-ups are significant?

They contribute to generating wealth and employment in the country.

They propel innovation and technological development across key development sectors.

What were the factors that have led to high growth in the start-ups sector in India?

There has been an enabling environment that has led to a vibrant startup movement across the country.

The Union government launched ‘**Start-up India Stand-up India**’ in 2015.

The government unlocked the space sector and opened it up to private players.

The start-ups have been receiving funding without any interruptions. For example, even the Covid pandemic, could not impact funding

The **Department of science and technology (DST)** reshaped the **start-up culture** in the country. It launched the **Technology Business Incubator (TBI)** having a network of more than 160 incubators.

The DST also set up the **Seed Support System** in the TBIs for providing much needed early-stage funding to start-ups.

9 PM Compilation for the Month of July, 2022

Under the **National Initiative for Developing and Harnessing Innovations (NIDHI) TBI programme**, 105 incubators have been set up across the country, over the last five years.

What are the noteworthy contributions of DST's programme on innovation and entrepreneurship?

The TBI network identified and supported start-ups during the pandemic period.

The network of incubators has supported more than 12,000 start-ups which include 1,500-plus women-led start-ups. These start-ups have filed more than 900 patents and produced more than 1,15,000 new jobs.

Service Tax exemption to both incubators and incubatee.

Permission to hold equity by **DST-supported incubators** (not for profit legal entities) i.e., converting government grants to equity subscription.

CSR funding for incubators.

First government agency to

– offer programmes in PPP mode for scouting and supporting innovation and start-ups:

– partner and create Sebi-registered **PPP innovation fund**.

– **bilaterally** and **multilaterally** partner with international government and multilateral agencies respectively, for innovation and entrepreneurship development.

It has pioneered in training and capacity building of incubation managers with exposure to global best practices.

The TBIs were first to get support from multilateral international developmental agencies like UNDP, infoDev etc.

Way Forward

India's vibrant and mutually supplementing start-ups ecosystem should be seen as a **role model for the rest of the world**.

43. [The AltNews funding case and Razorpay's data privacy worry](#)

Source: The post is based on the article **“The AltNews funding case and Razorpay's data privacy worry”** published in **Livemint** on **13th July 2022**.

Syllabus: GS 3 – Role of media and social networking sites in internal security challenges.

Relevance: The Section 91 of CrPC .

News: Recently, Twitter has taken the Indian government to court over what it views as “arbitrary” and “disproportionate” directions to take down content and block accounts. Last year, Meta Platforms Inc's WhatsApp began legal proceedings against India's new internet rules demanding chat traceability. All these highlight the deteriorating operational environment for ordinary digital businesses in India.

9 PM Compilation for the Month of July, 2022

What about the AltNews and Razorpay case?

One of AltNews' co-founders, was arrested for allegedly hurting religious sentiments. AltNews also received money "through Razorpay from Pakistan, Syria, Australia, Singapore, and the UAE, which all require further investigation. Recently, Razorpay had been compelled to supply customer data in a police investigation against AltNews under **Section 91 of India's criminal procedure code**. Thus leaving customers vulnerable to harassment for their political views.

Earlier, the Alibaba group's bank account has been frozen for not compiling Section 91 of CrPC notice.

What is Section 91 of CrPC?

Section 91(1) provides that whenever any Court or any officer in charge of a police station can issue summon or order to any person within whose possession the officer or court thinks is the document or a thing necessary for the purpose of investigation.

But if the person does not produce the document or thing, then the court can issue a warrant of search to the officer, under Section 93(1) (a).

How can India ensure the proper functioning of digital businesses?

Enacting the data protection law: This will build trust if service providers are required to provide colour codes indicating whether a particular piece of personal data obtained by them will be given to the police on demand; or if at least a court order will be required first.

Provide adequate freedom: Digital startups must have the freedom to keep their operations running, their proprietary data secure and their reputation with customers intact. Further, the government should not arrest the intermediaries if the data asked from them is disproportional to the scope of the inquiry or irrelevant to its stated purpose.

44. [Read The Signs, Upgrade Science](#)

Source: This post is based on the article "**Read The Signs, Upgrade Science**" published in **The Times of India** on **12th Jul 22**.

Syllabus: GS3 – Science and Technology

Relevance: Transforming the science and tech ecosystem in India

Context: India was the first country to explicitly adopt 'scientific temper' in its Constitution, with the 42nd amendment in 1976 declaring that it shall be the duty of every citizen to develop a scientific temper, humanism and the spirit of inquiry and reform.

Despite such constitutional focus, India did not usher in transformative reforms in the science and technology (S&T) ecosystem.

China, on the other hand, revitalized its science ecosystem through systematic reforms in the 1990s. It is now even ahead of the US in a few areas, like artificial intelligence.

How can India become an innovation-led economy?

India has the economic scale, the large talent pool, the huge market size and the vibrant startup ecosystem to invest in research and then unlock its economic value.

Four major reformist interventions could potentially revolutionise Indian science:

9 PM Compilation for the Month of July, 2022

National Research Foundation: The NRF announced by GoI with an outlay of Rs 50,000 crore over five years is an opportunity to transform the research ecosystem, especially from the governance and funding perspectives.

- Eventually, this would also improve linkages between R&D, academia and industry.
- Given the enormity of the tasks involved, India now needs to **fast-track the creation of an appropriately structured NRF** as an organisation which has the requisite capacity to execute.

Ease of doing research: In India, scientists spend more time on managing administrative overheads than on research. Most systems in government universities and scientific labs continue to be bureaucratic.

- Indian institutions need to create **centralised research and allied industry-interfacing and fundraising offices** as well as administrative support. This will allow scientists to focus on research without getting bogged down by cumbersome processes.
- Compensation structures need revision to attract scientific talent, along with progressive HR policies that have performance centrality.

Collaborative research clusters: Most S&T labs in India are not an integral part of universities, unlike in most developed nations. It is time to bring together R&D labs and institutions of higher education in a geographical area under a unified thematic cluster through functional mergers, both hard and soft.

- Clustering would enable these entities to be competitive in **securing international research projects**, and to **attract leading overseas faculty** and superior researchers.
- These would eventually lead to **improved global research ranking** of universities.
- This cluster-like structure would lead to an overall **increase in the efficiency and effectiveness** of research outputs, ultimately leading to better economic and social value-creation for the country.

Science in the public imagination: India does not celebrate science and there are very few scientists in public imagination today. Print and electronic media rarely cover S&T and there are very few popular science films, OTT content or books.

- Institutionalise a robust science communication function in each university and S&T unit.
- Create an imaginative line-up of initiatives and activities round the year. This will go a long way in popularising and celebrating science in India.

Way forward

India now needs to narrow the gulf between science and society. It must be understood that scientific knowledge is a common public good in the country.

Scientific and technological research forms the backbone for innovations. It's time to strengthen India's research backbone by revitalising India's S&T agenda.

Indeed, India should declare 2020-30 as a decade of radical transformation for its science.

9 PM Compilation for the Month of July, 2022

45. [Create more jobs, revamp employment policy](#)

Source: The post is based on an article “Create more jobs, revamp employment policy” published in the “The Hindu” on 13th July 2022.

Syllabus: GS3 – Economy – Issues related to growth and development

Relevance: Employment Generation;

News: The Government of India has recently announced a plan to **create 10 lakh government jobs** and fill up the **vacant posts** in the next 18 months.

There are about **40 lakh sanctioned posts**. At present, around 22% of the total posts are vacant

What are the issues with the government announcement?

The **real number** of vacant posts in the government might touch around **30 lakh**. In addition to **8.72 lakh vacant positions** in various departments of the Central government, there are also vacant positions in public sector banks, the defence forces and police, the health sector etc.

Further, the above cited numbers do not include vacancies in State government jobs.

The concerns have been raised on the **quality of employment** that will be generated. For example:

– The share of contract workers in total government employment has increased from 11.11 lakh in 2017 to 24.31 lakh in 2021.

– There are **“honorary workers”** such as Anganvadi and Accredited social health activist (ASHA) workers, etc, who receive very low consolidated wages and are not covered in a **social security net** as recommended by the International Labour Organization (ILO).

More jobs are needed: The magnitude of unemployment in India is very high.

– According to the Centre for Monitoring Indian Economy (CMIE), there are about **30 million unemployed people**, at present in India and according to the World Bank (WB), around **50 lakh-70 lakh workers** will be added annually.

– Therefore, 10 lakh jobs in the next 18 months will not have much impact on the present **unemployment problem**.

Way Forward

The employment generated by the government under its proposed plan must be of a **standard quality**.

At present, the Government should take the lead over the private sector in creating as many jobs as possible. The **private sector** is struggling to **overcome the shocks** caused by the **coronavirus pandemic**. The private firms cannot be expected to create employment opportunities.

Focus on basic needs: The government can create **more employment** in areas where the government is required to provide **basic needs**. For example, health and nutrition, education, and other basic infrastructure, etc. The government should focus on serving the **bottom 40% of the population** without doing privatisation in these areas.

9 PM Compilation for the Month of July, 2022

The government should reorient the **industrialisation policy** to focus on **labour-intensive sectors** of the economy, and to promote **Micro, Small and Medium Enterprises (MSMEs)**. For example, to provide better technology, finances (including working capital) and working towards **cluster development** for all industries.

Urban employment: The urban employment guarantee programme should be launched to create ample urban employment avenues for urban youth. For example, day-care centres can be set up for childcare to enable women to reduce their unpaid services etc.

46. [Somit Dasgupta writes: Bonn meet shows slim chance of action on climate change](#)

Source: The post is based on an article “Bonn meets shows slim chance of action on climate change” published in the Indian Express on 13th July 2022.

Syllabus: GS3 – Ecology and Environment

Relevance: United Nations Climate Change Conference (UNFCCC) COP27

News: Recently, representatives from more than 100 countries met at Bonn to hold preliminary discussions on the **final communiqué (climate finance)** of the COP27, which is scheduled to be held at **Sharm-el-Sheikh** later in the year 2022.

Major issues discussed in the final communiqué of COP27

(1) **Loss and damage:** There are many smaller countries, especially with big coastlines, which are experiencing loss and damage, due to rising river levels, loss of agricultural productivity, loss of livelihoods, etc. Therefore, they are demanding **financial assistance** to cope with it because they can't wait till 2030 or 2050.

Unfortunately, the idea to provide assistance for “**loss and damage**” was opposed by the US and the EU.

(2) There was debate on funding issues between **adaptation** and **mitigation projects**. So far, funding has mostly been directed towards mitigation efforts because mitigation projects are easily subjected to the **cost-benefit analysis**, and it is difficult to do so on the **adaptation projects**.

(3) The **Green Climate Fund** is considered too cumbersome and the process too lengthy. Hence, there's a need for an alternate funding route.

Moreover, the developing countries believe that the **climate finance requirement** is much higher than \$100 billion a year. The actual funding requirement for climate change issues may run into trillions of dollars.

(4) The **Nationally Determined Contributions (NDCs)**, as of date, are not enough to limit the temperature rise to 1.5°C. It requires the emissions to be cut down by half by 2030.

During the conference, the **Alliance of Small Island States (AOSIS)** expressed that the aim should be to **reduce emissions by 20% by 2025 itself**.

– The logic is that the next round of NDCs is due only in 2025 and by that time, it would be too late to formulate a plan that is achievable by 2030. Further, some countries have opined to revisit the NDCs by the end of 2022, to strengthen them.

9 PM Compilation for the Month of July, 2022

In a response, Egypt and Australia have announced to enhance their emissions reduction target to 43% by 2030 compared to the 2005 level.

(5) There were discussions on the **remaining carbon space** available for use to limit temperature rise to 1.5°C.

As per broad indications, keeping into mind the **given emissions rate**, the temperature rise cannot be limited to 1.5, if major steps are not taken within 10 years.

However, the other discussions were on how to distribute this available space equitably amongst all the countries.

(6) The US resisted being labelled as a **“big emitter”** and was not willing to take responsibility for its **historical emissions**. It wanted **China** and **India** (other big emitters) to take on greater responsibilities for cutting down emissions.

However, it was opposed by the **like-minded group of developing countries** (LMDCs) like China, India, Saudi Arabia and the Arab countries.

Issues and concerns

There was hardly any **convergence of ideas** between the **developed** and **developing countries** on the matter of climate finance.

The discussion on **climate issues** has been relegated to the background due to **the Ukraine crisis**. For example, the delegates walked out after a Russian official used the platform to criticise Ukraine.

47. [Rupee convertibility is due for a crypto rethink](#)

Source: This post is based on the article **“Rupee convertibility is due for a crypto rethink”** published in **Livemint** on **14th Jul 22**.

Syllabus: GS3 – Economy

Relevance: Monetary policy and related issues

News: As crypto can weaken state control of capital flows, India’s policy of global integration must remain adaptable. We should not let price instability cramp our options on the external front.

Why price stability is significant?

Overall, it helps keep an economy steady on almost every front.

It would also set a key part of the stage for **full [capital convertibility](#)**.

– It is a market- oriented idea that was left to gather dust after the Asian Crisis of 1997. Open economies bloated by foreign debt saw a reversal of global balances and were thrown into chaos as capital fled amid a currency crash.

– India has kept some limits in place on inflows and outflows ever since, exposing only parts of India’s financial sector to external risk, equity markets far more than debt.

9 PM Compilation for the Month of July, 2022

Note: In India, the RBI is entrusted with the responsibility of conducting monetary policy with the primary objective of maintaining price stability while keeping in mind the objective of growth.

What are the price stability settings for India to switch to full capital account convertibility? These were set out back in June 1997 by the report of a panel on “capital account convertibility” headed by the late central banker **S.S. Tarapore**.

The report advocated a **gradual shift** enabled strictly by

- a fiscal deficit kept under 3.5% of GDP
- inflation capped at an average 3-5% by means of a central bank mandate
- the bad assets of lenders—with lending rates fully freed—no higher than 5% of their total.

Further easing of capital controls was to be calibrated by **a)** the rupee’s trade-weighted rate of exchange, **b)** India’s balance of payments and **c)** adequacy of hard reserves (for which it proposed net foreign assets at 40% of currency).

Other criteria

d) Receipts from abroad had to stay on an uptrend, **e)** external debt service burden suitably low and **f)** trade gap kept consistent with these.

As of now, India is in no position to turn rupee fully convertible.

Way forward

Yet, India must work towards some abovementioned base conditions to widen its policy options in today’s uncertain times.

To ward off the capital-flight risk, India needs to achieve macro stability. It should reduce every incentive for money to be swiped into a digital store-of-value (Crypto) that’s globally accessible with such ease.

48. [Is protectionism compatible with liberalisation?](#)

Source: The post is based on the article “**Is protectionism compatible with liberalisation?**” published in **The Hindu** on **15th July 2022**.

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

Relevance: To understand India’s economic policy.

News: The government is planning to liberalise India’s economy. But with policies such as Atmanirbhar Bharat, the government seems to protect the domestic economy from foreign competition. This raises questions on whether the government’s external protectionism is compatible with its promise of liberalising India’s economy.

What are the challenges associated with India’s policies to protect the domestic economy?

Not efficient: Industrial policies generally invest in industries that could be globally competitive. But in India, there is a long list of sectors in which the government has embarked on import substitution that encourages domestic production. The emphasis is on producing in India rather than on efficiency.

9 PM Compilation for the Month of July, 2022

Not able to predict the future: In the 1970s, the government thought that electronics export was going to be a good thing. So, they created the **Santacruz Electronic Export Processing Zone (SEEPZ)** in Bombay and removed customs duties. By removing protectionism, they thought they were doing a favour to the electronics industry. And 30 years later, the software industry and the diamond processing industries came out on top.

Against ease of doing business: There is still high red-tapism in India. Further, in most productive sectors also India is lagging behind its counterparts. All this make fall in competitiveness of Indian industry.

Restrict the benefits of consumer: The government stands in the middle and interferes with the ability of an Indian consumer to buy something from abroad or the ability of an Indian firm to buy something from abroad or the ability of an engineering firm to raise capital from a cheaper source abroad, and so on. This raises fundamental question of consumer freedom.

Industrial licensing era policy: Policies such as Production-Linked Incentive (PLI) scheme provide incentives to certain capacities. In this, the government determine the minimum economic scale and then direct the industry to produce along those lines.

Read more: [Understanding the all-time high in India's trade deficit](#)

What should be done to improve the Indian economy?

Reduce custom duty and protectionism: Every time India cut customs duties, and removes elements of protectionism, firms in India which are users of those goods become more competitive. Hence, India can increase exports by making raw materials cheaper.

External and domestic reforms have to go hand in hand: China and other Southeast Asian countries have been attracting foreign investment just because they execute external and domestic reforms together. India should also focus on both instead of an isolated approach.

Government has to be a facilitator: Instead of picking select sector and promoting them, India can leave that to the market economy to discover the sectors. If the government want to intervene, the policy should be made by the government and industries having a dialogue.

Japan, [South] Korea, and many Southeast Asian countries follow this dialogue based approach. This might cause many firms to go bankrupt, and many industries will shut down. That's how India can find out what works and what doesn't.

Provide freedom to consumer: Ad hoc protectionism is not really the way forward because ultimately we are living in a market economy and there has to be the freedom to choose.

Role of industries: The industry needs to identify the pain points, and they should ask the government to address these issues. For instance, during the pandemic, big pharmaceutical giants had substantial government backing in producing vaccines and other medicines.

Read more: [Factors hindering India's global trade potential](#)

9 PM Compilation for the Month of July, 2022

49. [The road to rolling out labour codes](#)

Source: This post is based on the article “**The road to rolling out labour codes**” published in **The Hindu** on **14th Jul 22**.

Syllabus: GS3 – Economy – Industrial policy and growth

Relevance: Labour codes and related issues

News: The Code on Wages (passed in Parliament in August, 2019), the Industrial Relations Code, the Code on Social Security, and the Code on Occupational Safety, Health and Working Conditions (all passed on September 22 and 23, 2020 in the Lok Sabha and the Rajya Sabha) have not yet been implemented.

What are the views of various stakeholders?

The **Centre** claims that the four codes are a major step in the process of labour reforms.

The **central trade unions** (CTUs) have held three general strikes against the codes so far, alleging that the codes will result in taking away whatever little social and economic security is left in the employment sector.

The **farmers’ organisations** had also supported the trade unions in their protests.

The **employers’ associations**, had mixed feeling towards the codes, but had generally welcomed them.

Why the delay in implementation of the codes?

The government says the delay in implementation is due to the **delay in framing rules by the States**.

As labour is a **concurrent subject**, both the States and the Centre will have to prepare rules for the codes.

According to a recent report, 24 States have so far published draft rules to all four codes.

What the Centre wants to do?

The Centre intends to implement the four codes together. The Labour Minister has offered discussions with trade unions and representatives of employers to iron out differences, if any.

The **SP Mukherjee committee**, which is working towards the issue of minimum wages, is yet to complete its task. Setting a national minimum wage is important in the implementation of the Code on Wages.

Social security for unorganised workers is a promise in the Code on Social Security and expansion of ESIC network is an unavoidable step for this purpose.

What are some of the concerns?

The **central trade unions** in the Opposition camp are **opposed to all the four codes**.

– Bharatiya Mazdoor Sangh (BMS), is opposed to the Industrial Relations Code and certain provisions of the Code on Occupational Safety, Health and Working Conditions.

According to the Centre of Indian Trade Unions, one of the central trade unions, said the exercise is aimed at pushing out a large section of the workforce out of the coverage of all labour laws.

9 PM Compilation for the Month of July, 2022

The BMS has been maintaining that the codes **should not be implemented at one go**. The differences must be resolved by mutual dialogue. The Govt should implement only those sections and codes where there is a larger unanimity among the workers, employers and the government.

The employers' associations like Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) had expressed reservation on the proposal for increasing the **minimum wages** and **expanding the social security network** by involving the employers too.

Way forward

The trade unions are warning about more protests if the codes are implemented. They say that the Centre will have to repeal it the way it repealed the three farm laws.

The Centre, too, is worried about the political fallout of its implementation and thus, this could also be a possible reason for the delay.

The employers are worried that a further increase in the salary bill will hamper their profits in a recession-hit economy and they expect the government to hold more discussions.

50. [India's shrinking pot in an expanding universe](#)

Source: The post is based on an article "India's shrinking pot in an expanding universe" published in the Live Mint on 15th July 2022.

Syllabus: GS3 – Achievements of Indians in Science & Technology; Indigenization of Technology and Developing New Technology; Space Sector

Relevance: India's Space Sector

News: In recent days, **NASA's James Webb Space Telescope** has sent back its first stunning images of a small spot of the cosmos as it was **13.5 billion years ago**, a time period just 'a bit later' than our estimate of the Big Bang—about 3 million centuries prior.

About the James Webb Space Telescope

It was launched in Dec, 2021. It was a joint project of NASA, the European Space Agency and Canadian Space Agency. It is expected to cost around \$9.7 billion over its lifetime.

Furthermore, it comprises a **21-foot-wide mirror**, a sun-shield of the size of a tennis court and a quarter of a million tiny shutters, each smaller than a grain of sand.

How is India still behind the western countries?

The West has stormed ahead of India in recent centuries. It is because the science and tech innovations have been led by governments through state/public funding. However, India's state spending on science and technology languishes, despite 75 years of freedom or Independence.

The budget of the Ministry of Science and Technology (MST) was cut by more than 3% this fiscal year.

There is an environment promoting the study of **'Vedic science'** in India Further the young Indian women aiming to pursue a career in science, face an **"almost hostile environment"**.

9 PM Compilation for the Month of July, 2022

Way Forward

In order to take the Indian space sector a leap forward, the government has opened the sector for **private participation**.

For real progress, in addition to academia and national laboratories, India's ministries should also work with a scientific temper.

The Constitution of India has given us a **"free and democratic nation"**, where all brothers and sisters get the same constitutional rights.

51. [In defence of the Aravallis](#)

Source: The post is based on an article "In defence of the Aravalli's" published in the Live Mint on 15th July 2022.

Syllabus: GS3 – Ecology and Environment

Relevance: Draft National Capital Region Plan 2041

News: In recent days, the government has released the **draft NCR Regional Plan 2041**. It contains a recent proposal from the NCR Planning Board which includes an attempt to open up the Aravallis for construction.

About the Aravalli ranges

They start from Delhi and traverse through Haryana and Rajasthan before ending in Gujarat, spanning 690 km in length.

They are among the oldest fold mountain systems in the world.

How are the Aravalli ranges crucial for the survival of the National Capital Region (NCR)?

First, they serve as a groundwater recharge zone for a perpetually water-starved NCR region.

Second, they are the last remaining green lungs of Delhi NCR.

Third, they also serve as a barrier against the desertification of the Indo-Gangetic plains.

Legal Regime for preservation of any forest in the NCR

The NCR Regional Plan 2021 has placed the "Aravallis" and "forest areas" in the Natural Conservation Zone (NCZ). This includes all Aravalli's Forest areas, water bodies and groundwater recharge areas, and rivers as well as flood plains.

It limits construction to only **0.5%** of the total area. In short, the Regional Plan 2021 banned construction for commercial, residential, tourism and real estate purposes in the NCZ.

What are worrisome attempts that aim to eliminate barriers that prevent the destruction of the Aravallis?

There are attempts to circumvent existing **environmental protections** through the removal of the entire concept of a Natural Conservation Zone (NCZ) in the draft plan.

