

9 PM Compilation

5th to 10th December 2022

General Studies - 1

- Why and how the Supreme Court should recognise same-sex marriage
- India@75, Looking at 100: A country capable of diversity sans discrimination

General Studies - 2

- 1. Cap Doesn't Fit A price ceiling on Russia's oil exports unlikely to work. India should act in its national interest
- Appointments are important but they can't protect institutions from political interference
- 3. MPs and MLAs have special rights to free speech for a valid reason
- 4. Recrafting India nutrition initiative
- 5. Faith and freedom -Freedom of religion is protected when state keeps away from matters of faith
- 6. No uniformity in parole and furlough rules
- 7. India's G20 Presidency: Championing the Global South
- 8. Counting India's poor: Numbers suggest the need for a welfare state
- 9. Impacts of India-UK FTA: Nothing So Great About Free Trade With Great Britain
- 10. Denting democracy On judicial appointments
- 11. The pandemic's big disruption of schooling calls for close analysis
- 12. Maha-Nataka, Why? Political grandstanding like that over Maharashtra, Karnataka border forgets many Indians are multilingual
- 13. BIMSTEC as key to a new South Asian regional order
- 14. Need for an effective tourist police
- 15. The debate around conjugal visits for prisoners
- 16. Af-Pak Again Afghanistan is back to being a terror hub, Pakistan is in political chaos. Bad news for the world
- 17. The end of Covid Zero
- 18. The sustained growth in remittances
- 19. What will India offer during its presidency of the G20?
- 20. India's Central Asia outreach
- 21. Expand the food safety net without any more delay
- 22. The G-20 can be the UN Security Council alternative
- 23. Supreme Court on charity and conversion: The answer may lie in the words of Mahatma Gandhi
- 24. Women & elections: Low female voting is exception. Few female MLAs is norm

General Studies - 3

- Size Matters Naval power will determine India's military capability. And bigger aircraft carriers are vital
- 2. Emerging AI: What awaits us?
- 3. COP27: Joining the dots between Binsar and Sharm El-Sheikh
- 4. Why has the Reserve Bank of India introduced an e-rupee?
- 5. Traffickers are moving online in search of victims
- 6. From a vicious cycle to virtuous cycle
- 7. Poor soil management will erode food security
- 8. The lingering crisis of labour post-pandemic
- 9. Reforming distorted markets will enhance India competitiveness
- 10. Climate talks as shortchanging international law
- 11. DESH & 'videsh' The proposed Bill will create asymmetries

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



- 12. About energy transition: A slow and flawed transition
- 13. Delhi choking, but do not blame stubble burning alone
- 14. The GM mustard debate
- 15. Scenarios for the future of India, and the world
- 16. Fixing gas prices
- 17. The Great Jobs Hunt Too few Indians are seeking work and mostly among those working quality of employment isn't great
- 18. Talk about coal India must consider energy transition partnerships
- 19. <u>Greening of the GST The environmental dimension of taxes must rank high in any rate</u> rationalisation exercise
- 20. A green tax would help augment government revenue
- 21. Net zero transition for \$7 trillion
- 22. Let's reflect on what'll make India a developed country
- 23. Defence industry perks up: India's decades-old ambition and its paradoxes



General

Studies

Paper -1

General Studies - 1

1. Why and how the Supreme Court should recognise same-sex marriage

Source—The post is based on the article "Why and how the Supreme Court should recognise same-sex marriage" published in The Indian Express on 7th December 2022.

Syllabus: GS1- Social empowerment. GS2- Vulnerable sections

Relevance- Issues related to LGBT

News- The article explains the issue of same-sex marriages.

Recently petitions were filed in higher courts of country for legal recognition of same sex marriages.

What are legal issues with same sex marriages in India?

The Special Marriage Act, 1954 under Section 4 lays down the conditions relating to solemnization of special marriages. It lays down the condition that male has completed the age of 21 years and female the age of 18 years.

Throughout the legislation, there are references to **"husband" and "wife"** in provisions relating to marriage.

If same-sex marriages are to be recognized under SMA, then the SC would need to interpret in every reference to husband and wife under the present statute the word "spouse".

What is the case of South Africa regarding the same subject?

The constitutional court of Africa did the same thing in 2005.

It held that same sex couples should be enabled to enjoy the status and benefits that is given to **heterosexual couples**.

What are other provisions of law that need to be corrected for same-sex marriages?

Section 5, 6, 7, 8, 9, 10 of SMA mandates a notice of intended marriage publicly, the **filing of objections** by any parties who may object to any marriage, and the decision making by the marriage officer on such objections.

These sections are used by families of couples to prohibit **inter-caste marriage**. It will also be used against the **same-sex marriages**.

There is a need for seeking the deletion of these sections.

2. India@75, Looking at 100: A country capable of diversity sans discrimination

Source—The post is based on the article "India@75, Looking at 100: A country capable of diversity sans discrimination" published in The Indian Express on 8th December 2022.

Syllabus: GS1- Indian culture

Relevance- India spiritual heritage

News— The article explains the rich heritage of Bhakti tradition in India and its significance for our country.

Why do we need to celebrate Bhakti poets?

They are upstarter and not followers of a particular belief. They hail from varied caste, class, gender, language and sectarian backgrounds. It reminds us of the plural aspects of our spiritual heritage.

They remind us of the power of the reclaimed heart and the examined life. They are aware that all darkness can be transformed by the act of acknowledgement and inclusion. This makes them inspirational for any culture seeking to heal its wounds and move forward, without getting carried away by rage or recrimination.

They remind us that we are **dual citizens** of earth and sky, body and mind, the immanent and the transcendent. The path to **wholeness** is in **integration**.





Created with love ♥ by ForumIAS- the knowledge network for civil services.

Above all, these poets remind us that **dissent is never disloyalty**. They are not obedient worshipers. They question every **hierarchy**.

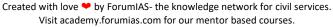
The Bhakti poets quarrel with their gods, swear at them, make love to them, and dispense with them. Nothing is taboo and nothing **sacrilegious**. The underlying premise is simple: The self and the other cannot be kept apart.

Bhaktas anger is controlled by love, not ridicule. Even while they disagree with their gods, they never stop loving them. In a world prone to despise those with whom we disagree, these poets offer a different vision. **Intimacy** is the basis of their vision. For them, **critique is never contempt**.

What is the case for our country?

India is a living civilisational legacy. Its spiritual traditions are alive and well. Its holistic healing systems and traditional arts remain vibrant. Its capacity to honour the divine feminine endures. It has a rich linguistic and cultural diversity.

It offers the world its vibrant template of **spiritual freedom and cultural democracy**. There is the need to stop the model of **unity into an uniformity**.





General

Studies

Paper -2

General Studies - 2

1. Cap Doesn't Fit - A price ceiling on Russia's oil exports unlikely to work. India should act in its national interest

Source: The post is based on the article "Cap Doesn't Fit - A price ceiling on Russia's oil exports unlikely to work. India should act in its national interest" published in The Times of India on 5th November 2022.

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

Relevance: About the recent sanctions on Russian oil.

News: Recently, G7 plus Australia imposed a price cap of \$60 a barrel on seaborne export of Russian crude oil. This is an effort to squeeze the country's revenue and thereby undermine Russia's warfighting capabilities.

About the price cap and its impact on Russia's warfighting capabilities

The price cap represents a 30% discount to the price of the benchmark Brent crude.

The 'price cap coalition' plans to enforce the ceiling price by using its clout with the major shipping, insurance and re-insurance companies headquartered in Europe. The coalition aims to weaken the Russian military without triggering a spike in oil prices.

What will be the impact of the price cap?

Emerging market economies: They will be affected directly by the price cap. For instance, it will end up hurting a country like Bangladesh which finds itself facing a tough balance of payments situation because of an energy shock.

Note: Russia is now India's third largest crude supplier.

On Russia: The eight months of sanctions on Russia since it invaded Ukraine has neither brought the fighting to an end nor had any impact on Russia's behaviour.

What are the potential outcomes of the sanctions?

The sanctions are a blunt tool that ends up hurting countries unrelated to the problem, without achieving any of the core objectives of Western nations imposing sanctions.

For instance, the series of sanctions initiated by the US on Iran since 1979 have failed to provide any meaningful impact on Iranian foreign policy. On the other hand, they hurted countries such as India that sourced crude oil from there.

So, a price ceiling on Russia's oil exports is unlikely to work. India should act in its national interest and procure more oil from Russia when prices are cheap.

2. Appointments are important — but they can't protect institutions from political interference

Source: The post is based on the article "Appointments are important — but they can't protect institutions from political interference" published in the Indian Express on 5th November 2022.

Syllabus: GS – 2 – Governance.

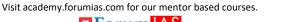
Relevance: About the independence of the institutions.

News: The Supreme Court's interrogation regarding the appointments to the Election **Commission** has raised the issue of institutional independence.

What are the various types of institutions and their role in a democracy?

The **role of most institutions** in a democracy is to enforce not build political consensus. These institutions thus do not have an independent source of political power and rely instead on the backing from political intermediaries for their mandate.

Other institutions such as the judiciary and election commission may be required to adjudicate between competing claims in line with the existing normative consensus.





Created with love ♥ by ForumIAS- the knowledge network for civil services.

Some institutions like the RBI may be empowered for fixed functions like monetary policy and so on.

Read here: Why the judiciary may not be the best selector of election commissioners

What is the role of political intermediaries in the functioning of these institutions?

The institution and its role are an **outcome of political consensus** wherein political intermediaries have agreed to delineate some function of governance and endow it to this institution.

When the balance of power is equally distributed, these institutions have greater amplitude. However, if the balance of power tilts too far towards one faction, institutional independence starts to weaken.

In such situations, institutions will be able to maintain independence if the executive influence on appointments is limited.

How political power can hamper the independence of institutions?

Political power can manifest in an institution's independence in multiple ways. For instance, at the individual level: Dissent can be neutralised through inducement, marginalisation, intimidation, blackmail, harassment, propaganda, transfers, forcing persons to exit on their own etc.

How to ensure an institution's independence?

Re-establishing consensus: It can be done by arriving at a consensus by political parties and mobilising public opinion and organisation.

Increase public trust in institutions: Democracy is necessarily mediated through institutions and widespread institutional distrust can only pave the way for autocracy and populism. Hence, institutions should gain public trust.

3. MPs and MLAs have special rights to free speech for a valid reason

Source: The post is based on the article "MPs and MLAs have special rights to free speech for a valid reason" published in Live Mint on 5th December 2022.

Syllabus: GS 2 - Governance

Relevance: Concerns associated with parliamentary privileges of MPs.

News: The Supreme Court is reconsidering the privileges granted to the legislators in the Parliament or in Assemblies. The freedom of speech of MPs and MLAs are protected by the Constitution.

What are the Constitutional provisions regarding free speech for MPs and MLAs?

The Constitution provides all Indian citizens with freedom of speech **under Article 19** which is subjected to reasonable restrictions.

However, the freedom of speech granted to MPs and MLAs in the Parliament or in Assemblies is protected under **Articles 105 and 194** respectively, as a parliamentary privilege.

This freedom is **only subjected to the provisions** of the Constitution and standing orders of concerned legislative body.

MPs **cannot be punished in** connection with any vote or speech made in Parliament. Courts are also barred from making inquiries into proceedings in Parliament.

Therefore, the free speech of parliamentarians has been protected more than free speech available to citizens.

Why is this freedom important for MPs and MLAs?

The free speech of legislators protects the **integrity of discussions** in Parliament and acts as a shield against the suppression by the executive.





Further, **Freedom of expression** is regarded as the foundation of a **liberal democracy** and imposing unfair restrictions on legislators will hamper this foundation.

Therefore, it is important to ensure such freedoms to the legislators as regulating it can impact the ability of Parliament to check the Executive.

What are the concerns associated with this freedom?

At present there are 2 types of challenges to this freedom, in front of Supreme Court (SC):

First, the SC is considering whether there can be additional restrictions on speeches by MPs as there has been rise in the hate speech.

Second, the problem of bribery of legislators because of the provisions of Article 105(2). The SC in the Jharkhand Mukti Morcha (JMM) bribery case held that bribes given for votes is not punishable under the **Prevention of Corruption Act** as they were the votes taken in Parliament. This view is being reconsidered.

Article 105(2) provides protection to the legislators against the proceedings of the court related to vote, speech or any publication made under the authority of the Parliament.

However, both of these concerns do not dilute the parliamentary privileges and both can be addressed separately.

What are the provisions present for the hate speech by legislators? First Issue

The hate speeches made by MPs and MLAs that causes offence are punishable under Indian law if made outside the legislative house.

Further, if their speech is printed in newspapers that goes against the law then s/he can be punished.

Second Issue

As per the amended **Prevention of Corruption Act**, illegal satisfaction is complete at the time a bribe is made and it is punishable without any further follow up.

However, **this act has no connection** with any vote or speech made in the Parliament and it is protected under Article 105(2).

Therefore, the **JJM bribery case** can be reconsidered on the basis that illegal satisfaction is not connected with any vote or speech in Parliament. The **UK Supreme Court** has taken the same view in the parliamentary expenses case in R. vs Chaytor.

What is the way ahead?

The responsibility to improve politics and bring an ecosystem that discourages irresponsible speech and corruption lies with the citizens more than with the laws.

Constitutional safeguards exist to ensure the **structural integrity of political democracy.** Therefore, using these laws to correct political problems is not the solution.

4. Recrafting India nutrition initiative

Source— The post is based on the article "Recrafting India nutrition initiative" published in The Indian Express on 5th December 2022.

