

9 PM Current Affairs Weekly Compilation

For UPSC CSE mains examination



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Features :

Arranged as per syllabus Topics
Most complete coverage of major
News Papers editorials

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Efficient solar panels choices determine future of truly green fuels

Source: The post Efficient solar panels choices determine future of truly green fuels has been created, based on the article “Why the world needs better green technologies” published in “The Hindu” on 1st August 2025

UPSC Syllabus Topic: GS Paper3- Science and Technology- developments and their applications and effects in everyday life. And Environment

Context: As the world accelerates its shift to sustainable energy and aims for net-zero goals, silicon photovoltaics dominate current solar solutions. However, concerns about their efficiency, land use, and indirect effects on green hydrogen and other clean fuels are prompting discussions on the need for more advanced and diverse energy technologies.

For detailed information on **Fuelling a truly green transition** [read this article here](#)

Limitations of Silicon Photovoltaics

1. Origins and Present Dominance: Silicon solar panels, first developed in 1954 by Bell Labs and later adopted for terrestrial use, now dominate global solar installations. Around 80% of these panels are produced in China, with India having a growing domestic capacity of 6 GW.

2. Efficiency Constraints: Current panels show 18–21% laboratory efficiency and 15–18% in-field performance. This lower efficiency means larger land areas are required to meet energy demands, making silicon photovoltaics less ideal in space-constrained or environmentally sensitive regions.

3. Rising Energy Demand vs Solar Capacity: Despite widespread installation—4.45 TWh by end-2024—atmospheric CO₂ levels have continued rising (from 350 ppm in 1990 to 425 ppm in 2025). This indicates that the current renewable expansion is lagging behind growing energy needs.

Impact on Green Hydrogen and Derivatives

1. Basics of Green Hydrogen: Green hydrogen is produced by electrolyzing water using renewable electricity. It emits no greenhouse gases when used. However, producing it consumes more energy than it yields, raising efficiency concerns.

2. Storage and Transport Challenges: Hydrogen's low density makes storage and transport difficult, with high risks of leakage. To overcome this, it is often converted into green ammonia or methanol, which are easier to transport.

3. Energy Penalty Across the Chain: Each step—electrolysis, conversion, transport, reconversion—adds energy cost. Since silicon photovoltaics start the chain with low efficiency, the net greenness of green hydrogen is reduced. Thus, the foundational inefficiency compromises the overall sustainability.

Exploring Next-Generation Alternatives

1. Advanced Photovoltaics and Efficiency Gains: Other technologies, such as thin-film gallium arsenide cells, have achieved up to 47% efficiency and are nearing commercialization. Higher efficiency cells reduce land requirements and offer more energy output per unit area.

2. Artificial Photosynthesis and Direct Fuel Creation: Scientists are developing artificial photosynthesis (APS) methods that mimic plants to create fuels directly from water, sunlight, and CO₂ or nitrogen. Though still in labs, APS holds promise for direct, low-impact fuel generation.

3. RNBO and Global Innovation Trends: Europe is advancing ‘Renewable Fuels of Non-Biological Origin’ (RNBO), which exclude biomass in favor of renewable energy and feedstocks. India, still dependent on imports for 85% of its energy needs, must explore similar innovation paths.

Strategic Pathways for India

- 1. Energy Independence as a National Priority:** Geopolitical conflicts and disrupted global supply chains make energy self-sufficiency crucial. Investing in diversified and efficient energy technologies is essential to secure India's future.
- 2. Public-Private R&D Push:** India should enhance R&D spending in clean energy technologies through government and private partnerships. This includes support for high-efficiency solar cells, APS, and RNBO.
- 3. Cost-Benefit of Prevention:** Investing ₹1 crore in pollution prevention today could avert significantly higher future damage costs. Proactive innovation in energy is not only an environmental necessity but also an economic strategy.

Question for practice:

Discuss how the limitations of silicon photovoltaics affect the overall sustainability of green hydrogen and other clean fuels.

India balances Russia ties and US pressure with caution

Source: The post India balances Russia ties and US pressure with caution has been created, based on the article "How to duck the US-Russia crossfire" published in "Businessline" on 1st August 2025

UPSC Syllabus Topic: GS Paper2- Effect of policies and politics of developed and developing countries on India's interests.

Context: The U.S. has imposed a 25% base tariff on Indian goods, with threats of higher penalties over India's ties with Russia and BRICS. With bipartisan support for a tough Russia Sanctions Bill, pressure is building on countries like India to rethink their strategic and energy ties with Moscow.

Rising U.S. Pressure and Legislative Tools

- 1. Tariff Threats and Sanctions Bill:** President Trump has imposed a 25% base tariff on Indian goods. He also warned of additional tariffs due to India's energy deals with Russia and involvement in BRICS. The proposed Russia Sanctions Bill plans to penalise countries with strong ties to Moscow through 100–500% tariffs and specific restrictions.
- 2. Use of U.S. Sanctions Laws:** The U.S. uses several laws to implement economic pressure globally. These include CAATSA (Countering America's Adversaries Through Sanctions Act), IEEPA, the Global Magnitsky Act, the Iran Sanctions Act, and others. These laws are enforced by government departments like the Treasury (OFAC), Commerce (BIS), State, FinCEN, and Justice.
- 3. Indian Energy Trade Under Scrutiny:** India's imports of Russian oil rose from 2% to over 40% between FY22 and FY24, saving ₹35,000 crore. India settled many payments in rupees and dirhams, avoiding the U.S. dollar and SWIFT system. This move, while economically beneficial, has made Washington uncomfortable.
- 4. Quiet Financial Alternatives:** India is exploring alternatives to the dollar such as rupee-ruble trade, BRICS Pay, and the RuPay-MIR card interface. These aim to bypass the dominance of the U.S. financial system and allow smoother transactions with Russia and BRICS partners.

India's Strategic Autonomy and Balanced Diplomacy

- 1. Pragmatic Foreign Policy Approach:** India avoids binary choices. While deepening ties with the U.S. through QUAD and I2U2, it retains strong engagements with Russia in energy, defence, and space. Simultaneously, it builds relations with Europe, East Asia, ASEAN, and the Global South.

2. **Navigating U.S.-Russia Rivalry:** India emphasizes development-linked exemptions, energy security, and global governance participation. It neither capitulates to Western pressure nor displays open defiance.

3. **Multi-Aligned Engagements:** India balances diverse partnerships—signing tech and defence pacts with the U.S. while maintaining legacy defence deals with Russia. This strategy upholds autonomy and avoids bloc-driven politics.

4. **Resilience Through Industrial Diplomacy:** Efforts like Make in India, PLI schemes, and indigenisation in defence highlight India's goal to strengthen industrial and economic sovereignty amid global shifts.

Policy Responses to U.S. Sanctions Threat

1. **Strengthening Financial Independence:** India must accelerate rupee-based international trade with Russia, UAE, and Sri Lanka. Fast-tracking a dollar-neutral reference rate mechanism will enhance trade resilience.

2. **Diversifying Energy and Trade Partners:** To limit over dependence, India should build strategic ties with West Asia, Africa, Latin America, and BRICS nations, securing and diversifying its supply chains.

3. **Defending Sovereign Economic Rights:** India must challenge unilateral sanctions using international legal platforms, stressing the illegality of extraterritorial penalties not backed by global consensus.

4. **Building Mutual Economic Stakes:** Joint ventures in defence manufacturing and semiconductor partnerships with countries like the U.S., Japan, and Taiwan can serve as deterrents against coercive policies.

5. **Maintaining Narrative Neutrality:** India should continue interest-based, issue-specific diplomacy while remaining neutral in polarised geopolitical narratives.

Upholding India's Global Role and Norms

1. **Realism Anchored in International Law:** India's foreign policy should blend realist strategy with commitment to international rules. This approach legitimises its multi-alignment while resisting unilateral dictates.

2. **Projecting Developmental Sovereignty:** India must continue positioning itself as a sovereign actor with a responsible voice, pursuing balanced ties to protect its strategic and developmental interests.