The draft Plan 2041 proposes to replace NCZ with a very loosely defined new term, **"Natural Zone"**. It has removed the terms 'Aravalli' and 'forest areas' from the NCZ.

9 PM Compilation for the Month of July, 2022

It means the new category will provide protection only to those areas which are “notified for preservation” and also “recognized in the revenue records” of states over time.

However, most of the Aravalli hill area in Haryana is not notified and neither is the term ‘Aravalli’ mentioned in revenue records. Instead, it is recorded as “**gair mumkin pahaar**” (uncultivable wasteland), and “**bhood**” (sandy foothills). The forest cover of the Aravallis is neither notified nor mentioned as “forest” in revenue records.

Further, the **0.5% limit** on construction in the NCZ has been dropped in the proposed classification.

The plan can drastically reduce the forest cover and open the floodgates to indiscriminate real estate development in the Aravallis.

Way Forward

India is going through rapid urbanization. Almost half the people of India would be living in its cities by 2025.

– Therefore, there is a need to ensure that **India’s urbanization** occurs within the **carrying capacity** and **ecological limits** of the region. The cities should be able to ensure **enough water** and **green spaces** to the growing populations.

The Aravallis are a **common groundwater recharge zone** for Delhi and Haryana, and all stakeholders must do their bit to protect them.

In this era of climate change, water security and clean air need priority over real estate projects.

52. [Ensuring nutrition security](#)

Source: The post is based on an article “Ensuring nutrition security” published in the Business Standard on 15th July 2022.

Syllabus: GS3 – Issues and Challengers pertaining to buffer stock and PDS System

Relevance: Food Security

News: In the recent periods, the National Family Health Survey-5 (2019-21) and the United Nations report on the State of Food Security and Nutrition 2022 were released.

Findings of the UN report

Globally, the count of **undernourished people** has swelled by nearly 46 million over the past 15 years. The figure has shrunk by nearly 23.5 million in India. However, the scale of malnutrition still remains worrisome in India.

The Sustainable Development Goal (SDG) to eliminate hunger by 2030 is not going to be met because 8% of the world population (about 670mn people, or) would remain underfed in 2030.

What are the proximate causes for such food insecurity?

The prices of cereals, fertilisers and energy has increased. It has turned food unaffordable for a sizable section of the poor.

9 PM Compilation for the Month of July, 2022

The **Black Sea region** which accounts for **one-third** of the world's wheat and **barley production** and close to half of fertiliser output, especially that of potassic fertilisers has not been able to export to meet the global demand.

What are the measures that have been taken by the Indian government for food security in India?

India has been running **liberal consumer subsidies** and a slew of **food-based social welfare programmes**, i.e., the targeted public distribution system (TPDS) aimed to alleviate hunger across the country.

What are the issues in India's food security programmes?

The policies aimed to keep consumer prices in check hurt the interests of farmers.

Findings of the NFHS-5

Regardless of India's food security, there is rampant malnutrition, including imbalanced nutritional intake in India. These can be illustrated based on the following>

- (1) more than half the Indian women in the 15-49 age group are anaemic.
- (2) About 45 million children below the age of five suffer from wasting, the deadliest form of malnutrition.
- (3) About 149 million children are stunted due to deficiency of essential minerals and vitamins.
- (4) Due to **unhealthy food consumption** practices, there are high incidence of obesity among both adults and children.

What are the causes behind rampant malnutrition in India?

The **inter-ministerial committee** which was appointed to go into the findings of the survey has listed lack of **affordability, dietary ignorance, and socio-cultural food taboos** among the significant factors responsible for rampant malnutrition.

The panel is reported to have observed that the silent crisis of undernourishment has aggravated during the Covid-19 pandemic.

Way Forward

The inter-ministerial committee recommended amending the National Food Security Act to make inclusion of **protein-rich** and **micro-nutrients-doped food items**. These should be legally mandated as part of the meals provided through food safety programmes in schools and Anganwadis, and under the Poshan Abhiyan.

The food and agricultural policies of the countries should focus **on boosting food production** as well as **enhancing its economic access** to the poor.

9 PM Compilation for the Month of July, 2022

53. [Stamp out this hate speech manufacturing network](#)

Source: The post is based on the article “**Stamp out this hate speech manufacturing network**” published in **The Hindu** on **16th July 2022**.

Syllabus: GS 3 – Role of media and social networking sites in internal security challenges.

Relevance: To understand the political nexus between hate speech and Political Parties.

News: The recent attack on a judge of the Supreme Court of India by the IT cell of a prominent national political party has given the impression that there are a significant number of people opposed to judicial criticism.

Read more: [Hate speech is violent in itself and must be called out](#)

What are Internet Trolls, and what is the political nexus of these trolls and hate speech? According to the book “I am a Troll”, Internet trolls are defined as persons who sow discord through inflammatory comments on the Internet. The book traces the growth of Internet trolls from the early 2000s and attributes its steep upward curve to the support it received from a senior political leader in Government.

The book also mentions that ‘office bearers of the party in power have publicly supported these trolls’. Thus, the hate speech tweets are manufactured by a factory of a political party that produces millions of hate speeches.

Targeting processes against persons/organisations were managed by ‘Tek Fog’ (a ‘sophisticated app used by online operatives to hijack major social media and encrypted messaging platforms’).

For instance,

-The Wire reported that a network of 757 Twitter accounts was used to mount attacks against the co-founder of fact-checking website Alt News and the recovery email id for the anonymous Twitter handle was that of a youth leader of a political party.

-The Wire commented that the handlers of ‘Tek Fog’ are politically aligned.

-Over eight lakh hostile replies were sent out to tweets by women journalists, of which over five lakh were classified as ‘offensive’.

– Newslaundry has reported that internet trolls are ‘well-oiled propaganda machine that will churn out fake videos and mass tweet links to gear up for Twitter storms’.

Read more: [Preventing harm: On judicial intervention against hate speech](#)

How to reduce hate speech over the internet?

The government should frame a criminal investigation by an independent special investigation team of the police. This must be followed by Prosecution.

This hate speech manufacturing networks must be crushed. This is vital for democracy to survive and for the judiciary not to be intimidated.

Read more: [Hate speech, IPC Sec 295A, and how courts have read the law](#)

9 PM Compilation for the Month of July, 2022

54. [Time for vigilance-Increased testing and building awareness, not stigmatisation, can stop spread of monkeypox](#)

Source: The post is based on the article “**Time for vigilance-Increased testing and building awareness, not stigmatisation, can stop spread of monkeypox**” published in **The Hindu** on **16th July 2022**.

Syllabus: GS 3 – Awareness in the fields of biotechnology.

Relevance: To understand the spread of Monkeypox.

News: India reported its first laboratory-confirmed, imported case of monkeypox virus from Kerala. To cut the transmission chain, people who have come in contact with him in Kerala have been isolated.

What is monkeypox?

Must read: [Explained: What is monkeypox, a smallpox-like disease from Africa that has been reported in the UK?](#)

The first human case was reported in 1970 in the Democratic Republic of Congo, and the virus became endemic in 11 countries in Africa causing small outbreaks.

What is the significance of the recent monkeypox spread?

The first case of the virus outside Africa was first reported in the U.K. in May 2022. Since then, the virus has spread to over 63 countries.

With cases crossing the 10,000-mark in non-endemic countries, and numerous cases in Spain (2,034), the U.K. (1,735), Germany (1,556) and the U.S. (1,470), the risk of the virus becoming established in some of these countries are becoming increasingly real.

Further, for the first time, the virus has spread to more than a hundred people a year during any outbreak in endemic countries except Congo.

How does the virus spreading so rapidly?

The rapid increase in cases and geographical spread have primarily been due to **human-to-human transmission** largely during sexual contact, especially among **men who have sex with men** (MSM).

Few dance parties in Spain and Belgium have turned out to be super-spreader events.

According to the WHO, “undetected transmission for some unknown duration followed by recent amplifier events” to be responsible for cases being detected simultaneously in several countries outside Africa.

Read more: [Health Ministry issues norms to tackle monkeypox](#)

What are the findings about Monkeypox so far?

No attempts were made to study Monkeypox all these years, as the virus is endemic in 11 countries in Africa and causes only small outbreaks.

But the recent studies have found that,

-The virus appears to mutate at a much higher rate than what was assumed.

-Based on genome sequences from the current outbreak, the virus has found the emergence of a novel clade of the virus in early March.

9 PM Compilation for the Month of July, 2022

-Monkeypox virus DNA has been found in samples of semen, saliva, urine, rectal swabs and faeces at high viral loads.

So increased testing, contact tracing and building awareness, and not stigmatising the infected people alone can stop the spread.

55. [James Webb: It is just the beginning](#)

Source: The post is based on an article “James Webb: It is just the beginning” Published in the Business Standard on 15th July 2022.

Syllabus: GS3 Science and Technology; Space Technology

Relevance: The James Webb Space Telescope

News: NASA’s James Webb Space Telescope (JWST) located some 1.6 million km from Earth has received “deep field” images of the photons of the early formed stars.

These photons have travelled relatively unhindered through the ever-expanding vast and presumably empty open space of the universe for over 13 billion years.

Findings about Planet WASP-96 b

The JWST’s also captured images indicating signs of water, clouds and haze in the atmosphere of **WASP-96 b**.

The planet is a hot and puffy gas giant planet orbiting a distant Sun-like star. It is located roughly 1,150 light-years away in the constellation Phoenix.

It has a mass less than half that of Jupiter and a diameter 1.2 times greater,

According to Nasa, WASP-96 b is much puffier than any planet orbiting our Sun.

Importance of the discovery

The images give detailed glimpse of the **birth** of stars/ the beginnings of the universe as well as the **deepest looks** into the far reaches of outer space in the universe.

It gave a glimpse of what the **most distant galaxies** would have looked like more than 13.1 billion years ago, less than a billion years after the **Big Bang**.

Importance of the finding related to Scope of JWST

According to NASA, these observations have demonstrated that the JWST telescope has the unprecedented ability over the Hubble telescope, to do detailed observation of outer space.

About the JWST Programmes

It will

- target **exoplanets, comets** which are located outside our solar system.
- study the **first light in the universe**, and also study the **first galaxies** that formed in the universe
- probe the **atmospheres of planets** around other stars and so on. Thus will characterise potentially habitable planets beyond Earth.

9 PM Compilation for the Month of July, 2022

The JWST's first deep field images have revealed that it has far more powerful ability than the Hubble's telescope. The JWST is planned for the **next-generation Deep Extragalactic Exploratory Public (DEEP) survey** and other programmes

Its programmes will target **distant galaxies**. This will include giant galaxies, as well as the **dwarf galaxies** which are far smaller than what Hubble Space Telescope could capture.

It shall identify **supermassive black holes** that sit at the centre of almost every large galaxy.

It shall observe **Mars** and the **gas giants**, dwarf planets like Pluto and Eris, and even smaller bodies in our solar system like asteroids, comets, and Kuiper Belt Objects.

It is also slated to study **brown dwarfs** and other matters of **cosmic evolution**.

56. [‘Community evolves slowly in rainforests like India’s Kudremukh and Silent Valley’](#)

Source: The post is based on an article “**Community evolves slowly in rainforests like India’s Kudremukh and Silent Valley**” published in the Times of India on 16th July 2022.

Syllabus: GS3 Ecology and Environment

Relevance: Rainforest Ecosystem in India

Context: The **Silent Valley national park** in Kerala and **Kudremukh national park** in Karnataka. The former had witnessed a rich conservation history involving a people’s movement to stop a dam and creating a national park. Whereas, the latter is one of the **first rainforests** that is present in the Western Ghats.

An ecological principle

In natural ecosystems like forests, the species get together to form a community. Further, there won’t be just one dominant species of trees in the ecosystem, there would be diverse kinds of trees living there. Thus, it means there will be **incredible diversity** in a **forest ecosystem**.

For Example, tropical rainforests in South America or Southeast Asia could have 800 to 1,000 different species in one hectare alone.

This varies, depending on the history of how species evolved over time and climate.

There will be different levels of diversity between a forest in India, Borneo or Panama.

What are the processes that maintain such diversity in an ecosystem?

Each species has its own ‘**niche**’ or requirement for the resources like light, water and some nutrients. For example, all the species don’t use resources at the same level. Some thrive in **bright sunshine**, some in **dark** and some in dappled **sunshine**.

Therefore, these **differential requirements** of light, water and soil nutrients lead to **species differentiation** and prevent any one species from becoming dominant in **complex ecosystems** like **tropical rainforests**.

There are continuous interactions between **plants, insects** and **fungi**. It ensures no one species becomes dominant, and a community is upheld. For example,

(a) **Small organisms** enable diversity in the complex ecosystem through the process of eating plants and regulating the population of the plants and trees.

9 PM Compilation for the Month of July, 2022

(2) The **disease-causing pathogens** act as enemies of trees. The population of the trees may be destroyed by these pathogens. In such a situation, other species come in and establish themselves in that space.

Role of Human Actions on these complex interactions:

(1) **Humans have modified forests.** The large forest places have been chopped up into smaller pieces for agriculture, roads or logging.

(2) Further, such human interventions like fragmentations of forests, increase the ability of the natural enemies like pathogens to impact the plants.

The rodents work with greater strength in **fragmented forest** or **near forest edges** as compared to interiors of forest. For example, rodents like porcupines and wild rats are able to eat more seeds in an **impacted fragment** versus a less disturbed forest.

Way Forward

These rainforest ecosystems in South India have **diverse systems**, like rainforests below, grasslands and sholas in the upper regions. Therefore, it is important to preserve them as these are sanctuaries of nature's evolutionary history.

[57. 'Rainforest defaunation is huge — these species are key'](#)

Source: The post is based on an article "Rainforest defaunation is huge, these species are key" published in the Times of India on 16th July 2022.

Syllabus: GS3 – Environment and Ecology

Relevance: Rainforest Defaunation

News: There is rampant destruction of ecosystems worldwide. Over the years, the expansive **tropical forest ecosystems** in Mexico, etc. have become small, and isolated patches of vegetation, leading to their fragmentation.

Whether processes of evolution in biodiversity can survive such habitat fragmentation?

No. There are **mutually beneficial interactions** between plants and animals in tropical rainforests. For example, pollination and seed dispersal.

The interactions between plants and animals in tropical rainforests also jointly **regulate** the ecosystem. Further, all species can live in a balance.

Now, there would be disastrous consequences, if the understory of a rainforest where the **interactions** between plants and animals have evolved and takes place, like seed dispersal to plant regulation, is removed.

The deforestation or the destruction of the forest will damage the processes of interactions between **plants** and **animals**. Further, it will also lead to the process of **defaunation** or loss of animal life.

Scale of defaunation

Over the last four decades, the vertebrates' animals have shrunk by 30%.

9 PM Compilation for the Month of July, 2022

Over the last 40 years, there has been an approximately 50% rate of decline or Tropical defaunation.

In the Brazilian Amazon, the most **diverse rainforest** on Earth, we are losing 40 million vertebrates' monkeys, birds, deer each year due to hunting and poaching. The same trend is consistent in all the world's rainforests.

Further, removal of animals also leads to **cascading consequences**. For example, when **parent monkeys** are removed from a rainforest, the baby monkeys cannot survive without their parents.

What are the solutions?

(1) To spread awareness of **defaunation**. The use of the term 'defaunation' may help citizens and policy makers to measure the magnitude of the loss of animal life.

(2) Scientists and ecologists must engage the **global public** to stop the destruction of habitats, which is the biggest driver of biodiversity loss.

(3) What's left must be protected and focus on **refaunation** via rewilding and translocation to the homes. It will help revive **vital ecosystem processes** and control rodents that carry **dangerous pathogens**.

(4) It is also very important to respect the knowledge of indigenous societies. These have conserved viable forestry and sustainable agriculture through diversified land use, mosaics of agriculture, agripastoral and forest management systems that save biodiversity.

58. [The rise in the incidence of digital fraud](#)

Source: This post is based on the article "**The rise in the incidence of digital fraud**" published in **Business Standard** on **17th Jul 22**.

Syllabus: GS3 – Economy – Money and Banking

Relevance: Financial fraud in the banking sector and related issues

Context: Over the years, there has been a significant change in the types of frauds affecting the banking industry.

Moreover, the economic slowdown has only heightened the risk of fraud and money laundering for the banks.

Why managing financial fraud is significant?

Managing fraud has become more important for banks, due to **a)** increased regulatory scrutiny, **b)** increased stakeholder expectations and **c)** the detrimental effect of the actual fraud loss incurred.

Change in the nature of frauds

There is an increase in digital or technology-related frauds, such as ATM skimming, mobile/internet banking, and identity/data theft, in addition to cyber risks faced by banks.

Why cybercrime needs to be tackled effectively by banks?

Cybercrime and tech-related frauds cause **a)** reputational damage, **b)** diminished customer and investor confidence, and **c)** theft/loss of personally identifiable information. Together, these add up to substantial risks for financial services companies.

9 PM Compilation for the Month of July, 2022

These issues ultimately have the potential to affect the financial ecosystem and, in extreme cases, may lead to a systemic crisis.

What are the measures that banks should initiate?

Banks should consider investing in technology to evolve their fraud risk management frameworks (FRM) to tackle newer and more complex challenges.

Banks and financial institutions (FIs) should consider the following proactive steps:

- Banks need to integrate a larger **financial crime compliance agenda** that will work across the business, compliance, legal, credit, and operations departments.
- Institutions need to take the time to measure the effectiveness, appropriateness, and efficiency of existing controls against an **updated risk assessment**.
- The current methods of FRM are plagued with a lack of centralised control/monitoring from various systems, and issues related to data availability and quality. This results in **increased frauds and delayed detection**.
- In light of impending risks from digital platforms, banks should consider **building cyber-risk management programmes** to achieve three essential capabilities: the ability to be secure, vigilant, and resilient.

Way forward

Risks are inherent in the banking business. However, with frauds on the rise, organisations need to put their business in order by having effective control mechanisms in place.

[59. We need an orderly transition from coal to renewables](#)

Source: The post is based on an article “We need an orderly transition from coal to renewables” published in the Indian Express on 18th July 2022.

Syllabus: GS 3 Infrastructure: Energy, ports, roads etc.

Relevance: Energy Security and Energy Transition

News: Since the onset of the pandemic and over the past few months, after the Ukraine-Russia war, commodity prices, especially that of energy, have surged worldwide, which has raised concerns over energy security.

Steps taken to measure inflation in the coal sector in India

Introduction of the **national coal index (NCI)** as the wholesale price index (WPI) for coal has no component of imported coal.

The NCI reflects international coal prices. It provides a benchmark for **revenue-sharing contracts** being executed after the auctions for **commercial mining of coal**.

Status of inflation in the coal sector

For the last six months, the WPI for Coal has been stable at around 131. Over the same period, the **NCI** has jumped from about 165 to about 238 reflecting the sharp increase in international coal prices.

Measures to address inflation in the coal sector in India.

9 PM Compilation for the Month of July, 2022

The **domestic coal industry** has responded with an increase of over 30% in coal production from April to June to reduce the exposure of the domestic economy to the price volatility of international markets.

The government has permitted **commercial mining** and allowed the private sector to produce more coal.

What are the measures needed to make the above-mentioned steps more effective?

First, The Ministry of Power needs to finalize its **draft National Electricity Policy 2021** as the policy is poised to articulate the importance of **domestic coal-based generation** in the country.

Second, the **financial community** has to be sensitised to the need of increasing domestic coal production to meet the growing energy demand. The industry and financial community should adopt a more holistic approach toward **environmental, social, and governance (ESG) criteria**.

Third, the **regulator** should address the issues arising from a **greater role of the private sector** in coal production. There should be a single point of contact for the industry in the form of a dedicated regulator. It would help the new private commercial miners to overcome problems that could arise in due course.

Fourth, in addition to **increasing domestic production of coal**, there is a requirement to ensure **diversification of the production base** and improvement in the **quality of the coal** produced in India.

Fifth, there is a need for reforms in **various cross subsidies** which cause **undue financial burden** on the coal sector.

Way Forward

Although coal is a major cause in GHG emissions. But it is **unavoidable** for India's energy security in the near future. Therefore, there is a need to adopt **processes for orderly transition** from coal to **500 GW of renewables**.

However, **high prices of coal** and **coal-based generation** may encourage import of coal and it will expose us to international energy prices fluctuation. Therefore, there should be increased focus on domestic production of coal.

60. Declining wheat inventories: Grain of the matter

Source: The post is based on an article "Grain of the matter" published in the Business Standard on 17th July 2022.

Syllabus: GS3 – Public Distribution System – Objectives, Functioning, Limitations, Revamping; Issues of Buffer Stocks and Food Security; ; Major Crops – Cropping Patterns in various parts of the country,

Relevance: Buffer stock and related issues

News: There has been a sharp decline in the **government's wheat inventories** to 28.5 million tonnes this year. This is the lowest since 2008.

Reasons for sharp decline of inventories

About 1.8mn tonnes of wheat was sent to about a dozen countries, including Bangladesh and Afghanistan, even after the imposition of the ban on wheat exports.

9 PM Compilation for the Month of July, 2022

Why should the declining inventories be not a matter of concern?

The inventory is still about a **million tonnes** higher than the stocks needed to be held as buffer and strategic reserves for food security purposes.

Besides, there is **no dearth of wheat** in the market despite record exports and liberal shipments to other countries on humanitarian grounds.

The prices of wheat in the open market, too, have remained fairly stable. It is another indication of the comfortable supply position.

What are the reasons for the depletion of wheat holdings?

The **intense heat** in March 2022 caused the grains to shrivel and ripen prematurely without attaining full mass. Therefore, there was a fall in crop output. For example, Wheat output, anticipated originally to be over 109 million tonnes, fell to 106.4 million tonnes.

The government's procurement of wheat dipped by a huge 60% due to **lower market arrivals**. It happened because private traders, and notably exporters, purchased wheat at rates higher than the minimum support prices (MSPs).

Why is the reduction in the government's grain stockholding a welcome development?

From the economic standpoint, this would help bring down the cost the Food Corporation of India (FCI) incurs on holding surplus food stocks.

Way Forward

Instead of wheat, the government can help the countries facing acute **food insecurity** through rice export.

(1) The government can **prune the inventories of rice**, which, at present, are estimated at more than double the requirement of the public distribution system (PDS) and food-based welfare programmes. The government can sell stock of rice in the domestic market. The private traders can export.

(2) The World Trade Organization (WTO) rules disallows exports from the **public food stocks**. Therefore, India can plea to WTO to waive this restriction in view of the current global food crisis.

The **cropping patterns** should be diversified from the **paddy crop** to other crops, especially oilseeds, for which the country is still heavily dependent on imports.

Some states, including **Punjab** and **Haryana**, have already begun **offering cash incentives** to farmers to replace **paddy** with other crops. There is scope for similar moves in many other states as well.

[61. Nationalisation, consolidation and privatisation](#)

Source: The post is based on an article "Nationalisation, consolidation, and privatisation" published in the Business Standard on 17th July 2022.

Syllabus: GS3 – Issues and Challenges pertaining to the growth and development of Indian Economy

Relevance: Privatization of Public Sector Banks

News: Recently, the privatisation of the public sector banks (PSBs) and insurance companies was discussed by the Finance Minister of India.

9 PM Compilation for the Month of July, 2022

History of Nationalization in India

First round: In 1969, there were 73 commercial banks. But the Government of India nationalized a set of **fourteen private banks** in India.