Syllabus: GS2- Poverty and hunger

News- The article explains the issues of health and nutrition in India

According to RGI, India's maternal mortality rate was 97 during 2018-20. It was 301 during 2001-03. Infant mortality rate was 27 in 2021. It was 58 in 2005.

As per NFHS-5, 35.5% of children under 5 are stunted, 19.3% are wasted.

What is NRHM?

NRHM was launched in 2005 to provide **accessible and affordable healthcare**. It also provides secondary and tertiary services .





It seems to have a positive impact on health indicators. Though allocations for NRHM did not keep pace.

What explains the gains of NRHM? It had a clear thrust on crafting a credible public health system. Community connect, human resources and flexible financial resources are available at all levels.

Central. State governments partnered with civil society with full involvement of frontline workers. **Community monitoring** was done by **civil society**.

The approach was **pragmatic** and provided for diversity of **state-specific interventions**. The planning was **decentralised**. States and districts prepared their own annual plans.

Institution building was facilitated in work with panchayats and Rogi Kalyan Samitis. Professionals were brought in to improve the process.

Why the programmes to reduce malnutrition has not been successful?

Poshan Abhiyan is not able to solve the chal; lenges of malnutrition.

The initiatives for nutrition have remained **compartmentalised and fragmented**.

Institutional role of local panchayats and communities with untied funds is still lagging.

What steps are needed to tackle the challenge of malnutrition?

ICDS needs to be revamped to converge with health, education, water, sanitation and food security at all levels under the local government umbrella,

It is important to allow for **context-specific and need-based prioritisation** at every Anganwadi centre by allowing **flexibility through decentralised local action**.

Gram panchayats, women collectives and community organisations should be responsible for education, health, nutrition and livelihoods. **Panchayats led committees** of concerned wider departments are needed at block and district zila parishad level.

There is a need for operationalizing **village-specific planning processes** with decentralised financial resources.

Encouraging diversity of local foods including millets and ensuring availability of basic drugs and healthcare facilities are required.

There is a need to intensify **behaviour change** through communication.

Creating a platform for adolescent girls in every village for their **empowerment** and diversified livelihood is needed.

It calls for a **whole-of-government and whole-of-society approach**. Nutrition challenge is also a **women empowerment** challenge. Decentalised is the way forward.

5. Faith and freedom -Freedom of religion is protected when state keeps away from matters of faith

Source: The post is based on an article "Faith and freedom -Freedom of religion is protected when state keeps away from matters of faith" published in **The Hindu** on **6**th **December 2022**.

Syllabus: GS 2 - Governance

Relevance: concerns associated with anti-conversion law in Gujarat

News: The article discusses the tussle between Gujarat government and High Court regarding the anti-conversion law.

What is the tussle between Gujarat Government and Gujarat High Court regarding religious conversion law in the state?

Section 5 of the Gujarat Freedom of Religion Act, 2003 requires prior permission from the concerned District Magistrate for any conversion done directly or indirectly.





Gujarat High Court has put a stay on **Section 5 of the Act** because it covered inter-faith marriages as instances of illegal conversion whereas the Gujarat government is considering to remove a stay on this provision and implement it.

As per the High Court, the prior permission requirement would force someone to disclose one's religious belief or any change of faith. Which is contrary to Supreme Court rulings that say marriage and faith involve an individual's choice.

Whereas, the Gujarat government argues that the prior permission in Section 5 is meant to prevent the need to question the genuine nature of the conversion in an inter-religious marriage and stay on it is affecting even genuine inter-faith marriages.

Why is Section 5 of the Act against the Freedom of Religion?

Freedom of religion is protected only when no questions are raised and no suspicion is entertained when an inter-faith marriage has taken place. Therefore, forcing someone to disclose an intent to change one's faith violates **Freedom of Conscience and the Right to Privacy.**

What can be the course of action?

SC has observed that conversion through **allurement or charity work** is a serious problem in the country. This might provoke the central government to come up with anti-conversion measures on a national scale.

Further, any law that deals with conversion should be made judiciously that focuses on protecting religious freedom and communal harmony.

6. No uniformity in parole and furlough rules

Source– The post is based on the article "No uniformity in parole and furlough rules" published in The Hindu on 6th December 2022.

Syllabus: GS2- Judiciary

Relevance– Criminal justice system

News- The article explains the issues related to the system of Parole and Furlough followed by states.

What are legal provisions related to Parole and Furlough?

The **Prisons Act**, **1894** and the **Prisoners Act**, **1900** did not contain any specific provision pertaining to parole and furlough. However, **Section 59 of the Prisons Act** empowers States to make rules for the shortening of sentences and for rewards for good conduct.

Prisons fall in the **State List of the Seventh Schedule** of the Constitution. Therefore States can legislate on issues related to prisons.

What are issues with the system of Parole and Furlough followed by states?

The Uttar Pradesh rules provide for the 'suspension of sentence by the government generally up to one month. Maharashtra's rules permit release of a convict on furlough for 21 or 28 days and on 'regular parole' for 45 to 60 days.

The recently revised rules of Haryana permit regular parole to a convict up to 10 weeks in two parts. Furlough is allowed for three to four weeks in a calendar year, and emergency parole up to four weeks.

What does it mean by Furlough and Parole?

It is considered as an **incentive** for good conduct in prison and is counted as a sentence served. Parole or leave is mostly a **suspension of sentence**.

Emergency parole or leave is granted for specified emergencies such as a death, serious illness or marriage in the family.





Regular parole or leave is granted after serving a minimum sentence in prison. Some States include other familial and social obligations such as sowing or harvesting of agricultural crops, essential repair of houses.

Haryana has a long list of 'hardcore' prisoners who are not entitled to be released except on 'custody parole' under certain conditions.

What is the way forward?

There is a need for a **common legal framework** in place to guide the States and **check misuse**. Otherwise, arbitrariness will endanger the entire **criminal justice system**.

At least half of the States should come together to request the Central government to legislate a common law for the country on parole and furlough.

7. India's G20 Presidency: Championing the Global South

Source—The post is based on the article "India's G20 Presidency: Championing the Global South" published in The Indian Express on 6th December 2022.

Syllabus: GS2- International relations **Relevance**– Global south and India

News- The article explains the renewed interest of international politics for the global south. It also explains India 's new perspective for the global south.

What are different perspectives on India's approach for the global south?

Some people in India welcome the return to ideas like **non-alignment** and **Third World** solidarity. These influenced foreign policy of India in the past.

US and Europe, wonder if Delhi is returning to anti-Western orientation.

India's eastern partners too are apprehensive that Delhi might privilege the **"Global South"**. It may downgrade the new forums like the BRICS built in recent years to promote a multipolar world.

Others think that the claim to champion the Global South are not in consonance with India's idea of a **vasudhaiva kutumbakam**.

What are the changing realities of new world order?

Many of the old constructs from the second half of the 20th century were framed around the axes of **West versus the East and the North versus the South**. They are not aligned with the ground realities.

Consider the example of China. It has long been viewed as part of the East and the South. But, now it is the second largest economic and military power and sits at the top of the **global** hierarchy and has deep ties with the West.

By the 1980s, most countries had moved away from the so-called third path to economic development. They began to adopt the ideas of liberalization and globalization.

India also restructured its **economy and foreign policy**. India continued to participate in the **NAM summits** and various affiliated forums in the United Nations. Promoting **Third World solidarity** was not a priority for India.

What are the new perspectives of great power for the global south?

World is entering into an era of renewed great power competition for the Global South.

China sees the Global South as a huge **economic and geopolitical opportunity**. Its strategy has culminated into the **Belt and Road Initiative**. China's new global weight is not limited to the economic domain, but also envelops the cultural, political, technological, and the military.

China is eager to exploit the setbacks to US policies in the Middle East. He will also participate in a **Sino-Arab summit**. His visit will highlight the **growing convergence** between the Arab quest





for **strategic diversification** away from the West and Beijing's determination to have its footprint in Arab.

US is making special efforts to reconnect with the Global South. Last June, the US sought to inject new life into the summit with the Latin American countries. Washington is hosting the African leaders to regain some influence in the dynamic continent. Over the last two years, it has also intensified the engagement with the South East Asian and South Pacific countries.

Europe has begun to offer alternatives to **Belt and Road** by putting down serious money for infrastructure development. If Europe ever becomes a geopolitical actor, it will be compelled to take a more **strategic view** of the non-Western world.

What is India's position with regard to the global south?

India too has risen in the international hierarchy. Although it is by no means a pole in its own right, its room for international activism has grown significantly. It can put its weight behind the issues of special concern to the developing world amidst the challenges presented by deglobalisation, the pandemic and climate change.

India's objective is not to rebuild a global trade union against the North. India is eager to become a bridge between the North and the South by focusing on practical outcomes rather than returning to old ideological battles.

In recent years, Delhi has often talked of itself as a "South Western power" that is capable of building deep partnerships with the US and Europe and at the same time, championing the interests of the **Global South**.

What is the way forward for India to champion the cause of the global South?

India must also come to terms with the fact that the Global South is not a coherent group and does not have a single shared agenda. There is much differentiation within the South today in terms of wealth and power, needs and capabilities. This demands a tailored Indian policy to different regions and groups of the developing world.

Championing the Global South today would demand more active Indian engagement with the messy regional politics within the developing world.

8. Counting India's poor: Numbers suggest the need for a welfare state

Source- The post is based on the article "Counting India's poor: Numbers suggest the need for a welfare state "published in The Indian Express on 6th December 2022.

Syllabus: GS2- Poverty and hunger **Relevance**– Estimation of poverty

News- The article explains the issues of estimation of poverty in India and its implications for

What are different approaches used in India for calculating the prevalence of poverty?

The first is the calorie intake approach. 2400 calories per day was taken as a standard and converted into monetary value.

The World Bank uses the concept of **income per day**. It is now at \$1.90. It translates into Rs 160 a day in India.

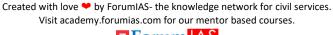
The third approach is use of **income tax data**.

What are the shortcomings of this approach?

Calorie approach - People can not live with just calories. They need other amenities like housing, clothing and education.

World bank- Using a universal yardstick across the world is not right. A weak currency can give a higher value in India.

Income tax data– It captures only a small segment as it leaves the big universe of rural people.





How can we calculate the number of vulnerable populations that need support?

The concept of poor needs to be broadened to represent the needy or vulnerable section of the society.

The government has been aggressive in reaching out to vulnerable populations that require support to maintain their minimum needs during the pandemic.

PMGKY covered 800 million people. It means 60% of the population needed support from the government. The National Portal of India in 2020 had put out a static that 42 crore people benefitted from PMGKY. It is around 30% of the population.

136 million families were covered under **MGNREGA**.

The PM Kisan Yojana covers 110 million farmers. It yields a number close to a third of the population, assuming that families comprise four members. This does not cover vulnerable nonfarming classes, especially in urban areas.

By putting all these numbers together, the proportion of the vulnerable population in the economy would range between 30% to 60%.

What is the way forward for fulfilling the needs of the vulnerable section?

The government has to assume the role of a **welfare state**.

The focus has to be on **job creation**. Agriculture has to be commercialised. Manufacturing has to be revived.

A joint effort between centre and states is needed.

9. Impacts of India-UK FTA: Nothing So Great About Free Trade With Great Britain

Source: The post is based on the article "Nothing So Great About Free Trade With Great Britain" published in The Times of India on 6th November 2022.

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

Relevance: About India-UK FTA negotiation.

News: Recently the possibilities for India-UK free trade agreement have increased.

About India-UK FTA negotiation

Must Read:

- India UK Free Trade Agreement (FTA) | Timeline
- India, UK aim to launch FTA negotiations by November 1

What will be the impact of the India-UK FTA on India's economy?

Positive impacts of India-UK FTA

A study by the UK's department of international trade said that India-UK FTA could increase India's bilateral exports to the UK by £10.6 bn, and that of the UK by £16.7 bn.

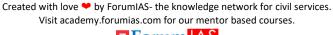
- -India might witness a modest increase in its exports of goods and services, especially IT sector, to the UK.
- -With the UK's customs duties low in most sectors, Indian exports could make gains only in a few sectors, such as garments, leather products, gems and jewellery.

Negative impacts of India-UK FTA

Inevitable job losses in those sectors where imports from the UK would displace domestically produced goods and services in India.

Reduction/elimination of customs duties by India and opening of some services sectors, particularly financial services to UK.

The FTA might curtail the ability of the Indian government to use policy instruments to boost the domestic production of goods and services. This is because, in India-UAE FTA, the





government agreed to provide non-discriminatory treatment to UAE producers. India might agree to a similar demand from the UK also.

Not significant for Indian exporters: UK's government procurement market already faces intense competition from countries such as the EU and US. So, it is unlikely that Indian exporters will make any significant gains in the UK government procurement market.

Challenge from the environmental aspect: The FTA could contain environment-related obligations that could hinder the Indian government's efforts to low-carbon economy transition driven predominantly by domestic players.

Read more: India-UK FTA costs and opportunities

What should India do before finalising India-UK FTA?

Conduct a detailed and objective assessment: India should analyse the economic benefits and costs of the India-UK FTA. Especially the provisions relating to labour, environment, digital trade and IPRs – before moving forward in the negotiations.

In conclusion, a meagre increase in India's exports of £10.6 bn over a decade does not justify taking demanding commitments that impact India on many fronts.

10. Denting democracy – On judicial appointments

Source—The post is based on the article "Denting democracy" published in the Business Standard on 7th December 2022.

Syllabus: GS2- Judiciary

Relevance– Judicial appointment

News- The article explains the issue of appointment of judges by Collegium.