Question for practice:

Examine how India is balancing its strategic autonomy amidst rising U.S. sanctions pressure over its ties with Russia.

NEP 2020 transforms early education in government schools

Source: The post NEP 2020 transforms early education in government schools has been created, based on the article “Transforming early childhood care and education” published in “The Hindu ” on 1st August 2025

UPSC Syllabus Topic: GS Paper2- Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.

Context: The National Education Policy (NEP) 2020 has initiated a major transformation in Early Childhood Care and Education (ECCE) in India. Historically limited to Anganwadis in the public sector, ECCE is now expanding into government schools, aiming to address inequity and enhance the quality of preschool education nationwide.

For detailed information on **National Education Policy 2020 – Significance & Challenges** [read this article here](#)

Structural Expansion of ECCE

1. Inclusion of Preschool in Government Schools: NEP 2020 introduces preschool classes (Balvatika 1–3) in government schools for children aged 3–6. This expansion breaks the earlier norm where public education began at Class 1, thereby promoting educational equity.

2. Anticipated Growth in Infrastructure: India's ECCE infrastructure, long stagnant with about 14 lakh Anganwadis, is set to grow as government schools now begin to accommodate preschoolers. This shift will significantly increase the number of public ECCE centres.

3. Implications for Human Resources: The expansion demands increased financing, recruitment, and training of ECCE professionals. Effective personnel management will be essential for delivering quality education.

4. Budget Allocation and State Response: The Ministry of Education has begun funding ECCE through Samagra Shiksha. While some States and UTs have initiated preschool classes, others have either not started or have only partially used the funds, limiting progress.

Shift from Anganwadis to Schools

1. Educational Emphasis over Nutrition: There is a noticeable move towards prioritising education over health and nutrition in ECCE. This is evident in UTs like Dadra and Nagar Haveli and Daman and Diu, where preschool classes have been introduced in all primary schools.

2. Parental Preference for Schools: Parents increasingly choose schools over Anganwadis for children aged 4–6, perceiving better education opportunities. This shift endangers the traditional identity of Anganwadis as early childhood hubs.

3. Need for Anganwadi Adaptation: To remain relevant, Anganwadis must integrate education as a core service. The 'Poshan bhi Padhai bhi' initiative from the Ministry of Women and Child Development aims to address this, but its success hinges on proper ground-level implementation.

4. Avoiding Over-Schooling in Preschools

Government schools must guard against excessive 'schoolification'. Play-based learning must remain central to preschool education to ensure holistic skill development beyond early literacy.

Reorienting Anganwadi Focus to 0–3 Year Olds

1. Significance of Home Visits: Global and Indian research highlights the developmental importance of home visits for children aged 0–3. The 'Perry Preschool at 50' study in the United States and a Yale University–Pratham study in Odisha demonstrate that home-based early interventions can yield long-term cognitive and behavioural benefits.

2. Policy Recommendations Supporting Shift: Policymakers such as **Dr. V.K. Paul**, Member of NITI Aayog, and **N.C. Saxena**, retired IAS officer and former Planning Commission member, have long advocated focusing on infants and toddlers within the **Integrated Child Development Services (ICDS)** framework. They stress the need to prioritise the early years due to their lasting impact on human development.

3. Operational Constraints: Despite such recommendations, overburdened Anganwadi workers often focus on the 3–6 age group physically present at centres. This leaves limited time and energy for conducting home visits for 0–3 year olds and supporting pregnant or lactating mothers.

4. A Unique Opportunity for Transformation: If government schools continue to take over the education of 3–6-year-olds, the Anganwadi system can redirect its core function to 0–3-year-olds and maternal health. This realignment, already envisioned in **NEP 2020**, can mark a transformative change in India's early childhood care model.

Question for practice:

Discuss how the National Education Policy 2020 is reshaping Early Childhood Care and Education in India through structural shifts in preschool expansion, Anganwadi roles, and emphasis on home-based interventions.

India's Digital Sovereignty Compromised in UK Trade Deal

Source: The post India's Digital Sovereignty Compromised in UK Trade Deal has been created, based on the article "What has been missed is India's digital sovereignty" published in "The Hindu" on 2nd August 2025

UPSC Syllabus Topic: GS Paper3- Effect of policies and politics of developed and developing countries on India's interests.

Context: The India-UK Free Trade Agreement (FTA), praised as a 'gold standard' by Commerce Minister Piyush Goyal, raises serious concerns over key concessions in the digital sector. Despite its deep implications, the agreement's impact on India's digital sovereignty has gone largely unexamined.

For detailed information on **India-UK Free Trade Agreement 2025** [read this article here](#)

Undermining India's Digital Sovereignty

1. Reversal of Key Policy Positions: India has abandoned core digital policy stances long held at global forums like the WTO. Even the U.S., once a strong advocate of such provisions, has reversed similar positions in recent years.

2. Long-Term Consequences of Digital Rules: Digital trade agreements are not like commodity deals. They involve rule-making that locks countries into long-term frameworks. Reversing such rules later is extremely difficult.

3. Absence of Political Pushback: Unlike agriculture or manufacturing, digital sovereignty lacks a vocal domestic constituency. This absence has allowed serious concessions to pass without political resistance.

Critical Concessions on Source Code Access

1. Loss of Pre-Access Rights to Source Code: India gave up the right to demand source code access before approving foreign digital products, even in sensitive sectors like AI, telecom, and health. Only post-facto access for investigations is allowed.

2. Contrast with Global Practice: Earlier U.S.-led agreements excluded software for critical infrastructure. Even mass-market software had exceptions. In contrast, the India-UK FTA bans source code access for *all* software.

3. Impact on Regulation and Safety: This limits regulators' ability to inspect embedded software for safety, security, and compliance. It also prevents timely upgrades, weakening India's control over digital systems.

Surrendering Access to National Data

1. Conceding Open Government Data: India has granted equal access to Open Government Data for UK entities. Although non-binding, this signals a shift in how India views its national data assets.

2. Risks to AI and National Security: Data is the foundation of AI. Allowing foreign access undermines India's ability to build its own AI solutions and poses risks of data misuse.

3. Disconnect with National Goals: This concession contradicts India's stated ambition to become a global AI leader. It jeopardises the digital advantage India could have developed using its own data.

Weakening India's Data Governance Stand

1. Risky Clause on Data Localisation: India agreed to consult the UK if it offers better data terms to another country. This weakens India's longstanding position on data localisation.

2. Opening Doors to Future Pressure: Such clauses create vulnerabilities in future deals. Other countries may demand similar treatment, reducing India's policy flexibility.

3. Ignoring Global Policy Shifts: Even the U.S. has stepped back from pushing free data flow. India's move seems uninformed by these recent global changes.

The Need for a Coherent Digital Strategy

1. Lack of Digital Industrialisation Plan: India appears unprepared. It lacks a defined roadmap for becoming a digital power and is reacting without strategic clarity.

2. Need for Clear Policy Framework: India must urgently create a digital sovereignty and industrialisation policy to guide trade negotiations and digital decisions.

3. Inclusion of Experts in Negotiations: Trade negotiators should work with digital experts who can represent national interests and escalate critical issues to top leadership.

Question for practice:

Discuss how India's digital trade concessions in the UK FTA affect its digital sovereignty and long-term interests.

Mangroves safeguard coasts and power sustainable growth

Source: The post Mangroves safeguard coasts and power sustainable growth has been created, based on the article "The fact is mangroves drive business" published in "The Hindu" on 2nd August 2025

UPSC Syllabus Topic: GS Paper3- Environment

Context: Mangroves are crucial for coastal protection, fisheries, and climate resilience. Yet, they remain sidelined in planning and policy. Their decline threatens natural infrastructure and economic stability. In a time of increasing climate risks, mangroves must be reimagined as assets for sustainable growth and security.