Second round of nationalisation: It was executed in 1980 when six more banks were nationalized.

Now there are 78 PSBs, excluding small finance banks and payments banks as well as regional rural banks and local area banks.

The Privatization Plan

Ahead of the privatisation plan, the government consolidated PSBs drive to make the banks bigger and stronger. Following this, the number of PSBs has shrunk from 27 in 2017 to 12 at present.

First, the government committed itself to privatise IDBI Bank. Therefore, the privatisation of the **IDBI Bank Ltd.** is under process. For example, Life Insurance Corporation of India (LIC) acquired 51% in IDBI Bank. LIC has committed to infuse capital for five years, if required, and dilute its stake to 40% within 12 years etc.

In the **Union Budget 2021-22**, an announcement was made for privatization of 2 among 12 public sector banks (PSBs).

The government has amended **the Banks Nationalisation Act** to pave the path for privatisation of the PSBs. It mandates the government to bring down its stake just below 51% of the overall shareholding.

What are the reasons for privatization?

The Prime Minister has said that the government's job is to care for the poor, ensure food, toilets, houses, and supply of clean drinking water. The government has **"no business to be in business"**.

What are the issues in the privatization of the PSBs?

Traditionally, the government has been divesting its stake in public sector undertakings to make **money** but the logic behind **privatisation** of banks is to stop using **public money** as a lifeline. However, since 1994, the government has pumped in close to Rs 4.5 trillion in these banks as capital.

The Nationalisation Act confers **sweeping controlling powers** to the government, which are not available to any other major shareholders.

– It can issue directions to the **nationalised banks** in the **public interest**. Technically, it needs to be done after consulting with the **Reserve Bank of India** but the Department of Financial Services, a finance ministry arm, does this often without keeping the banking regulator in the loop.

– The government has the power to appoint **whole-time directors** including managing director (MD), **non-executive chairman** and **other members** in the board of directors of the PSBs.

The government can supersede the **board** and even sanction making of regulations

The government has the power to liquidate any bank; and also, its nod is necessary for merger between two public sector banks.

9 PM Compilation for the Month of July, 2022

In sum, the government enjoys more powers than a **majority stakeholder** in the Public Sector Banks. The government acts as the **superboard** as it possesses both ownership and regulatory powers.

Way Forward

The government needs to make more changes to excite investors about the PSBs as merely bringing down the government stake below 51% may not find any taker for the PSBs.

The government must **bring down its holding to at least 26%** because any serious investor will be willing to look at PSBs when it will have a say in the affairs of the bank with higher voting rights.

Finally, the government should increase the tenure of the CEOs and EDs beyond 60 years and provide **market-linked compensation**. For example, in private banks, the CEO's age has been capped at 70 years. The **P J Nayak Committee (2014)** has also made similar recommendations.

[62. Four-day work week: The five-day work week might be fading away](#)

Source: This post is based on the article **"The five-day work week might be fading away"** published in **The Hindu** on **19th July 2022**.

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

Relevance: About the four-day work week.

News: The idea of a four-day week against the usual 40-hour, five-day work week has been mooted for decades.

What are the findings of four-day work week studies?

Microsoft trial: The most recent and widespread adoption of a four-day work week was a trial run by Microsoft in Japan in 2019. The study witnessed a **40% increase in worker productivity**, presumably due to increased job satisfaction and lower burnouts.

Apart from workers' productivity, the company also witnessed higher efficiency in the form of **lower office costs**. It saw a massive 23% dip in electricity costs and a 60% fall in the number of pages printed in the office.

Other trials: Most trials of a four-day work week seem to increase or at least keep constant worker productivity. However, an increase in a worker's productivity in a manufacturing firm with a decrease in work hours would not mean a similar increase in productivity for an employee in the service sectors such as education or health.

Note: In Iceland, around 86% of employees have the right to work on a four-day work week.

What are the benefits of a four-day work week?

1) Fewer working days will lead to lower commuting and hence have a positive impact on the environment, including a fall in electricity consumption in offices, **2) It can be an important tool to revive employment rates** after the novel coronavirus pandemic, **3) It will increase work-life balance and a step toward gender equality and women's career progression**. This is because women often opt for smaller shifts and shorter work days for lower pay after they become mothers.

Read more: [Gig Workers and their challenges – Explained, pointwise](#)

9 PM Compilation for the Month of July, 2022

What are the challenges associated with the four-day work week?

A four-day work week is **not one that fits all**. For instance, **a)** The **service sector** has challenges implementing a four-day work week, especially for small firms, **b)** The **sales and marketing departments** of firms may also face issues as there would be less time to chase leads, build customer relations and solve issues, **c)** Further, employees in firms that would not decrease work hours in a four-day work week would have to work 10 hours on working days, which can **lead to increased stress and decreased satisfaction**, **d)** It will also affect employees' holiday entitlements.

What is the situation of a four-day work week in India?

Study: A private study in India found that among 1,113 employers it surveyed, 60% preferred a four-day work week and believed that it would positively affect employee productivity and well-being.

Government response: Recognising this, the Central government is set to roll out the new labour codes, which include rules for a flexible four-day work week. The new codes stipulate the requirement of a minimum of 48 hours per week; hence the employee will have to work for 12 hours on each working day.

Expected Output: This is not likely to increase productivity as the increased per day hours of work would work against employee motivation to increase output.

Suggestions: The draft code should only reduce the number of workdays, keeping the number of hours fixed.

The draft code should not forget the Parkinson's law that says work expands so as to fill the time available for its completion, and it should be a guiding principle in designing India's new labour codes.

63. Climate change-induced disasters: India's climate imperative

Source: This post is based on the article "**India's climate imperative**" published in **The Hindu** on **19th July 2022**.

Syllabus: GS 3 – Disaster and disaster management.

Relevance: Climate change-induced disasters.

News: In the absence of COVID-19, climate change-induced disasters would have been India's biggest red alert in recent years. The heatwave in Rajasthan, Uttar Pradesh, Gujarat, and New Delhi this year; torrential downpours in south India in 2021; and the super cyclone Amphan that battered West Bengal and Odisha in 2020 are symbols of man-made climate change.

Read more: [Somit Dasgupta writes: Bonn meet shows slim chance of action on climate change](#)

What is the intensity of climate change-induced disasters in India?

Temperatures over the Indian Ocean have risen by over 1 °C since the 1950s, increasing extreme weather events. India is the fourth worst hit in climate migration.

Heat waves in India have claimed an estimated 17,000 lives since the 1970s. Labour losses from rising heat, by one estimate, could reach ₹1.6 lakh crore annually if global warming exceeds 2°C, with India among the hardest hit.

Read more: [India's monsoon faces climate change. Earth needs a 'soft path for water' now](#)

How to mitigate climate change-induced disasters?

Tackling heatwaves: **a)** The government has to promote agricultural practices which are not water-intensive and support afforestation that has a salutary effect on warming, **b)** Financial transfers can be targeted to help farmers plant trees and buy equipments, **c)** Insurance schemes such as weather-based crop insurances can transfer some of the risks of extreme heat faced by industrial, construction and agricultural workers to insurers, **d)** Climate-resilient agriculture calls for diversification such as, the cultivation of multiple crops on the same farm. There will need to be more localised food production.

Mitigating Floods and storms: **a)** The Southern States need stronger guidelines to avoid construction in locations with drainages, **b)** Mapping flood-risk zones to manage vulnerable regions, **c)** Environment Impact Assessments must be made mandatory for commercial projects, **d)** Construction of flood-resistant houses like built-in Kerala on pillars.

Preventing landslides and enhancing dam safety: Management of dams can exacerbate glacier lake outbursts and floods. So, India should enforce regulations to stop the building of dams on steep slopes and eco-fragile areas, as well as the dynamiting of hills, sand mining, and quarrying.

At the National and State level: **a)** India's share in disaster management should be **raised to 2.5% of GDP**, **b)** States should tap into the Union government's resources, financial and technological, from early warning meteorological systems to centrally sponsored climate schemes, **c)** MGNREGA funds can be used for climate adaptation in agriculture, waste management and livelihoods, **d)** States could make a compensatory payment to local self-government resources being used for climate adaptation.

Global steps required: **1)** Leading emitters, including India, must move away from fossil fuels, **2)** Regulation needs to be tightened and enforced to ensure forest protection while acquiring land.

Read more: [Making sense of Assam floods: Why rivers turned violent in the 20th century and how climate change is making them more unpredictable](#)

64. [Centre must welcome Chin refugees with open arms, Mizoram is already doing so](#)

Source: The post is based on an article "Centre must welcome chin refugees with open arms, Mizoram is **already** doing so" published in the Indian Express on 19th July 2022.

Syllabus: GS 3 Internal Security,

Relevance: India's refugee policy

News; In recent years, Human Rights Watch (HRW) has accused Myanmar's Tatmadaw, a junta regime of perpetrating "crimes against humanity". The rule has led to displacement of half a million Myanmar's people within the country and forcing more than 50,000 ethnic Chin and others to seek refuge outside.

What were the issues in front of the Indian government on account of the Chin people influx into India?

There has been an unprecedented divergence between the **Indian government** and the **Mizoram state government**. The Centre has adopted a **security-centric approach** and the Mizoram government has adopted a **people-centred focus**.

What is the Centre's perspective on refugees?

The Chin refugees are not refugees who have simply run away to save their lives. They are rebels who have opted to go into **self-exile** and continue to extend support to the **People's Defence Forces (PDF)** and other **anti-Tatmadaw militias** like the **Chin Defence Force** and the **Chin National Army**. Therefore, MHA advised the state government to stay alert and take appropriate action to prevent a possible influx into Indian territory.

The Centre directed the North-eastern states bordering Myanmar that they do not have powers to grant "**refugee status to any foreigner**".

What is the state government's perspective on refugees?

The Mizoram government has **defied** the **Ministry of Home Affairs (MHA) orders** to "**detect and deport the refugees**". The Mizoram state has extended a warm welcome to everybody wanting to come and decided to take Chin refugees. Simultaneously, the state government has also strongly communicated to the Central government that it cannot be "**indifferent**" to its concerns.

What were the issues in the Centre's decision of not to grant asylum?

The Central government has denied asylum to the Chin people on the ground of India's **non-ratification** of the **1951 UN Convention on the Status of Refugees** and also its **1967 Protocol**.

However, not being a party to the Convention does not prevent any state from granting asylum to the asylum seeker.

Moreover, even non-signatories are bound under **customary international law** to follow the principle of **non-refoulement** that protects the rights of asylum seekers not to be deported or pushed back to the country they have fled to escape violence in the first place.

What are the reasons behind the Mizoram government's move to allow refugee status?

Both Mizo and Chin communities share a **common history**. There are unique **social-political realities** between the two people at the India-Myanmar international border.

Both come from the same larger **Zo tribe**, therefore share a strong **ethnic bond** predating India's Independence.

Both communities are bound together by a **common religion**, i.e., both are **predominantly Christians**.

There is a **Free Movement Regime (FMR) 2018** between India and Myanmar that allows both communities on either side to go up to 16 km on the other side and stay up to 14 days. Therefore, border landers routinely cross over on either side for trade in essential commodities, work, **cross-border marriages**, and as a result to meet relatives.

There is a history of mutual **empathy** and **solidarity** between the Mizos and the Chins. The Chin people have extended support and sanctuary to the members of the **Mizo National Front**. Similarly, during the **1988 pro-democracy movement** in Myanmar, the Mizos extended a helping hand to the Chins who were subjected to brutal repression at the hands of the junta regime

The Way Forward

9 PM Compilation for the Month of July, 2022

The Centre should recalibrate its policy toward the refugees and their hosts. It should grant refugee status to the Chin people. Further, it should help the state government to sustain the relief work.

65. [Zombies of the West](#)

Source: The post is based on an article “**Zombies of the West**” published in **The Times of India** on 19th July 2022.

Syllabus: GS 3 Issues and Challenges in the growth and development of Indian Economy

Relevance: Productivity; Zombie Economy

News: In late 2020, due to pandemic, people adopted digital technology at an accelerating pace. It was widely seen as an important milestone in terms of productivity, as it led to a surge in productivity across the economy.

Historical Trends of progress and innovation

In the earlier era of capitalism, the innovations generated advances such as electricity and gas engines, which lifted productivity across industries.

In the post-war period. The productivity increased. However, the **post-war productivity** boom ended in the 1970s.

Since 1970s, the computer age began, which contributed to the revival of productivity. In the 1990s, there was a productivity revival in retail stores. It was driven by **checkout scanners** and other **digital inventions** used in retail stores.

However, in terms of the overall trend, there has been a downward trend in productivity for more than 50 years.

Regional Variation in productivity

Advanced Countries: Productivity has declined mostly in all the **advanced countries** like the US Economy.

Emerging Countries: In emerging countries, productivity rose steadily from below zero in the 1970s to a peak above 5% in the late 2000s. Since 2010, nearly all **developed countries** have seen productivity drop. But the **productivity** in emerging countries grew by 3% in the 2010s.

What are the reasons for the downward trend in productivity in advanced economies?

First Perspective: The innovations like internet search fail to register in productivity measurements. Further, there are distractions like digital games and social media.

Second perspective – Big Government: The role of government has been expanding in advanced economies. The developed economies have increasingly socialized economic losses during the crisis period.

(1) Since, the 1970s, major capitalist countries began running **budget deficits** during the crisis period. Both **monetary and fiscal stimulus** has increased. For example, the stimulus was more than 7% of GDP in 2001, 12% in 2008, and 45% in 2020 during the respective crisis.

(2) The governments have allowed **generous rescues** to the companies. As a result, **corporate defaults** have fallen. For example, In Europe, the default rate fell from around 20% after the 2001 recession to 10% after 2008 and 5% in 2020.

9 PM Compilation for the Month of July, 2022

(3) due to the first two, there has been a decline in **entrepreneurial dynamism**. The number of listed US companies fell by half in recent decades and, new business creation plummeted.

(5) More active government support has undermined **creative destruction**, which is the lifeblood of capitalism. Therefore, productivity growth fell, as bailouts and stimulus grew significantly.

(6) The US and European countries are facing the problem of a **zombie economy**. These zombies' companies did not exist in 2000 but now account for **20% of listed companies** in the US, and higher shares in Europe. These companies' prey upon **easy money**. These firms **suck resources** from more dynamic companies and contribute to lower productivity across industries.

What are the explanations for the productivity paradox or high productivity in emerging economies?

(1) Productivity does not require **scepticism of new technology**.

(2) The role of the state has broadly declined in emerging economies since the 1970s. **For example**, countries like China and later India pivoted to more **market-oriented economic systems**.

What should be done?

Now Inflation is back. It may possibly end the era of easy money, which may in turn remove some of the zombie companies. This will induce a new productivity wave.

The governments need to think about their role in the economy and bring reforms like moving away from the culture of **big government**, a new governing culture of bailouts, market rescues, and constant stimulus.

[66. Why there is no reason to panic over the rupee](#)

Source: This post is based on the following articles "**Why there is no reason to panic over the rupee**" published in the **Indian Express** on **20th July 2022**.

"The RBI should desist from launching a defence of the currency. Let rupee find its own level" published in the **Indian Express** on **20th July 2022**.

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

Relevance: To understand the performance of the Indian Rupee to the US Dollar.

News: Due to various international issues, the Indian rupee has now depreciated by 5.6% against the dollar. However, in terms of relative performance, Rupee has done well compared to most of its counterparts except the Indonesian Rupiah.

About the present situation of Rupee

In an ideal world, if domestic economic fundamentals are strong, the depreciation of the rupee should be accompanied by an appreciation of the Dollar Index (DXY).

Between March 2021 and July 2022, the rupee depreciation is 9.7% and the DXY appreciation is a sharp 17.4%.

Note: The Dollar index measures the currency's value against six major currencies.

What are the reasons for the rupee's depreciation?

1) As the US attempts to bring inflation under control, the recent gains in the dollar might come due to **aggressive monetary policy by the US Fed** compared to other major jurisdictions, particularly, the Eurozone and Japan, **2)** Foreign portfolio outflows and the rush to safe assets

9 PM Compilation for the Month of July, 2022

as fears of a recession begin to gain traction, and **3)** Widening current account deficits: Experts expect that current account deficit upwards of 3 per cent of GDP this year.

Thus, the recent decline in the rupee has been more because of the strengthening of the dollar.

Must Read: [The rupee's 'new lows': Why it's not necessarily a cause for concern](#)

How well the US dollar is performing?

In principle, Bretton Woods ensured that the dollar would be a “trust” currency. The US sits at the centre of an international financial system where its assets have been in high demand. For instance, with the US Fed embarking on one of the steepest rate hike cycles in recent times, investors have rushed to the dollar.

The dollar index has recently registered its highest level since 2002. Higher than expected inflation in the US.

Read more: [External vulnerabilities: Time for a rupee review](#)

What is the RBI's response to the performance of the Rupee?

The RBI and government have taken a long-term view of bolstering dollar inflows. This would mean that the rupee could still face headwinds in the short term.

The RBI announced a series of steps to attract capital inflows to support the currency. Such as, **1)** Relaxations on NRI deposits to ease investments in government and corporate bonds, **2)** Measures for settlement of international trade in rupees to ease pressures on the currency, **3)** The RBI also intervened in the currency markets to stem the rupee's slide.

Read more: [The curious case of India's rising forex reserves and falling rupee](#)

What should be done?

Unlike in the past, the RBI should **discontinue launching a currency defence**. It must let the rupee find its own level. This is because, **a)** A weaker rupee will act as an automatic stabiliser, **b)** Though in the near term it increases the risks of importing inflation, over time, it will boost the competitiveness of the country's exports. Thus providing a much-needed fillip at a time when the global economy is facing strong headwinds.

67. [Why the sceptics are wrong and we must invest in space](#)

Source: The post is based on the article “**Why the sceptics are wrong, and we must invest in space**” published in the **Live Mint** on **20th July 2022**.

Syllabus: GS Paper 3, Achievements of Indians in Science & Technology, etc.

Relevance: Space Sector and associated reforms

News: Last week, the first images from the **James Webb Telescope (JWSP)** were received. The images included **stunning visuals** of what the universe looked like **soon after birth** and clear evidence that the **atmosphere of a planet orbiting** a distant star had water.

Argument against the outer space discoveries

The planet which has been discovered by the JWSP that might be capable of supporting life is of little use to us. It is impossibly difficult for us to get to that planet.

Some critics pointed out that there are **enough** and **more problems** to solve back here on the earth like basic infrastructure. Therefore, outer space discoveries are nothing but a waste of money.

9 PM Compilation for the Month of July, 2022

Despite huge investments in **various space missions**, space travel is still hazardous. Many of the missions have failed on account of variables that are impossible to either predict or mitigate.

Arguments in favour of the outer space discoveries

There are numerous benefits that have accrued as a result of all the investments we have made so far.

First, due to **the constellation of communications satellites** arrayed in the sky above us, it is possible to **speak to anyone** residing anywhere on the planet earth, watch sporting events live from any place on Earth, and receive news from the remotest corners of the planet as soon as it happens.

Second, **satellite-based GPS technology** has enabled us to find our way in an unfamiliar city, locate a place to eat, and have things delivered at our doorstep wherever we are.

Third, now, the **behavior of weather systems** can be understood. It is easy to predict calamitous events accurately on account of dangerous weather.

Fourth, a number of the technologies developed for use in space have applications in our daily lives. For example, **Insulin pumps, Fluid-based dampers, Embedded web technology developed**, etc.

Fifth, in the future, space could become a venue for the **industrial manufacture of products** that need to be created in special conditions that only **outer space offers**.

For instance, **fiber optic cable** produced in zero gravity has tolerance levels that are impossible to achieve on Earth.

What India should do?

For all these reasons and more, it is very important for India to continue to invest in space.

India needs to ensure **broad-based participation** in the space sector. The private sector should be allowed to step in.

Around the world, **private space endeavors** have demonstrated the **reliability** and **commercial feasibility** of such technologies as re-usable rockets and cube satellites.

The **Indian National Space Promotion and Authorisation Centre (IN-SPACe)**, a new agency under the Department of Space, was established. It has been designed to operate as a single-window authority for everything to do with space. It is a step in the right direction. The **IN-SPACe** should actively encourage **private sector participation** in the full range of space activities—from building spacecraft to undertaking launches.

[68. The new agriculture panel raises questions](#)

Source: The post is based on an article **“The new agricultural panel raises questions”** published in the **Indian Express** on **20th July 2022**.

Syllabus: GS 3 Agriculture and Allied Sector

Relevance: Farm Reforms

News: The government has finally constituted a committee to promote zero budget-based farming, change crop patterns and make the Minimum Support Price (MSP) more effective and transparent.

9 PM Compilation for the Month of July, 2022

The new committee was preceded by a **Supreme Court-appointed panel**. The SC Panel had spoken against the withdrawal of the controversial farm laws. In its report, it said that the “majority” of the farm unions supported the bills, therefore a repeal would be “unfair to this silent majority”.

About the committee

It is an exhaustive body of 28 members with **cross representation** from the Central and state governments, farmers union, agricultural scientists and economists.

What are the arguments of critics against the formation of the committee?

Many will criticise the committee as out of 8 farmer members in the committee, **five were nominated** by the government and are known to be sympathetic to its views.

Other members and chairman appointed by the government do not have the faith of the farmers community.

Again, the committee, by design, has no state representation from Punjab, a major grain procurement state. This could be used to whip up divisive sentiments in the state.

The committee’s mandate fails to understand the **changing cropping patterns** with **diversification**. It is, at best, a subset of diversification.

The **agricultural problems** cannot be solved by having discussions centred on cropping choices and practices alone. Solutions require **a systems approach**. This cannot happen when the mandate is limited to crops,

Even though one-third of all agricultural GDP comes from rearing animals, **the Secretary, Ministry of Animal Husbandry** is not even a member of the committee.

Lastly, the committee which has not been given **a time frame** to deliver the report. Therefore, this may lead to release of the report after the **2024 parliamentary elections**.

What should be done?

The chairman and the members should be appointed who can build trust on the farms related reform.

The government should broaden its imagination to see unimagined opportunities of a food systems approach.

69. CAPFs: children of a lesser God

Source: This post is based on the article **“CAPFs: children of a lesser God”** published in **The Hindu** on **21st July 2022**.

Syllabus: GS 3 – Various Security forces and agencies and their mandate.

Relevance: Recognising the contribution of CAPF personnel.

News: In several states of India, the policemen are given step-motherly treatment, but the personnel from the defence services are treated only with a limited quantity of respect.

How do various states treat CAPF personnel?

While defence personnel are paid handsome monetary grants by certain States, several others are economical. For instance,

9 PM Compilation for the Month of July, 2022

The Telangana Government provide a grant of ₹2.25 crore for winners of Param Vir Chakra (PVC) (the highest wartime gallantry award) and the Ashoka Chakra (highest peacetime gallantry award). It also provides ₹1.25 crore for Maha Vir Chakra (MVC) (second-highest wartime gallantry award) and the Kirti Chakra (second-highest peacetime gallantry award).

On the other hand, the Tamil Nadu Government provide monetary grants of ₹25 lakh, ₹20 lakh, ₹15 lakh and ₹10 lakh for the PVC, the Ashoka Chakra, the MVC and the Kirti Chakra, respectively.

Must read: [Challenges facing Central Armed Police Forces \(CAPFs\) – Explained, pointwise](#)

How can a CAPF personnel get the Chakra series of medals?