Recently, a Bench of the SC expressed anguish at the government sitting on Collegium recommendations for fresh appointments.

What is the constitutional provision related to appointment of judges? [Text Wrapping Break] Article 124(2) of constitution says that every judge of SC shall be appointed by the President by warrant under his hand and seal after consultation with such of the judges of SC and of HCs as the President may deem necessary for the purpose. It also provides that in the case of appointment of judges other than chief justice, the chief justice of India shall always be consulted.

Which article of constitution was used by SC for the collegium system?

The Supreme Court assumes the role of **chief appointer of judges** by using a special provision of the constitution called **Article 142(1)**. According to this provision the Supreme Court may pass such judgement as is necessary for doing **complete justice**. It shall be enforceable throughout the territory of India in such a manner as may be prescribed by law made by Parliament.

This provision allows SC not only to interpret the law but also write its own law.

Which instances show the tendency of the SC to assume law making powers?

It is willing to entertain all kinds of alleged PILs.

It has passed judgement ranging from validity of government decision on GM mustard to vaccine policy to additional taxes on SUVs entering Delhi.

Recently, it asked whether ECs can be appointed by a three member panel.

What does it signify?

There is a strong case to believe that the higher judiciary is becoming **authoritarian and unaccountable**. The delicate **system of checks and balances** has been set aside by the judiciary.





There is a strong case for abolishing **article 142** amending article 124 to clearly reflect a reasonable role for executive and Parliament in selecting judges. The government must obtain a **political consensus** on this.

11. The pandemic's big disruption of schooling calls for close analysis

Source: The post is based on the article "The pandemic's big disruption of schooling calls for close analysis" published in the Livemint on 7th November 2022.

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

Relevance: About attaining universal elementary education.

News: Despite the enactment of the Right to Education (RTE) Act, 2009, a large number of children still continue to be out of the elementary education system.

How government is promoting elementary education?

With the aim of universalizing free and compulsory elementary education for all India enacted the Right to Education (RTE) Act in 2009. The act holds local authorities responsible for a) Maintaining a record of children (up to the age of 14 years) residing in their jurisdiction, b) Ensuring that children are enrolled in schools and attending the same, and thereby on their way to completing their elementary education.

Read more: School education: Children and schooling in the post covid 19 era

Why children are still out of the elementary education system?

Multidimensional factors like poverty, disability, poor health, child marriage, child labour, migration, discrimination, and other children are not completing their elementary education.

Impact of a covid pandemic: According to the United Nations, about 24 million learners (from the pre-primary to university level) may never return to school globally.

India saw one of the longest periods of school closures (almost two years) during the pandemic compared to other countries in the world. India's **digital divide** resulted in absenteeism from education. **Inaccessibility to digital devices or the internet** is the major hurdle. For instance, the proportion of children who 'did not receive any online education' ranged from 10% to 60%. So, more children belonging to poorer households, lower caste groups and migrant households, apart from students with various disabilities, have been absent from online classes or have dropped out of school altogether.

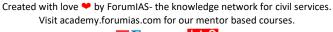
Read more: ASER Survey and issues in school education - Explained, pointwise

What are the challenges in attaining universal elementary education?

a) India still lacks a clear picture of the status of out-of-school children in the aftermath of the pandemic in India, b) A comparison with pre-pandemic data highlights an increase in the percentage of children in the age cluster of 6-14 years who were not enrolled in any school during the pandemic, and c) Only a few studies have documented the unique challenges faced by children with disabilities and migrant-household children.

Read more: Year End Review 2021-Department of School Education & Literacy

India needs to analyse the concerns and minimize the challenges faced in accessing education in times of crisis.





12. Maha-Nataka, Why? - Political grandstanding like that over Maharashtra, Karnataka border forgets many Indians are multilingual

Source: The post is based on the article "Maha-Nataka, Why? - Political grandstanding like that over Maharashtra, Karnataka border forgets many Indians are multilingual" published in The Times of India on 7th November 2022.

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

Relevance: About the boundary dispute between Maharashtra and Karnataka.

News: Long-running boundary dispute between Maharashtra and Karnataka has surfaced again. About Maharashtra and Karnataka dispute

Must read: Explained | What is the Karnataka-Maharashtra border dispute?

What needs to be done?

a) India needs a more active national interstate council to manage tensions that arise out of disagreements over maps, b) India should move towards creating a common market. For instance, India aims to dismantle interstate fiscal barriers through the roll-out of GST. More such activities should be promoted, and c) Politicians should understand that one of India's strengths is the extent of multilingualism even when internal borders have been determined largely on a linguistic basis.

13. BIMSTEC as key to a new South Asian regional order

Source- The post is based on the article "BIMSTEC as key to a new South Asian regional order" published in The Hindu on 8th December 2022.

Syllabus: GS2- Regional grouping

Relevance- BIMSTEC

News– The article explains the importance of BIMSTEC and scope for improvement in its working. It also explains the weaknesses of SAARC.

What is SAARC? SAARC is an intergovernmental organisation. It was established by Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka to promote economic growth in South Asia. Afghanistan acceded to SAARC later.

What are the weaknesses of SAARC?

SAARC has failed abjectly in accomplishing most of its objectives. South Asia continues to be an extremely poor and **least integrated region** in the world.

The intraregional trade and investment in South Asia are very low when compared to other regions such as the ASEAN and Sub-Saharan Africa.

Pakistan has adopted an **obstructionist attitude** within SAARC. It has repeatedly blocked several vital initiatives such as the motor vehicles agreement, aimed at bolstering regional **connectivity.** Deepening hostility between India and Pakistan has made matters worse. Since 2014, no SAARC summit has taken place leaving the organisation practically dead.

Why is regionalism important for South Asia?

Bilateralism is undoubtedly important. It can at best complement, not substitute, regional or multilateral efforts. **Regionalism** has brought immense success in other parts such as East Asia and Africa.

A new concept of **new regional economic order** has been developed. It is a process through which developing countries search for a trade-development model, based on incrementalism and flexibility.

Regionalism can deliver prosperity in the South Asian region too, especially because multilateralism is weakening.





Created with love ♥ by ForumIAS- the knowledge network for civil services.

Current government has adopted **'neighbourhood first' policy**. India can judiciously employ regionalism to serve its interests in the entire region.

What is BIMSTEC and its importance?

Reviving SAARC by infusing political energy into it and updating its dated Charter can make it functional, but doesn't look practical at present. So, the next best scenario is to look at other regional instruments such as the BIMSTEC. It is an **intergovernmental organisation** established in 1997.

BIMSTEC comprises five South Asian nations named Bangladesh, Bhutan, Nepal, India and Sri Lanka and two ASEAN countries named Myanmar and Thailand. Importantly, Pakistan is not a BIMSTEC member.

After 25 years, BIMSTEC finally adopted its Charter earlier this year. The BIMSTEC Charter is significantly better than the **SAARC Charter**. For instance, unlike the SAARC Charter, **Article 6 of the BIMSTEC Charter** talks about the 'Admission of new members' to the group. This paves the way for the admission of countries such as the Maldives.

What is the weakness of BIMSTEC?

BIMSTEC Charter, to boost **economic integration**, does not **contain** the **flexible participation scheme** found in ASEAN Charter. This flexible scheme, also known as the **'ASEAN Minus X'** formula, allows two or more ASEAN members to initiate negotiations for economic commitments. A flexible **'BIMSTEC Minus X'** formula might have allowed India and Bangladesh or India and Thailand to conduct their ongoing bilateral **free trade agreement** negotiations under the broader BIMSTEC umbrella. This would have eventually strengthened BIMSTEC by enabling the gradual and incremental expansion of these binding commitments to other members.

What are the steps that need to be taken for strengthening the BIMSTEC?

BIMSTEC should not end up as another SAARC. its member countries should **raise the stakes**. **A high-quality FTA** offering deep economic integration. would be an ideal step.

India should explore legal ways to move successful SAARC institutions such as SAU to BIMSTEC.

14. Need for an effective tourist police

Source– The post is based on the article "Need for an effective tourist police" published in The Hindu on 8th December 2022.

Syllabus: GS2- Government policies and interventions for development in various sectors

Relevance– Issues related to tourism sector

News– The article explains the issue of tourist safety in India.

A few days ago, a Kerala session court sentenced two men to life imprisonment for the rape and murder of a Latvian tourist in 2018. In another case, a 12-year-old Russian girl was raped in a hotel in Goa this year.

What are the statistics related to crime against tourism?

As many as 29 foreigners were murdered in the last three years. While 14 foreigners fell victim to rape last year, 16 were raped in 2020 and 12 in 2019. As many as 15 cases of assault to outraging modesty of foreign women were registered last year across the country, apart from 14 complaints of cheating.

Why is the safety of tourists important?

Crime against foreigners **dents our image globally**. It could also adversely affect the **inflow of foreign tourists**, which is a vital source of income for our country. India's earnings through tourism was \$30.06 billion in 2019.





There are predictions of about 13.34 million foreign tourists arriving by 2024. It calls for upgrading our security systems specially to provide a **flawless security blanket** cover to foreign tourists.

What is the concept of tourist police?

This concept has not been given the kind of attention it deserves. The States that have tourist police are Uttar Pradesh, Madhya Pradesh, Delhi, Goa, Rajasthan and Kerala.

The **BPRD** has brought out a booklet on the tourist police scheme detailing the mode of setting up of tourist police stations and control rooms, outposts, uniforms, recruitment, qualifications, training and logistics requirements for tourist police stations.

As many as **25 popular tourist spots** have been identified in the country where the tourist police necessarily need to be deployed to help foreigners.

As an **incentive**, a 30% deputation allowance has been recommended for the police personnel who join the tourist police on deputation.

What is the way forward for tourist security?

Much needs to be done to instil a sense of security in them even before they leave their countries for India. All criminals in and around tourist spots need to be identified and kept under **constant surveillance**.

Fast track courts should be set up immediately to try cases of crime against foreigners and the culprits punished speedily.

Such speedy disposal of cases of crime against foreigners can be replicated if we have the will.

15. The debate around conjugal visits for prisoners

Source—The post is based on the article "The debate around conjugal visits for prisoners" published in The Hindu on 8th December 2022.

Syllabus: GS2- Judiciary and significant provisions of constitution

Relevance– Issues related to criminal justice system

News- The article explains the issue of **conjugal visits** for inmates.

The State of Punjab has allowed conjugal visits for inmates.

What are conjugal visits?

In the context of prisons, **conjugal visits** refer to the concept of allowing a prisoner to spend some time in privacy with his spouse within the precincts of a jail.

What is the significance of conjugal visits?

It is often argued that conjugal visits can have positive impacts in the form of **psychological** health benefits for prisoners, **preservation of marital ties** and, reduction in the rates of homosexuality and sexual aggression within prisons.

It is also argued that conjugal visits are a fundamental right of the spouses of the prisoners. Prisoner rights are internationally recognised through the **United Nations Standard Minimum Rules for the Treatment of Prisoners, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights** etc. The right to maintain family relations including conjugal visits are included in these treaties.

Most **prison** Acts and Rules across the country accept the importance of maintenance of continuity in family and social relations.

What are the judicial views on conjugal visits?

Sunil Batra vs Delhi Administration (1979)– SC judge Justice Iyer observed that "visits to prisoners by family and friends are solace in isolation. Only a **dehumanised system** can deprive prison inmates of this humane amenity."





Jasvir Singh vs State of Punjab– The High Court held that this right to conjugality is available to prisoners under **Article 21**, subject to restrictions.

Meharaj vs State (2022)—The Madras HC observed that there have to be **differential standards** in enforcement of **Article 21** for law abiders and law violators. Conjugal visits could not be held as a **fundamental right**. The prisoner would still be eligible to avail leave for conjugal visits if there are extraordinary reasons such as infertility treatments.

16. <u>Af-Pak Again – Afghanistan is back to being a terror hub, Pakistan is in political chaos. Bad</u> news for the world

Source: The post is based on the article "Af-Pak Again – Afghanistan is back to being a terror hub, Pakistan is in political chaos. Bad news for the world" published in The Times of India on 8th November 2022.

Syllabus: GS – 2 – India and its neighbourhood- relations.

Relevance: About the Afghanistan-Pakistan status and the growth of terrorism.

News: Terrorist activities have once again increased significantly in Afghanistan. This was also the focus of recent India-Central Asia NSA-level meeting also.

About the recent India-Central Asia NSA-level meeting

Must read: <u>Curbing terror in Afghanistan</u>, <u>enhancing connectivity key to India-Central</u>
<u>Asia security: NSA Doval</u>

What is the status of Afghanistan at present?

It has been a year since the Taliban returned to power in Kabul. It is clear that the Taliban regime is either incapable of or unwilling to crack down on multiple terror groups operating from Afghan soil. Thus, they failed in their pledge to not allow any group to use Afghan territory to attack other countries.

How has the Afghan regime impacted Pakistan?

Pakistan earlier cheered the return of the Taliban, hoping to regain the strategic depth it previously enjoyed in that country. But despite the presence of pro-Pakistani elements on Afghan soil, there has been a continued attack on Pakistan across the Durand Line.

Along with the political turmoil in Pakistan, the country was unable to control terrorism.

Read more: A balancing act — In re-establishing Indian presence in Afghanistan, timing and tact are crucial

What should be done to control terrorism emanating from Afghanistan and Pakistan? Along with the Ukraine crisis, there should be a renewed focus on Afghanistan and Pakistan.

17. The end of Covid Zero

Source—The post is based on the article "The end of Covid Zero" published in the Business Standard on 9th December 2022.

Syllabus: GS2- Effects of policies of developed and developing countries on India interest.