Recognising Mangroves as Natural Capital

1. Undervalued Economic Role: Mangroves provide billions in ecosystem services, including buffering coastal cities and supporting marine life. Despite their value, they are rarely included in economic assessments or policy decisions.

2. Quantifying Ecosystem Services: Valuations highlight their worth. Mangroves in Pichavaram (Tamil Nadu) are valued at ₹3,535 million, while the Sundarbans (West Bengal) reach ₹664 billion. Carbon sequestration in the Sundarbans is worth ₹462 million annually, showing their vital ecological and economic role.

Technology for Mapping and Restoration

1. Advanced Monitoring Tools: Satellite and drone data, enhanced by geospatial AI, improve mangrove mapping and blue carbon estimates. These insights are essential for policy design and restoration planning.

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2. Community Inclusion in Data Efforts: Local communities with deep ecosystem knowledge must be recognised. Their livelihoods depend on mangroves, and they must be socially and economically included in decision-making.

Community-Led Conservation

- 1. Fisherfolk and Livelihoods:** Mangroves act as fish nurseries, supporting sustainable fisheries. Coastal livelihoods are closely tied to healthy mangrove and estuarine ecosystems.
- 2. Urban Ecosystem Challenges:** In cities like Mumbai and Chennai, mangroves suffer from pollution and degradation, harming biodiversity and livelihoods. Empowered communities that see direct benefits become lasting stewards.
- 3. Alternative Livelihoods:** Mangroves can support aquaculture, beekeeping, and eco-tourism. Models like Eco-Development Committees (EDCs) and Joint Forest Management Committees (JFMCs) can be adapted for urban contexts.

Citizen Science and Monitoring

- 1. Local Engagement:** Training community members to monitor ecosystems can support or even replace formal monitoring. Mangrove health depends on river systems, sediments, and wetland linkages.
- 2. Health Indicators:** Monitoring tools should assess mangrove area change, freshwater flow patterns, species diversity, and community dependence and perceptions.

Platforms for Sustainable Stewardship

- 1. Collaborative Engagement Models:** Initiatives like “Mangrove Mitras” engage people in mangrove conservation. These platforms rebuild connections between people, wetlands, rivers, and mangroves.
- 2. A Coalition Approach:** Mangrove health and human well-being are interconnected. Conservation must be a coalition of science, business, and community voices, treating mangroves as vital climate infrastructure.

Question for practice:

Discuss how mangrove ecosystems can contribute to sustainable development and climate resilience.

India has a long and proud democratic tradition

Source: The post India has a long and proud democratic tradition has been created, based on the article “A democracy grown at home” published in “Indian Express” on 2nd August 2025

UPSC Syllabus Topic: GS Paper2- Constitutional value

Context: Prime Minister Narendra Modi’s speech in Gangaikonda Cholapuram on July 27 reignited national pride in India’s ancient democratic legacy, particularly referencing the Chola-era electoral system in Uthiramerur. His remarks challenge the narrative that democracy in India is a colonial import, instead highlighting its deep civilisational roots.

Rediscovering India’s Indigenous Democratic Traditions

- 1. Democracy Before the West:** PM Modi asserted that Indian democracy existed long before the Magna Carta. The Chola-era village of Uthiramerur demonstrated an organised voting system with defined rules and accountability, showing how deeply democracy was embedded in Indian tradition.

2. Historical Evidences Across Eras: Forms of participatory governance were evident from the fifth century BCE. Communities, villages, and tribal groups practiced decision-making through discussion. Kautilya's *Arthashastra* further mentioned samghas or local self-governing units.

3. Civilisational Pride in Democratic Practice: The historical reference is more than symbolic. It underscores democracy as part of India's civilisational identity, not a Western transplant.

Uthiramerur and the Chola Model of Elections

1. Comprehensive Electoral Framework: An inscription from 920 AD at the Vaikuntaperumal temple details the structure of wards, electoral qualifications, disqualification norms, committee formation, and even removal procedures. Villagers could recall elected representatives who failed their duties.

2. Ballot Pot System: A Transparent Method: The *kudavolai* or "ballot pot" system involved writing eligible candidates' names on palm leaves and drawing lots from a pot in public, by an impartial child. This ensured fairness and transparency in the process.

3. Representative Accountability: Elected members served one-year terms. Removal provisions were strict — any misconduct, including embezzlement or dereliction, led to disqualification for up to seven generations.

Strict Moral and Ethical Standards

1. Eligibility Grounded in Ethics: Candidates had to be between 35 and 70, own and live on tax-paying land, and be well-versed in scriptures or administration. These criteria ensured competence and community roots.

2. Disqualification Based on Conduct: Defaulters, alcohol users, and those involved in moral misconduct were barred from contesting. Even their close relatives were disqualified to uphold public integrity.

3. Higher Ethical Benchmarks: The system aimed to keep public life pure, contrasting sharply with today's reality where convicted politicians often return to office.

India's Democratic DNA

1. Beyond the Constitution: India's democratic ideals predate colonial rule, British Parliament, or the American Bill of Rights. Ancient republics like Vaishali and village democracies like Uthiramerur reflect a deep-rooted democratic culture.

2. Election Commission's Role: As the steward of the world's largest democratic exercise, the Election Commission must draw from this civilisational legacy to reinforce institutional trust.

3. A Timely Reminder: In a global era of democratic backsliding, recalling India's indigenous democratic roots affirms that its values of equity, participation, and accountability are homegrown and enduring.

Question for practice:

Examine how the ancient Chola electoral system reflects the core principles of modern democracy.

India must recognise repair as valuable knowledge

Source: The post India must recognise repair as valuable knowledge has been created, based on the article "The 'right to repair' must include 'right to remember'" published in "The Hindu" on 4th August 2025

UPSC Syllabus Topic: GS Paper2- Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Context: India's adoption of a **Repairability Index** and updated **e-waste policies** in 2025 marks a shift toward sustainable electronics. However, a deeper transformation is needed—one that values informal repair work not just as service but as **vital, culturally rooted knowledge** essential for resilience and sustainability.

For detailed information on **India's Repairability Index aims to make electronic items more durable** [read this article here](#)

Recognising Repair as Knowledge Work

1. Beyond Policy Compliance: The government is advancing policies on **repairability and recycling**, but repair must be seen as a **form of knowledge**, not only a consumer right.

2. The Invisible Repair Economy: India's informal repair sector—from **Delhi's Karol Bagh to Chennai's Ritchie Street**—sustains devices long after their designed lifespan. Yet, it remains **excluded from policy frameworks**.

3. Tacit Knowledge and Material Resilience: Repairers use **muscle memory, sensory cues, and improvisation** rather than manuals. Their skills ensure **material resilience** and must be preserved.

Why Tacit Knowledge Matters

1. Learning by Doing: Skills are transferred through **mentorship and observation**, not formal training. This tacit method fosters **adaptability and creativity**, which standardised systems often lack.

2. Under-recognised Contribution to AI: AI systems increasingly benefit from insights drawn from such hands-on labour. However, those who contribute this **foundational knowledge** remain **largely unrecognised**.

3. Global and Indian Repair Initiatives: The **EU mandates** repair access, while India launched a **Right to Repair framework in 2022** and a **national portal in 2023**. Yet, repair must be viewed as **knowledge production**, not just a service.

Policy Gaps in India's Digital Strategy

1. E-Waste Rules and Repair Oversight: India generated **over 1.6 million tonnes of e-waste in 2021–22**, becoming the **third-largest producer**. While the 2022 rules promote **Extended Producer Responsibility (EPR)**, they overlook **repair as prevention**.

2. Exclusion from Skilling Programmes: Schemes like **PMKVY** focus on industrial training. The improvisational nature of repair does not fit such frameworks, leaving informal repairers excluded.

3. Overlooked Workforce in Sustainability Campaigns: Campaigns like **Mission LiFE** encourage reuse but do not support the repairers who make this possible. **Policies risk sidelining them** while promoting circularity.