CAPFs comprise the Central Reserve Police Force (CRPF), Border Security Force (BSF), Indo-Tibetan Border Police (ITBP), Central Industrial Security Force (CISF), the Sashastra Seema Bal (SSB) and the Assam Rifles. They were, however, eligible for the Chakra series of medals if the battalions were placed under the operational control of the Army.

The President's notification of January 1952 had debarred personnel of the police forces and the fire services from being conferred with the chakra series of medals, though civilians were eligible.

The 1999 amendment to the order includes "citizens of either sex in all walks of life and members of police forces including Central Para Military Forces and the Railway Protection Force."

Read more: [Needed: A tribunal for CAPF](#)

What changes can be done to recognise the sacrifice of CAPFs personnel?

Institute exclusive medals for CAPFs: The Government could consider setting up a high-powered committee to go into the basics of **instituting three classes of gallantry medals exclusively for the police forces**. This should be done along the lines of the Ashoka Chakra, the Kirti Chakra and the Shaurya Chakra and could be named Sarvottam Police Chakra (SPC), Uttam Police Chakra (UPC) and Police Chakra (PC).

Give due recognition: Those who have been awarded the President's Police and Fire Service Medal for Gallantry (PPFSMG) and the President's Police Medal for Gallantry (PPMG) could be placed at par with the Kirti Chakra and awardees of the PMG could be placed at par with the Shaurya Chakra.

According to the government, over 2,000 personnel, including 47 Gazetted Officers of the CAPF lost their lives on operational duties during the last three years. The sacrifices made by the police and the CAPF personnel in the service of the nation cannot just be ignored.

Read more: [Government has approved the scheme – Modernisation Plan-IV for Central Armed Police Forces \(CAPFs\)](#)

70. [The West digs for the next energy battle](#)

Source: The post is based on an article "The West digs for the next energy battle" published in the Live Mint on 20th July 2022.

Syllabus: GS 3 Infrastructure; Energy

Relevance: Green Energy Transition

News: In the recent summit meetings of the US-EU in Brussels, the EU Council, the G-7, and NATO, it was noticed that **energy security** figured prominently.

9 PM Compilation for the Month of July, 2022

Reasons for the prominence of energy security theme in these meeting

In recent months, **Russia's** war on Ukraine and **the Western economic sanction** imposed on Russia, have led to a new era of the “weaponization of energy” openly.

At the G-7 Summit, the **Organisation for Economic Co-operation and Development report on the security of the supply of raw materials** was highlighted. The report cautioned that the **green energy transition** will require a quantum leap in the use of **critical minerals**, many of which are more **geoeconomically** concentrated than oil. For example, lithium, bismuth, cobalt, nickel, and rare earth production is concentrated in just three countries.

The transition to Electric Vehicles Technology would require batteries for storage. This could increase **lithium demand** by 40 times, and **cobalt by 30 times** by 2040.

Issues with Chinese Dominance

At present, China threatens to use its dominant position in the green energy sector as a weapon.

China is endowed with critical minerals: China controls 50% of global rare earth mining.

Since the 2000s, China has been investing in the **solar photovoltaic (PV) industries**. The PV sector was subsidized as a strategic sector. In 2022, the International Energy Agency warned that 80% of all the world's manufacturing stages related to PV, from polysilicon to ingots, wafers, cells, and modules are in China. It has focused on the vertical integration of the industry.

China has invested heavily in all the supply chain links for solar and wind energy. Further, it has plans to do the same for all green energies. For Example:

China's **Green Finance Committee** has reported that China is expected to invest \$75 trillion by 2050 in **carbon neutrality financing**. The investment will range from zero-carbon electricity, hydrogen fuel cells, and carbon capture to many more. The investment will be equivalent to over 10% of China's gross domestic product every year.

The Western Response

The US/NATO wants to decouple with China in many fields of normal economic and sci-tech cooperation.

At the US-EU Energy Council, it was stated that **reliable, affordable, and secure energy** can only come from a **decarbonized energy mix** based largely on renewables”.

The US and EU announced to have **“laid the foundations for the rules-based international order”**. Further, it was stated that **“some of the rules need an update”** with high priority given to “protect the planet” and “foster green growth”.

About the Mineral Security Partnership

It is a **venture** which was announced during a **major mining conference** in Toronto. It is aimed to bolster **critical mineral supply chains**. It has also been described as **“metallic NATO”**.

Members: There are eleven partner countries – US, Canada, Japan, Germany, France, UK, Finland, Norway, Sweden, Korea, Australia along with the European Commission. Some of the countries are **geologically well endowed**, some are **players in mining**, some have strengths in refining, processing and trading of minerals, and some lead the R&D on metallurgy for alternatives.

9 PM Compilation for the Month of July, 2022

The Mineral Security Partnership has the potential to influence future investments, technological development, and trade flows in energy raw materials.

About NATO's new Strategic Concept at Madrid

NATO aims at “**mitigating strategic vulnerabilities**” to counter China’s attempts “to control key technological and industrial sectors, critical infrastructure, strategic materials and supply chains.”

NATO and its invitees to the meeting i.e., Japan, Korea, and Australia are poised to give a new Asian focus to alliance planning.

71. [Rupee@80: The Story Can Get Grimmer](#)”

Source: The post is based on the article “**Rupee@80: The story can get grimmer**” published in The Times of India on 21st July 2022.

Syllabus: GS 3 Issues and Challenges pertaining to growth and development of the Indian Economy

Relevance: Indian Rupee Depreciation

News: Recently, The Indian Rupee has dropped to a record below the 80-mark against the dollar.

What are the implications of such a depreciation of the India Rupee?

In contrast to what many are saying that the rupee fall may help the Indian export to grow, the rupee fall may not help our exports. Here’s why.

(1) In the case of depreciation, the exports of price-sensitive commodities do well. But exports of **income-sensitive goods** may not necessarily do well. Income-sensitive commodities perform well when there is an upsurge in foreign income. But at present, the incomes in foreign countries are under pressure.

(2) At present, there is **weak global economic growth** due to a **surge in inflation**. For example, the real GDP growth in the Euro Area and China is expected to fall in 2022.

(3) In the case of India, there is a change in the **composition of exports** from **price-sensitive items** such as leather footwear, dairy products, etc., to more **income-sensitive items** such as refined petroleum products, iron and steel, chemicals, machinery, and transport equipment (engineering goods), and pearls and precious stones such as diamonds.

(4) Therefore, at present, there is a **lower demand for income-sensitive items** that comprise a major chunk of India’s export basket.

(5) As per the analysis of **intra-industry trade (IIT)**, India is losing out to its **competitors**, even in exports of **price-sensitive commodities**. IIT means importing the same line of products, like leather footwear, textiles, and apparel, which a country is exporting, but with different quality.

(a) The quality and value of price-sensitive items that are **imported** into India are much higher than similar items exported from India.

(b) In India, IIT is becoming more widespread because industrial tariffs have in general gone down across countries. This has promoted **overlapping trade flows** within the same product categories.

9 PM Compilation for the Month of July, 2022

(6) Therefore, India's major imports like crude oil, precious metals, and coal will continue to cost more as the rupee depreciates.

Expected Trends in the Exchange Market – Rupee is likely to fall further

The Law of One Price (LOOP) theory states that an identical (similar) commodity will cost the same in 2 countries if cost is expressed in a similar currency. It assumes no transport costs and no tariffs on the product. Now, what are the factors that contribute to the reduction of currency value?

- (1) Even in the case of LOOP theory, the value of the currency will reduce if Inflation increases.
- (2) Domestic inflation is one reason the rupee is under pressure. Further, inflation is unlikely to moderate any time soon due to various reasons:
 - (a) The recent imposition of GST on pre-packaged food items is likely to increase inflation numbers.
 - (b) Further **imported inflation** is not going to ease in the coming days.
- (3) Rupee is also under pressure due in the **asset markets**. Foreign exchange markets, the foreign institutional investors (FIIs) have become the **net sellers** in the Indian domestic stock market due to high CAD and higher inflationary expectations.
- (4) As per the **UNCTAD's World Investment Report**, foreign direct investment (FDI) fell by 30% to \$45 billion in 2021.

72. India's tenfold path to manage exchange rate volatility

Source: the article "India's tenfold path to manage exchange rate volatility" published in the Live Mint on 21st July 2022.

Syllabus: GS 3 Issues and Challenges pertaining to growth and development of the Indian Economy

Relevance: Indian Rupee Depreciation; macroeconomic condition; Monetary policy measures

News: In recent months, India has witnessed the **depreciation** of the Indian rupee to a record level.

What are the tools in the RBI's monetary and forex policies to handle the situation?

(A) Instruments of direct nature:

- (1) To sell dollars in the **spot forex market**. The idea of the **RBI selling dollars** works well in the **currency market**, which keeps guessing how much the central bank is willing to sell at any point in time.
- (2) To promote **non-resident Indian (NRI) deposits**. For example, the RBI outreached to NRIs to put in their money in the **Resurgent India bonds** and **India Millennium Deposits** with attractive interest rates, in 1998 and 2000.

Limitations: The idea entails forex risk when the debt is redeemed. For example, the rates tend to be attractive at the time of deposits, but the same rate cannot be offered on deposit renewals once the crisis ends.

9 PM Compilation for the Month of July, 2022

(3) To get oil importing companies to buy dollars directly from a public sector bank. The deals are not in the open. Therefore, the market does not witness a large demand for dollars on this account.

(4) A **directive** can be issued for **all exporters** to mandatorily bring in their dollars on receipt within a set time period. This prevents an artificial dollar supply reduction due to exporters holding -back the profit.

(5) Curbing the amount of dollars that one can take under **the Liberalized Exchange Rate Management System** for current account purposes like travel, education, healthcare, etc.

(6) The RBI can deal in the **forward-trade market**. It controls volatility because the RBI conducts transactions where only the net amount gets transacted finally. It has the same power as **spot transactions** but without any significant withdrawal of forex from the system.

(7) The RBI can use **the concept of swaps**. In this, the banks collected foreign currency non-resident deposits with a simultaneous swap with RBI. Hence, it was different from earlier bond and deposit schemes. The same idea has been used though **without deposits** being raised. It involves a **sale-purchase transaction** in which dollars are provided to banks with a **commitment** to buy back after, say, 3 years.

(B) Nowadays, the RBI uses more policy-oriented approaches, and the last three measures announced are in this realm.

(2) The RBI allowed the banks to work in the **non-deliverable forwards (NDF) market**. This is a largely **overseas speculative market**. Here, forward transactions take place without **real inflows** or **outflows**, with only price differences settled in dollars. Due to this measure, the rates in this market and in domestic markets have gotten equalized.

Second, the RBI has opened up the **capital account** on **NRI**, external commercial borrowings, and foreign portfolio investments, which has the potential to draw in forex over time.

Third, the RBI has given permission for **foreign trade deals** to be settled in rupees. India is a net importer. Therefore, gains can be made if we pay in rupees for imports.

73. In Pegasus battle, the fight for surveillance reform

Source: This post is based on the article **“In Pegasus battle, the fight for surveillance reform”** published in **The Hindu** on **22nd July 2022**.

Syllabus: GS 3 – Basics of cyber security.

Relevance: India’s Pegasus project.

News: A year has passed since the disclosures about India’s Pegasus project.

What is India’s Pegasus project?

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

How transparency is lacking in India’s Pegasus project?

A report by The New York Times on January 31, 2022, stated that ‘India has bought Pegasus in 2017 as part of a \$2-billion’ defence package.

Refusal from government and its agencies: The ministers and specialised agencies in India refused to directly address the claims made by the Pegasus Project. Even the CERT-IN (the Indian

9 PM Compilation for the Month of July, 2022

Computer Emergency Response Team) the nodal agency that deals with cybersecurity threats has remained silent.

What was the judicial response to India's Pegasus project?

Read here: [SC Judgment on Pegasus spyware case – Explained, pointwise](#)

The Court constituted a technical committee to examine whether the spyware had been used on Indian citizens. Eight months have passed, but the committee has yet to arrive at any findings. In May 2022, the committee placed an 'interim report' before the Court asking for time to place the final report.

How do other countries respond to their Pegasus project?

Israel: The government set up a senior inter-ministerial team to begin an investigation while the Foreign Minister said that the government would work to ensure that Pegasus did not fall into the wrong hands.

France: The government ordered a series of investigations within a day of the revelations. Its cybersecurity agency confirmed that the spyware had been used to target French citizens.

The United States: The government added NSO to its 'Entity List for Malicious Cyber Activities', which restricted the ability of U.S. companies to export goods or services to NSO.

Note: Pegasus spyware was created by NSO Group.

The United Kingdom: The spyware company implemented a change to ensure that Pegasus could no longer target U.K. numbers after revelations, in 2021.

Read more: [Pegasus scandal points to the making of a surveillance state in India](#)

What is the status of the Surveillance industry in India?

The Indian 'surveillance for hire' industry is growing. These firms offer their services to anyone who can pay, following which they proceed to spy on indicated targets by hacking their devices.

Hence, India should make India's Pegasus project as India's 'Watergate Moment'.

Note: In the aftermath of Watergate, the institutional response in the United States held President Richard Nixon and others involved accountable, in which all branches of the state acted to check the abuse of power.

Read more: [The Court's order on Pegasus still falls short](#)

What needs to be done?

Complete overhaul of surveillance laws: The Information Technology Act, 2000 and the Indian Telegraph Act 1885 empower the Government to surveil. They concentrate surveillance powers in the hands of the executive and do not contain any independent oversight provisions, judicial or parliamentary.

The proposed data protection law does not address these concerns despite proposals from members of the Joint Parliamentary Committee. Instead, the proposed law provides wide exemptions to the Government relating to select agencies from the application of the law. All this has to be addressed.

Need for comprehensive surveillance reform: India needs an immediate and far-reaching surveillance reform. This should redress those who approach authorities against unlawful surveillance and encroachment on right to privacy.

Read more: [Explained: What is Hermit, the Pegasus-like spyware that targeted Android, iOS devices?](#)

9 PM Compilation for the Month of July, 2022

74. [Why a ban on single-use plastics won't help](#)

Source: This post is based on the article “**Why a ban on single-use plastics won't help**” published in the **Indian Express** on **22nd July 2022**.

Syllabus: GS 3 – Environmental pollution and degradation.

Relevance: To understand the challenges associated with the Single-use plastic ban.

News: India's ban on select single-use plastic(SUPs) items came into effect from July 1, 2022.

Must read: [Ban on Single-Use Plastic – Explained, pointwise](#)

Why the ban won't help in reducing plastic pollution?

The plastic packaging of fast-moving consumer goods (FMCGs), which include sachets and packaging of products like chips, biscuits, and soap were excluded under the rules. So, the ban target only 2-3% of the total plastic produced.

Read more: [India's ban on select single-use plastic items: A start but still a long way from blanket ban](#)

What are the findings of various studies on plastic waste?

The global movement, **Break Free From Plastic**, in its brand audit in India in 2021, found that 70% of the plastic audited was marked with a clear consumer brand. The audit found that much of the plastic pollution was caused by products from the top brands.

The FICCI report describes the backward linkage in plastic production. This includes petroleum intermediate producers, resin and naphtha producers (both raw materials to plastic polymer), pre-packaging manufacturers, plant and machinery, mould and additive producers. Hence, a ban on FMCG packaging would have a significant impact on this entire chain.

What are the other concerns associated with the SUPs?

1) In 2015, a report by FICCI and strategy consultants report argued that banning FMCG packaging would affect the processed food industry to the tune of approximately Rs 90,000 crore per annum, amounting to 72% of the industry.

2) The 2021 Rules treat SUPs generated by FMCG and non-FMCGs differently.

Read more: [Single-use plastic ban: Reading the fine print reveals ominous loopholes](#)

What should be done to reduce plastic pollution?

The government should start re-envisioning the retail system. The focus should be on moving away from the use-and-throw economy to one which is designed for reusable and sustainable packaging.

75. [Why Weaker Rupee Isn't All Bad News](#)

Source: The post is based on an article “**Why weaker Rupee is not all bad news?**” published in **The Times of India** on **22nd July 2022**.

Syllabus: GS 3 Indian Economy; Issues and Challenges pertaining to growth and development of the Indian Economy

Relevance: Macroeconomic conditions; Rupee Depreciation

News: Recently, the foreign exchange rate breached the mark of Indian Rupee 80 per dollar.

What are the real problems with rupee?

9 PM Compilation for the Month of July, 2022

Why there is no reason to panic over the rupee

As per **the dollar index**, the dollar has appreciated across currencies. Therefore, there has been depreciation of the pound sterling, the euro, and the currencies of nearly all emerging markets (EM) including the Indian rupee. However, the **Indian rupee's depreciation** has been surprisingly modest, despite the fact that the capital has been flowing out of the country at the same time.

So, what can be done?

(A) Some observers argued that India can utilise (or sell a portion) the **foreign exchange reserves** amounting to **\$580 billion** at present.

Limitation of the foreign exchange intervention

(1) When the central bank sells foreign reserves, then commercial banks are required to give rupees in return. Therefore, the banks will run out of liquidity. This will tighten money supply and, thereby endangering economic recovery.

(2) The RBI can do "**sterilisation**" to solve liquidity crunch due to foreign exchange intervention. The RBI will buy government bonds from the banks. However, If the RBI purchases large amounts of bonds in the market, this could **push bond rates down** to inappropriately low levels, thereby endangering the **inflation target**.

(3) Since investors know that there is a limit to the **foreign exchange sales**, they will be tempted to try to purchase as much dollars as they can right now. This will further increase the pressure on the exchange rate.

(B) Therefore, we need to go back to fundamentals and ask: Do we really want to prevent rupee depreciation?

(1) The two most important **drivers of growth** for an emerging economy (EM) like India are **investment** and **exports**. However, the **Private sector investment** in India has been sluggish for several years.

(2) But India's last year's recovery was highly **dependent on the growth of Indian exports**. Therefore, the only **engine of growth upon which** India can rely to ensure economic recovery is the **export**.

(3) Therefore, the government should not prevent Rupee depreciation because If rupee appreciates against other Asian currencies such as the South Korean won, the Thai baht and the Taiwanese dollar, India will lose its **export competitiveness** in the global trade.

Limitation

Of course, there are costs to **a weak rupee**. The **depreciation** will push up **inflation**.

9 PM Compilation for the Month of July, 2022

[76. Recent Supreme Court judgment on IBC may weaken insolvency regime](#)

Source: The post is based on an article “**Recent Supreme Court judgment on IBC may weaken insolvency regime**” published in the **Indian Express** on **22nd July 2022**.

Syllabus: GS 3 Issues and Challenges pertaining to growth and development of Indian Economy; Effects of Liberalization on the Economy, Changes in Industrial Policy and their Effects on Industrial Growth.

Relevance: Insolvency and Bankruptcy Code

News: Recently, the **Supreme Court of India** passed an important judgment on insolvency and bankruptcy in the **Vidarbha Industries Power Ltd. v. Axis Bank Case**.

SC recently held that the **National Company Law Tribunal (NCLT)** cannot admit an insolvency application filed by a financial creditor merely because a financial debt exists and the corporate debtor has defaulted in its repayment.

What are the concerns associated with the judgment?

A critical element for any corporate insolvency law is **the point of trigger**. It means the law must clearly provide the **grounds** on which an **insolvency application** against a corporate debtor should be admitted. If there is any confusion at this stage, **precious time** could be wasted in **litigation**.

On the other hand, if the law is **clear** and **litigation** can be minimised, the distressed business could be resolved faster. Its value **could** be preserved. And all stakeholders collectively would **benefit**.

Therefore, the government should develop **objective legal criteria** for an effective corporate insolvency law.

What were the points of triggers that can be used for initiating insolvency proceeding?

(1) The **balance-sheet test** is one method for determining insolvency at the point of trigger. However, the balance-sheet test is vulnerable to the quality of accounting standards. Therefore, the Bankruptcy Law Reforms Committee (BLRC) did not favour this test in the Indian context

(2). The BLRC recommended a **twin-test**. In this, a filing creditor should only provide a record of the liability (debt), and evidence of **default on payments** by the corporate debtor. It provides a clear and objective trigger for insolvency resolution. This test was expected to **minimise litigation** at the admission stage of the **insolvency application**, and enable **quicker resolution** of distressed businesses.

Possible Implication of the SC ruling

(1) The SC interpretation of the law could **fundamentally reshape** a crucial innovation in the IBC framework.

(2) The SC’s latest ruling is likely to cause failure of the **twin-test**, recommended by the BLRC. Now, even if the NCLT is satisfied that the corporate debtor has defaulted, it would not be able to admit the case for resolution if the corporate debtor resists admission on any other grounds.

(3) Now, the corporate debtors are likely to use this precedent to the fullest to **resist admission** into IBC.

9 PM Compilation for the Month of July, 2022

(4) There would be **more litigation** and **delay** at the **admission stage**, enhancing the risks of **value destruction** in the underlying distressed business and all stakeholders collectively would suffer.

(5) The IBC may well end up like the **Sick Industrial Companies (Special Provisions) Act, 1985 (SICA)**. The SICA was also subjected to **pro-revivalist judicial approach** in various judgments. This led to the establishment of the **Board for Industrial and Financial Reconstruction (BIFR)** as a specialist tribunal to ensure **speedy resolution** of distressed industrial companies. The BIFR became a haven where companies could seek shelter from their creditors for years. This led to a lot of delays as well as facilitating the managers to siphon off assets in the interim.

77. [Blockchains can cut both ways in their impact on global warming](#)

Source: The post is based on an article **“Blockchains can cut both ways in their impact on global warming”** published in the **Live Mint** on 21st July 2022.

Syllabus: GS 3 Environment and Ecology

Relevance: Role of Blockchain in the global warming

News: Recently, the Centre for Alternative Finance at the University of Cambridge has released a report consisting of the **Cambridge Bitcoin Electricity Consumption Index**. It highlights the role of **cryptocurrencies** behind global warming in the Anthropocene era.

What are the purported reasons for the warming?

The top causes of global warming are cement construction, deforestation, fossil fuel use, etc.

However, Technologies, much like their human creators, are double-edged swords. Blockchains are also double-edged.

How Bitcoin and other cryptocurrencies are fuelling climate change?

Bitcoin mining alone uses a lot of energy. For example, Bitcoin mining uses more energy than Belgium and Finland.

The **Bitcoin network** generates huge amounts of carbon dioxide, as much as Turkmenistan. It has been found that **Ethereum’s CO2 emissions** rival New Zealand’s.

Further, the **Application Specific Integrated Circuit (ASIC)** mining equipment that crypto miners use produces a colossal 36,000 tonnes of **electronic waste** every year.

The **‘proof of work’ algorithms** used in the cryptocurrencies which make the blockchain, **decentralized, secure** and **open**, consume vast amounts of energy. Here, ‘Proof of work’ is a consensus mechanism that allows miners to validate cryptocurrency transactions by deciphering increasingly complicated **mathematical puzzles**. Solving a puzzle requires **heavy computing power** and therefore uses **tremendous energy**.

Measures Taken by the crypto industry to reduce emissions

The industry has resolved to go **carbon neutral** by 2030. Many blockchains, like Ethereum, are moving from **proof-of-work** to **proof-of-stake**, a mechanism that uses far less energy.

Other technologies like **sharding** and **non-tech methods** like carbon offsets are being used to create green crypto or green blockchains.