News– The article explains the scenario of the upcoming Covid wave in China and its implications for India.

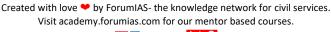
What is the new Chinese policy on Covid?

Chinese leadership has sharply reversed course and begun relaxing pandemic-related restrictions in the country.

It was done after widespread protests against its "Covid Zero" policy.

What could be the impact of the new Chinese policy on Covid?

Though **Omicron** is less virulent than Delta, it is still a deadly virus in an **unprotected population**. 6,000 people died in Hong Kong earlier this year after Omicron had become





dominant once some citywide restrictions had been relaxed. Hong Kong had access to Western vaccines as well as Chinese ones.

A surge in infections in the mainland after reopening is almost inevitable. This could turn into a surge in deaths if Chinese vaccines prove **relatively ineffective** against the currently circulating variants.

Is China well prepared for this new Covid wave?

The three years of Covid Zero in China have not been used to **build up capacity** in preparation for relaxed restrictions. One analysis has suggested that a full reopening might lead to almost six million people requiring **intensive care**.

China has fewer than four ICU beds per 100,000 people. This ratio is much worse in the interior than in the cities along the coast.

Only two-thirds of those above 80 have received a full **vaccination course**, and just 40 per cent were given a **booster dose**. In addition, the **efficacy** of these vaccines has come into question.

What does it mean for India?

India has learned to live with Covid. Vaccination has reached most of the country. **Social distancing norms** have been suspended. These assumptions are, however, predicated on the fact that Covid-19 is not surging anywhere in the world but has a relatively steady rate of infection.

The government will **need to re-examine** these assumptions in the case of a surge in China after it begins to reopen. Vaccination requirements and testing for arrivals may have to be reintroduced. The government's **Covid policy**, including its **genome sequencing** of variants, must also be re-examined.

Policy flexibility in response to **medical and epidemiological developments** have always been central to **effective Covid control**. It is time to revisit those principles.

18. The sustained growth in remittances

Source– The post is based on the article "The sustained growth in remittances" published in The Hindu on 9th December 2022.

Syllabus: GS2- Indian diaspora

Relevance - Economic cooperation of India with GCC and advanced economies

News- The article explains the trends of remittances across the world. It also explains the case of India

According to the **World Bank's latest 'Remittances Brave Global Headwinds'** report, remittances to India are set to touch a record \$100 billion in 2022. India received \$89.4 billion in 2021. This is the first time a country will reach the \$100 billion mark.

What is a remittance?

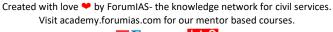
It denotes a **sum of money** sent by one party to another. These days, the term describes the money sent by someone working abroad to their family back home. In the case of India, the largest sources of remittances have been from Indians working in the **Gulf Cooperation Council**.

What has been the general trend in remittances this year?

World remittances are expected to touch **\$794 billion in 2022**. This represents a growth of 4.9%. Of the \$794 billion, \$626 billion went to low- and middle-income countries (LMICs).

Remittances represent an even larger source of **external finance** for LMICs in 2022, compared to foreign direct investment, official development assistance, and portfolio investment flows. The top recipient countries this year are expected to be India, followed by Mexico and China.

What are the reasons behind the sustained growth in remittances?





According to the **World Bank**, one of the main reasons is the gradual reopening of various sectors in host-country economies, following **pandemic disruptions**.

An allied reason was the migrants' determination to help their families back home during the tough **post-pandemic recovery phase**.

What are the reasons behind the resilience of India's inward remittance flows?

The report points to a **structural shift** in India's remittance economy. It is both in terms of the top destination countries, and the nature of the jobs held by migrants.

Remittances have benefitted from a gradual structural shift in Indian migrants' key destinations from largely **low-skilled**, **informal employment** in the GCC countries to a dominant share of **high-skilled jobs in high-income countries** such as the U.S., the U.K., and East Asia.

In fact, between 2016-17 and 2020-21, remittances from the U.S., U.K. and Singapore increased from 26% to 36%. The share from five GCC countries dropped from 54% to 28%. In 2020-21, the U.S., with a share of 23%, surpassed Saudi Arabia as India's top source country for remittances. During the pandemic, Indian migrants in high-income countries worked from home and benefited from large **fiscal stimulus packages**.

In the GCC countries, Indian migrants benefited from governments' direct **support measures** to keep inflation low.

Indian migrants may also have taken advantage of the **depreciation of the Indian rupee** to increase their remittances.

What does the report say about future trends?

The report predicts that growth in remittances will fall to 2% in 2023 as the GDP growth in high-income countries continues to slow. For South Asia as a whole, the growth in remittances is expected to fall from 3.5% in 2022 to 0.7% in 2023.

In the U.S., **higher inflation** combined with a slowdown will limit remittance flows. The GCC countries will also see **cooling of remittance** outflows following a slowdown. The demand for labour is expected to soften as construction activities for the FIFA World Cup in Qatar have ended.

Remittances to India are forecast to grow by 4% next year.

19. What will India offer during its presidency of the G20?

Source—The post is based on the article "What will India offer during its presidency of the G20?" published in The Hindu on 9th December 2022.

Syllabus: GS2- Global groupings

Relevance- G20 grouping and its working

News- The article explains the details of the G20 forum. It also explains the case of the India presidency of the grouping.

What is the history of the G20 forum?

The G20 forum was established in 1999 by the Finance Ministers and central bank governors of seven countries after a meeting in Washington DC. These countries are Canada, France, Germany, Italy, Japan, the U.K., and the U.S. after a meeting in Washington DC.

The uniting factor was the **1997-98 financial crisis** and its aftermath.

The first meeting of G20 leaders took place in 1999. It was elevated to the level of heads of state in 2008. In 2009, G20 was designated the "premier forum for international economic cooperation".

The forum initially dealt with matters related to **macroeconomics**. Over the years, its agenda has expanded to cover issues relating to **trade**, **climate change**, **sustainable development**, **health**, **agriculture**, **energy**, **and environment**.





What does India's presidency mean?

As the President-nation, India will host the 18th G20 Heads of State and Government Summit in December 2023 in New Delhi.

The group does not have a **permanent secretariat**, and the presidency is supported by the previous, current, and future holders of the post, together called the troika.

Apart from hosting the summit and setting the theme, the G20 presidency does not come with any formal powers. However, India plans on showcasing its philosophies of "Vasudhaiva **Kutumbakam"**, and LiFE through the theme and the logo of the event. As G20 President, India's will strive for just and equitable growth for all in the world, in a sustainable, holistic, responsible, and inclusive manner.

India's presidency also comes as many countries witness **inflation and recession trends**. It is further compounded by the Russia-Ukraine war and the standoff between the European Union and Russia.

India's own problems with China pose a potential issue for the effective functioning of the forum.

How does the G20 forum work?

The processes under G20 are divided into two parallel tracks — the finance track and the sherpa track. The finance track is led by Finance Ministers and central bank governors of member nations. They meet throughout the year.

Sherpas are **personal emissaries** of leaders. They oversee negotiations all through the year, discussing agenda items for the summit and coordinating the substantive work of the G20.

Working groups designed around **specific themes** operate within both tracks.

Various international organisations such as the UN, IMF, and the OECD also participate in working groups.

20. India's Central Asia outreach

Source: The post is based on the article "India's Central Asia outreach" published in The Indian Express on 9th December 2022.

Syllabus: GS 2 – International Relations

Relevance: relations between India and Central Asia

News: National Security Advisor (NSA) Ajit Doval hosted a meeting of his counterparts from five Central Asian countries (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Turkmenistan). This indicates the growing relation between the two.

What is the history of relation between India and Central Asia?

India was connected with Central Asia through the Silk Route. India also shares old and deep cultural ties with the region.

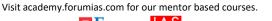
Jawaharlal Nehru in 1955 travelled to Almaty, Tashkent, and Ashgabat. P V Narasimha Rao visited Kazakhstan and Uzbekistan in 1992, and Turkmenistan and Kyrgyzstan in 1995. Atal Bihari Vajpayee in 2003 became the first Prime Minister to visit Tajikistan.

However, after the "Connect Central Asia policy" in 2012, the relation between India and Central Asia became better and it further improved with the visit of PM Modi to all five Central Asian countries in July 2015.

What is the strategic importance of Central Asia?

Central Asia is extremely rich in mineral and natural resources. For example, Kazakhstan has one of the biggest reserves of uranium, the Kyryz Republic is rich in hydro-power while Turkmenistan has one of the world's largest reserves of natural gas.

India's engagement with the Central Asian countries is important because of - a) security cooperation after the Taliban takeover in Afghanistan, b) to counter China's influence in the





Created with love ♥ by ForumIAS- the knowledge network for civil services.

region, **c)** plans for connectivity with Europe including the International North South Transport Corridor (INSTC), **d)** to meet its energy needs (Turkmenistan is part of the proposed TAPI gas pipeline), and **e)** for old cultural links and trade potential.

What have been the recent developments between India and Central Asia?

The engagement between India and Central Asia has been on the backdrop of Taliban taking over Afghanistan. There has been a meeting on the Afghanistan-focussed **Regional Security Dialogue** in the last year.

India's External Affairs Minister S Jaishankar has highlighted that India and Central Asia share similar concerns regarding the humanitarian crisis in Afghanistan.

Further, PM Modi also attended a virtual summit in January 2022 with the leaders of the Central Asian countries. He called for an integrated approach to regional cooperation and raised Afghanistan as a common concern.

The decision to hold a leaders' summit every two years, a joint working group on Afghanistan, joint counter-terrorism exercises, and a group to operationalise the use of Chabahar port by all five countries have also been taken between India and Central Asian countries.

What are the challenges with the relations between India and Central Asia?

China – China has a direct border with the Central Asian countries and has a bilateral trade of \$50 billion whereas India's trade with the region is only \$2 billion. China has also made major investments in these countries with its Belt and Road Initiative.

Lack of access to land transport – India lacks land transport access with Central Asia due to the blockage by Pakistan. To overcome the issue, India wants to integrate the INSTC with Chabahar port in Iran to access the resource-rich region.

Security – There are also security challenges such as extremism, terrorism, and radicalisation in the region. Central Asia shares a boundary with Afghanistan and the rise of Taliban in Afghanistan poses a serious security challenge for the countries in the region.

21. Expand the food safety net without any more delay

Source: The post is based on the article "Expand the food safety net without any more delay" published in The Hindu on 10th December 2022.

Syllabus: GS2- Poverty and hunger

Relevance: Issues related to food security

News: The article explains the exclusionary challenges associated with NFSA, 2013.

The <u>National Food Security Act</u>, 2013, through the PDS, provides a crucial safety net for roughly 800 million people. Even critics of the PDS appreciated its services during the COVID-19 lockdown.

What are the exclusion-related challenges created by NFSA?

The exclusion problem could be due to the freeze in coverage in absolute terms (around 800 million).

Section 3(2) of the NFSA 2013 states that the entitlements of eligible households shall extend up to 75% of the rural population and up to 50% of the urban population.

Section 9 of NFSA required that the total number of persons to be covered shall be calculated on the basis of the population estimates as per the census of which the relevant figures have been published.

Between the last Census in 2011 and today, **population increase has not been accounted** for in determining the number of ration cards. Even a decadal update has not happened due to the indefinite postponement of the 2021 census.





What is the stand of SC on exclusion?

The Supreme Court of India has also agreed that the prayer to increase coverage seems to be genuine and justified. It directed the Union of India to come out with a formula, so that the benefits under NFSA are not restricted as per the census of 2011.

What is the position of the central government on the SC stand?

The central government filed a delayed response. It states that Section 9 of the NFSA requires that coverage be determined on the basis of the latest census published. In the wake of the unavailability of the latest Census data, any change or revision in the number of beneficiaries would **necessitate an amendment in the Act**.

The government response **states** one of the **prime concerns while fixing the ceiling** at the time of enactment of the NFSA. It was that "as the standard of living of people would improve over a period of time, the coverage may be reduced".

The central government attempts repeatedly to shift the blame to State governments.

Are state governments responsible for the exclusion of people?

States are responsible for identifying people for PDS ration cards, once they are given the numbers to be covered by the central government.

Several State governments have used their own resources. This includes poor States such as Chhattisgarh and Odisha to expand coverage beyond the centrally determined quotas.

According to estimates, in 2020, there were 809 million NFSA PDS beneficiaries supported by the central government. An additional 90 million people had access to the same benefits from the PDS as NFSA beneficiaries through their State governments. States were subsidising another 51 million people. But their entitlements were less than those of NFSA beneficiaries.

What needs to be done by the SC?

The Supreme Court should direct the Government for additional coverage of roughly 100 million across States, so that the States can start identifying new ration card beneficiaries.

Poor people should not pay the price for the state's failure in conducting the 2021 Census

22. The G-20 can be the UN Security Council alternative

Source: The post is based on the article "The G-20 can be the UN Security Council alternative" published in The Hindu on 10th December 2022.

Syllabus: GS2- Global grouping **Relevance**: India and G20

News: The article explains the significance of G20 as an alternative to UNSC. It also explains India's role in promoting G20 as an alternative.

As India begins its presidency of the G-20, there is a certain reluctance on its part to try to end the Russian invasion of Ukraine. This position is because of the fear of failure, especially because of the position India has taken not to condemn Russia.

Why has UNSC proved to be a failure?

During the COVID-19 pandemic and the Russian invasion of Ukraine, the UNSC's credibility hit rock bottom.

Any reform of the UNSC, particularly the expansion of its permanent membership, will be strongly resisted. The permanent members and a large majority of the General Assembly will resist because it does not benefit anyone except those who aspire to be permanent members.