Repair as Sustainability and Design Principle

1. 'Unmaking' as Design Insight: The process of **disassembling, repairing, and reusing** reveals design flaws and reuse potential. Breakdowns become **feedback loops**, not failures.

2. Repairers at the Core of Circularity: They practice **daily reuse** and restoration, making circularity real. Recognising them reshapes our view of **innovation and sustainability**.

Aligning AI Policy with Repair Justice

1. Design for Repairability: Most modern gadgets are built for compactness, not repair. Only **23% of smartphones in Asia** are easily repairable. Design standards must embed **repairability from inception**.

2. Coordinated Institutional Action

Ministries can collaborate:

- **MeitY:** Add repairability to AI and procurement policy.
- **Consumer Affairs:** Expand Right to Repair with product classification.
- **Labour Ministry:** Use **e-Shram** to recognise informal repairers.
- **Skill Ministry:** Create training aligned with **tacit repair knowledge**.

3. Tech Tools for Knowledge Sharing: Decision trees and LLMs can structure and share tacit knowledge while preserving its context, enabling scalable learning.

A Human-Centred Repair Future

1. Valuing Embodied Labour: Repair work is **essential knowledge** that supports digital and material systems. Recognising it is key to a **just, inclusive tech future**.

2. Preserving the Non-Digital: As **Michael Polanyi, Hungarian-British scientist and philosopher**, observed, “We know more than we can tell.” By valuing what cannot be codified, we preserve the **human wisdom** vital to sustainable innovation.

Question for practice:

Examine how recognising informal repair work as knowledge can contribute to a sustainable and inclusive technological future in India.

India must simplify regulations to boost renewable energy growth

Source: The post India must simplify regulations to boost renewable energy growth has been created, based on the article “**For energy security, a redesign**” published in “**Indian Express**” on 4th August 2025

UPSC Syllabus Topic: GS Paper3-Infrastructure- energy

Context: India's energy security, once focused solely on fossil fuel access and affordability, now demands a broader approach. The country is navigating a dual-track transition—balancing fossil fuel dependency with its renewable energy ambitions—while targeting net zero carbon emissions by 2070.

For detailed information on **India's Energy Strategy** [read this article here](#)

India's Traditional Energy Strategy

1. Diversified Oil Imports: India has diversified its crude oil import sources. It notably resisted Western pressure by importing more Russian oil, reducing costs despite global crises like the Ukraine war and Gaza conflict.

2. Managing Fossil Fuel Demand: By focusing on demand management and energy efficiency, India has reduced the intensity of fossil fuel use per unit of GDP, improving overall energy sustainability.

3. Cost Benefits of Russian Crude: Between 2021–22 and 2024–25, Russian crude oil's share grew from 2.1% to 35.1%, lowering the average import cost by at least \$2 per barrel.

Progress and Challenges in Renewable Energy

1. Rapid Capacity Expansion: India's renewable energy capacity rose impressively from 19% to 49% of total electricity capacity (234 GW) in just five years. However, growth has recently slowed.

2. Transmission and Distribution Gaps: While generation has surged, the development of supporting infrastructure—like interstate transmission, storage systems, and distribution networks—lags behind.

3. The “Usable” Capacity Challenge: Generation capacity is not enough. Usability requires seamless grid integration, balanced distribution, and clear standards—highlighted by Spain's blackout caused by interconnectivity faults.

Regulatory Hurdles and Compliance Burden

1. Excessive Compliance Requirements: A TeamLease RegTech study cited by economist Swaminathan Aiyar notes 2,735 compliance obligations across 35 governments and 30 departments. Many relate to labour, land, environment, and safety.

2. Manual Processes and Bureaucratic Delays: Sixty percent of compliance requires manual form-filling and physical visits. Even a 1 MW solar plant may need over 100 clearances with frequent inspections, renewals, and certifications.

3. Comparison with Past Experiences: A past Shell fuel retail project in Mumbai needed 58 approvals and took 12 months—highlighting persistent red tape. Such delays risk derailing India's 2035 target of 500 GW usable renewable energy.

Structural Advantages of Renewable Sources

1. Unlimited Natural Inputs: Unlike fossil fuels tied to geology, renewable resources like sun and wind are abundant and accessible without structural constraints.

2. Viable Technology and Investor Interest: Solar and wind technologies are mature and economically viable, with strong investor interest. Regulatory streamlining is the main barrier to scaling up.

Need for Systemic Regulatory Reform

1. Fragmented Authority and Lack of Accountability: Multiple agencies and regulators operate without a central executive authority, leading to inefficiency and lack of coherence in the sector.

2. Scope for Rationalisation: The government can consolidate oversight, standardise technical norms, ease land acquisition, digitise processes, and improve transparency in tariffs and dispute resolution.

3. Overcoming Vested Interests: While legacy interests pose challenges, determined political will can drive the simplification needed for energy self-reliance and sustainable growth.

Question for practice:

Discuss how regulatory complexities are affecting the growth of renewable energy in India.

Empathy builds better leaders and stronger workplaces

Source: The post Empathy builds better leaders and stronger workplaces has been created, based on the article “It Profits to Be Kind” published in “The Economic Times” on 4th August 2025

UPSC Syllabus Topic: GS Paper4-Work culture

Context: In the rush to embrace speed, innovation, and digital transformation, many organisations have overlooked the importance of human connection. This article calls for a rethinking of workplace culture by integrating empathy and kindness as essential elements of leadership and corporate functioning.

The Pitfall of Hyper-Productivity Culture

1. **Speed and Metrics Over Humanity:** Modern businesses celebrate disruption, efficiency, and KPIs. In doing so, they often treat people as mere tools, neglecting emotional well-being.
2. **The Myth of the Tough Leader:** The archetype of the harsh boss who demands instant results still dominates corporate stories. While they may achieve goals, they often leave behind demoralised, burnt-out teams.
3. **Consequences of Fear-Driven Culture:** Leadership rooted in fear ultimately fails. It leads to high attrition and emotional exhaustion. Sustainable leadership needs emotional intelligence and compassion.

The Role and Dimensions of Empathy

1. **Three Types of Empathy:** Stanford psychologist *Jamil Zaki* identifies:
 - *Cognitive empathy* – understanding others' feelings
 - *Emotional empathy* – sharing those feelings
 - *Compassionate empathy* – acting on those feelings
2. **Empathy as Organisational Glue:** Empathy is compared to Wi-Fi—often invisible but vital. When absent, organisational systems break down.
3. **Empathy as a Leadership Strength:** Empathetic leaders foster healthier, more cohesive workplaces. It's a skill that can be developed, not an innate trait.

Tangible Benefits of Empathetic Workplaces

1. **Lower Attrition and Higher Retention:** Understanding employees' needs reduces turnover. Retaining talent through empathy saves cost and improves morale.
2. **Enhanced Innovation Through Safety:** Creative risks thrive only when psychological safety exists. Empathy enables this environment.
3. **Stronger Reputation in Public Eye:** In the age of social media, toxic work cultures are quickly exposed. Empathetic cultures earn lasting loyalty and brand value.

Practising Everyday Empathy at Work

1. **Real-Life Examples of Kindness:** Empathy appears in small gestures—rescheduling meetings, offering dignity in feedback, and supporting personal challenges.
2. **Support for Women at Work:** Empathy is crucial for gender inclusivity. It helps women navigate caregiving roles, maternity, and participate freely in professional spaces.
3. **Living the Value, Not Just Preaching It:** Kindness must be demonstrated daily—celebrating efforts, writing thank-you notes, or showing concern for others' well-being.

Shifting Expectations and Generational Demands

- 1. Changing Workforce Priorities:** Gen Z and millennials seek purpose-driven organisations that care for emotional health. They value managers who listen and engage meaningfully.
- 2. Data Supporting Emotional Engagement:** A May 2025 Deloitte study shows 69% of employees would work harder if appreciated. Gallup (2018) found 21% higher profitability in teams with engaged leaders.
- 3. Lessons from the Pandemic:** COVID-19 taught that human connection, not speed alone, defines memorable leadership during crises.