9 PM Compilation for the Month of July, 2022

So, is there a way that blockchains can actually help alleviate global warming and climate change?

(1) Blockchains can be used to **decentralize** the power system. This can be done by creating peer-to-peer electricity sharing mechanisms for local communities. It will reduce **transmission losses** and encourage an economic model to produce and consume clean power through solar, wind, biogas and other sources. For example, the **Brooklyn Microgrid Project** uses smart contracts to trade solar electricity with neighbours over a blockchain.

(2) There can be **tokenization** of electricity for power trading and donations to poorer areas. This has **incentive mechanisms** to encourage recycling of industrial and electronic waste. This can be implemented using **smart contracts** that can propel incentive mechanisms. There will be rewarded for using **ecologically sustainable practices**.

(3) The **'track-and-trace'** or **provenance property** of blockchains can be used to track environmental treaties. For example, to enforce action, decrease fraud and prevent manipulation.

(4) Blockchains can be used to track **environmental donations** and how they are being used by **non-profit entities** working in the **environmental areas**. **Start-ups** like Bitgive and Bithope are working in this space.

(5) The blockchains can help track and trace the greenhouse gases emissions, carbon credits and carbon tax mechanisms. They are being used in **global supply chains** to build efficiency and resilience. It can be used to measure and reduce the **carbon footprint** caused by them.

78. Despite pressures, the rupee's remarkable resilience

Source: This post is based on the article **"Despite pressures, the rupee's remarkable resilience"** published in **The Hindu** on **23rd July 2022**.

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

Relevance: To understand the performance of the Indian Rupee to the US Dollar.

News: The Indian rupee has depreciated by around 7% against the U.S. dollar, since the start of the year.

Must read: [Fall in Rupee Value: Reasons, Concerns and Solutions – Explained, pointwise](#)

What is the position of the dollar and the US?

The dollar has strengthened against all currencies, developed or emerging. The consumer price index (CPI) inflation in the United States reached a multi-decade high of 9.1% in June 2022. This prompted the reversal in the monetary policy stance of the US Federal Reserve.

The rate hiking cycle by the US Federal Reserve has caused the dollar's appreciation which has led the dollar index to strengthen by over 11% in 2022 so far, taking it to a 20-year high.

Read more: [External vulnerabilities: Time for a rupee review](#)

What is the situation of the Indian rupee?

India's foreign exchange reserves have moderated by almost \$55 billion from a high of \$635 billion.

The rupee has fallen sharply against the dollar, but the depreciation has been relatively lower compared with past crises such as the global financial crisis of 2008 (the rupee had weakened by over 20% between December 2007-June 2009) and the **Taper Tantrum** of 2013 (for seven months from the start of the crisis in May 2013, the rupee had depreciated by over 11%).

Created with love ❤ by ForumIAS- the knowledge network for civil services.

Visit academy.forumias.com for our mentor based courses.

9 PM Compilation for the Month of July, 2022

What is the RBI's response to the performance of the Rupee?

Read here: [Why there is no reason to panic over the rupee](#)

What are the effects of a weak rupee?

Read here: [Explained: What Rs 80 to a dollar means](#)

What should be done to strengthen the rupee?

Firstly, the Government could encourage some of the large market cap companies (private and public sectors) to be included in the major global indices such as MSCI and FTSE. This will help increase the weight of Indian equities in these indices and also compensate for foreign portfolio outflows to some extent.

Secondly, The Government could also assist India's entry into bond indices such as J.P. Morgan's Emerging-Market Bond Index and Barclays Global Bond Index. This will **a)** Lead to forex inflows, **b)** Have a soothing impact on interest rates, **c)** Provide the central bank with the requisite ammunition in case there is further weakness.

Read more: [Why Weaker Rupee Isn't All Bad News](#)

79. [Saving The Hills – on Aravalli Range Verdict](#)

Source: The post is based on an article “**Saving the Hills**” published in **The Times of India** on **23rd July 2022**.

Syllabus: GS 3 Ecology and Environment

Relevance: Aravalli Ranges Forest Area; National Capital Region; Natural Conservation Zone (NCZ) in NCR

News: The Supreme Court has given a verdict in which it declared that all land in Haryana covered under the **Punjab Land Preservation Act** will be treated as **forest land**.

Significance of the judgment

The verdict would end the false debate of **development** versus **environment**.

The verdict will protect the **Aravalli ranges, one of the oldest mountain blocks in the world**. The range also acts as the barrier against **desertification of the breadbasket of India**. The verdict has upheld the **three decades of jurisprudence** on the Aravalli range, which is a key feature of the National Capital Region (NCR).

The ruling will end decades of **reckless destruction** of the **Aravalli range**, by the real estate sector. This is validated by the fact that the three states **Haryana, Rajasthan, and Uttar Pradesh**, which form part of the NCR, have significantly lower forest cover than the national average of 21. 7%. Further, Haryana is the lowest at 3. 6%.

Consequences of the destruction of the natural ecosystem in India

The destruction has already extracted a **large economic** and **health cost in the NCR**.

For Example, in 2013, the World Bank estimated that environmental destruction leads to an **annual cost of India's economic degradation** of \$80 billion or 5. 7% of the GDP.

Further, the lion's share of this cost was on **account of pollution** because the pollution results in a significant **mortality load** among adults.

80. [How we can have disaster-free floods](#)

Source: The post is based on an article “**How we can have disaster-free floods?**” published in the **Indian Express** on **23rd July 2022**.

Syllabus: GS 3 Disaster Management

Relevance: Floods

News: Recently, Assam was ravaged by two bouts of floods in quick succession in the month of May and June.

What were the causes behind floods in Assam?

Natural Causes: Hazards like fluvial floods, are often triggered by **extreme weather events**, but they translate into disaster risk due to anthropogenic factors.

Anthropogenic factors: Human factors share a **complex relationship** with **biophysical** and **social vulnerability**. For example, the embankments which were meant for flood protection got breached once again. It led to severe disaster.

What should be done?

There is a need to turn **the seasonal flood-related crisis** into an opportunity to bring a **paradigm shift in flood management**. There is a need to move away from **hazard prevention** to the minimization of **disaster risk**, like the adoption of the **flood risk management strategies** as described below:

It would require moving away from the sole focus on preventing floods through **structural interventions** and **river engineering** like **embankment construction** to targeting factors that drive the multiple dimensions of vulnerability. It will contribute to **building people’s resilience**.

How to reduce the vulnerabilities of the communities to the flood hazard?

- 1) The **riparian population, their lives, and livelihoods** should be at the center of the planning process of flood management.
- 2) There should be **convergence across multiple departments** like the department of agriculture, animal husbandry, education, PHED, and health departments.
- 3) There should be **round-the-year mission mode developmental activities** to ensure that communities not just live with floods, but thrive despite floods. This would require a range of development interventions, including **new models of embankment management**, to improve the overall livelihood of rural people.
- 4) The early **warning systems** should be improved, as the **frequency** and **intensity** of extreme weather events will continue to increase in the coming period.
- 5) **At the community level**, every village in Assam should have access to elevated shelters which will contribute to resilience building
- 6) To address management problems, it requires **dedicated** and **trained professionals** who understand the **interdisciplinarity** required to manage flood risk and build resilience. This set of **professional cadres** could be located at the **district level**, working closely with the **District Disaster Management Agency** and **district administration** and coordinating with the various line departments.
- 7) The different **community institutions** promoted under the **National Rural Livelihoods Mission** can be trained. These institutions could act as a **response force** for the communities to calamities in disaster-prone areas.

9 PM Compilation for the Month of July, 2022

8) There could be **District Disaster Management fellows**, a dedicated group of trained young professionals with a time-bound and goal-driven assignment, along the lines of fellows in the **Aspirational District Programme**.

[81. Weighing in on India's investment-led revival](#)

Source: This post is created based on the article **“Weighing in on India's investment-led revival”** published in **The Hindu** on **25th July 2022**.

Syllabus: GS Paper 3 – Economy – Issues related to growth and development

News: Recently, India's Finance minister addressed third G20 Finance Ministers and Central Bank Governors (FMCBG) meeting. She said that India's long-term growth prospects are embedded in public capital expenditure programmes. Thus there is a need to analyse trends in government's investment policies and their impacts.

The phases of Public investment-led economic growth in India
India's **post-Independence economic growth** was led by the **public investment**.

During Asian financial crisis of 1997, the then government initiated public road building projects. These projects led to an investment and export-led boom in the 2000s.

The project were **Golden Quadrilateral** (to link metro cities using a high-quality road network) and the **Pradhan Mantri Gram Sadak Yojana** (to 'provide good all-weather road connectivity to unconnected habitations').

However, **in 2010s**, real Gross Fixed Capital Formation (GFCF) rate declined, which **saw a rise to 32.5% in 2019-20** from a low of 30.7% in 2015-16. This trend continued even during pandemic years.

Between 2014-15 and 2019-20, the **shares of agriculture and industry** in fixed capital formation/GDP fell from 7.7% and 33.7% to 6.4% and 32.5%, respectively. Whereas the **share of services** rose from 49% in 2014-15 to 52.3% in 2019-20.

What are the present issues in the present Public investment-led economic growth strategy?

The budgetary definition of investment refers to **financial investments**. It include purchase of existing financial assets, or loans offered to States. Thus, it is **not just capital formation** representing an expansion of the productive potential.

The National Accounts Statistics suggests that **over 90% of Gross Capital Formation (GCF)** consists of fixed investments. However, the productive potential of investment depends on its composition.

Within the service sector, although investment in roads and communications rose, **but declined in industries and agriculture**. There is a need for **balance between “directly productive investments”** (in farms and factories) and infrastructure investments.

Although a **good amount of time and resources were dedicated to improve ease of doing business in India under 'Make in India' campaign**. However, it didn't result in a boost to industrial investment, let alone foreign investment.

The contribution of foreign capital to financing GCF fell from 3.8% in 2014-15 (or 11.1% in 2011-12) to 2.5% in 2019-20.

The **lack of domestic capacity** for essential raw industrial materials and capital goods could prove costly.

9 PM Compilation for the Month of July, 2022

82. [MC12 over, it's 'gains' for the developed world](#)

Source: This post is based on the article “**MC12 over, it's 'gains' for the developed world**” published in **The Hindu** on **25th July 2022**.

Syllabus: GS 3 – Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.

Relevance: About the 12th Ministerial Conference (MC12) of WTO.

News: About the recently concluded 12th Ministerial Conference (MC12) of the World Trade Organization (WTO). The European Union (EU) and some other developed countries are the overwhelming winners, while India finds itself on the losing side.

Must read: [12th Ministerial Conference of the WTO – Explained, pointwise](#)

How developed countries gain at MC12 on the Covid-19 fight?

In October 2020, India and South Africa put forth a proposal seeking to temporarily suspend the protection of intellectual property rights such as patents, copyrights, industrial designs and trade secrets. The proposal garnered the support of almost 100 countries at the WTO.

However, Germany, the United Kingdom, Japan, Switzerland and the United States opposed the proposal. Later, the US agreed to limit the proposal only to vaccines.

Counterproposal: The European Union (EU) made a counter-proposal to undermine the proposal made by India and South Africa. This counter proposal provided a cosmetic simplification in certain procedural aspects of compulsory licensing in patent rules. This formed the basis of the final outcome at the MC12.

Significance of the proposal: It adds stringent conditions that are not in the WTO rulebook.

What are the other gains for the EU at MC12?

WTO reforms: The EU sought to make fundamental changes to the institutional architecture of the WTO. It also sought to give a formal role to the private sector in WTO processes. The EU has secured both these objectives in the ministerial outcome.

Environment issues: The EU has also managed to create a window to pursue negotiations on issues related to trade and the environment at the WTO. This is an issue of concern for many developing countries.

Read more: [Indian interests at the WTO Ministerial Conference](#)

What were the failures of India at MC12?

A permanent solution to public stockholding: Despite having the support of more than 80 developing countries, this issue has not found mentioned anywhere in the ministerial outcome.

Instead, the developed countries have succeeded in diverting attention from India's interest by agreeing that food security is multidimensional, requiring a comprehensive solution.

On other issues: 1) India failed to **secure the right to raise revenues by taxing electronic transmissions**, 2) **On fisheries subsidies**, India gets two years to have suitable regulatory mechanisms in place to monitor fish catch and reporting. If not, then the subsidies to traditional fishermen will be prohibited.

Overall, India's negotiators need to undertake a careful examination to learn lessons from the dynamics at the MC12 and make course corrections.

Read more: [The Agreement on Fisheries Subsidies \(Agreement\) at the WTO Ministerial meeting](#)

9 PM Compilation for the Month of July, 2022

83. [The challenges of fiberisation ahead of India's 5G deployment](#)

Source: This post is created based on the article **“The challenges of fiberisation ahead of India's 5G deployment”** published in **The Hindu** on **25th July 2022**.

Syllabus: GS Paper 3 – Science and technology – Communication and Information Technology

News: Prime Minister of India in his 2020 Independence Day speech, laid out the vision to connect every village in the country with Optical Fiber Cable (OFC) in 1,000 days. Also, India is preparing to auction off about 72 Ghz of airwaves to rollout 5G services in the country. However, the fiberization is required to rollout such an infrastructure.

What is fiberisation and its significance?

The process of connecting radio towers with each other via optical fibre cables is called **fiberization**.

It helps provide full utilisation of network capacity, carry large amounts of data, and aid in providing additional bandwidth.

It provides a stronger backhaul support. The backhaul is a component of the larger transport that is responsible for carrying data across the network. It represents the part of the network that connects the core of the network to the edge.

What is the status of fiberisation in India?

At present, in India, only 33% of the towers are fiberized. It is very low compared to the 65%-70% in South Korea and 80%-90% in the U.S., Japan and China.

India's fibre kilometer (fkm) per capita is just .09 compared to 1.35 in Japan, 1.34 in the U.S. and 1.3 in China. Ideally, a country needs 1.3 km of fibre per capita to ensure good fiberisation.

The tower sites which are connected via fibre are called fibre point of presence (POP). Currently, India's fibre POP can just handle data at one to five Gbps speed.

What are the challenges to fiberisation in India?

First, India requires about ₹2.2 lakh crore of investment to help fiberise 70% towers. Another ₹2.5 lakh crore will be needed to set up 15 lakh towers in the next four years.

Second, to connect every village in the country with optical fiber cable (OFC) in 1,000 days, cables must be laid around 3.6 times the current average speed of 350 km a day.

Third, Indian Telegraph RoW Rules 2016 aim to incorporate nominal one-time compensation and uniform procedure for establishment of Overground Telegraph Line (OTL) anywhere in the country. While all States/UTs are required to implement these rules. The implementation in all states is not in complete alignment to the central rules. Furthermore, several districts and local bodies are following their own by-laws. Also, many central Ministries like Ministry of Environment and Forests, Ministry of Railways, Ministry of Defense etc. are following their own departmental rules.

Other government initiatives for fiberisation

In October 2021, **the DoT revised the RoW rules**, making it easier to install aerial optical fibre cable in the country. This can enable infrastructure providers to deploy cables overhead via street light poles and traffic light posts.

DoT's **GatiShakti Sanchar online portal** will enable centralisation of RoW approvals for telecom infrastructure projects, including 5G.

9 PM Compilation for the Month of July, 2022

84. [Tackling Monkeypox](#)

Source: The post is based on an article “**Tackling Monkeypox**” published in the **Times of India** on 25th July 2022.

Syllabus: GS 3 Disaster Management

Relevance: Biological Disaster; Monkey Pox

News: Recently, the World Health Organisation (WHO) has declared monkeypox a **global health emergency**. It is a signal to India to really scale up its response.

Globally, nearly 18,000 cases of **monkeypox** have been detected. In India, 4 cases have been detected

The US has ordered nearly **7 million doses** of the **Jynneos vaccine** for delivery in 2022 and 2023.

Measures that can be taken by India

At present, the government should implement **prevention** and **treatment strategies**. Because in the future, the draconian lockdowns, movement curbs or alarmism can cause a lot of disorder.

The **community disease surveillance** initiative must be initiated. The Healthcare workers should be in position to get reports of patients manifesting **chickenpox-like symptoms** because the monkeypox can be overlooked as chickenpox.

The **test-trace-isolate-treat-vaccinate strategy** must be adopted. It refers to **quarantining, contact tracing, testing, and ring vaccination** for individuals who are at risk.

Initially, all the medical workers can be vaccinated with **the smallpox vaccine**. It gives broad spectrum protection against monkeypox too, as per reports.

What should be done?

The Indian government must start negotiations for getting a **manufacturing licence** for the vaccine. Further, the government should place **bulk orders** and make **advance payments** to incentivise vaccine companies to scale up production.

The Centre and states must reform their **communication strategies** so that mis-information do not prevail among the people across the country. **For example**, informing people about the best practice to protect themselves, like wearing of mask in case of Covid.

The agencies should work to assure the **dignity** of the patients. A lot of symptomatic persons did not approach health workers during the covid pandemic, due to the stigma attached to contracting Covid.

85. [A cultivated idea for cities](#)

Source: The post is based on an article “**A cultivated idea for cities**” published in the **Business Standard** on **24th July 2022**.

Syllabus: GS Paper 3 – Agriculture – Urban Agriculture

Context: Urban agriculture has not received the attention it merits.

Urban agriculture is the practice of growing farm products in cities and their peri-urban areas(outskirts)

In this practice, the farm products, such as vegetables, fruit, flowers, milk, eggs, mushrooms, and fish, can easily be produced in urban and semi-urban areas.

What are the ways in which urban-agriculture can be done?

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

9 PM Compilation for the Month of July, 2022

The roofs, terraces, balconies, and walls of the residential dwellings even in densely populated cities, can be used for growing plants. **For example**, ornamental, medicinal, etc. can be grown in pots or other containers in **roof-top gardening**.

There are innovative ways like vertical farming, greenhouse agriculture, aeroponics, and hydroponics. These methods can be used in the urban areas to produce agricultural products for self-consumption or marketing in a limited space.

Further, activities like rearing small milch animals, poultry, piggery, and bee-keeping can be conveniently taken up in and around cities.

What are the benefits of urban agriculture?

The Urban and peri-urban farming leads to environmental and socio-economic benefits.

This can promote greenery around cities in the form of trees, shrubs, or other plants. This would be beneficial to **combat pollution** and to **sequester carbon** from the atmosphere and in reducing the overall **carbon footprint** of urban living.

Further, the presence of decorative foliage and trees in the exteriors of houses, gardens, and along the roadsides adds to the **beautification of cities**.

Trends of the Urban and Peri-Urban Agriculture Global Level

The United Nations **Food and Agriculture Organization (FAO)** is promoting **urban** and **peri-urban farming** to boost food and nutritional security across the world.

Further, it has become an integral part of **modern town planning** in many countries. Various Urban civic bodies, which also act as the **community organisations**, are encouraging the cultivation of farm products in public and private land.

Case of India

At an individual level, people have traditionally been growing useful plants on terraces or in kitchen gardens.

At city level, most towns located on the banks of rivers allow crop cultivation in the floodplain zones of the rivers during pre- and post-monsoon periods. But India is still a laggard in **systematic urban farming**.

Efforts for Promoting Systematic Urban Farming in India

In the early 2010s, the **Planning Commission's working group on horticulture**, set up for formulating the 12th five-year plan (2012-17) recommended to promote **urban agriculture** on an **organised scale** around cities in India. This would meet local needs, environmental services and health care need.

Thereafter, in 2011-12, a **Central sector scheme** was launched with the **twin objectives** of ensuring adequate **supplies** to consumers and creating **opportunities** for employment and income. The scheme was supposed to set up **urban clusters** for producing vegetables and fruit around **mega cities**.

Nowadays, the **peri-urban farming** has come up around several big, medium, and small towns. The civic bodies of several metropolitan cities offer incentives for cultivating vegetables and other crops in peripheral areas, using recycled water.

About Delhi Government's Urban Agriculture initiative

Recently, the Delhi government has announced **an urban farming project**, as part of the "Rozgar budget" of Delhi. The project will be implemented with the help of the **Indian Agricultural Research Institute (IARI)**.

9 PM Compilation for the Month of July, 2022

It involves training citizens to produce vegetables and fruit for self-consumption and sale. To do so, there may be around **400 awareness workshops** and **600 entrepreneurship training sessions** to be organized in Delhi.

Further, a large number of kits containing seeds, organic manure, and bio-fertilisers would be distributed to households interested in taking up such farming.

The project is anticipated to generate about **25,000 green jobs** in the next five years.

86. [India needs joint commands & it needs a CDS](#)

Source: This post is created based on the article **“It’s time India and Japan rethink their nuclear policy”** published on **Indian Express** on **26th July 2022**.

Syllabus: GS Paper 3 – Security Forces in India

News: Recently, India’s Defence Minister re-emphasised that joint theatre commands are a defence reform priority.

The theatre commands are important as Warfare is changing. One modern response to these changes is joint commands that amalgamate manpower and resources of the three services.

What is the need of Joint theatre commands?

- 1) The rise of the China-Pakistan axis.
- 2) Strategic complications highlighted by the Ukraine war.
- 3) China’s rationalisation and transformation of its armies and establishment of five theatre commands.

What are the challenges to the establishing Joint Theatre Commands?

First, at present, India has 17 single-service commands spread across a wide geography. Converting these commands into joint theatre commands would require a radical change in the culture of armed forces.

Second, since air force assets have dual offensive and defensive roles, AF has already reservations about further splitting its assets. Government formed an eight-member panel under then Chief of Defence Staff General Bipin Rawat in June 2021. But after the death of General, the post of CDS is lying vacant. The position should be filled at the priority and panel should be reactivated.

Third, the protests and resistance against the Agnipath scheme can be a hurdle to implementation of Joint commands.

87. [Backsliding on climate action](#)

Source: This post is based on the article **“Backsliding on climate action”** published in **The Hindu** on **26th July 2022**.

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

Relevance: About the challenges in climate policies.

News: Climate policies around the world are facing significant challenges.

9 PM Compilation for the Month of July, 2022

What are the challenges faced by EU climate policies?

a) Coal exports to Europe are surging after Germany, Austria and the Netherlands have started their coal plants again, **b)** Countries in Europe are rejecting the European Union (EU)'s plan to reduce natural gas consumption by 15% and **c)** Dutch, Polish and other European farmers are protesting against emission cuts from agriculture.

What are the challenges faced by other countries on climate policies?

The U.S.: The prices of fuel are increasing. This is causing inflation and a threat to energy security. This shows coal, oil and gas are not going anywhere in the developed world.

The developed countries also **failed to mobilise \$100 billion per year** by 2020.

Many **developing countries** are facing unrest due to skyrocketing energy prices. This is threatening their governments.

Must read: [Progress on Paris Climate Change Agreement: In India and world](#)

What does the term global net-zero mean according to the Paris Agreement?

Article 4 of the Paris Agreement defines 'Global Peaking'. This means parties aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties.

Similarly, the term global net-zero logically means that when developing country parties will achieve net-zero later than developed countries. Hence, the developing countries can only be achieved if developed countries reach net zero earlier than 2050.

The agreement, therefore, calls on developed countries to "do a net negative" on mitigation by 2050 rather than just "net zero", if they are serious about fighting climate change. Any other interpretation will be contrary to Article 4.

Must read: [India announces new climate targets at COP26 – Explained, pointwise](#)

How developing countries will be forced to compensate for climate policy failures?