Among the proposals made in the last three decades, there is none that can command the votes of the five permanent members as well as two-thirds of the members of the General Assembly.





Why G20 can be an alternative to UNSC?

G-20 addresses major issues related to the global economy, such as international financial stability, climate change mitigation and sustainable development.

Its composition is such that it looks like it is an expanded Security Council. It is representative of all the significant countries of the 21st century. It is balanced between developed and developing countries.

The present permanent members and declared aspirants have been included while Africa and Latin America have also been represented. The EU represents a very important segment of the global power structure. A consensus decision of G-20 should be universally acceptable.

How will the G20 be transformed?

A gradual transformation of the G-20 from an economic body to a political body can be initiated on the basis of the **Bali Declaration**.

Bali declaration constitutes the consensus in the group on the Russia-Ukraine war. If the G-20 emerges as a peacemaker in Europe, it will attain legitimacy as a group to promote international peace and security.

The most important difference will be that no one can prevent its meetings by use of the veto. Care should be taken not to isolate anyone and promote a solution, which is acceptable.

How can India contribute to strengthening the G20?

The first step for India to take is to highlight the Bali Declaration and present a road map during the preparatory process for the G-20. It should persuade the sherpas to take it on its agenda.

This will enhance India's capacity to deal with the crisis in a formal way within the G-20. It will accomplish India's ultimate goal of securing the reform of the UNSC.

Once the basic work is done, the UNSC can formalise the decision and implement it for international peace and security.

Why is India best suited to promote the G20 as an alternative platform?

India has been an honest broker in international peace and security. It has taken strong positions on decolonisation and rights of the developing countries. It has promoted a balanced outcome. India was the author of several landmark resolutions of the UNSC on the **question of Palestine**. India was a part of efforts made to **prevent the expulsion of Egypt from the Non-Aligned Movement** at the Havana summit when the Arabs turned against Egypt.

Flexibility in negotiations even while being principled in its national position gave an advantage to India.

23. Supreme Court on charity and conversion: The answer may lie in the words of Mahatma Gandhi

Source: The post is based on the article "Supreme Court on charity and conversion: The answer may lie in the words of Mahatma Gandhi" published in The Indian Express on 10th December 2022. Syllabus: GS2- Significant provisions of constitution. GS1-

Communalism and secularism

Relevance: Issues related to religion

News: The article explains the issue of religious conversion. It also explains the viewpoint of various ruling dispensations and organs of government on this issue.

What do the UDHR and the constitution say about religious conversion?

The Universal Declaration of Human Rights 1948 provides for the **right to freedom of thought, conscience and religion**. This right includes the freedom to change his religion or belief, and to manifest his religion or belief.





The Constitution of India recognised the fundamental right to propagate, profess and practice one's religion.

What has been the view of the apex court on this matter?

In two cases decided in 1954, the apex court observed that **Article 25** covered every individual's right to **propagate** his religious views for the edification of others.

It is the **propagation** of belief that is protected, no matter whether the **propagation** takes place in a church or monastery, or in a temple or parlour meeting.

What was the policy of rulers in the pre-independence era?

The British rulers of India, who were never shy of introducing measures to facilitate the conversion of others to their faith. They enacted in 1866 a **Native Converts Marriage Dissolution Act** to provide the facility of divorce to married Indians who converted to Christianity and were thereupon deserted by their non-converting spouses.

Several princely states of the pre-Independence era had enforced anti-conversion laws.

What is the policy on religious conversion in the post-independence era?

After Independence, the Law Commission of India recommended that Native Converts Marriage Dissolution Act be revised to make it a general law on the effect of post-marriage change of religion. The government did not take any action on it. It was eventually dropped from the statute book by the Repealing and Amending Act of 2017.

During 1967-68, state legislatures in Orissa and Madhya Pradesh enacted anti-conversion laws

These were challenged in SC court in **Rev. Stanislaus**, **1977 case**. It held that **Article 25** granted not the right to convert another person to one's own religion but only to **transmit and spread** one's religion by an exposition of its tenets.

The Constitution Bench decision inspired some other states to enact similar laws. Arunachal Pradesh passed the **Freedom of Religion Act 1978**.

Today there are such laws in about half of our states. Some of these have been either newly enacted or made more stringent. All of them **prohibit** converting people from one to another religion without their **free will**.

What is the way forward on religious conversion?

India should follow the advice of **Mahatma Gandhi** on this matter. He once said that "all faiths are **equally true though equally imperfect**". Instead of converting others to one's own faith, our innermost prayer should be that a Hindu should be a better Hindu, a Muslim a better Muslim and a Christian a better Christian".

24. Women & elections: Low female voting is exception. Few female MLAs is norm

Source: The post is based on the article "Women & elections: Low female voting is exception. Few female MLAs is norm" published in The Times of India on 10th December 2022.

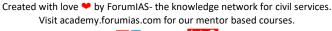
Syllabus: GS 2 - Social Justice

Relevance: Women's representation in the legislative bodies

News: The article discusses the dismal conditions of the women in the legislative bodies despite of high percentage of voting.

What is the current percentage of female voters?

The current Gujarat election saw a lesser number of female voters than men. However, there has been an overall increase in the number of female voters.





For example, the percentage of women was higher in the elections of Himachal Pradesh. The **voter gender gap ratio** also improved in every state in the five assembly elections earlier this year.

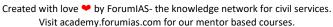
Even in the 2019 Lok Sabha election women's turnout was at 67.18% compared to men which were at 67.01%.

Even though there has been an increase in the percentage of female voters, their representation in the legislative bodies is dismal.

What are the reasons behind low female legislators?

There has been less effort in providing women equal representation in the legislative bodies. For example, the **women's reservation bill lapsed** despite being passed by the Rajya Sabha in 2010. One-third reservation has been provided to women in the local body but there is no such efforts for female panchayat leaders to enter into legislative assemblies and Parliament. Further, women also get fewer election seats than men in fighting elections.

Therefore, there is a need to look into the issue and provide equal representation to women in the legislative bodies.





General

Studies

Paper – 3

General Studies - 3

1. Size Matters - Naval power will determine India's military capability. And bigger aircraft carriers are vital

Source: The post is based on the article "Size Matters - Naval power will determine India's military capability. And bigger aircraft carriers are vital" published in The Times of India on 5th November 2022.

Syllabus: GS – 3 – Security challenges and their management in the border areas.

Relevance: About the procurement of IAC-2.

News: Recently, India's navy chief Admiral has said that India's second indigenous aircraft carrier could be a repeat order of the recently commissioned IAC-1 or INS Vikrant.

What is the importance of the Admiral's statement?

This means that the proposed IAC-2 would most likely not be the 65,000-tonne carrier that was initially planned and will be around the sub-45,000-tonne range. This has ramifications for the Indian ambition to have a blue water navy and obtain deep-strike capabilities.

The tonne reduction highlights budgetary constraints such as increased social welfare programmes and the armed forces huge salary and pension bills.

What are the implications of reducing the IAC-2 capacity?

The bigger the carrier the more equipment and offensive platforms - fighter jets and attack helicopters – it can be packed with. For example, the 40,000-tonne IAC-1 can carry about 35 aircraft. A 65,000-tonne carrier can carry almost 50 aircraft.

China's indigenous aircraft carriers, Shandong and Fujian, are both above 60,000-tonnes.

How to improve India's critical military platforms?

Given the maritime challenge in the Indian Ocean Region from China India need to improve its critical military platforms. This can be done by

- -India's economy needs to grow faster if it is to meet its strategic military needs.
- -Focussing on the serious naval components: For instance, having heavy-load aircraft carriers in the 60,000-tonne category is a vital part of critical military reorientation.

2. Emerging AI: What awaits us?

Source: The post is based on the article "Emerging AI: What awaits us?" published in the Business Standard on 5th November 2022.

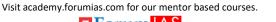
Syllabus: GS – 3 – Science and Technology.

Relevance: About the lessons from the chemical revolution to the AI revolution.

News: The chemical revolution started in a small way in the late 18th century, and rose to a peak in the 1960s.

What are the key developments of the chemical revolution?

- -Synthetic chemical fertilisers and pesticides came into force in the early 1900s and helped increase food output dramatically and thus served to prevent starvation.
- -In the early 20th century, synthetic chemical drugs such as penicillin, and vaccines against measles, mumps, chickenpox, rubella, and hepatitis saved the world from a wide variety of diseases.
- -Innovation around the properties of combustion of gases led to the invention of the **internal** combustion engine and thus the birth of motorised vehicles like cars.
- -In the 1960s **chiffon sarees** made from polyester or nylon became the rage in India.
- -The spread of chemical technology was a boom to the manufacturers of toothpaste and washing soaps and liquids and such conveniences of day-to-day life.
- -Creative advertising led to the sale of "commoditised" products of the chemical revolution.





Created with love ♥ by ForumIAS- the knowledge network for civil services.

What are the impacts of the chemical revolution?

- a) The availability of chemical technology was so widespread that **manufacturers were unable** to differentiate their products on real physical features
- **b)** The chemical revolution slowly faded away to such an extent that **anything "plastic" has become synonymous with "pollution"**. Thus, demands are made that only "recyclable" plastics be used.
- c) The synthetic cloths impacted the cotton textile spinning and weaving mills and **created a job loss**. In Bombay alone, over 100 cotton textile mills shut down.

What one can learn from the chemical revolution to the emerging AI revolution?

India needs to analyse a) New industries AI will create and current industries AI will demolish,

b) Jobs AI market will create and job loss it will reduce, **c)** Thoughtful policy initiatives for promoting the use of AI.

3. COP27: Joining the dots between Binsar and Sharm El-Sheikh

Source: The post is based on the article "COP27: Joining the dots between Binsar and

Sharm El-Sheikh" published in the Indian Express on 5th November 2022.

Syllabus: GS 3 – Climate Change.

Relevance: About the inconclusive deliberations at the COP27.

News: Inconclusive deliberations at the COP27 in Sharm El-Sheikh will increase the impacts of climate change.

Why COP27 failed to achieve universal target?

The COP27 agreed to establish a compensatory fund for the poor countries impacted by global warming. But it failed to do more than agreeing.

Multiple stakeholders at the conference were not aligned on "values" and the "value" of the various action plans presented by them.

All this is because all nations tries to define a central path.

Read more: COP27: Outcomes and Concerns - Explained, pointwise

What needs to be done?

"Values" have to be brought into convergence before the tension between development and ecology can be sustainably resolved. This can be done by

Following Gandhian principles of economics: Gandhi emphasised on **decentralised interventions**. As these can leverage local talent, crafts and the environment. If the objective is to create income generating opportunities and secure jobs without disturbing the natural ecology then Gandhian economics is the way.

This can be followed by looking for local initiatives to gain initial momentum. Later scale them and provide market access through the support of government and collaborative linkages with corporates, NGOs and specialists.

Read more: COP-27 commits to compensation fund, but leaves important questions for later





4. Why has the Reserve Bank of India introduced an e-rupee?

Source: The post is based on an article "Why has the Reserve Bank of India introduced an e-rupee?" published in The Hindu on 5th December 2022.

Syllabus: GS 3 - Indian Economy

Relevance: concerns associated with digital rupee

News: The Reserve Bank of India has launched the digital rupee on a pilot basis.

What is the digital rupee?

Must Read: RBI unveils features of digital rupee, plans to launch pilot soon

What is the difference between digital and physical form of rupee?

Both forms of rupee are same and deposits held in banks can be converted into digital rupees and vice-versa.

However, the difference is that interests are paid on the deposits held by banks but there will be no interests paid on digital rupees stored in the wallet.

What is the need of the digital rupee?

Must Read: Do we really need the e-rupee?

What is the risk associated with the digital rupee?

Banks generate loans depending on the amount of money, it has but people might shift away their deposits from banks to wallets looking at the low interest offered by the banks.

This shifting will **hinder the activities of the banks** especially in the case of giving loans. It should be noted that the ability of banks to create loans is influenced by the amount of cash they hold.

However, the virtual money will reduce bank's dependencies on maintaining sufficient cash deposits before expanding loans. This can help banks to get free from the risk of bank runs which acted as a restraint for the banks for expanding loans.

What are the arguments against the digital rupee?

Some of the people are against the idea of digital rupee. They say that digital currencies will give power to central banks to supervise economic activities.

This could act as hindrance to economic growth if certain economic activities are considered illegal by governments.

Further, digital currencies cannot replace crypto currencies as private cryptocurrencies have demand against certain investors because of their greater purchasing power than the fiat currency.

5. Traffickers are moving online in search of victims

Source- The post is based on the article "Traffickers are moving online in search of victims" published in The Hindu on 5th December 2022.

Syllabus: GS3- Challenges to internal security, GS2- Vulnerable sections

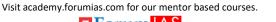
Relevance – Issue of trafficking

News- The article explains the issue of use of online mediums for trafficking of children and women.

What are the new mechanisms used by traffickers?

Due to Covid-19 restrictions over the past two years, traffickers are using **online classrooms**, gaming platforms, matrimonial sites, dating apps and even loan apps for potential victims. According to the US based National Center for Missing and Exploited children's Cyber tipline report for 2021, India reports 4.69 million reports of online abuse of children. It is the highest of any country.

A study shows that 44% of respondents started using internet after outbreak of Covid-19





Created with love ♥ by ForumIAS- the knowledge network for civil services.

How children and women are abused through online mediums?

The study conducted by **Space2Glow and Cyber Peace Foundation** shows that among those who felt uncomfortable during online interactions, 8% relented to sender requests after repeatedly saying no to them. These are at serious risk of abuse.