Institutionalising Empathy for the Future

- 1. From Acts to Systems:** Individual empathy must evolve into structured practices. Policies on mental health, parental leave, and team transitions should reflect this shift.
- 2. Humour as a Leadership Tool:** Used sensitively, humour can ease tension and build connection. When combined with empathy, it becomes a powerful asset.
- 3. Embedding Empathy in Strategy:** Empathy should be treated as a core organisational asset—measured, preserved, and reflected in every decision.

Question for practice:

Discuss how empathy can enhance leadership and workplace culture.

Coordinated monetary and fiscal policies sustain India's growth momentum

Source: The post Coordinated monetary and fiscal policies sustain India's growth momentum has been created, based on the article “Towards an Indian growth model — III” published in “Businessline” on 5th August 2025
UPSC Syllabus Topic: GS Paper3- Indian Economy and issues relating to planning, mobilisation, of resources, growth, development and employment.

Context: India's macroeconomic challenges require a shift in how monetary and fiscal policies are coordinated to support stable, long-term growth. Recent experience after the pandemic shows that careful countercyclical macroeconomic management can help reduce inflation and sustain growth, even amid global shocks.

Rethinking Macroeconomic Strategy

- 1. Shift from Structural to Stabilisation Focus:** India has often emphasized long-term structural reforms while neglecting short-term stabilisation. This made the economy vulnerable to large growth swings during shocks. A more balanced approach is now needed.
- 2. Countercyclical Policies Show Promise:** Post-pandemic policy responses demonstrated that countercyclical tools, adapted to domestic structures and shocks, can simultaneously reduce inflation and boost growth. This provides a foundation for new coordination strategies.

Principles of Monetary-Fiscal Coordination

- 1. Coordinated Role in Supporting Growth:** Fiscal policy targeting supply-side inflation enables monetary policy to maintain low real interest rates that encourage demand. This coordination is consistent with central bank independence if inflation remains low.

2. Fiscal Consolidation and Quality Spending: India's high debt and fiscal deficit limit room for demand-driven stimulus. Therefore, fiscal policy should focus on infrastructure, social welfare, and productivity to raise potential non-inflationary growth.

3. Supply-Side Focus without Neglecting Demand: Well-structured fiscal measures—supporting income growth, innovation, and exports—stimulate broader demand while addressing supply constraints. This combination strengthens overall macroeconomic balance.

4. Encouraging Federal Competition: Politically sensitive reforms, like liberalizing factor markets, are best left to states. Inter-state competition can gradually drive efficiency without central imposition.

Designing a Growth-Oriented Monetary Policy

1. Real Rates Should Support Growth: Monetary policy should aim for low but positive real interest rates—around 1%—to maintain borrowing incentives while ensuring returns to savers. Higher rates, as seen in the 2010s and 2024, dampen growth.

2. Importance of Anchored Inflation: Stable inflation under flexible inflation targeting reduces rate volatility. Fine-tuned policy adjustments can maintain real rates close to neutral, smoothing growth and reacting efficiently to shocks.

3. Growth Fuels Savings More Than High Rates: Long-term resource mobilisation improves when incomes rise with growth, rather than through high real interest rates. Financial deepening also aids efficient allocation of savings.

Calibrating Current Monetary Policy

1. Real Rates Too High Despite Rate Cuts: Even after recent cuts, India's real interest rates exceed 3%. Had inflation forecasts been more accurate, rate hikes would have been milder. Current high rates are slowing growth.

2. Need for More Front-Loaded Cuts: For large deviations from the equilibrium real rate, quick front-loaded cuts are preferable. The recent 50 bps cut was appropriate, but further adjustment may still be required.

3. Misplaced Inflation Expectations: Forecasts assume future inflation will rise due to base effects, but core inflation excluding gold is already below 3.5%. With inflation likely anchored near 4%, another 25 bps cut is justified.

Ensuring a Smooth Policy Landing

1. Use of Data-Driven Neutral Stance: A neutral policy stance signals flexibility. Monetary response should be guided by high-frequency data pointing to slowing growth and external shocks, not temporary food price volatility.

2. Careful Liquidity Management: Short-term liquidity adjustments should maintain the call money rate close to the repo. Durable liquidity should stay mildly in surplus to absorb external liquidity shocks without causing market instability.

3. Metaphor of Smooth Landing: As with an aircraft's landing, policy adjustments must now be gentle and well-timed to ensure stability while achieving growth close to potential.

Question for practice:

Examine how coordinated monetary and fiscal policies can support stable and sustained economic growth in India.

India needs fair battery recycling norms for growth

Source: The post India needs fair battery recycling norms for growth has been created, based on the article “**The missing link in India’s battery waste management**” published in “**The Hindu**” on 5th August 2025

UPSC Syllabus Topic: GS Paper3- Environment Conservation

Context: India’s push toward decarbonisation has rapidly increased the demand for lithium batteries, driven by the growth of electric vehicles and renewable energy. However, without strong recycling mechanisms, this expansion risks significant environmental damage and economic losses. The article discusses how India’s Battery Waste Management Rules must evolve to support a sustainable circular economy.

For detailed information on **Government notifies Battery Waste Management Rules, 2022** [read this article here](#)

India’s Battery Boom and Emerging Waste Crisis

1. Rising Demand for Lithium Batteries: India’s lithium battery demand is projected to grow from 4 GWh in 2023 to 139 GWh by 2035. This surge is fueled by the expansion of electric vehicles (EVs) and battery energy storage systems (BESS) under India’s Net Zero goal.

2. Environmental Risks of Improper Disposal: Disposal of lithium batteries without recycling leads to leakage of hazardous materials. In 2022 alone, lithium batteries made up 7,00,000 metric tonnes out of 1.6 million metric tonnes of e-waste.

3. Need for Regulatory Response: To manage this crisis, the Battery Waste Management Rules (BWMR), 2022, were introduced. These aim to ensure environmentally safe disposal and promote recycling practices.

Challenges of Implementing EPR and Floor Pricing

1. Role of Extended Producer Responsibility (EPR): The BWMR introduced EPR, where producers must ensure battery collection and recycling. Producers rely on authorised recyclers to meet their EPR targets and obtain EPR certificates.

2. Inadequate EPR Floor Price: The floor price for EPR certificates is currently too low. This discourages proper investment in safe recycling infrastructure, technologies, and skilled labour.

3. Economic Viability and Market Distortion: Low pricing drives out legitimate recyclers and incentivises informal or fraudulent actors. These players may dump waste or issue false certificates, similar to what occurred in India’s plastic waste sector.

4. Strategic Risks from Import Dependency: Improper recycling hampers recovery of critical materials like lithium, nickel, and cobalt, increasing India’s foreign exchange losses—projected to cross \$1 billion by 2030.

Need for a Fair and Transparent Pricing System

1. Producer Resistance and Global Disparity: Large producers often evade environmental responsibilities in developing countries. They follow more lenient practices compared to those in developed nations.

2. Affordability and Consumer Impact: Raising the EPR floor price does not necessarily increase consumer costs. Despite falling global metal prices, producers have not reduced product prices, showing capacity to absorb recycling expenses.

3. Global Comparisons and Policy Reform: The UK charges nearly ₹600/kg for EV battery recycling, while India's proposed rate is under one-fourth—even after adjusting for purchasing power. India needs globally comparable pricing based on real recycling costs.

Strengthening Compliance and Formalising Informal Sector

1. Need for Better Enforcement: India must digitise EPR certificate tracking, enforce stricter audits, and impose penalties for fraud. This will improve transparency and accountability in recycling.

2. Integrating Informal Recyclers: Training and regulatory support for informal recyclers can reduce unsafe practices and expand recycling capacity, turning a liability into a growth opportunity.

3. Strategic and Economic Priority: Battery recycling reform is not only about environmental safety—it is a strategic need. With proper reforms, battery waste can fuel green growth and support India's circular economy ambitions.