The EU Commissioner of Climate Action and Energy signalled that the U.S. can downgrade its pledge under the Paris deal. If the G7 countries start downgrading their pledges, then they expect the Global South to compensate.

The "global stocktake" of the Paris Agreement will be done in 2023 to assess the world's collective progress towards achieving its long-term goals. In the current scenario, this stocktake will provide the developed countries with the right forum to shift the burden of their mitigation commitments on developing countries, knowing well that they will not be able to meet theirs by 2030.

What should the developing countries do to uphold climate policies?

With countries of the developed world almost sure to withdraw from their 2030 Paris Agreement commitment, the developing countries must do everything to hold the countries of the developed world to their commitments.

COP 27 in Egypt gives the developing countries an opportunity to hold the developed to make their net minus pledges. If the developing countries failed to collectively push for it, then the world will be collectively pushed back.

Must read: [Glasgow Climate Pact – Explained, pointwise](#)

9 PM Compilation for the Month of July, 2022

88. [DESH needs to serve the country better](#)

Source: The post is based on the articles

“DESH needs to serve the country better” published in the **Times of India** on 26th July 2022.

“Let’s reposition our SEZs without tilting markets” published in the **Live Mint** on 26th July 2022.

Syllabus: GS 3 Effects of Liberalization on the Economy, Changes in Industrial Policy and their Effects on Industrial Growth; Infrastructure: Energy, Ports, Roads, Airports, Railways etc.

News: The government has introduced **the Development of Enterprise and Service Hubs (DESH) Bill** in the ongoing Parliament session. This is going to do a makeover of India’s **268 Special Economic Zones (SEZs)**.

In 2019, the **World Trade Organization (WTO)** held that subsidies given to Indian SEZ units violated WTOs rules of fair trade. Thus, the new bill will ensure compliance to the WTO rules.

Kandla in Gujarat was our first SEZ. It was kept up in the mid-1960s. Thereafter, Jamnagar became another SEZ in the Gulf of Kutch. It is home to Reliance oil refinery that logs major exports.

There are hundreds of other SEZs, all of them governed by the [SEZ Act of 2005](#).

What are benefits provided to Special Economic Zones (SEZs)?

These are duty-free enclaves, with the industrial estates exempted from various levies that went against export competitiveness.

Units located here can freely import what they need and also enjoy many tax exemptions, such as zero GST on domestic supplies. However, for that, they need to earn more foreign exchange than spend over each five-year stretch.

The SEZs operate like offshore zones. Therefore, products and services sold by the units in the SEZs, in the Indian market, face regular import tariffs.

Problems with India’s SEZs?

(1) Indian SEZs are much smaller in size and performance. For example, If Indian SEZ are compared with Shenzhen, then Shenzhen’s area (49,000 hectares) exceeds the combined area of Indian SEZs (47,000 hectares).

(2) The minimum space needed for an SEZ in India is less than 50 hectares. Further, services SEZs can operate from a lonely building.

(3) Small size of SEZs prevents them from offering **high-quality common facilities and plug & play ecosystems**.

(4) Indian SEZs do not perform when tax exemptions end, and investments dry up. Today less than half the land approved for SEZ purposes is used.

How does DESH plan to change this?

(1) it will remove the restriction that exports should be more than imports over five years. Now units will be free to import any amount.

(2) The SEZs units will be allowed to **perform invoicing in rupee** to facilitate domestic transactions.

9 PM Compilation for the Month of July, 2022

(3) More concessions will be provided to SEZ units which will be selling in the **domestic market**. For Example, today a firm pays both IGST and import duty on the shirt. But after DESH, a unit will pay IGST on the shirt and import duty payable on fabric. This will discourage the import of shirts and promote shirt-making in SEZ.

(4) It will allow denotification of the **selected floors/areas** in IT/ITEZ SEZs so the owner can effectively use the space. At present, many buildings in these SEZ remain vacant. These are not being utilized for other purposes. Further, the trend will increase as the work-from-home concept catches on.

What more changes are needed to make SEZs in India more effective?

(1) **Get big industries:** The government should work to invite a large global anchor firms to **kick-start operations** in the sectoral hub. Their use of Indian ancillary and component supplier firms will benefit the entire sector. For example, as Suzuki did to India's automobile sector in the early 1980s.

(2) **Be quick:** There should be Speedy factory-to-ship movement. It can be done through **dedicated freight corridors** from all hubs etc.

(3) **Aim bigger:** DESH should focus not just on SEZs but also on industrial parks for various sectors.

(4) **Break barriers:** The government can develop a **GSTN-like system** to monitor movement. Further, stringent provisions can be made for small-volume high-value items like gold and diamonds to check misuse.

(5) **No IT Enterprises:** The government should remove IT/ITES firms from the purview of DESH law.

(6) **Be fair on land:** Many developers bought land with the help of state governments, which used the 'public purpose' clause to acquire land. However, a number of pieces of land acquired in the name of SEZs remain unutilized. Therefore, the government should return such non-operational SEZ land to rightful owners.

(7) **India needs to learn from Shenzhen**, which acts as a **self-contained economy**. Tax benefits were just a small part and not the primary reason for Shenzhen's success. The Shenzhen is a **large SEZ**. Therefore, it has attracted investors, professionals and large anchor firms. Further, the units established in electronics, computers, textiles and chemicals etc. are also large-scale.

89. Globalisation is dying; India needs sound industrial policy

Source: The post is based on an article "**Globalization is dying; India needs sound industrial policy**" published in the **Live Mint** on **26th July 2022**.

Syllabus: GS 3 Effects of Liberalization on the Economy, Changes in Industrial Policy and their Effects on Industrial Growth.

Relevance: Industrial Policy; Globalization etc.

News: In the recent times, the concept of free market globalization, has been exposed due to its inherent shortcomings.

The concept of free market globalization means free flow of goods, and knowledge around the world unimpeded by national boundaries.

What are the Issues in Free Market globalization?

In this, the national governments ceded their powers of governance to international bodies that set the rules of the game.

9 PM Compilation for the Month of July, 2022

The **principle of cumulative causation** suggests those who have more wealth, knowledge and power than others accumulate even more because they have the power to fix the rules. This is exactly what is happening as per this concept. It has led to increase in the inequalities both within and among nations. Beneficiaries will advocate the continuation of this model until they start to face losses. Some examples are:

- the US sanction on Russia for the Ukraine War, has disrupted global flows of fuel and food.
- Efforts by western countries when it found its **economic power slipping** to China.

Its weaknesses were exposed during emergencies like the **global covid lock-down**, which disrupted the global supply chains of manufactured goods.

Global trade is also subject to **geopolitical considerations**. For example, Citizens of poorer countries in the **global South** and **East** suffer more than the West in case of disruption in global trade flow. For example, the situation at present due to the Ukraine war and sanctions.

Various Free trade economists criticised the **industrial policies** of the developing countries. These policies aim to increase domestic production and competition among domestic producers (and with foreign producers) through adjustment of tariffs and correction in the inverted duties, etc.

These “**industrial policies**” were banned by **Washington Consensus economics**, and were labelled as **protectionist measures**. It halted the growth in the Indian industries compared to China.

But now the same policies are being adopted by the western countries. For example, the **US government supports** the growth of its defence and technological industries with **large subsidies and preferential treatment**. The US’s CHIPS Act will subsidize domestic production of chips.

How the ban on the Industrial Policy widened gap between India and China?

The economies of both China and India, was roughly the similar size around 1990.

After the 1990s **Indian producers** of power equipment, commercial vehicles, machine tools, etc, were as competent or more than Chinese companies. They built capabilities with technology legally transferred by foreign companies under ‘**phased manufacturing programmes**’ guided by India’s industrial policies.

Such **phased manufacturing programmes** were explicitly banned under **the World Trade Organization (WTO) regime** post 1990. India complied with its new global rules. But despite the ban on **phased manufacturing programme**, China managed industry and trade in its own way.

Therefore, the Chinese economy became **six times larger** than the Indian economy, and its manufacturing sector was 12 times larger and its capital goods sector was 50 times larger, by the year 2010.

What should be done?

The economic paradigm that frees trade is the only way has passed away. The myth of fair governance of the global economy by institutions controlled by Western powers has been exposed.

Therefore, India must build more depth into its economy instead of focussing only to increase its size. India’s trade policies must be guided by a sound industrial policy, rather than **trade policy controlling industry**, which has been the paradigm of policymaking since the 1990s’ liberalization of the Indian economy.

The new paradigm of economic policies demands the countries to adopt what is called as “**productivism**” instead of protectionism. India needs ‘**productive**’ economic policies to

9 PM Compilation for the Month of July, 2022

increase domestic manufacturing for defence of its national sovereignty and resilience in its economic growth.

90. Green shift: Costs and opportunities

Source: The post is based on an article “Green shift: Costs and opportunities” published in the Business Standard on 26th July 2022.

Syllabus: GS 3 Ecology and Environment; Infrastructure – Energy

Relevance: Green Energy Transition

Context: The single biggest long-term challenge being faced by the world today is decarbonising world energy.

At present, **atmospheric CO2 level** is 420 ppm (parts per million). Further, about 2 ppm is being added every year.

The atmospheric CO2 level needs to be contained, at least at 450 ppm. It will help in containing global warming within 2 degrees centigrade. Further, Carbon emissions will have to fall by 50% by 2030.

What are the challenges in the decarbonisation pathway?

(1) The energy transition models showing the path to net-zero carbon by 2050 make three key assumptions.

First, it has been assumed that **energy demand** will peak around 2030, then it will flatten, and then there would be no further growth. This assumption is difficult to be believed looking at current scenarios of growth in population, and the growth in the global gross domestic product (GDP).

Second, assumption in all the **models** related to change in the **energy mix** are unrealistic. **For example**, the **share of fossil fuels** will decline from the current levels of over 80% to less than 25% by 2050, Like Coal consumption has to drop from 25% of the energy mix to less than 3%.

Third, all model's assumption that more than **50 per cent** of these **residual GHG emissions** will be absorbed by **carbon capture and storage (CCS)** is unrealistic. The technology has not been commercially proven at scale.

(2) There are issues in the cost that will be incurred on the **energy transition**. This can be seen from two perspective:

(a) Although the **costs of solar, wind** and **lithium-ion batteries** have declined dramatically over the last decade, the cost of raw materials now account for almost 70% of the costs, given the surge in commodity prices in 2022. Therefore, it is difficult to estimate the actual cost of the energy transition.

(b) There would be a need of about **\$100-125 trillion cumulative investment** till 2050 to get to carbon net-zero. It implies an annual investment of \$3.5-4 trillion would be required in clean energy. But at present, total annual spending remains at the level of \$1.5 trillion for the energy ecosystem.

(3) The prospective of huge and visible growth will attract investors, but it does not always lead to shareholder value creation.

What should be done?

Energy transition is going to be the **largest thematic investment opportunity** of our lifetime. There are **huge investment opportunities** for everyone involved. It can range from the banks funding the green transition to the companies putting up the plants to the technology providers.

9 PM Compilation for the Month of July, 2022

The Indian companies pivot to address the energy transition, must decide their niche areas where returns are higher and engineering capabilities matter.

The Make in India cab provides opportunity for India to become one of the major investment destinations for green energy.

91. [GDP growth and formal employment: Whose GDP is it anyway?](#)

Source: This post is based on the article **“Whose GDP is it anyway?”** published in **The Hindu** on **27th July 2022**.

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

Relevance: About GDP growth and formal employment.

News: The Government will release the first quarter’s Gross Domestic Product (GDP) growth numbers within a few days. The debate on GDP growth and formal employment generation might once again erupt.

What is the relation between GDP growth and formal employment in India?

Based on the Reserve Bank of India (RBI) data (Employment in public and organised private sectors’),

- a)** It is calculated that between 1980 and 1990, every one percentage point of GDP growth (nominal) generated roughly two lakh new jobs in the formal sector.
- b)** In the subsequent decade from 1990 to 2000, every one percentage point of GDP growth yielded roughly one lakh new formal sector jobs, half of the previous decade.
- c)** In the next decade between 2000 and 2010, one percentage point of GDP growth generated only 52,000 new jobs.
- d)** The RBI stopped publishing this data from 2011-12.

This shows that the correlation between formal sector jobs and GDP growth has weakened considerably.

Read more: [India’s GDP Growth for FY2021-22 – Explained, pointwise](#)

What is the relation between GDP growth and formal employment around the world?

The above phenomenon is not unique to India. For instance, **a)** The U.S. today produces fewer new jobs for every percentage point of GDP growth than it did in the 1990s. **b)** China produces one-third the number of new jobs today than it did in the 1990s for every percentage of its GDP growth.

What is the significance of findings on GDP growth and formal employment?

The single most important demand of people in India is jobs, specifically, a high-quality formal sector job that ensures the dignity of work, good income and job security.

The GDP growth matters to the average Indian only if it can generate good quality jobs and incomes for them. But the findings on GDP growth and formal employment shows,

Firstly, the GDP is a simple metric that is a good indicator of economic progress which can be compared across nations. So, **focussing on GDP growth at all costs can be counter-productive**.

For instance, Sri Lanka’s mass uprising and people’s revolution can partly be explained due to the structural break between headline GDP growth and economic prosperity for the people.

9 PM Compilation for the Month of July, 2022

Secondly, there is a condition that the World Bank and International Monetary Fund projected 'fastest' growing economies are unable to provide prosperity and social mobility for their people.

This may partly be reflected by the voters' sense of deception over economic gains. This resulted in Electoral outcomes in favour of extreme positions in mature democracies such as the U.S., the U.K., and Germany.

Thirdly, a statistical aphorism 'Everything that counts cannot be counted and everything that can be counted does not count' summarises the GDP growth paradox faced by many democracies.

Read more: [Periodic Labour Force Survey and Unemployment in India- Explained, pointwise](#)

What is the recommendation of 'commission on the Measurement of Economic Performance and Social Progress'?

Formed in: 2008, by the then President of France/

Commission members: Nobel Laureate economists Joseph Stiglitz, Amartya Sen and others.

Aim: To develop a more comprehensive measurement framework of economic and social performance as an alternative to the excessive reliance on GDP.

Major recommendation: expand the dashboard of multiple indicators unique for each country.

Hence, India should **overhaul its economic performance measurement framework** to reflect what truly matters to the common person.

92. [Integrating SatNets with terrestrial 5G networks: A path to global connectivity](#)

Source: This post is based on the article "**A path to global connectivity**" published in **The Hindu** on **27th July 2022**.

Syllabus: GS 3 – Awareness in the fields of IT and Space.

Relevance: About integrating SatNets with terrestrial 5G networks.

News: As terrestrial 5G mobile networks are being rolled out across countries, there is an interest in integrating Non-Terrestrial Networks, such as low latency Low Earth Orbit (LEO) satellite networks (SatNets).

Wireless communications through LEO satellites over long distances are proven to be 1.47 times faster than communication over the same distance through terrestrial optic fibre.

What is the present status of SatNets?

Starlink operated by SpaceX, and OneWeb promoted by Bharti Global, have launched about 2,500 and 648 LEO satellites respectively at an altitude of about 1,200 km with the objective of promoting global broadband connectivity.

There are other players such as Reliance Jio in a joint venture with Luxembourg-based SES and Amazon's Project Kuiper.

Why does integrating SatNets with terrestrial 5G networks is essential?

Recent research on Starlink and OneWeb suggests that the standalone LEO SatNets have a distinct cost advantage only if the density is less than 0.1 person per square km compared to terrestrial broadband networks. Hence it is to the advantage of LEO SatNet providers to integrate their networks with terrestrial 5G networks to improve the cost economies.

Must read: [Space Economy in India – Explained, pointwise](#)

9 PM Compilation for the Month of July, 2022

How SatNets are integrating with terrestrial 5G networks?

Satellites and terrestrial networks have always been considered two independent ecosystems, and their standardisation efforts also are independent of each other.

But now standard-setting organisations such as the Third Generation Partnership Project (3GPP) started integrating SatNets in the standardisation process.

What are the applications of integrating SatNets with terrestrial 5G networks?

There are three main use cases, **1) Service continuity:** Integration will provide a seamless transition between terrestrial networks and SatNets in case of public safety, disaster management and emergency situations; **2) Service ubiquity:** Integration can provide 5G services in unserved and underserved areas of the world; **3) Service scalability:** This utilises the unique capabilities of SatNets in multicasting and broadcasting similar content over a large geographical area. The LEO SatNets can provide service not only to stationary but also to in-motion users.

Read more: [\[Yojana January Summary\] India as a Space Power – Explained, pointwise](#)

What are the challenges faced while integrating SatNets with terrestrial 5G networks?

These include **1)** Frequencies allocated for satellite broadband, **2)** The methodology of allocation, **3)** The relatively higher cost of consumer equipment, **4)** The placement and interconnections of SatNets with terrestrial public landline/mobile networks at the ground stations, and **5)** Increased cost of the user terminal and access charges to the end users.

How does the government is promoting integrating SatNets with terrestrial 5G networks?

National Digital Communications Policy 2018: The policy indicated a number of areas including **a)** The development of an ecosystem for local manufacturing of satellite communication systems and **b)** Promoting the participation of private players for the strengthening of satellite communication infrastructure in the country.

New Space India Limited (NSIL): This aims to re-orient space activities from a ‘supply driven’ model to a ‘demand driven’ model, thereby ensuring optimum utilisation of the space assets.

Indian National Space Promotion and Authorisation Centre (IN-SPACe): It is intended to provide a level playing field for private companies to use Indian space infrastructure and to promote and guide the private industries in space activities through encouraging policies and a friendly regulatory environment.

The proposed revisions to **Satellite Communications Policy** will provide the required fillip to LEO SatNets to become an integral part of the communication infrastructure of the country.

Read more: [Indian Space Association \(ISpA\) – Explained, pointwise](#)

93. [The tipping point on service charges](#)

Source: This post is based on the article **“The tipping point on service charges”** published in the Indian **Express** on **27th July 2022**.

Syllabus: GS 3 – Changes in industrial policy and their effects on industrial growth.

Relevance: About recent restrictions on service charge.

News: Recently, the Delhi High Court stayed the operation of guidelines issued by the Central Consumer Protection Authority (CCPA), which prohibited hotels and restaurants from adding a component of service charge to their bills.

About the guidelines of CCPA

Read here: [Service Charge: The new guidelines to prevent unfair trade practices](#)

9 PM Compilation for the Month of July, 2022

Does the Delhi High Court stay apply throughout India?

Under Article 226 of the Constitution, the application of an order passed by the Delhi HC ought to only be confined to the national capital territory (NCT) of Delhi.

However, according to the Supreme Court ruling in the **Kusum Ingots and Alloys Ltd. v. Union of India (2004) case**, any order passed by a high court on the constitutionality of central legislation will have effect throughout the country.

As the Consumer Protection Act was enacted by the Parliament, the HC order clears the way for hotels and restaurants across the country to restore their practice of levying a service charge.

What are the recommendations of the various committees on service charges?

The practice of levying a service charge has been followed by the hospitality industry since Independence.

Hotel Standards and Rate Structure Committee: The committee was formed under the chairmanship of Dewan Chaman Lal in 1958. The committee recognised the service charge and recommended the following,

a) There be a **uniform charge of 10%** on the customer's bill throughout India, **b) Condemned the practice of solicitation of tips**, calling it injurious to the dignity of the worker and causing harassment to the customer, **c)** Demand for the **introduction of comprehensive legislation** to provide a minimum-wage structure, uniform rate of service charge and the utilisation and allocation of the service charge for the benefit of the staff, and **d)** A portion of the service charge so collected may be **utilised to provide benefits** such as provident funds, pensions and life insurance.

Wage Board: It was constituted by the Delhi Chief Commissioner in 1964. The major recommendations were, **a)** Accepted the practice of levying a service charge ranging between 5-10% on a customer's bills, **b)** Asked the apportionment of the service charge collected, of which 45% was to be allocated for the staff working at the establishment.

Further, the levying of service charges has been upheld by various decisions of the Supreme Court as well as the National Consumer Disputes Redressal Commission.

Read more: [Barring restaurants from levying service charge is unfair, reeks of discrimination](#)

What are the issues associated with prohibiting service charges?

Prohibiting hotels and restaurants from levying service charges would lead to **inequitable distribution of tips**. As the tips are only likely to be pocketed by the staff who come into contact with the customer, leaving the back-end workers high and dry.

Note: In **Wenger & Company and others vs. Their Workmen case, 1963**, the Supreme Court observed that the practice of tipping is a nuisance for the customer and an excuse by the management to justify low wages.

What are the challenges faced by the workers in hotels and restaurants?

a) Despite various recommendations, there is **no legislative framework regulating the imposition and apportionment** of service charges in India, **b)** The sector is **largely unorganised and most workers barely get their basic pay**, let alone any other benefits.

What should be done?

In the absence of formal legislation regulating the concept, the issue relating to the application of service charges might be at the risk of being viewed from the lens of the consumer and not the worker. Hence, the government should frame comprehensive legislation.

9 PM Compilation for the Month of July, 2022

94. [Power tariff revisions and the state of DISCOMs](#)

Source: The post is based on an article **“Power tariff revisions and the state of DISCOMs”** published in **The Hindu** on 27th July 2022.

Syllabus: GS 3 Infrastructure: Energy

Relevance: Power Sector Reforms

News: According to Niti Aayog’s report 2021, most power DISCOMs in the country incur losses every year. The total loss was estimated to be ₹90,000 crores in the financial year 2021. The case of Tamil Nadu is an example of what is happening in the distribution sector in the country.

On July 13, the Tamil Nadu Generation and Distribution Corporation (TANGEDCO) filed a **general retail power tariff revision petition** with the Tamil Nadu Electricity Regulatory Commission. The petition proposes to hike power tariffs by 10% to 35%.

Why has the tariff revision petition been filed by TANGEDCO?

(1) TANGEDCO is facing mounting losses, outstanding loans, and the consequent increase in interest burden.

(2) Even after joining the **Ujwal DISCOM Assurance Yojana (UDAY) Scheme**, it could not reduce the gap between the **Average Cost of Supply (ACS)** and the **Average Revenue Realised (ARR)** to nil by 2018-19. It was stipulated by the scheme. On the contrary, Comptroller and Auditor-General report suggest, that the gap rose to ₹1.07 per unit in 2019-20 against ₹0.6 per unit in 2015-16.

(3) Recently, the Central government has withheld the release of funds that were meant under the Special Liquidity loan scheme and the Revamped Distribution Sector Scheme (RDSS), for lack of reforms.

(4) Further, the RBI issued a guideline to commercial banks that if lending is to be provided to any **State-owned power utility** including **DISCOMs**, the entity should have filed a **tariff revision petition** by November 30 every year.

(5) If the proposal comes into effect, expected in September, the hike will be after a gap of eight years.

What are the measures taken by the government so far?

The Central government has announced a **Liquidity Infusion Scheme (Aatmanirbhar Bharat Abhiyan)** to help the DISCOMs. Under this scheme, loans of ₹1,35,497 crore have been sanctioned.

Where do other States stand on power tariffs?

Despite the **Centre’s prescription** for **annual or periodical revision** of retail power tariff, States are reluctant to do so. The tariffs are often used as a tool by the political parties for their political agenda.

In Andhra Pradesh, the recent power tariff hike has taken place after a gap of two decades.

In 2022, the Bihar Electricity Regulatory Commission rejected the proposal for a 9.9% hike.

In Punjab, instead of hiking the tariff, the domestic consumers have been given free electricity up to 300 units each month.