The **modus operandi** of operators ranging from luring somebody through relationships, blackmailing them by morphing their social media photographs and offering loans which are difficult to pay back in cash.

Child grooming which encompasses access and isolation, trust building, desensitization, and forcing them into trafficking are tactics used by abusers.

What is the way forward to stop trafficking?

There is a need for **better awareness** among women and children.

Better training of law enforcement agencies and technology platforms are required.

There is a need for **capability building** of law enforcement officials.

Legal deterrence through enhanced detection mechanisms for online and human interface is required.

6. From a vicious cycle to virtuous cycle

Source– The post is based on the article **"From a vicious cycle to virtuous cycle"** published in **The Hindu** on **5th December 2022**.

Syllabus: GS3- Indian economy and mobilization of resources

Relevance– Informal economy

News- The article explains the new concept of returnable grant for fulfilling the credit needs of the informal sector.

What are the issues faced by informal sector workers for accessing working loans?

They face challenges in raising working capital.

They cannot get even a small personal loan because they lack the papers and collaterals required for access to **formal credit**.

Unable to borrow, the working poor cannot establish their **credit history**. They are not able to learn how to manage their debts and invest the loans in productive expenditure.

In this process, they are excluded from the **formal credit economy**.

What is the new financial instrument called a returnable grant?

It is developed by **Samhita Social Ventures and Collective Good Foundation**. It is supported by philanthropic funding.

Recipients receive a grant with ticket size tailored to their needs. Unlike conventional grants, there is an exception to repayment of grants.

Beneficiaries are told that timely return of grant will allow the foundation to support other workers like themselves. They also get additional benefits such as **interest rate subsidies** or access to skilling or insurance products.

The grants are disbursed in partnership with civil society organisations that have prior relationships with beneficiaries.

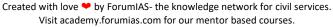
The foundation invested in a rigorous evaluation framework that utilised third party organisations to collect data on individual recipients.

What are the findings from analysis of data?

The most striking finding is that the **repayment rate** is high. This was despite the fact that there was no **legal obligation** to repay and since it was interest free.

The recipients also used the grants to invest in their **economic future**.

What are the useful insights from the RG experience?





It is critical to work with i**mplementation partners** which have long-term relationships and are deeply embedded in communities being served.

Working with partners willing to make regular calls to beneficiaries to check on their progress and provide timely reminders of their **repayment obligations** yields benefits.

Providing **flexible and customised repayment obligations** are key to maintaining high repayment rates.

How can RG experience be utilised for the benefits of informal workers?

The RG experience can help to create a pathway to a **formal credit system** for informal workers. The repayment data from the RG can be used to create a **pre-credit score** to make a **starter loan for informal sector workers**. These starter loans could be supported by **credit guarantees or interest subventions** using philanthropic funding in order to **incentivise** banks to get started.

7. Poor soil management will erode food security

Source—The post is based on the article "Poor soil management will erode food security" published in The Hindu on 5th December 2022.

Syllabus: GS3- India geography

Relevance- Issues related to soil conservation and management

News- The article explains the issue of soil degradation in India

What is the importance of healthy soil?

They support **healthy plant growth** to enhance our nutrition and water percolation to maintain groundwater level.

It helps to regulate planet climate by storing carbon.

They help to maintain a landscape that is **more resilient** to impacts of droughts and floods.

What are the causes behind soil degradation?

Main drivers contributing to soil degradation are industrial activities, mining, waste treatment, agriculture, fossil fuel extraction and processing and transport emissions.

Excessive use of fertilisers and pesticides, and irrigation with contaminated wastewater are also polluting soils.

What are the consequences of soil degradation? It undermines nutrition and food security globally.

It threatens agriculture productivity, biodiversity conservation, water quality and socioeconomic well being of the dependent population.

Nearly 3.7 million hectares suffer from nutrient loss in soils.

What are the initiatives taken by the Indian government for soil conservation?

Government is implementing a **five-pronged strategy**. It includes making soil chemical free, saving soil productivity, enhancing SOM, maintaining soil moisture, mitigating soil degradation and preventing soil erosion.

Government launched the **Soil Health Card scheme** in 2015. It displays the soil health indicators and guides farmers.

Another initiative is the **PM Krishi Sinchayee Yojana** to prevent **soil erosion**, and for **rainwater harvesting** and recharging of groundwater.

The National Mission for Sustainable Agriculture has schemes promoting traditional indigenous practices such as organic farming and natural farming.

What are initiatives taken by FAO in India for soil conservation?





It is collaborating with the **National Rainfed Area Authority** and **Ministry of Agriculture** to develop forecasting tools using **data analytics** that will aid vulnerable farmers in making **informed decisions** on crop choices.

FAO in association with MoRD supports the **DAY-NRLM Community Resources persons** to increase their capacity towards supporting on-farm livelihoods for adoption of **sustainable and resilient practices**, **organic certification and agri-nutri gardens**.

In Andhra Pradesh, FAO is partnering with the state government and ICAR to support farmers in **sustainable transitions** to **agro-ecological approaches** and organic farming.

What is the way forward to reduce the soil degradation?

There is a need to strengthen the **communication channels** between academia, policymakers and society for **identification**, **management and restoration** of degraded soil as well as adoption of anticipatory measures.

Greater cooperation and partnerships are central to ensure the availability of knowledge, sharing of successful practices and universal access to clean and sustainable technologies.

8. The lingering crisis of labour post-pandemic

Source: The post is based on an article "The lingering crisis of labour post-pandemic" published in The Hindu on 6th December 2022.

Syllabus: GS 3 - Economic Development

Relevance: rising income inequalities post-pandemic

News: Global Wage Report 2022-2023 and Asia-Pacific Employment and Social Outlook 2022 are the two reports released by the International Labour Organisation (ILO) recently. Both these reports gave an indication of the global employment scenario post-pandemic.

What are the findings of the report?

Growth: As per the reports, **the nominal wages in India** rose to ₹17,017 per month in 2021 from ₹4,398 in 2006.

However, the **real wage growth** in India declined to -0.2% in 2021 from 9.3% in 2006 when inflation is taken into consideration. This negative growth in India started after the pandemic. The growth for **China** also decreased from 5.6% in 2019 to 2% in 2022 and for **Pakistan** the growth was -3.8%.

Cost of Living: The reports highlighted that the increasing cost of living has the greatest impact on **lower-income earners** because they have to spend most of their income on rising prices of essential goods and services.

Employment: As per the report, **only high-skill occupations** saw a recovery after the COVID-19 crisis at the Asia-Pacific level which raises concerns **about rising inequality**. There is an employment gain of 1.6% among high-skill workers between 2019 and 2021 but there is no such substantial gain among low-to-medium-skill workers.

Gap amongst G-20 countries: There is a significant gap in the average level of real wages between advanced G-20 countries and emerging G-20 countries such as India.

What can be the course of action?

The ILO in reports have provided the following remedies for the problem -

a) improvement in the nominal wages of the employee will help in safeguarding the standard of living of households and cushion them against the rising inflation in the future, **b)** there is a need to strengthen labour market institutions and wage policies, **c)** there is a need to create decent formal wage employment for equitable and sustainable wage growth, **d)** decrease in gender pay gap with a multilateral approach that focus on mitigating climate change, decreasing inequalities, poverty, etc. is needed.





9. Reforming distorted markets will enhance India competitiveness

Source—The post is based on the article "Reforming distorted markets will enhance India competitiveness" published in the mint on 6th December 2022.

Syllabus: GS3- Indian economy and growth

Relevance– Economic policy for better growth and related issues

News- The article explains the competitiveness related issues of Indian economy

How has the competitiveness of the Indian economy made a substantial improvement in recent years?

There have been notable developments in sectors like access to education, infrastructure development and quality of business environment.

According to **World Bank data**, the percentage of population with **access to electricity** has increased from 83.9% in 2014 to 99% in 2020.

Since the beginning of **PM Gram Sadak Yojana**, nearly 700000 kms road length has been completed.

From 2014 to 2020, the number of universities has increased from 723 to 1043.

In the last 5 years, the **student enrollment** in higher education witnessed an increase of 11.4%. The food production has registered a rise from around 252 million tonnes in 2014-15 to 316 million tonnes in 2021-22.

What are some of the competitiveness challenges faced by the Indian economy?

Market structures— The key competitiveness challenge lies in the build of our **market structures**. India has focussed on improving inputs. The market structures that translate these inputs into actual outcomes experience **distortions** at various levels. It occurs when interventions in demand and supply dynamics lead to **misallocation of resources**.

A World Bank report on the power sector suggests that India's efficiency gap is about 4% of GDP a year. It points to electricity subsidies, inefficient power generation, transmission and distribution as some of the factors contributing to power shortages.

Similarly, there is huge distortion in the education sector. **Inputs** in terms of infrastructure and enrollment have seen positive trends. But this has not translated into better **learning outcomes**. **Business environment**— It is another area where **market distortions** exist. **Individual rules** have been improved. But, **underlying structures and capacity** of the public sector behind

What are some steps taken by the government to improve the competitiveness of the economy?

The PM Shri scheme aims to develop 14500 select schools by providing high-quality education keeping **inclusivity and equitable outcomes** central.

Udyam portal for MSME and National Logistics policy framework are some of initiatives to make market structures more efficient.

10. Climate talks as shortchanging international law

Source: The post is based on the following articles

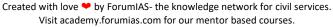
"Climate talks as shortchanging international law" published in The Hindu on 6th November 2022.

"Climate finance must take centre-stage in global action" published in the Livemint on 6th November 2022.

Syllabus: GS – 3 – Climate Change.

regulatory burden were weak.

Relevance: About the climate negotiations.





News: In the climate negotiations areas of interest to developing countries are not covered or sparsely covered, while other areas are over-regulated. For instance, in COP27, there seems to be a concerted effort to fraudulently change the basic structure of the Climate Treaty.

Must read: Climate Reparation: Loss and Damage - Explained, pointwise

What are the problems with the current climate negotiation process?

Not enough awareness among developed countries: Citizens in developed countries are not even aware that two-thirds of their national emissions of carbon dioxide come from their diet, transport, and residential and commercial sectors. All these together constitute the major share of the developed country's GDP.

Ignores global well-being: Global well-being will require **a)** Urbanisation of the developing country's population, **b)** Fossil fuels for infrastructure and energy needs of developing countries to achieve global well-being.

Need essential supplies which emit CO2: The developing countries need vast quantities of cement and steel for infrastructure as they urbanise.

Does not address the dilemma of developing countries: Developing countries such as India are both victims and perpetrators of Climate Change. In such a scenario, separating their roles, especially in the context of financing is complicated. For instance, many nations have suggested that India and China should be part of the contributing list of nations to the L&D fund.

Read more: COP27 agreement on loss and damage is significant, but the meeting did not address several other pressing issues

How the climate treaty failed to bring equitable climate negotiation?

The objective of the Climate Treaty is to avoid a concentration of cumulative emissions of carbon dioxide, prevent dangerous anthropogenic interference with the climate system and enable sustainable economic development. But the treaty failed to bring equitable climate negotiation because,

- -The negotiation process adopted a manner that rejected historical responsibility for a continuing problem and **shifted the burden to China and India**.
- -The agenda was set around globalised material flows and not about the wasteful use of energy.
- -Public finance is used as a means to secure a political objective, and not to solve the problem. For instance, the \$100 billion mitigation and adaptation fund promised in Paris has not materialised. Meanwhile, estimates suggest that about \$200 billion a year is needed now and that will rise to about \$300 billion a year by 2030.

In such a situation, new funding for 'Loss and Damage' will be from a "mosaic of solutions", constituting a **breach of trust**.

- **Longer-term trend has been ignored**: Asia's emissions with half the world's population will rise to 40% in 2035. This will create pressures to further reduce emissions and displace their human rights.
- -In Glasgow, in 2021, negotiators zeroed in on **coal to reduce future emissions**. This ignored the key finding of the IPCC on the centrality of the carbon budget.

Note: Carbon budgets can be estimated accurately from climate models. They are the most useful for the policy as they couple the climate with the economy.

-In the recent COP27, there has been **no consensus on the obligation of industrial countries** to compensate vulnerable countries for loss and damage fund.

Read more: Loss and Damage decisions, pitfalls and promises





What India can do to mitigate climate change when climate negotiations are poor? India should **a)** Combine technology transfers and soft loans from multi-lateral institutions, **b)** Adopt market solutions for climate actions, **c)** Carefully design cess schemes to discourage GHG emissions, **d)** Improve the domestic fuel economy, **e)** Accelerate the adoption of electric vehicles, **f)** Levy a carbon tax at the point of emission, and **g)** Raise the economy's overall energy efficiency. On moral grounds, India can **contribute to the L&D fund in a gradually increasing manner.**

11. DESH & 'videsh' - The proposed Bill will create asymmetries

Source: The post is based on the article "DESH & 'videsh' - The proposed Bill will create asymmetries" published in the Business Standard on 6th November 2022.

Syllabus: GS – 3 – Changes in industrial policy and their effects on industrial growth.

Relevance: About the draft DESH Bill.

News: The finance ministry has reportedly raised concerns about the Development Enterprise and Services Hub (DESH) Bill's extension of tax concessions to special economic zones. About the Development Enterprise and Services Hub (DESH) Bill 2022

Read here: <u>Draft Development of Enterprise and Service Hubs (DESH) Bill: SEZs to be</u> turned into mfg hubs for domestic markets

Why does India need to replace the SEZ Act of 2005?