Question for practice:

Discuss the emerging challenges and opportunities in battery recycling in India.

India should pivot Myanmar policy to democracy and security

Source: The post India should pivot Myanmar policy to democracy and security has been created, based on the article “Why a progressive Indian policy on Myanmar is more than plausible” published in “The Hindu” on 5th August 2025

UPSC Syllabus Topic: GS Paper2- India and its neighbourhood- relations.

Context: Three years after Myanmar's military coup, India maintains formal ties with the junta, despite widespread killings and displacement. New Delhi has ignored Myanmar's democratic resistance and defended its policy as serving national “interests”. The article urges India to adopt a values-based foreign policy rooted in democracy and human security.

For detailed information on **India-Myanmar Relations Amid Myanmar Civil War** [read this article here](#)

Rethinking Interests and Values in Foreign Policy

1. Blurring the Line Between Interests and Values: Foreign policy rarely separates “interests” from “values” clearly, as both are subjectively defined. India's current Myanmar approach treats “interests” narrowly, ignoring how democratic values can advance national goals.

2. A Progressive Shift in Perspective: India can redefine its “interests” by promoting democratic values like federalism and human security. Supporting Myanmar's resistance aligns with India's own democratic identity and enhances its regional standing.

3. Aligning with Democratic Aspirations: India has long served as a democratic model for Myanmar's civil society. A shift to a values-based policy offers both strategic benefits and moral legitimacy.

Leveraging Democratic Federalism as Strategic Soft Power

1. India's Democratic Model as a Regional Asset: India's identity as a federal democracy can be used to influence Myanmar's opposition forces seeking a new federal constitution. This distinguishes India from China.

2. Supporting Pro-Democracy Groups: India should actively support the National Unity Government, civil society, and ethnic resistance groups through training and institutional collaboration. This can help them build capacity and democratic institutions.

3. Outmanoeuvring China with Federalism: China can offer military hardware, but not democratic federalism. India can gain influence by selling ideas and cooperation, offering a unique advantage in the region.

Ending Support for the Myanmar Junta

1. Halt Weapon Transfers Immediately: Despite the junta's brutal tactics, India has continued to supply it with military equipment. Justice For Myanmar reports transfers of 52 items, including communication parts, in January 2024.

2. Curb Naval Fuel Sales: Investigations reveal India sold over \$1.5 million in navy-grade diesel to junta-linked entities. These sales must be stopped to prevent misuse against civilians.

3. Cutting Military Ties as a Moral Imperative: Since the Myanmar military uses all its forces against civilians, India's continued support contradicts its democratic image and strategic interests.

Opening Humanitarian Corridors

1. Urgent Need for Border Relief: Conflict zones like Sagaing, Chin, and Rakhine face massive displacement. India should open cross-border humanitarian corridors to provide food, medicines, and shelter.

2. Reinstate the Free Movement Regime (FMR): The government must revoke the border fencing plan and restore FMR, suspended in February 2024, to allow emergency assistance.

3. Collaborate with Local and International Networks: India should partner with NGOs and adopt Thailand's best practices in cross-border aid, ensuring aid reaches civilians, not the junta.

Ensuring Protection for Refugees

1. Stop Deportation and Detention of Asylum Seekers: Manipur has deported 115 asylum seekers; Assam holds 27 Chin refugees. India must treat them as refugees, not illegal immigrants.

2. Follow Non-Refoulement Principle: Even without ratifying the 1951 Refugee Convention, India is bound by customary international law to avoid deporting people to danger zones.

3. Legal and Humanitarian Obligations: Both the Constitution and international norms allow India to protect refugees. Humane shelters should replace detentions to uphold India's claimed moral leadership.

Question for practice:

Examine how India's current Myanmar policy balances national interests with democratic values and human security.

Reimagining India's Digital Welfare through Democratic Lens

Source: The post Reimagining India's Digital Welfare through Democratic Lens has been created, based on the article "The technocratic calculus of India's welfare state" published in "The Hindu" on 6th August 2025

UPSC Syllabus Topic: GS Paper2- Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes

Context: India's welfare model is becoming increasingly technocratic, driven by Aadhaar-based schemes and data algorithms. While promising efficiency and scale, this shift raises critical concerns about the erosion of democratic deliberation, rights-based entitlements, and political accountability. The article explores whether this model supports true welfare or risks excluding those it aims to serve.

Technocratic Transformation of Welfare

- 1. Shift from Rights to Efficiency:** India's welfare approach now prioritises efficiency over entitlements. With 1,206 DBT-linked schemes and Aadhaar enrolment crossing a billion, focus has shifted from "who needs support" to "how to reduce leakage," ignoring the complexity of welfare as a constitutional right.
- 2. Emergence of Data-Driven Rationality:** Welfare policies now embody measurable, streamlined rationality. Influenced by Habermas's technocratic consciousness and Foucault's governmentality, schemes like E-SHRAM and PM-KISAN avoid ambiguity and operate with a one-way, audit-driven logic.
- 3. Decline of Deliberative Practices:** Democratic debate and community input are fading. Welfare no longer acts as a forum for participatory planning. The rights-bearing citizen is now reduced to a passive, auditable beneficiary, echoing Agamben's *homo sacer* — stripped of political voice.

Diminishing Political Accountability

- 1. Fiscal Austerity and Shrinking Welfare:** Social sector spending has declined to a decade-low 17% in 2024–25, compared to the previous decade's 21% average. Key sectors like minority welfare, labour, and nutrition dropped from 11% (pre-COVID) to 3% (post-COVID), contradicting claims of a socialistic state.
- 2. Crisis in the RTI Regime:** The Right to Information Act is weakening. As of June 2024, over 4 lakh appeals were pending across 29 Information Commissions, and eight CIC positions remained vacant—reflecting administrative apathy and eroding transparency.
- 3. Centralised Grievance Systems and Algorithmic Insulation:** The Centralised Public Grievance Redress and Monitoring System resolved lakhs of complaints (2022–24). However, it centralises visibility while weakening responsibility. The federal structure is reduced to a flat ticketing mechanism, evading deeper political accountability.

Philosophical and Judicial Warnings

- 1. Rancière's Democratic Lens:** Democracy depends on making suffering visible and contestable, not just computable. The current model neglects the voices of the marginalised and reduces welfare to technical administration.
- 2. Justice Chandrachud's Aadhaar Dissent:** In his 2018 dissent, Justice D.Y. Chandrachud cautioned against depersonalising citizens into machinic data. He warned that decontextualised identity systems can exclude care, context, and constitutional protections.

Reimagining Democratic Welfare

1. **Democratic Antifragility and Federal Design:** Governance must be redesigned to withstand stress, drawing on Taleb's concept of antifragility. States should build context-specific, pluralistic welfare models that reinforce both federalism and democracy.

2. **Community-Driven Impact and Feedback:** Institutionalising community-led audits through Gram Panchayat Development Plans and Rashtriya Gram Swaraj Abhiyan can enhance responsiveness. Kerala's Kudumbashree serves as a model for platform cooperatives and local engagement.

3. **Restoring Democratic Partnership:** Citizens must be recognised as partners in governance, not just data entries. Civil society must invest in grassroots education and legal aid. Embedding offline fallback systems, bias audits, and the "right to explanation" in digital systems is essential for democratic digital welfare.

Question for practice:

Examine how the shift towards a technocratic welfare model in India has impacted democratic deliberation and political accountability.

Money laundering cases are rising but convictions remain low

Source: The post Money laundering cases are rising but convictions remain low has been created, based on the article "How should money laundering be tackled?" published in "The Hindu" on 6th August 2025

UPSC Syllabus Topic: GS Paper3- money-laundering and its prevention.

Context:: A recent Rajya Sabha report reveals that only 15 convictions have resulted from 5,892 cases investigated by the Enforcement Directorate (ED) under the Prevention of Money Laundering Act (PMLA) since 2015. This low conviction rate, coupled with a rising number of cases, raises concerns about the law's implementation and growing financial crimes.