Do States provide subsidies to sectors like agriculture?

9 PM Compilation for the Month of July, 2022

Yes., the State governments provide **free** or **heavily subsidised power supply** to the agricultural sector.

For example, Tamil Nadu has been implementing a free power supply for the sector since the mid-1980s. The electricity meters were not installed for a long time. Now, the meters have been installed for agricultural pump sets, but these meters are used for an assessment of consumption and not for billing.

What should be done?

This is to be noted that the freebies on electricity tariffs are not sustainable in the long run.

The reforms are required in the power tariffs. The lessons can be learnt from the success stories. For example,

(1) There can be **segregation of feeders** as an option to arrive at the accurate consumption of the farm sector. the consumption of farm sector is not measured due to the absence of meters. Gujarat is cited as a success story in this regard

(2) In Manipur, **prepaid meters** have been installed, and the power supply has been improved. It resulted in improved billing and collection efficiency as well as lower commercial losses.

(3) The **Madhya Pradesh Electricity Regulatory Commission** has provided an incentive package. An incentive equal to 5% of energy charges is given on installation for the use of energy-saving devices such as ISI energy-efficient motors for pump sets etc.

95. [Lessons from a tax cut](#)

Source: The post is based on an article "**Lessons from a tax cut**" published in the **Business Standard** on 27th July 2022.

Syllabus: GS 3 The Union Budgeting

Relevance: Corporate Tax Collection; Ease of Doing Business

News: In 2019, the government reduced the corporation tax rate to **revive growth** in the Indian Economy. The article analyses the results of tax reduction.

History of Corporate tax rate reforms in India

(A) 1990s Period

(1) In 1991, the corporation tax rate was raised from 40% to 45% because of revenue concerns. However, the tax was brought back to 40 percent in the year 1994.

(2) In 1997, the surcharges were abolished and tax was reduced from 40% to 35%.

(B) 2000s Period

(1) From 2000 onwards, the surcharges were reintroduced. Also, the corporate tax was raised to almost 36-38% for the next five years.

(2) In 2005, the corporation tax rate was reduced to 30%. However, the actual rate was about 33% along with the surcharge.

(C) Post-2015:

In Budget 2015-16, the Union Finance minister promised that the corporation tax rate would be reduced to 25% in a period of four years along with a phase-out of exemptions.

9 PM Compilation for the Month of July, 2022

Since then, the corporate tax rate has been reduced by almost 10 percentage points. While exemptions and concessions were phased out.

On 1st October 2019, the corporation tax rate was lowered to 17 percent, including surcharge and cess, from 29 percent. The Minimum Alternate Tax rate also was brought down from 21-22 percent to 17 percent.

Initially, the government had estimated that Rs 1.45 trillion in revenue will be foregone due to the cut in the tax rates. But subsequently, the government stated that some of this loss could be recovered through increased buoyancy.

How has the tax reduction impacted the government's tax collections?

As per data for 2019-20, almost 16% of companies (accounted for about 62% of the total income), opted for the new scheme of lower tax rates and gave up exemptions and concessions. Therefore, total corporation tax collections in 2019-20 declined by about 16% to Rs 5.57 trillion, compared to Rs 6.63 trillion in 2018-19.

However, the **latest provisional unaudited numbers** with the Controller General of Accounts for 2021-22 show a changing situation now.

Corporation tax collections rose to Rs 7.12 trillion. But in terms of their share in GDP, **corporation tax collections** in 2021-22 were still at 3%. It was marginally lower than the 3.5% seen in 2018-19.

What should be done?

A stable tax regime having tax cuts with fewer exemptions results in revenue buoyancy. This happens due to improvement in compliance and wider coverage.

Therefore, the corporation tax revenues collection might improve in the year ahead. There would be overall **collections buoyancy** due to **dispersion of tax liability** to a larger number of companies in different income levels, if present trend continues.

96. Monkeypox & Human Folly

Source: The post is based on an article “**Monkeypox & Human Folly**” published in the **Times of India** on 27th July 2022.

Syllabus: GS 3 Disaster Management

News: Recently, over 16,000 cases of Monkeypox were reported from 75 countries. Therefore, the WHO has declared Monkeypox a **public health emergency of international concern (PHEIC)**.

About Monkeypox Disease

The WHO declared it PHEIC despite **non-recommendation** by an expert committee constituted by the WHO to study it. For example, 9 members voted against and 6 voted for the declaration.

What were the arguments of members who voted against the declaration of a PHEIC?

Don't stigmatise gay men: Most of the recent spurt of cases involved **human-to-human transmission**. This was mainly found among **males who have sex with males (MSM)**. Therefore, such a declaration would precipitate panic and create a stigma against this vulnerable population by labeling it as a **gay disease**.

Why was monkeypox declared as a PHEIC despite a weak vote?

9 PM Compilation for the Month of July, 2022

The declaration was an indication of the **challenges** that may mount up. It was an **alert** to governments to prepare a health system response that combines **prevention, surveillance, treatment, and risk communication**.

Apart from the MSM-related transmission, there were other cases of human-to-human transmission. For example, in the US and Europe, **a few children** have been infected through **household contact**.

There can be **zoonotic transmissions** in the present age of globalization. The virus responsible for monkeypox has been found in several mammals like squirrels, mice, rats, rabbits, American prairie dogs, and of course, monkeys. In fact, **Squirrels** is a **more frequent source** of zoonotic transmission than a monkey. For example, the 2003 outbreak of monkeypox in six US was due to mammals (mostly rodents) imported from the West African nation of Ghana.

What public health measures should be taken by the government of India?

(1) The health systems need to be on alert. There should be **effective surveillance, testing, isolation of cases**, and risk communication to the public.

(2) **Smallpox vaccine** can be used. It is effective in providing up to **85% cross-protection**. It should be considered for unvaccinated persons. Persons at high risk of infection or severe disease should be prioritized first. Further, persons who are below 45yr of age who would not have received the smallpox vaccine, after it was eradicated should be vaccinated.

(3) The government should do domestic production and stockpiling of **tecovirimat**, an antiviral drug developed for smallpox treatment.

(4) Stigma and discrimination of any kind against MSM person should be avoided. India can use extensive experience from the HIV-AIDS programme.

97. [Lion's future, cheetah's past](#)

Source: This post is created based on the article **"Lion's future, cheetah's past"** published in **Indian Express** on **28th July 2022**.

Syllabus: GS Paper 3, Biodiversity conservation

News: Four male and four female African cheetahs will be imported from Namibia in August, to establish the cheetah into its "historical range".

Cheetahs will be kept in enclosures to get them acquainted with each other and make them habitual of hunting Indian prey species before their release.

After that, they will be released in a phased manner and monitored.

If this process is successful, a few other smaller cheetah reserves will be created in Rajasthan and elsewhere in MP, with the help of fresh supplies from Africa.

What are the challenges associated with Cheetah conservation plan?

The project's Population Viability Analysis has shown a "high probability of long-term cheetah persistence" or probability of long-term existence in a few conditions, like;

1. If the Cheetah populations exceed 50 individuals, or
2. When smaller populations are managed as an (inter-connected) meta-population.

The solution lies in the South African model. The periodical translocation of individual animals from one fenced-off reserve to another was helpful in maintaining genetic diversity.

However, even with this model, there are many issues that require attention.

9 PM Compilation for the Month of July, 2022

What are the concerns linked to the Plan?

Habitat connectivity: In India, there is not much natural connectivity for cheetahs to travel from one habitat to another. Without habitat connectivity, meta-populations cannot be self-sufficient (genetically viable) to perform their ecological roles.

Human interventions: The conservation model that required human intervention for the survival of cheetahs will reduce protected areas to glorified open zoos.

Unclear objectives: The cheetah project also promises to benefit endangered grassland species like endangered Indian wolves and the near-extinct Great Indian Bustard (GIB). However, it is not clear how it will happen. Wolves would have to compete with Cheetahs for prey, and GIB is potential prey for the cheetah.

The Lions vs Cheetahs debate: In April 2013, the Supreme Court (SC) set a six-month deadline for shifting lions to Kuno from Gir. In 2018, in the same case, SC dismissed the contempt case against the government, after its reassurance of following orders.

It is not done yet, instead, an exotic species of Cheetah has been reintroduced in the same area. The objectives of reviving grassland ecosystem services through Cheetahs could have been achieved by Lions.

Furthermore, the government's draft 25-year plan for Project Lion focuses on assisted natural dispersal with no scope for relocation outside Gujarat.

India's conservation priority should be saving what can still be saved. The longing to relive the cheetah's past should not jeopardize the lion's future.

98. [Hitting the mark on defence exports](#)

Source: The post is based on an article "Hitting the mark on defence exports" published in the Business Standard on 28th July 2022.

Syllabus: GS 3 Effects of Liberalization on the Economy, Changes in Industrial Policy and their Effects on Industrial Growth.

Relevance: Defence Sector and Defence Export

News: Recently, **the Naval Innovation and Indigenisation Organisation Seminar Swavlamban** was organized in New Delhi. Prime Minister (PM) reiterated the government's will to move out of India's addiction to defence imports and turn it into an exporter of military equipment.

In 2020, the PM has set the five-year defence exports target of Rs 35,000 crore.

To fulfil the target, the MoD may launch 75 items in the fields of unmanned systems, robotics, intelligent surveillance and more to propel India. The government

Approximately half and one-fourth of India's defence exports between 2017 and 2021, were to Myanmar and Sri Lanka, respectively.

During FY21, the US became India's biggest customer in terms of defence export.

Other major regions to which Indian exports were headed were South-East Asia, West Asia and Africa.

Status of India's defence export

The defence exports are hitting an all-time high of Rs 13,000 crore during FY21-22. Further, the share of the private sector accounts for 70% of the exports.

9 PM Compilation for the Month of July, 2022

The items exported comprises advanced light helicopters, missiles, offshore patrol vessels, surveillance systems, personnel protective gear, and various types of radars.

What are the drivers of Indian defence exports?

First, the government has taken various steps like simplified industrial licensing, easing of export restrictions, and issuance of no-objection certificates (NOC).

Second, in the post-2014 period, a **separate defence export strategy** was prepared. It focussed on export promotion or facilitation and export regulation.

Third, the Ministry of External Affairs has supported the creation of **lines of credit (LOC)** for countries to import Indian defence products. In the Indian missions abroad, the defence attaches were established, authorised to encourage Indian exports.

Fourth, the **Defence Production and Export Promotion Policy 2020** pushed for exports. It mandates public sector undertakings to derive at least 25% of their revenue from exports, including success fee by 2025.

Sixth, the **Defence Expo** and **Aero India** are organized to exhibit India's defence production capacity.

Seventh, the **Department of Defence Production** focus on time-bound export clearances.

What are the factors retarding the growth of Indian defence exports?

There are various factors which have long hampered the indigenous manufacturing in India and may make it difficult to achieve the target of Rs 35,000 crore.

First set of issues: like absence of critical technologies, the long gestation period involved in creating a capital and technology-intensive production base, conducting business operations is difficult due to **stringent labour laws** and compliance burden, inadequate funding of defence research and development (R&D), and the lack of engineering and research skills.

Second set of issues: like poor designing capacity in core technologies, insufficient finance of R&D, and the incapability to produce critical subsystems and components.

Third set of issues: there is an adverse skill gap at present, due to **weak industry-academia interface**.

What should be done?

India should tap the right opportunities by smartly utilising our existing competitive advantages.

There are various **prevailing cost advantages** in various lines of indigenous defence production.

India can explore export opportunities in the **African countries** like Algeria, Morocco and Angola; and the **West Asian** countries like Saudi Arabia, the UAE and Qatar.

India should explore defence markets in the **Indian Ocean Region** and work upon the **Neighbourhood First policy**. This can be enabled through lines of credit to **India's neighbours** like Maldives, Bangladesh and Myanmar

Basket of items to start from: Initially focus on exports of items such as the BrahMos cruise missile, Pinaka multi-barrel rocket launcher, the advanced light helicopter Dhruv and the Akash air-defence system. Further, India should move towards providing **end-to-end defence solutions** in the long-run.

9 PM Compilation for the Month of July, 2022

99. [Saving Mother Nature from ourselves](#)

Source: The post is based on an article “Saving mother nature from ourselves” published in the Indian Express on 28th July 2022.

Syllabus: GS 3 Ecology and Environment

Relevance: Biodiversity Conservation

News: Recently, World Nature Conservation Day was celebrated on July 28. It seeks to highlight the need to work for a healthy planet by preserving our environment and protecting our natural resources.

Why do we need preserve and protect the environment?

The global biodiversity is under all-round threat due to **human’s exploitation of natural resources** continues unchecked. For example, the exploitation has led to a situation where about 25% of species face the threat of extinction.

(1) There has been **climate change** which has led to irreversible changes in ecosystems around. It has led to disruption in ecological balance.

(2) There are sudden changes in **weather patterns** causing heat waves, ocean warming, diminishing amounts of snow and ice, melting glaciers, forest fires and floods.

(3) There is **conversion** of forests to agricultural land, overgrazing, poor forest management, invasive infrastructure development including the ill-planned expansion of urban settlements, mining and oil exploitation, anthropogenic forest fires and pollution, have impacted forest biological diversity.

The loss of the earth’s original forest cover is as high as 45 per cent over the last 8,000 years. As per the Food and Agriculture Organisation (FAO), about 13mn hectares of the world’s forests are lost due to deforestation each year.

What should be the scope of conservation?

The idea of conservation encompasses various facets of nature including flora and fauna, energy resources, soil, water and air.

The **protected areas** and **other effective area-based conservation measures** are the key drivers of biodiversity conservation.

Indian Perspective on Conservation and ecological balance

Nature forms the **cornerstone** of the cosmic vision of Indian civilization. The Vedas, Upanishads, etc. have taught us the worship of the divine in the elements like in rivers, mountains, lakes, animals, birds, flora, as also stars and planets.

Indian scriptures mention worship of fire, water and air as agni, jal and vayu, the sun as Surya deva, earth as Bhudevi, etc.

The **Prithvi Sukta** in Atharva Veda serves to remind us of our relationship with nature: **mata bhumi putroham prithivya** (The earth is my mother and I am her son).

What are the conservation measures taken so far?

Global Level

The Kyoto Protocol and the Paris Agreement have set goals and targets for transition to low-emission economies.

Indian Level

9 PM Compilation for the Month of July, 2022

India is a member of **the High Ambition Coalition for Nature and People** which was initiated at the “One Planet Summit” in 2021. Therefore, India is committed to work proactively to protect at least 30% of our lands, waters and oceans, and adhere to its commitment of 30×30 by 2030.

A 75-day-long awareness campaign, “**Swachh Sagar, Surakshit Sagar**”, was launched. It has to cover 75 beaches across the country.

The Indian government has banned the manufacture, import, stocking, distribution, sale and use of identified **single-use plastic items** with low utility and **high littering potential** from July 1, 2022.

In their joint report, **the UN Environment Programme (UNEP), the World Economic Forum (WEF) and the Economics for Land Degradation Initiative** have urged the G-20 nations to step up to their roles as powerful leaders against climate change.

What should be done?

Conservation is the only hope for **protecting** the future of the planet, and the future of the succeeding generations. It can contribute to sustainable livelihoods, climate change mitigation, food and water security and reduces the threat of natural disasters.

There is a need to go back to our roots. This will help us achieve the targets of the post-2020 of the **UN’s Global Biodiversity Framework (GBF)** and realise the **2050 vision of “living in harmony with nature”**.

The decisive actions must be taken with respect to energy, industry, land, transport and urban planning.

The saying, **vruksho rakshati rakshitah** (protect trees and they will protect you), should be our guiding mantra.

The climate targets and sustainable development targets should be integrated into national policies and decision-making frameworks at the local levels.

If mankind has to survive, we have to recognise the **role of protection** and **conservation** to maintain the pristine nature of biodiverse ecosystems.

100. [What numbers do not reveal about tiger conservation](#)

Source: This post is based on the article “**What numbers do not reveal about tiger conservation**” published in **The Hindu** on **29th July 2022**.

Syllabus: GS 3 – Environment and Bio-diversity: Conservation.

Relevance: Tiger conservation.

News: On International Tiger Day, the world and India can celebrate the recovery of at least one endangered species. A recent International Union for Conservation of Nature assessment suggests that tiger numbers have increased by 40% since 2005.

What is the relation between population and extinction?

Populations that are smaller than 100 breeding individuals have a high probability of extinction. At the same time, for populations to persist, they should be part of larger landscapes with other such populations that are connected. Small and isolated populations face a high probability of extinction.

Genetic drift: *Small populations are subject to chance/random events. These chance events may cause them to lose advantageous genetic variants. Further, other detrimental genetic variants might increase in frequency. This process is called genetic drift.*

9 PM Compilation for the Month of July, 2022

This is because there is a high chance of inbreeding that will expose disadvantageous genetic variants that are present in all genomes.

Read more: [Fourth Asia Ministerial Conference on Tiger Conservation](#)

Does increasing tiger count prevent them from extinction?

Most tiger 'populations' are smaller than 100. On their own, most tiger populations do not have a high chance of survival. This is because,

a) Most tiger reserves in India are small and embedded in human-dominated landscapes, **b)** The presence of built-up areas and high-traffic roads greatly impeded tiger movement, and **c)** Fencing tiger reserves and isolating them could result in high extinction.

However, most land-use types were not too bad for tiger connectivity, including agricultural fields. Tiger extinction could be avoided if tiger corridors were safeguarded. For instance, having an underpass will allow wildlife movement and connectivity.

Read more: [Tiger Conservation in India](#)

What are the findings on tiger conservation in Odisha and Rajasthan?

Similipal tiger reserve: The black tigers were found only in the Similipal tiger reserve in Odisha. These **pseudo-melanistic or black tigers** demonstrated the genetic effects of isolation. A single spelling mistake (or mutation) in a specific gene (genetic drift) causes these tigers to look this way.

It was common only in Similipal, where 60% of the tigers carried at least one copy of a causal genetic variant.

Ranthambore tiger reserve: Genome sequences from wild tigers reveal that individuals in the Ranthambore tiger reserve show inbreeding. However, there is no adverse effects of inbreeding yet. But it might happen in near future.

Read more: [19th Meeting of National Tiger Conservation Authority \(NTCA\)](#)

What should be done to ensure tiger conservation?

1) Special attention is needed for populations that are becoming isolated and facing the genetic consequences of such isolation, **2)** The countries should carry a genetic rescue plan or even the introduction of novel genetic variants using the genome sequencing technology, **3)** The future of tigers will require a 'dialogue' between data and management strategies in order to ensure their survival.

101. [Revival package for BSNL: Much needed bailout](#)

Source: This post is based on the following articles

"Much needed bailout – BSNL needs state help to fulfil its social role in rural areas and in disaster relief" published in **The Hindu** on **29th July 2022**.

"A late call for BSNL" published in the **Business Standard** on **29th July 2022**.

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

Relevance: About the revival package for BSNL.

News: The government recently announced a Rs 1.64-trillion lifeline for the ailing Bharat Sanchar Nigam Ltd (BSNL). The revival programme reveals how far the state-owned telecom service provider lags behind the technology curve. This is the second revival package for BSNL in three years. The government infused Rs 69,000 crore in 2019.

What is the revival package for BSNL?

Read here: [Cabinet approves revival package of BSNL amounting to Rs 1.64 Lakh Cr.](#)

9 PM Compilation for the Month of July, 2022

What are the previous revival packages for BSNL?

What are the concerns against the revival package for BSNL?

This revival plan raises the question of whether the government is throwing the money the government earn from the 5G auctions to private telecom operators. This is because the **BSNL's problems are fundamental**. Such as

1) BSNL subscriber base has scarcely grown even though the utility was given preferential spectrum allotments. **2) Its share in wireless and broadband is a negligible** 9.7 and 2.9% respectively. However, its rural wireless subscribers shrank by just 11.4 lakh, **3) BSNL's inability to compete**: In 2021, BSNL surrendered unutilised 2G spectrum in the 900 and 1800 MHz bands, though this is where most telecom operators have large numbers of subscribers, **4) BSNL will not make a profit if its focus is on rural India alone.**

The government's objective of improving rural connectivity cannot be feasible through viability gap funding. Achieving a socio-economic purpose via a commercial corporation has never worked in the past and BSNL is unlikely to be a game-changer in this respect.

Read more: [5G technology in India – importance, challenges and solutions](#)

Why does the revival package for BSNL essential?

1) The government already extended concessions to privately-owned Vodafone India and Bharti Airtel over AGR due. The package is nothing but the **government's helping hand for its own utility** is valid.

2) The revival plan is expected to see BSNL turn around and make profits. This is feasible as the BSNL's losses in 2020-21 narrowed down and the utility turned profitable at the operating level.

From an employee base that exceeded 1.65 lakh, and consumed about 75% of its total income, the BSNL had carved the number of regular employees to around 64000 in 2021, with the proportion of employee benefit expenses to total income more than halving to 36%. This is done by halving the salary bill via a voluntary retirement scheme and reduction of high-cost debt.

All this will make BSNL **better placed and competitive** in the technologically rapidly evolving marketplace

3) Any further delay in adequately funding the BSNL in the "strategic sector" risks compromising the goals of bridging the digital divide and ensuring the evolution of an **inclusive knowledge society**.

Read more: [BSNL launches world's first satellite-based narrowband IoT network](#)

Hence, the revival package for BSNL will play a "crucial role in the expansion of telecom services in rural areas, development of indigenous technology and disaster relief."

102. [Narrow view – SC verdict on PMLA fails to protect personal liberty from draconian provisions](#)

Source: This post is based on the following articles

"Narrow view – SC verdict on PMLA fails to protect personal liberty from draconian provisions" published in **The Hindu** on **29th July 2022**.

"By upholding PMLA, SC puts its stamp on Kafka's law" published in the **Indian Express** on **29th July 2022**.

Syllabus: GS 3 – money-laundering and its prevention.

Relevance: About the issues surrounding PMLA.

9 PM Compilation for the Month of July, 2022

News: The Supreme Court in **Vijay Madanlal Choudhary and Ors versus Union of India case** upheld the provisions of the PMLA (Prevention of Money Laundering Act).

What was the case about?

Read here: [Supreme Court upholds powers of arrest, raids, seizure under PMLA](#)

What is the Prevention of Money Laundering Act?

Read here: [Prevention of Money Laundering Act\(PMLA\)](#)

What are the reasons behind stringent provisions of PMLA?

There is a widespread international concern over Money Laundering. Organised crime fuelling international narcotics trade and terrorism is funded by illicit money generated from crime, laundered to look legitimate and funnelled into the financial bloodstream of global and domestic economies.

The PMLA was enacted in response to India's global commitment under the **Vienna Convention**. The primary purpose of the Act was to combat money laundering in India.

Note: *Vienna Convention was adopted in 1988. It was the first international instrument to address the issue of proceeds of crime and to require States to establish money laundering as a criminal offence.*

How do the PMLA is different from other International counterparts?

Money laundering in the Indian context is linked to or is seen as a byproduct of a host of both grave and routine offences that are appended to the PMLA as scheduled ones.

These 'scheduled' or 'predicate' offences ought to be ideally limited to grave offences such as terrorism, narcotics smuggling, corruption and serious forms of evasion of taxes and duties.

But, in practice, the list contains offences such as fraud, forgery, cheating, kidnapping and even copyright and trademark infringements.

What are the concerns associated with PMLA?