The draft DESH bill seeks to replace the SEZ Act of 2005. The Act aims to emulate China's export-driven manufacturing strategy that transformed that country within a mere quarter-century. But the Act did not produce enough results because

a) Private sector-driven SEZ developers leveraged the tax arbitrage to create a massive real estate play, **b)** SEZ locations were not always optimal for export-oriented industries. For instance, large tracts of SEZs often comprise fertile farmland, and **c)** Supply eventually surpassed demand. Hence, the draft DESH Bill seeks to maximise infrastructure use and enhance India's export competitiveness.

What are the concerns highlighted by the finance ministry on the draft DESH Bill?

The issue of differential tax treatment: An SEZ is deemed "a customs territory outside India" and were liable for full customs duties plus integrated goods and services tax. But under the draft DESH bill, the SEZ units in the notified areas will be permitted to sell in the domestic tariff area (DTA).

This would create business units each of which would have a "DESH" area and "Videsh" area with differential tax treatments.

Create an outbreak of tax disputes: India's existing tax laws are complex and contentious. The intra-unit variances were likely to create an explosion of tax disputes that will defeat the purpose of the new Bill.

Havoc for industrial units located outside the **SEZs**: DESH units producing the same goods as DTA units can enjoy tax breaks. This will create an inherent disadvantage for DTA units.

Does not address the problem with SEZ Act: Land acquisition by the private sector has proven a near-intractable problem to date. The DESH Bill does not address this issue.

Read more: Logistics Sector in India and National Logistics Policy - Explained, pointwise

What should be done?

A more universal approach to the problem of deficient infrastructure, red tape, and arbitrary and unpredictable policy intervention will benefit the country far more than reviving a largely unsuccessful attempt to reproduce China's success.





12. About energy transition: A slow and flawed transition

Source: The post is based on the article "A slow and flawed transition" published in the

Business Standard on 6th November 2022.

Syllabus: GS – 3 – Energy.

Relevance: About the energy transition.

News: The developed world has reduced its primary energy consumption and they are working on an energy transition. They shift most of the energy-intensive manufacturing to developing countries, where energy consumption is accelerating.

What are the challenges associated with energy transition?

Energy transitions are **not similar to technological transitions**. For instance, within 15 years, 90% of consumers in the West had switched to smartphones. Within 20 years, 50% of the developing world had internet access.

On the other hand, within this same 20-year period, despite all the cost reduction and policy support, wind and solar combined accounted for less than 5% of primary energy consumption.

Continued reliance on fossil fuels: The world relies on fossil fuels for 90% of its primary energy consumption in 1990. Today, it was around 83%. According to the International Energy Agency, fossil fuel reliance will remain at over 60%, even in 2050, unless the world drastically accelerates behavioural change.

Not enough attention on mass electrification: The media and investors focus on solar and wind investment. But they are not focussing on the challenge of how to electrify large parts of the economy and mass electrification.

Low focus on transmission investments: The world at present is focussing more on the strengthening of the grid but not on energy transmission investments.

Electricity as a percentage of energy use: Over the last 20 years, electricity as a percentage of energy use has risen only 2-3% in most major economies. No major economy has an electricity share of more than 20% in total energy use.

Transportation: Looking at the combined data for the US/Europe and China, electricity today accounts for only about 2% of the transport energy consumed. Even in 2040, EVs will constitute only 40% of the vehicles on the road.

The US has the lowest gasoline prices of any major economy and does not seem to have the political will to put in place the tax structure needed to shift preference to EVs.

Read more: <u>Just Energy Transition Partnership(JETP)</u>: <u>India-G7 JETP stuck over coal, Centre's insistence on own transition plan</u>

What can be done to ensure just energy transition?

The world has to move electricity production entirely to renewables and then electrify other parts of the economy like industrial production, transport and residential heating, all large direct consumers of fossil fuels. For instance, even today, renewables as a percentage of electricity generation were only 20-25% in the US/China but 45% in Europe.

Need new investments: The world needs new investments to change the process and add specialised equipment for the energy transition in energy-intensive manufacturing of products such as cement, steel, plastics, chemicals and fertilisers.

Residential and commercial heating: In this, the world needs to move to a newer technology of electric heat pumps in buildings.

Read more: The real issue at COP27 is energy security

Overall, massive investments will have to be made for just energy transition and every investor will have to focus on their value chain to make it feasible.





13. Delhi choking, but do not blame stubble burning alone

Source: The post is based on the article "Delhi choking, but do not blame stubble burning alone" published in The Hindu on 7th December 2022.

Syllabus: GS 3 - Environment

Relevance: concerns and measures needed to address air pollution in Delhi

News: The pollution in Delhi every year around winter is a serious concern that needs to be addressed as it has serious health concerns.

What are the problems with the polluted air?

India now reports 2.5 million air pollution-related deaths annually. Pollution makes throats and eyes burn.

Some pollutants are so small that they enter the bloodstream impacting almost every organ in the body causing heart attack and other serious health problems.

Why has there been no change in the air quality of Delhi?

The reason behind no change is that every year the same measures are tried to address the issue without evaluating the effectiveness of the previous measures.

For example, the Government formed the Commission for Air Quality Management. It issued the same orders like the Ministry and the Environment Pollution (Prevention and Control) Authority did.

These repeated ineffective guidelines make government to prohibit people from going outside, closing schools, banning entrance of trucks and construction activities every year. These lead to bad governance.

What are the reasons behind the bad air quality of Delhi?

Stubble burning: It is one of the major problems which government has tried to solve over years. However, those measures have not been successful. **For example**, Happy Seeder based solution has not been effective.

Biomass burning: The burning of biomass around Delhi is another major reason for the pollution. However, none of the government bodies whether municipal body or the Public Works Department is trying to solve the issue.

Other major reasons behind the pollution are dust and emission from industrial activities, vehicular emission, lack of last-mile connectivity of public transport, and lack of governance to monitor the existing mechanism.

How can the problem be addressed?

a) there is a need for fundamental **shift in agricultural patterns** along with providing **compensation to farmers** to tackle the issue of stubble burning, b) **unauthorized industries** are the large emitter so those industries should be monitored, c) ensuring the last mile connectivity of the **public transport** so that people use it as alternative to private vehicles, d) **proper governance** system is needed with a **single entity** that takes responsibility for air quality management,



14. The GM mustard debate

Source: The post is based on an article "The GM mustard debate" published in The Indian

Express on 7th December 2022.

Syllabus: GS 3 - Science and Technology

Relevance: concerns associated with GM crops

News: The government had cleared the environmental release of a genetically modified (GM) variety of mustard, DMH-11, recently which has been opposed by the activists and the matter has reached the court.

Why is the government trying to release GM mustard?

There has been a significant rise in the import bills of the edible oils which has led to a shoot up in the price of edible oils causing a **food security issue** in India.

Therefore, the government is trying to reduce the dependence on other countries and save its forex reserves.

It has said that approving the GM mustard variety would not lead to opening of the gates for all other transgenic crops.

For example, there has been no progress in the case of Bt brinjal which has passed all the safety tests and regulatory processes.

However, environmental activists and NGOs have opposed the efforts of the government.

They question biosafety data and claim that it will harm human and soil health, cause environmental damage, and threaten the existence of other species, like honeybees.

What are the arguments that favours GM crops?

Oppositions to GM crops rely on the **precautionary principle**.

This principle argues that new innovations may have severe impacts on human or environmental health in the absence of scientific consensus and adequate information.

However, simply relying on this principle does not hold true for GM crops.

GM crops have been under cultivation for almost three decades in different parts of the world. There is little evidence to justify the dangers that are being highlighted.

Countries such as the United States and Canada, Brazil. South Africa, and India's neighbours like Pakistan, Myanmar and Bangladesh are already growing GM crops.

Even in India, Bt cotton has been in cultivation for two decades and there has not been any such concerns with it.

Moreover, a certain portion of imported edible oils as well as some other crops are genetically modified varieties which have already been consumed by Indians without any harm.

Further, as per the National Academy of Agricultural Sciences (NAAS), arguments made against GM mustard are totally unscientific and fallacious.

15. Scenarios for the future of India, and the world

Source- The post is based on the article "Scenarios for the future of India, and the world" published in The Hindu on 6th December 2022.

Syllabus: GS3- Indian economy and development

Relevance– Scenario of economic growth and development

News- The article explains the possible scenarios for growth and development of the Indian economy. It also explains the choice of developmental model that should be promoted by India at global level.

Making predictions of the economic growth of nations is a lucrative industry employing many economists, researchers, analysts, and commentators.





Created with love ♥ by ForumIAS- the knowledge network for civil services.

What are the scenarios of India's future predicted by the WEF and CII report called 'India and the World: Scenarios to 2025'?

It projected three scenarios of India's future-

First scenario— It looked deeper within India's current reality at that time.It revealed forces which would dampen growth in the future if not responded to in good time. The opening of India's economy had created more opportunities for private enterprises. There was rapid increases in the wealth of the top 1%. Millionaires were multiplying.

While **entrepreneurial spirits** were unleashed, signs of their increasing frustration were also visible. Violence was increasing. It was not restricted to rural, and Naxal areas. Urban crimes were also increasing.

Second scenario— It showed **increasing inequality and insecurity**. It could compel the government to impose controls on politics for security and also play a larger role in the economy without adequate resources. A heavy-handed government would weaken India's democracy and stall its economy.

Third scenario— It was more attractive. Here, the changes that people need are produced by them. They are led by local leaders based on local production and consumption. Such enterprises use local resources and local energies.

They are more **sustainable than top-down, large-scale programmes**. If **India**'s policymakers pursued this model of change, economic growth would be more **inclusive**, more **environmentally sustainable**, and faster too.

What is the situation around the world today?

There are tensions within wealth driven economic growth the world has pursued in the last 30 years. **Increasing inequality and insecurity** around the world have resulted in reactionary forces in many countries, including China and Russia amongst the BRICs. They have appeared in India too.

Inequalities have further increased. **Top-down solutions** to the global environmental crisis are producing only more hot air. Violence between powerful countries deploying the latest technologies is harming millions of innocent people around the world.

Which model India should promote at G-20?

It must promote the choice that revolves around **local systems solutions** for environmental and economic problems, cooperatively implemented by communities. This model solves global systemic problems. It also creates a more **harmonious world**.

It must also adopt the "Gandhian" approach to promote this choice.

16. Fixing gas prices

Source—The post is based on the article "Fixing gas prices" published in the Business Standard on 6th December 2022.

Syllabus: GS3- Infrastructure- Energy **Relevance**- Petroleum and gas sector

News- The article explains the issue of gas pricing in India.

What are the commendations of Kirit Parekh for gas pricing?

It has suggested a cap of \$6.5 per million British thermal unit(btu) as a ceiling and a floor of \$4 per million btu on gas supplies from ONGC and Oil India older fields. It also applies to administered price mechanism gas.

What is the current mechanism for gas price in India?

Gas prices are adjusted every six months in India in line with international pricing benchmarks.





It is pegged to oil or substitute fuels. India current gas pricing formulae are pegged to international benchmarks like **US Henry Hub and Russian and Canadian domestic gas** rates. It brings them close to markets.

What is the rationale behind the recommendations of this committee?

Domestic gas prices will be linked to 10% of the cost of crude oil imported into India.

The reason for altering the peg is that gas now costs more than oil. In such a situation, industries and households move to alternatives like naphtha and fuel oil.

It does not matter much in **mature markets**. But, in the case of India, it has invested large sums in gas transmission pipelines, LNG import terminals and city gas networks. This can become a cause of concern.

India allocates scarce APM gas to fertilizer plants and city gas facilities. It depends on **imported LNG** for over half its needs. This ratio will increase in the near future due to government policies.

What is the way forward for gas pricing?

Oil and gas exploration is an expensive and high-risk business. Investors expect pricing freedom and policy certainty to protect their investments.

Therefore, it is important to provide **pricing freedom and policy certainty** at all times.

If the government wants to prevent **supernormal profits** during periods of high prices, a **transparent windfall tax** could be an option.

17. The Great Jobs Hunt – Too few Indians are seeking work and mostly among those working quality of employment isn't great

Source: The post is based on the article "The Great Jobs Hunt - Too few Indians are seeking work and mostly among those working quality of employment isn't great" published in The Times of India on 7th November 2022.

Syllabus: GS – 3 – Employment.

Relevance: About the quality of employment.

News: India's faster GDP growth does not translate into good quality jobs. Further, India does not also have timely and reliable job data.

About India's unemployment rate

The government's quarterly urban **Periodic Labour Force Survey (PLFS)** and Centre for Monitoring the Indian Economy's **Consumer Pyramids Household Survey** peg India's unemployment rate at 7. 2% and 8% as of September and November 2022 respectively.

This means that around 3.5-3.9 crore Indians of the working age population, who are willing and able to search for jobs, are not getting jobs.

These are two large-scale datasets. But these surveys do not mention, a) Unemployed persons who are not looking for jobs, b) About the quality of jobs and their productivity. For instance, disguised unemployment is completely neglected in these surveys.

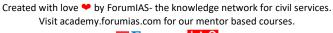
Read more: India's big problem of low-quality employment

What is the ground reality of India's quality of employment?

Low labour force participation rate (LFPR): The LFPR in India is currently around 46%. So, for every 100 Indians of working age, a staggering 54 are not participating in the labour force. On the other hand, in 2021, the LFPR for Brazil was 58% and for all the OECD countries the ratio was 60%.

Low female labour force participation: India's female LFPR is just 19%. This is even lower than in Saudi Arabia.

Youth unemployment: It has increased steadily. For instance, the ratio stood at 22% in 2019 and was 28% in 2021 as compared to 18% in 2010.