For detailed information on **Prevention of Money Laundering Act (PMLA)**- [read this article here](#)

Understanding the Concept and Process of Money Laundering

1. **Definition and Meaning:** Money laundering, under Section 3 of the PMLA, involves concealing or disguising the origin of money derived from criminal activity, and projecting it as clean or legitimate. It affects financial integrity and national sovereignty.

2. **Three Stages of Laundering:** The process begins with *placement*, where illicit funds enter the financial system, often broken into smaller amounts (*smurfing*). In the *layering* stage, money is moved through complex transactions. Finally, in *integration*, it reenters the economy via real estate or businesses.

3. **Origins of the Term Laundromat:** The term stems from U.S. crime syndicates using laundromats to disguise illegal earnings. In modern terms, a laundromat can be a bank or financial service company used to hide ownership, embezzle funds, or move illicit money offshore.

Legal Framework Governing Money Laundering in India

1. **Genesis and International Context:** PMLA was enacted following the 1990 UN Political Declaration. Its aim is to curb money laundering and confiscate associated assets. The law places the burden of proof on the accused, marking a tough legal stance.

2. **Initiation of Proceedings and ECIR:** As clarified in *Vir Bhadra Singh vs ED (2017)*, no FIR is needed to start proceedings under the Act. An Enforcement Case Information Report (ECIR) suffices, provided there's a *scheduled offence* involved.

3. **Supreme Court's Interpretation:** In *P. Chidambaram vs ED (2019)*, the Court warned that money laundering weakens the financial system and fuels inflation. The *Vijay Madanlal Chaudhury vs Union of India (2022)* case

clarified that property attachment under Section 5 can occur without a pre-registered case, which has opened doors for potential misuse.

Key Concerns in Implementation and Misuse

- 1. Low Conviction Rate and Rising Cases:** Despite nearly 6,000 cases investigated since 2015, only 15 convictions have occurred. This reflects poorly on enforcement and legal follow-through.
- 2. Scope for Misuse and Political Targeting:** Instances of politically motivated misuse have emerged. The Supreme Court has flagged such issues, noting how property attachments are often made without foundational criminal charges.
- 3. Need for Better Safeguards:** FATF guidelines stress caution in investigations to prevent harassment and ensure only genuine cases are prosecuted. Misuse of law erodes its credibility and effectiveness.

Strengthening the Legal and International Response

- 1. Role of DTAA and Global Cooperation:** India's Double Taxation Avoidance Agreements (DTAA) with around 85 countries enable exchange of financial data and aid in checking tax evasion and laundering.
- 2. Tackling Terror Financing and Systemic Risks:** Money laundering often funds terror. Effective enforcement is not just a legal necessity but a national security imperative. Political neutrality in application is essential for law's credibility.
- 3. Urgent Need for Reforms:** Despite legal provisions and global cooperation, much remains to be done. The government must enhance conviction rates, prevent misuse, and ensure the law's application is transparent and just.

Question for practice:

Discuss the challenges in implementing the Prevention of Money Laundering Act effectively in India.

Necropolitics decides which lives matter and which don't

Source: The post Necropolitics decides which lives matter and which don't has been created, based on the article "Necropolitics: who is allowed to live and who may die" published in "The Hindu" on 6th August 2025

UPSC Syllabus Topic: GS Paper1- political philosophies like communism, capitalism, socialism etc.— their forms and effect on the society.

Context: The article explores the concept of *necropolitics*, which explains how political systems determine whose lives are valued and whose deaths are ignored. Triggered by global apathy toward violence in regions like Kashmir or Gaza, it challenges the politics of selective mourning and systemic abandonment.

Understanding Necropolitics

- 1. Defining Necropolitics:** Necropolitics is the political control over life and death, especially targeting marginalised groups. Coined by historian Achille Mbembe, it reveals how states deliberately expose some lives—like refugees, racial minorities, or the poor—to suffering and death.
- 2. From Biopolitics to Necropolitics:** Biopolitics, as defined by Michel Foucault, governs life through health and population control. Mbembe extends this, arguing biopolitics fails to explain systemic death. Necropolitics, instead, highlights how power decides who may die and whose suffering is ignored.

3. **Structural, Not Spectacular:** Unlike older sovereign powers, necropolitics is institutional and global. It erases dignity, normalises death, and governs through policies, not public executions. Examples include colonial famines and abandoned populations in camps and slums.

Mechanisms of Necropolitical Control

1. **Instruments of Violence:** Necropolitics uses tools like surveillance, imprisonment, and starvation. States may work with militias or criminal groups. These actions are often justified using nationalism, religion, or utilitarian logic.

2. **Sustained State Terror:** Violence is not momentary but continuous. War and terrorism become economic systems, while targeted groups face structural erasure. Communities may be displaced under the guise of development or security.

3. **Invisible Deaths:** Deaths caused by starvation, medical neglect, or slow violence are not accidents. They are politically managed. For instance, many queer, trans, and working-class people during the HIV/AIDS crisis were left to die, their deaths unacknowledged.

Producing the State of Exception

1. **Inventing the Enemy:** States often invent enemies to justify extraordinary measures. These “threats” enable surveillance and control, turning suspicion into policy. Targets may include people based on religion, caste, or appearance.

2. **Law Without Rights:** In these spaces, legality is suspended. Giorgio Agamben’s idea of the “state of exception” becomes permanent for many. Here, death is not lawlessness but the method of governance.

3. **Administrative Death:** Decisions like who gets aid or who is punished become mechanisms of control. Logistics, not justice, determine who lives with dignity and who dies invisibly.

Living Death and Death Worlds

1. **The Living Dead:** Necropolitics also creates conditions where people live in extreme neglect. Migrant workers during India’s COVID-19 lockdown died from hunger and exhaustion—victims of structural abandonment, not disease.

2. **Zones of Abandonment:** Death worlds are areas where life is unstable and lawless. Gaza, after Israeli strikes in 2023, became one such example. Civilian deaths were dismissed, and silence followed—a clear display of necropolitical thinking.

Everyday Necropolitics

1. **Bureaucratised Violence:** Not all necropolitics uses bombs. Policies like caste-based sterilisation drives, racial profiling databases, and cruel detention practices quietly discard lives under legal cover.

2. **Global Apathy:** Necropolitics thrives in global silence. Even as civilians die in conflicts, the world looks away. The routine acceptance of these deaths reflects how deeply abandonment is embedded in global politics.

3. **Path to Resistance:** The goal of resistance must go beyond mere survival. It should seek lives that are recognised, respected, and mourned—where all deaths are treated as tragedies, not as routine.

Question for practice:

Discuss how necropolitics shapes which lives are valued and which are discarded.

India's struggle to adapt to global techno-capitalism

Source: The post India's struggle to adapt to global techno-capitalism has been created, based on the article "The new techno-capitalism" published in "Indian Express" on 6th August 2025

UPSC Syllabus Topic: GS Paper3- Science and Technology- developments and their applications and effects in everyday life.

Context: India's quiet commemoration of the SITE experiment's 50th anniversary highlights its early ambition in tech-driven development. However, new global shifts—led by a radical transformation in American techno-capitalism under Donald Trump—are forcing India to re-evaluate its strategy in science, innovation, and talent export.

SITE and the Legacy of Tech Cooperation

- 1. A Symbol of Developmental Idealism:** SITE, launched in 1975, aimed to deliver educational content via satellite to underserved Indian villages. It was a collaborative effort between ISRO and NASA and emphasized technology's role in development.
- 2. From Collaboration to Caution:** Following India's 1974 nuclear test, U.S.-India cooperation cooled due to non-proliferation concerns. Decades later, mutual trust was rebuilt, culminating in the ICET initiative under President Biden in 2023.
- 3. Emerging Divergences:** Despite ICET, U.S.-India ties face stress from disagreements on global politics. More fundamentally, their technological ecosystems are drifting apart in structure and ambition.