Read here: [Supreme Court examines allegations of rampant misuse of PMLA](#)

The other issues,

1) The list of crimes included in the PMLA overrides similar crimes in other parts of the law. It can override the safeguards of the Criminal Code of Procedure, **2) The burden of proof is on the accused.** Under Indian conditions, the **process of proving innocence itself is the punishment,** **3) International treaties are often used to override domestic rights** safeguards. By fulfilling India's global commitment under the Vienna Convention, India restricted civil liberties and the value of dissent, **4) The punishments** under PMLA may potentially be excessively punitive, in **disproportion to the crime,** **5) The conviction rate under PMLA is very low, less than 0.5%.** But every year thousands of cases are registered, people are arrested, and lives are turned upside down, and **6) The Enforcement Directorate** has been manifestly selective in opening money-laundering probes, rendering any citizen vulnerable to search, seizure, and arrest at the whim of the executive. Thus, the government of the day might use the ED against political opponents.

Read more: [How Enforcement Directorate \(ED\) became so powerful?](#)

9 PM Compilation for the Month of July, 2022

103. [Plain Way To Make Planes Safe](#)

Source: The post is based on an article “**Plain way to make planes safe**” published in **The Times of India** on **29th July 2022**.

Syllabus: GS 3 Infrastructure; Aviation Sector

Relevance: Safety in Aviation Sector

News: Recently, the Directorate General of Civil Aviation (DGCA) issued an order to a budget airline. DGCA curbed its schedule of operations and will maintain enhanced surveillance over its flights during this curtailed schedule period.

Reasons behind the issuance of the order

There has been a rise in the incidence of **aircraft snags** in the past few months, The DGCA spot checks found **certain common concerns** across airlines, like 1) shortcomings in maintenance Standard Operating Procedures (SOPs), 2) Shortage of trained manpower to check and certify aircraft before each take-off, especially in light of the increase in flights post Omicron.

One of the primary checks in the area of airworthiness is the daily snag and defect monitoring mechanism. This is done by the DGCA officials who are required to **attend airlines’ quality control system meetings** which are conducted by airlines’ quality assurance departments.

What are the challenges facing the aviation sector?

(1) Licensed aircraft maintenance engineers carry out snag rectification. India has adopted the European Union Aviation Safety Agency (EASA) system for aircraft maintenance personnel. It mandates a **Category-A licence for technicians**, which is based on knowledge and experience and is without any aircraft-type rating. This has been misused. It was found that rectification and certification of snags were done by Category-A licence holders and not type-rated engineers.

(2) The misuse happens due to the **non-availability of type-rated engineers** at most of the stations.

(3) Currently, airlines regulate **licensed aircraft maintenance engineers**. They train only a **limited number of technicians** who can obtain licences, just enough to meet their own requirements. This leaves a huge gap in the availability of this **critical trained manpower** for establishing **maintenance, repair and overhaul (MRO) organisations**.

(4) The DGCA, the aviation regulator itself, is short of experienced manpower. The number of airworthiness officers with over 15 years of experience is limited.

Possible solutions for the safety and security

(1) **The Aircraft Communications, Addressing and Reporting System (ACARs)** can be used by the DGCA as an additional tool in its oversight function. It sends real-time information from the aircraft to ground stations about the condition of its various systems and sensors, maintenance faults, etc. Airlines can use them to monitor equipment health, repair, and maintenance activities.

(2) The DGCA should reconsider the present system of aircraft maintenance engineering system. It should issue guidelines on the positioning of **properly-trained manpower** at every station, and these should be strictly followed.

(3) The DGCA should **periodically review** the adequacy of such manpower requirements based on the increase in airlines’ fleet size, increase in aircraft positioned at a station, and increase in the scheduled flight turnaround for every station in the airline network.

(4) The **aviation ministry** must establish an alternative system to ensure that a **larger number of technicians** get adequate training and experience to acquire ratings on different aircraft types.

9 PM Compilation for the Month of July, 2022

(5) The DGCA should recruit a greater **airworthiness officer** for regulations and carry out safety oversight.
DGCA must bring out a new strategy to ensure airworthiness standards with urgency.

104. [A grand strategy for technology](#)

Source: The post is based on an article “A grand strategy for technology” published in the Business Standard on 29th July 2022.

Syllabus: GS 3 Achievements of Indians in Science & Technology; Indigenization of Technology and Developing New Technology.

Relevance: Research and Development Spending in India; innovation and Entrepreneurship

News: In India, Research and Development (R&D) spending has stagnated. However, it has risen steadily in the other major economies.

As a percentage of gross domestic product (GDP) India’s R&D spending was 0.67% in 2018-19. It is way below the spending made by the major economies. For instance, China has 2%, the European Union has 2%, the US and Japan have 3% and South Korea has 4.5%.

Further, the Union government accounts for about 45% of the total R&D spending. And, about 60% of the total goes to defence, space, atomic energy and agriculture sector.

What kind of the R&D Model should be adopted by India?

The R&D model should be on the lines of the US R&D Model which made it the leading force in technology development in the latter half of the 20th century. **For example**, path-breaking developments in information technology, communication, medicine, space exploration, energy, and a lot more were seen in the US.

Following are some of the steps US took to develop the R&D:

It is generally accepted that the R&D growth in US led by the private sector. Instead, it was provided by the Federal government. This can be understood by the **Federal and business R&D spending** as a percentage of GDP.

Its R&D spending reached 1.86% of GDP in the **mid-1960s**. However, the business R&D spending grew slowly only to 0.86% of GDP.

The Federal government set up the **Defence Advanced Research Projects Agency (DARPA)**. It supported several projects like the development of the Internet at a time when even the word “internet” was not known!

The Federal government spent on technology projects that had a time horizon of 15-20 years because the private players would seldom invest in long-gestation projects. However, the federal government made efforts to associate the private sector.

In later period, business R&D grew rapidly from the 1990s onwards often on commercialisation of technologies that were pioneered through the **Federal R&D spending** rather than on basic or applied research.

In fact, even now, the US government continues to play a major role in promoting very forward-looking research. For instance, the Federal government has set up an **Advanced Research Project Agency-Energy (ARPA-E)** and a fund for promoting **Energy Frontier Research Centres** in Universities.

9 PM Compilation for the Month of July, 2022

US government also supported the commercialization of the technologies obtained after the basic and applied research. **For example**, the US government provides 20-25% of funding for early-stage technology firms. Further, the venture funds come later when there is sufficient commercialisation to deliver returns in five to seven years through initial public offerings or merger/acquisition.

What India should do?

(1) At present, India is at the **stage** where the US was in the 1950s and '60s. Therefore, the government should do what was done by the US in the '50s and '60s.

(2) The Union government should adopt **a grand strategy for technology development**. The elements should be:

(a) A five-fold increase in Union government spending on R&D from 0.3% of GDP to 1.5 in 3-5 years' time

(b) The Department of science & technology should be reorganized into mission-oriented set-ups.

(c) The private sector should be better connected with **focused mission-oriented research institutions** like the Defence Research and Development Organisation, and Space Commission.

(d) There should be **new mission-oriented programmes** focussed on emerging challenges like climate change, bio economy and long-term opportunity potentials like nanotechnology, artificial intelligence.

(e) Capacities of the University/IIT research institution should be enhanced with a substantial increase in research grants

(f) Setting a soft target for large corporations on their R&D spending as a proportion of their profits.

(g) There should be symbiotic linkages between government, business and research institution. Further, the private sector, particularly with a provision for angel investment in high-technology start-ups.

105. [RBI and the rupee: To break a free fall or not to](#)

Source: This post is based on the article **“RBI and the rupee: To break a free fall or not to”** published in the **Indian Express** on **30th July 2022**.

Syllabus: GS 3 Indian Economy; Issues and Challenges pertaining to growth and development of the Indian Economy

Relevance: Macroeconomic conditions; Rupee Depreciation

News: The Indian rupee has depreciated by around 7% against the U.S. dollar, since the start of the year.

What is the significance of forex reserves?

A developing economy needs foreign exchange to finance its international transactions for both the current account (goods and services) and capital account (assets) transactions.

Foreign exchange reserves also signal its ability to meet potential obligations. The larger the stock, the more its reassuring value. But due to the reserves “liquid” nature, the returns on these are low.

Read here: [Explained: What Rs 80 to a dollar means](#)

9 PM Compilation for the Month of July, 2022

How did India so far build its forex reserves and what is happening now?

A country can accumulate reserves by running current account surpluses, and/or by interventions in the foreign exchange markets. India usually runs a current account deficit — in this century, it ran a surplus only in 2020-21. Its reserves are then accumulated solely through “sterilised” interventions.

When foreign entities want to invest in Indian assets, the RBI gives them rupees in exchange for foreign exchange. To prevent inflation, the RBI then sells government bonds to suck out the additional rupees.

Thus, the Forex reserves rise, along with the increase in government bonds outstanding. The accumulation of foreign reserves limits the appreciation of the currency.

Present condition: In recent months, India has witnessed a reversal of this process — there is an outflow of foreign financial capital, with reserves falling and the rupee depreciating.

Read here: [Why there is no reason to panic over the rupee](#)

What are the impacts of RBI’s decision to pile up forex reserves?

When capital inflows were taking place, the RBI accumulated foreign exchange and allowed some currency appreciation. This caused the following, **a)** Reduced exports, **b)** import-competing sectors gave way to cheap imports, especially from China, **c)** those engaged in “carry trades” continued without bothering about the exchange risk, **d)** India’s external commercial borrowings have also increased, **e)** The rich bought properties abroad and sent their children to study in foreign universities.

Read more: [External vulnerabilities: Time for a rupee review](#)

What does the RBI need to do while the rupee is depreciating?

The RBI has committed to using reserves to ensure an orderly depreciation. If the world financial markets want a depreciated rupee, then the RBI should not throw forex reserves to prevent it.

But the RBI, with its commitment to inflation targeting, would try to prevent a depreciation (because it causes the price of imported goods to rise).

Must read: [Fall in Rupee Value: Reasons, Concerns and Solutions – Explained, pointwise](#)

106. [Young and waiting: India’s public examination and recruitment system is failing its youth](#)

Source: This post is based on the article “**Young and waiting: India’s public examination and recruitment system is failing its youth**” published in the **Indian Express** on **30th July 2022**.

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

Relevance: About the India’s public examination and recruitment system.

News: Recently 4,500 candidates in Andhra Pradesh who cleared a district selection committee exam in 1998 have finally been offered regular jobs as teaching staff in government schools. With 24 job-seeking years, most of them reach close to retirement.

What is the present state of India’s public examination and recruitment system?

a) Railway exams of 2019 have seen over 1,000 days delay for exams to be conducted, **b)** About 700 army aspirants recently protested outside the Raj Bhavan against delays in conducting the army recruitment exams which was postponed six times already since Apr 2021, **c)** The recruitment cycle for the **Staff Selection Commission** delayed due to Covid, many aspirants have also gone over the age limit and been denied a relaxation (in age cap) or an extra attempt,

Created with love ❤ by ForumIAS- the knowledge network for civil services.

Visit academy.forumias.com for our mentor based courses.

9 PM Compilation for the Month of July, 2022

What are the challenges associated with delayed exams?

a) Getting assistance to help prepare for recruitment exams is also an expensive affair. For instance, tuitions costs can vary from Rs 1,000 to Rs 4,000 for minor posts, to Rs 1.5-2.5 lakh for UPSC coaching (excluding living costs). If such exams get delayed, then the youth will suffer financially and mentally, **b)** Even when exams are done, the results are getting delayed for many exams, **c)** Even if the exam results are published, an aspirant cannot be sure of getting a firm job. For example, the case of SSC GD 2018 aspirants.

All this shows that the recruitment process for some government posts simply never ends.

How can the government hold the departments accountable for conducting exams?

a) Each ministry should ask all departments to prepare an existing vacancies list within three days from the defined zero date, **b)** The departments should ideally advertise the approved list of existing vacancies within seven days of the approval of such a list, **c)** For each week of delay beyond 30 days, the defaulting department could be liable for a small reduction in their administrative expenses, **d)** Final examination results should be announced within a defined period. In the event of cancellation of examinations, compensatory attempts shall be provided to all applicants by relaxing age norms.

What should be done to reform India's public examination and recruitment system?

Reform the examination process: This should include **a)** a waiver of examination fees, **b)** removing a barrier for candidates from economically challenging backgrounds, **c)** providing travel and lodging allowances if the examination centre is not within a specified distance, **d)** all examination centres must have basic infrastructure (biometric attendance, cloakroom) and adequate security (guards, invigilators, CCTV cameras) to ensure a fair process, and **e)** An integrated examination calendar for all major educational institutions and recruitment to PSUs should be published while ensuring minimal overlap.

Of the 430-450 million available in the labour force, only 390 million actually had jobs in June 2022, as per CMIE data. India needs to create 20 million jobs annually. Hence, India needs to face the challenge of job creation and upskilling of youth for the labour market to ensure that India's demographic dividend does not become a demographic disaster.

107. [Stubbles, mountains](#)

Source: The post is based on an article "**Stubbles, Mountains**" published in **The Times of India** on **30th July 2022**.

Syllabus: GS 3 Ecology and Environment

Relevance: Air Pollution, Air Pollution in the National Capital Region (NCR)

News: Recently, the Punjab government has proposed to provide a cash incentive of Rs 2,500 per acre, to paddy farmers aimed to curb stubble burning.

The Punjab and Delhi government has struck a consensus. Both are willing to contribute Rs 500 each.

What are the challenges facing the proposal?

There are multiple source states of **air pollution** in Delhi NCR, including Haryana and UP. However, except for Delhi and Punjab, the other 2 states have not agreed to the proposal.

The farmers are **disinterested** in various straw **management machines**, and the **bio-decomposer** developed by ICAR-IARI.

The Himalayan ecology is fast changing. It poses a threat to the **Northern plains of India**. For **example**, the Himalayan glaciers are melting, its pristine forests are facing forest fires, and the

9 PM Compilation for the Month of July, 2022

highway construction like Char Dham aggravates the environmental situation of the natural ecosystem.

What should be done?

The GOI with its resources, political capital, and statutory powers must intervene. The **cash incentives** along with bio-decomposers must be prioritized.

In addition to the government of Punjab, and Delhi, the **Union government** and **Haryana government** must also be roped in to financially contribute to make the cash incentive scheme successful.

Further, if the farmers take **cash incentives** and continue to burn stubble, then they should be **penalized**.

108. [Government bailouts are not the answer to india's energy sector woes](#)

Source: The post is based on an article "**Government bailouts are not the answer to India's energy sector woes**" published in the **Indian Express** on **30th July 2022**.

Syllabus: GS 3 Infrastructure; Energy

Relevance: Power Sector Reforms; DISCOMS

News: Over the past few weeks, there has been much tension over **India's twin deficits**, i.e., the **current account deficits** and rising **fiscal deficit**. Everything has been tried to control, twin deficits, except for the issue of state ownership and control.

What are the structural Causes behind the twin deficits?

The **state ownership** and **control** of various entities in the **power energy chains** are central to a **higher current account deficit (CAD)** and also growing **fiscal risks** at the state level.

(1) In the case of coal, the coal sector still has a state monopoly. Although India has one of the **largest coal reserves in the world**, it is also one of the **largest coal importers**. It is because India has not been able to increase coal production as per rising demand.

For example, Coal India is unable to **raise coal production** to meet the growing demand. From 2013-14, the Indian economy has grown by around 50%. But, Coal India, which accounts for around 80% of India's total coal production, was able to raise its output by just 34% over the same period. Therefore, India's **reliance on coal imports** (thermal and cooking) has risen in the last few years. Further, this has been at the root of the country's **widening current account deficit**.

(2) **The state-owned power distribution companies (DISCOMS)** have also failed to improve their **financial** and **operational positions**. The divide between the public and private sector DISCOMs is deepening.

The **State-owned DISCOMS** are not able to pay their dues to power generating companies, the payments to coal miners are also delayed. This, in turn, affects the **financial stability** of the entire power chain. All the bailout attempts to rescue state-owned DISCOMS have actually increased the burden on the **public exchequer, without any improvement in DISCOM's position**.

Notwithstanding various schemes to turn around their finances, the total debt of all DISCOMS put together stood at Rs 5.14 lakh crore at the end of 2019-20. If state governments were to infuse funds to clear their dues to generating companies and structure another bailout package, then the state's fiscal situation will further worsen.

9 PM Compilation for the Month of July, 2022

Other possible challenges in the path of improvement in the fiscal situation

In the coming period, State-owned DISCOMS consumers will be limited to only subsidised connections, largely agricultural and low-income households. The reasons are as below:

- (1) Due to high tariffs charged by the DISCOMS on **industrial and commercial consumers**, most of the industrial units have already shifted towards other **low-cost alternatives** like a captive and solar power.
- (2) Recently, the **Union Ministry of Power** has also reduced the threshold for green energy open access.

This would mean that DISCOMS losses will rise as **cross subsidisation** from commercial and industrial consumers will decline, increasing their dependence on state subsidies.

Therefore, the government should address its control over critical aspects of India's energy sector and shift to reforms like **market-determined prices**. This will tackle the twin deficits discussed above.

109. [Post-pandemic surprises and where the Indian economy truly stands today](#)

Source: The post is based on an article "**post-Pandemic surprises and where the Indian Economy truly stands today**" published in the **Business Standard** on **29th July 2022**.

Syllabus: GS 3 Issues and Challenges Pertaining the growth and development of the Indian Economy

Relevance: Macroeconomic Performance

News: Recently, the **International Monetary Fund (IMF)** has released its quarterly update of its World Economic Outlook. The report talks about 30 highlighted countries, which has performed best during the pandemic, the subsequent recovery, and the period beyond — i.e., the period starting from 2020, stretching to this year (2022), as well as incorporating the outlook for 2023?

What are the findings of the report?

- (1) **Turkiye's** average annual growth in the period of 2020-23 has been put at 5%. It has emerged as an outstanding performer, in terms of economic growth, after the pandemic hit.
- (2) China's average growth in 2020-23 has been put at 4.55%,
- (3) Egypt's average growth in 2020-23 has been put at 4.3%.
- (4) India comes fourth with 3.9%, followed by crisis-hit Pakistan, with 3.6%.

What are the IMF's projections about the Chinese Economy?

China would be having a **multi-decade low growth rate**. The possible reasons are:

- (1) At present, the country is facing the problem of **shrinking working-age population**.
- (2) China is facing problems in the real estate and financial sectors, which may affect its overall **macro-economic performance**.
- (2) China may find it difficult to continue with its **export-led growth** due to increasing diplomatic hostility from the Western world.

What does it say about the Indian Economy?

(A) History of India's rapid growth

9 PM Compilation for the Month of July, 2022

There are only **two five-year periods** when India recorded rapid growth. These are:

(1) Period from 2003-04 to 2007-08: At that time the global economy was facing a lot of issues, but India benefited from rapid export growth.

However, it was followed by sharp slowdowns, caused by a financial crisis of 2008.

(2) Period 2014-19: Indian benefitted from falling and low crude oil prices.

However, it was followed by sharp slowdowns, caused by the novel coronavirus pandemic. India's growth has averaged 1.9% in the last three financial years.

(B) The IMF's projections about the Indian Economy

India did poorly in the first pandemic year, here referred to the **fiscal year 2020-21**. Subsequently, India was one of the fastest recovering economies.

As per the IMF's projections, India's average growth would be at 6.8% for the next two years. Therefore, the Indian economy is set to be **the fastest-growing economy** among the select list of 30 countries. In fact, many multilateral and private forecasters projected India's **medium-term growth** at 7-8%.

What are the challenges ahead in front of India?

Global Constraints: The global environment may encounter problems like possible stagflation in countries around the North Atlantic, military conflict, supply disruptions among other issues.

Domestic constraints: Following factors will make expansionary fiscal and monetary policy difficult for India.

- (1) The fiscal deficits of the Centre and states together is double-digit in relation to GDP,
- (2) There is a growing current account deficit, and
- (3) There are high levels of public debt when interest rates are rising.

9 PM Compilation for the Month of July, 2022

General

Studies

Paper – 4

General Studies - 4

1. [Don't Be a Boris](#)

Source: The post is based on an article “**Don't Be A Boris**” published in **The Times of India** on **8th July 2022**.

Syllabus: GS 4 Ethics – in Private and Public Relationships; Public/Civil Service Values and Ethics in Public Administration:

Relevance: The Boris Johnson Case

News: Recently, senior cabinet ministers in Britain resigned. Further, Boris Johnson also resigned as the leader of the Conservatives.

About Boris Johnson

He led his party to a landslide **parliamentary majority** in December 2019, biggest since 1987. He was also involved in Brexit.

Issues

He was involved in a scandal. Therefore, he was tumbled out of the PM's office with farcical regularity.

Since Brexit, the incomes aren't up and Britain isn't stronger.

What are the morality lessons that should be learnt by other democracies?

Even leaders with massive mandates need to be mindful of the fact that the office needs to **command** at least a measure of **respect** and **authority**.

The **political parties** must respond faster when they sense their leaders are proving to be a liability.

The world's elected leaders keep in mind that they shouldn't take the governed for granted.

2. [From Madras HC comments on mangalsutra to a survey in Karnataka, a troubling view of women emerges](#)

Source: This post is based on the article “**From Madras HC comments on mangalsutra to a survey in Karnataka, a troubling view of women emerges**” published in the **Indian Express** on **21st July 2022**.

Syllabus: GS 4 – Role of family society and educational institutions in inculcating values and social influence and persuasion.

Relevance: Role of institutions on gender relations in India.

News: Recently, the Madras High Court's comment on the mangalsutra and Karnataka's survey that sought to gauge attitudes towards gender highlights the peculiar nature of gender relations in India.

What are the two instances that highlights gender relations in India?

Madras Highcourt's comment on Mangalsutra: The court observed that the removal of the mangalsutra by the woman from her body amounted to “mental cruelty” towards her husband. The court also said that the mangalsutra is only removed at the death of the husband.

Karnataka's survey: The survey of teachers, students and parents in Karnataka found that, **1)** Childcare is women's responsibility, **2)** They put up with domestic violence for the “good” of the family.

9 PM Compilation for the Month of July, 2022

What is the significance of these instances on gender relations in India?

The court's comment **a)** Normalises ideas about inequality in family relationships, **b)** Consider a woman's primary task is to be a good wife and display the symbols of domesticity.

Similarly, the survey highlights that a broad cross-section of society still thinks that women's primary role is as wives and mothers.

Both instances highlight the duties of women. That is their duties are tied to their families, sons, husbands and society.

What is the role of society and institutions on gender relations in India?

The relationship between a society and its institutions is a peculiar one. The attitudes of the institutions are just a small part of the expression of social life.

The relationship between institutions and society should be one where the former shapes the latter. This is crucial for any social change. In that, the courts of law enjoy a superior position in the hierarchy of institutions.

Why do institutions need to change?

An idea is getting popular that institutions of various kinds are sacrosanct and any criticism of their functioning is considered as the absence of proper respect for society and nation. However, this is not correct.

If it is a change that one is after, then he/she needs to consider the gender of institutions. This means that the default gender of institutions should be changed to **avoid masculinity of institutions**.

How institutions can ensure gender equality?

In a society where men can marry "modern" women who must both work and look after the home, they must respect gender equality. The institutions need to ensure that others benefit from it by contributing to social welfare. They must be open to all the elements of society not alone masculinity.