Increase in farm employment: The PLFS indicates 46.5% of the labour force works in the agriculture sector today as compared to 42.5% in 2019. Agricultural employment increased by 3.4 crores while industry and services employment only grew by 93 lakh.

Overall, India might be the only developing country that is pushing people back to agriculture.

Decrease in salaried employment: Regular salaried employees have dropped from 24% in 2018-19 to 21% in 2020-21.

More subsidy per job: The government plans to create around 8 lakh jobs over the next five years through the Production Linked Incentives schemes. Overall, the estimated cost of government subsidies will be Rs 2 lakh crore, amounting to Rs 25 lakh per job created. This is an enormous subsidy per job.

The youth's response to the army's Agnipath Scheme reinforces the failure of India's job creation programmes.

Read more: The employment-income crisis

What should be done to improve the quality of employment?

Government, private sector, and civil society must come together to find a sustainable way to create more and better jobs.

18. Talk about coal – India must consider energy transition partnerships

Source: The post is based on the article "Talk about coal – India must consider energy transition partnerships" published in Business Standard on 8th December 2022.

Syllabus: GS 3 – Infrastructure

Relevance: Just Energy Transition Partnerships and India

News: The Indian government has refused to accept JETPs and phase out its coal dependence due to the concerned stakeholders involved and the need of coal-based energy for the growth of the nation.

What is Just Energy Transition Partnerships (JETPs)?

It is a major option for large developing economies that want to shift from coal dependence.

A JETP for the South African coal sector was announced last year at the CoP-26 with an \$8.5-billion initial commitment from foreign governments and donors to pay for the costs of its coal phase-down.

Indonesia has also announced setting up a JETP for its own coal sector that will mobilise global financing of \$20 billion.

What is the stand of the Indian government?

The **Indian government is not ready to accept JETP** for its coal sector. Instead, the focus of the government is on funding renewable energy.

This is because **renewable energy** is a mature sector in the country and it is easy to get private finance from the global market. The constraints with renewable energies in India are regulatory and technological not financial.

What can be the course of action?

It is not clear why India is stepping away from JETP because it would provide India with the required finance to bail-out the coal dependent power sector.

Therefore, the government should come up with a mechanism that estimates the costs and benefits of a JETP and come up with a clear financing proposal that will ensure an equitable transition away from coal power in India.





19. <u>Greening of the GST – The environmental dimension of taxes must rank high in any rate rationalisation exercise</u>

Source: The post is based on the article "Greening of the GST – The environmental dimension of taxes must rank high in any rate rationalisation exercise" published in the Business Standard on 8th November 2022.

Syllabus: GS – 3 – changes in industrial policy and their effects on industrial growth.

Relevance: About greening the GST.

News: As the Goods and Services Tax (GST) has stabilised after the pandemic, it is time for rate rationalisation. This will help in both revenue buoyancy and a simpler rate regime. Further, India can also think of greening the GST.

What are the various reforms proposed for reforming GST?

A committee on Dual Control, Threshold and Exemptions was created by the earlier empowered committee of state finance ministers. This committee recommended a) India should move towards a three-tier rate structure. Such as 1) Merit rate at 8%, 2) Standard rate at 16%, and 3) Demerit rate at 30%, b) The GST exemptions need to be broadly phased out. Such as including aviation turbine fuel and natural gas in the GST net. India should create a limited list of items under exemptions.

Read more: Taking stock of five years of GST

What are the other changes required for greening the GST?

Reform the coal sector: 1) The government should limit the use of cess on coal for GST compensation to states. Instead, the government has to use the amount in pursuing cleaner coal technologies, **2)** India's increasing coal demand should be met by deep coal mining instead of open-cast mining. This is because coal from deeper layers emits less carbon dioxide per unit.

Utilise plastic waste: 1) Incentivise plastic scrap usage in road constructions and establish alternative usage for recycled plastic waste, **2)** Create tax incentives, especially GST incentives, for promoting plastic waste recycling, **3)** Setting up a technology mission to promote plastic recycling and finding alternative usage for recycled plastics.

All these will make the policy ban on plastics more effective.

Promoting renewables: 1) Bringing down the GST rates on a range of components, consumables and spares used by the renewable sector, 2) An expert committee can be set up with the Ministry of Environment, Forest and Climate Change and representations from the Ministry of New and Renewable Energy to jointly provide a green rating for all the equipment that helps in the promotion of the renewable sector.

How do these changes help in evolving GST?

The above changes will ensure that **a)** The merit rate also has an environmental dimension. Thereby influencing the allocation of resources, and **b)** Fixing the rate for individual items becomes more transparent and based on broad principles.

Read more: Has GST reduced inter-state disparities?

India needs to remember that Greening the GST is only a small step in India's fight against climate change.





20. A green tax would help augment government revenue

Source: The post is based on the article "A green tax would help augment government revenue" published in the Livemint on 8th November 2022.

Syllabus: GS – 3 – changes in industrial policy and their effects on industrial growth.

Relevance: About levying a green tax.

News: The government has been looking at different ways of augmenting its revenues in its fight against climate change. Levying a green tax is one such move.

Why does India need to levy a green tax?

- 1) India's top 4,000 odd companies had a combined turnover of roughly ₹100 trillion in 2021-22. On average, if the green tax rate is, 0.5% of turnover, the government can rake in an amount of ₹50,000 crores annually.
- 2) As the government is already planning to issue green bonds for projects that are environmentally compliant, a green tax would complement this effort.
- 3) Make businesses pay for the damage caused to the environment.
- **4)** Some companies have been observed to indulge in 'greenwashing' just to meet CSR obligations. A separate tax would defeat greenwashing.

Must read: Green Bonds: Benefits and Challenges - Explained, pointwise

What India has to do before levying a green tax?

Every economic activity adds its bit to pollution and can be brought under the tax net. The Centre needs to **commission research agencies** to independently evaluate the emissions of all industries and **set standards** for the same.

No need to be uniform: The green tax need not be uniformly applied, and its rate could vary from 0.1% to 2%, depending on the industry concerned. As the sales of these companies or industries grow, they would automatically yield higher revenues to the government.

Focus on industrial groups: Ideally, India's green tax should be levied on a company based on emissions that can be measured. As it is difficult to assess, India can slot companies into industry groups and levy taxes on them.

Focus on consumer: Consumers of products and services that are environmentally unfriendly should be made accountable and should pay for the same. For instance, levying green tax on older vehicles.

Read more: Green tax on vehicles older than 15 years

21. Net zero transition for \$7 trillion

Source—The post is based on the article "Net zero transition for \$7 trillion" published in the Business Standard on 9th December 2022.

Syllabus: GS3- Environment

Relevance- Issues related to climate change and global warming

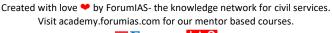
News– The article explains the efforts put by various sectors to achieve the goal of net zero emissions by 2050.

What is contained in the BloombergNEF report?

BloombergNEF modelled a path to global **net zero by 2050**. It found that annual investments need to jump to \$7 trillion to limit warming to 1.77 degrees Celsius above the **pre-Industrial Revolution** levels.

Electric vehicles and low-carbon power present the biggest investment opportunities, followed by **power grids**. Money is also needed to flow to **carbon capture and storage**, advanced nuclear technologies and hydrogen.

Demand for lithium in 2050 is predicted to be around 17.5 times the total demand in 2020.





What is the case of solar manufacturing?

India's decarbonisation journey depends on solar power. **Local panel manufacturing** received another boost with the government's recent approval for the second tranche of subsidies worth Rs 1,950 crore. BNEF sees the possibility of an oversupply of modules if all planned production facilities come online.

The US is on its own journey of **incentivising local manufacturing of solar panels**. Other countries such as Brazil are also in the same league.

The case for supporting a **local supply chain** of panels is stronger in countries that have high annual installations. Seven countries are in the 5,000 megawatts or above bracket this year. Another 10 are added if the cut-off is 2,000 MW.

What is the case of electric vehicles?

Electric vehicles are accelerating towards an era of super-charged growth. The world's two largest car markets will be in the lead. These are China and the US.

Every fourth car sold in the US will be electric in the next three years. China and several European countries are already seeing EVs account for around 25% of new car sales.

As many as 66 national and regional governments are committed to selling only EVs and completely phasing out **conventional internal combustion engine** vehicles. Another set of countries has committed to accelerate the transition to 100 per cent clean cars by signing the **Zero Emission Vehicles Declaration**, including India and Kenya.

Two- and three-wheelers lead the vehicle **electrification wave** in India. In the first nine months of this year, 44 electric two-wheelers were launched with an average range of 117 kms. **Start-ups** continue to be the main players in this segment.

Passenger EV launches in 2022 have centred on premium segments. This is expected to continue in the near term until automakers can offer an affordable small electric car in the **supercompetitive market**.

What is the case of electric aviation?

The **electric aviation industry** is still at an early stage. There has been a recent surge in orders from aircraft operators for **small battery-electric or hybrid-electric machines**. According to BNEF, close to 1,000 electric aircraft have been ordered from various manufacturers.

Developers aim to make their aircraft **commercially available** by 2030. However, the commercial launch of such aircraft needs to overcome **technical hurdles** and complete the lengthy and costly process of type certification.

Leading developers include Heart Aerospace and Aviation. No electric aircraft are currently commercially available except for Pipistrel's Velis Electro.

22. Let's reflect on what'll make India a developed country

Source: The post is based on an article "Let's reflect on what'll make India a developed country" published in **Live Mint** on **9**th **December 2022**.

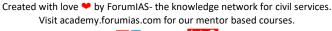
Syllabus: GS 3 - Economic Development

Relevance: characteristics of a developed nation

News: The External Affairs Minister S. Jaishankar during his recent United Nations General Assembly speech has told the world about India's ambition to become a developed country by 2047.

How is a country considered developed?

There is no exact definition of a developed country. The World Trade Organization (WTO) has no technical classification for a country's stage of economic development.





Countries are generally considered developed based on the size of their GDP, per capita income of their citizens along with the presence of high-quality infrastructure.

However, members of the Development Assistance Committee (**DAC**) grouping of OECD is generally considered to be among the world's most developed countries.

Therefore, India to be called a developed country can refer to the parameters adopted by the countries of DAC.

What are the characteristics of the countries of DAC?

First, most of these countries are home to the world's **largest multinational corporations**. These MNCs earn a huge amount of money contributing to the GDP of the nation.

Second, these countries are **net exporters** of high technology, high value goods and services. This helps most of them run a current account surplus and invest in research, improving their factor productivity and profits.

Third, these countries have large **multinational banks**. These big banks provide cheap credit access to the people and business which in turn helps in the growth of the countries.

Fourth, currencies of these countries have global value. This helps the central bank of those countries to influence the capital flows across the globe through various monetary policies.

Fifth, these countries have **active citizen groups** that help organize their economies. The citizens of these countries understand their responsibilities in nation-building and take up the responsibility actively.

Sixth, these countries have successfully **eradicated absolute poverty** and provide some form of minimum living standard to their citizens like basic health care, unemployment benefits, etc.

What is the way ahead for India?

India is on the path of achieving the characteristics of a developed nation in the coming 25 years. However, this can only be possible if proper strategies are adopted along with the collective efforts of its citizens.

23. Defence industry perks up: India's decades-old ambition and its paradoxes

Source: The post is based on the article "Defence industry perks up: India's decades-old ambition and its paradoxes" published in the Business Standard on 10th December 2022.

Syllabus: GS3- Security

Relevance: Issues related to defence manufacturing

News: The article explains the scope of defence production in India. It also explains the challenges faced by the defence production sector.

What is the current situation of defence manufacturing in India?

India is the **second-largest importer** of defence hardware.

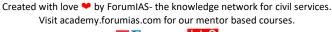
India has the third or fourth-largest budget for **defence research and development**. The money spent is a lot less than by either the US or China. It is bigger than the defence R&D budgets of the UK, Germany, and France, all of which make frontline defence weaponry in a way that India does not.

In fact, for leading public sector defence companies in **aerospace and electronics**, R&D has accounted for a bigger share of total expenditure than the international average.

Defence production has been more or less static in dollar terms. This is also the case with **defence exports**.

What are some steps taken by the government for boosting defence manufacturing?

The government is **opening up** the defence sector to private manufacturing. The finance minister in her last Budget speech said that a quarter of **defence R&D spending** funded by the government would be done by private industry and in non-government institutions.





The <u>C-295 transport aircraft</u> will be made by a Tata-Airbus joint venture. **Howitzers** are being made by Larsen & Toubro and Bharat Forge.

On the **R&D** front too, the government has set up a **Defence Innovation Organisation**. Its executive arm has funded well over a hundred R&D projects in the field of **drones**, robotics, artificial intelligence, and advanced materials.

In addition, some **start-ups** produce dual-use products for image recognition, wearable technology, and the like.

What are the issues faced in defence production?

The **defence procurement system** remains a stumbling block for many. The armed forces take too long to accept products based on domestic R&D.

The standard practice of going for the cheapest bidder does little to encourage vendors who have developed technology with government funding.

What is the scope for defence production in India?

Production-linked incentive scheme has just been announced for the manufacture of drones and drone components might make a difference.

Private participation in defence exports: Tesla is said to have shown interest in locally developed materials technology for the **faster charging of batteries**. Two companies have won export orders for the **Pinaka rocket firing system**. Malaysia signed a memorandum of understanding with Hindustan Aeronautics for the **Tejas fighter** this year.

The government no longer claims ownership of the **intellectual property** created with government-funded research. Companies are therefore better positioned to raise capital for moving to the production stage. **Defence Research and production** could emerge as a genuine export story for India.