Shifting Tech Models in the US, China, and India

- 1. The Rise of American Techno-Capitalism:** Since the SITE era, U.S. technology has become increasingly privatized. SpaceX now leads in launches, overtaking NASA. The government acts more as a facilitator than a central planner.
- 2. China's Centralised Tech Strategy:** China follows a state-led, mission-driven approach. Massive investments in education, research, and space have made it a global tech rival, especially in AI and space exploration.
- 3. India's Middle Path:** India has initiated reforms to energize its tech sector, particularly space. However, it lacks the dynamism of the U.S. private sector and the strategic focus of China's state-driven model.

Trump's Techno-Capitalism and Its Global Impact

- 1. An Ideological Shift in Washington:** Trump's approach contrasts with Biden's regulatory stance. His policies give Big Tech full freedom, aligning the American state with Silicon Valley's libertarian elite.
- 2. The AI and Crypto Push:** The Trump administration's 2025 AI policy dismantles barriers, fosters AI-led manufacturing, and mobilizes massive investment. The GENIUS Act promotes stablecoin use to strengthen the dollar's dominance and counter de-dollarisation.
- 3. Tech as Geopolitical Tool:** By setting up a Strategic Bitcoin Reserve and halting prosecutions of crypto firms, Trump's policies aim to secure strategic advantage—not just economic growth.

Philosophical Foundations and Power Alliances

- 1. Thiel's Influence and Ideological Core:** Peter Thiel, a key Trump ally, champions deregulated innovation driven by entrepreneurs. His philosophy merges nationalism with libertarianism, casting China as a rival.

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2. **End of 1990s Tech Optimism:** The internet once promised decentralisation and state retreat. Instead, governments reasserted power, and today, a new “tech broligarchy” sees the state and tech elites united for strategic dominance.

3. **Trump’s Global Reconfiguration:** This alliance underpins a broader project to reshape global trade, finance, and security. If the AI boom materializes, the U.S. will cement its economic leadership.

India’s Emerging Tech Dilemma

1. **Threats to India’s IT Workforce:** India’s IT sector, a global success story, faces risks from AI-led job automation and U.S. visa restrictions under Trump. These trends threaten the country’s export of tech talent.

3. **Urgent Need for Policy Response:** India must revamp its tech ecosystem by investing in research, boosting private sector participation, and preparing its institutions and workforce for future technological upheavals.

Question for practice:

Discuss how the rise of American techno-capitalism poses strategic and economic challenges for India’s technological future.

China tries to block India from rising in manufacturing

Source: The post China tries to block India from rising in manufacturing has been created, based on the article “Decoding China — the lessons for a vulnerable India” published in “The Hindu” on 7th August 2025

UPSC Syllabus Topic: GS Paper2- Effect of policies and politics of developed and developing countries on India’s interests.

Context: The sudden withdrawal of over 300 Chinese engineers from Foxconn’s iPhone 17 plants in India has raised alarm. More than an internal reshuffle, this move signals a calculated Chinese strategy to stall India’s manufacturing rise and protect Beijing’s dominant regional economic position.

For detailed information on **China blocks Foxconn shift and India gains global ground** [read this article here](#)

China’s Strategic Withdrawal and Resource Control

1. **Targeted Recall of Technical Expertise:** The removal of trained Chinese engineers hampers India’s ability to absorb critical manufacturing know-how. These specialists were vital for establishing advanced production systems and facilitating technology transfer.

2. **Restricting Key Mineral and Equipment Exports:** China has restricted exports of vital minerals such as gallium, graphite, and rare earths, essential for EVs and electronics. It has also imposed informal curbs on high-end capital equipment, further limiting India’s industrial capability.

3. **Disrupting India’s Supply Chains Subtly:** Many restrictions are informal—executed via verbal instructions or bureaucratic delays. This non-transparent approach effectively raises uncertainty, costs, and dependency in Indian manufacturing.

4. **Preventing Technological Self-Reliance:** The overarching goal is to block India from developing an independent, high-value manufacturing base. By withholding tools, skills, and materials, China maintains India’s reliance on Chinese systems and products.

Motivations Rooted in China’s Economic Fragility

1. **Dependence on Export Revenues:** Facing demographic decline, a property crisis, and falling domestic demand, China is increasingly reliant on exports to sustain economic stability and fund its social systems.

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2. Managing Structural Imbalances: China's trade surplus reflects its industrial overcapacity and poor internal consumption. To sustain production, it undercuts global prices, pushing out rivals and preserving export volumes.

3. Internal Pressures Shaping External Moves: Beijing's moves against India stem not just from rivalry but internal compulsions. If India succeeds in becoming globally competitive, China may resort to stronger measures, including economic coercion or even military pressure.

4. Western Signals and Strategic Doubts: U.S. tariff hikes on Indian goods, while sparing China temporarily, weaken India's appeal as an alternative supply chain hub. This underscores the unpredictability of global alignments and the need for India's strategic autonomy.

Beijing's Control of Global Supply Chains

1. Dominance Across Emerging Technologies: China controls key sectors like AI, 6G, EVs, and quantum computing. It shapes global supply chains and turns its production scale and overcapacity into instruments of power.

2. Using Overcapacity as a Weapon: Firms like BYD flood global markets with low-cost products. This strategic dumping suppresses competition and reinforces China's industrial dominance.

3. Economic Statecraft in Action: Price suppression and export-led tactics are not isolated business strategies but deliberate statecraft. China defends its markets and marginalises competitors before they can gain scale.

India's Industrial Challenges and Lessons

1. Dependence on Foreign Inputs: India still relies on imports for basic components like semiconductors, chips, and engines. Even basic assembly operations need external help, showing gaps in capability.

2. Systemic Hurdles to Growth: Infrastructure gaps and bureaucratic inefficiencies continue to limit India's ability to scale manufacturing. The ambition to lead remains hindered by on-ground realities.

3. Reality Check on Global Competition: India's challenge to China is more aspirational than real for now. China's moves are defensive but calculated—aimed at stalling long-term threats rather than countering an immediate rival.

4. Need for Strategic Focus: India must focus on strengthening its fundamentals. Competing with China requires self-sufficiency, efficient systems, and reduced import dependence—not just global goodwill.

India's Road Ahead

1. Lessons from Beijing's Moves: China's aggressive posture teaches India the importance of internal strength. Without robust domestic capacity, India's manufacturing dreams will remain vulnerable to external manipulation.

2. Strategic Autonomy is Essential: To avoid being caught in global power games, India needs to chart its own course—building resilience, investing in critical capabilities, and reducing strategic dependencies.

Question for practice:

Examine how China is using economic tools to hinder India's rise as a global manufacturing hub.

Election boycotts weaken democracy and empower unchallenged ruling parties

Source: The post Election boycotts weaken democracy and empower unchallenged ruling parties has been created, based on the article “**Absence is abdication**” published in “**Indian Express**” on 7th August 2025

UPSC Syllabus Topic: GS Paper2- Constitution of India —historical underpinnings, evolution, features, amendments, significant provisions and basic structure.

Context: Recent calls for election boycotts in Bihar, triggered by concerns over the Election Commission's Special Intensive Revision (SIR), have reignited a debate about the effectiveness of boycotts as political strategy. The article examines historical, regional, and global instances to argue that boycotts usually weaken democracy rather than strengthen it.

The Recurrent Failure of Election Boycotts

1. Historical Lessons from the Region: In 2014, Bangladesh's opposition BNP boycotted elections fearing state capture. As a result, the ruling party won 153 seats uncontested, despite BNP's strong electoral prospects. The boycott led to years of political marginalisation.

2. India's Own Experiences: Punjab's 1992 boycott by the Akali Dal led to extremely low voter turnout and handed the Congress an easy win. Similar cases in Jammu and Kashmir and central India showed that boycotts failed to halt elections and only reduced broader representation.

3. Global Examples of Political Setbacks: Venezuela's multiple boycotts enabled the ruling regime to dominate elections and gain supermajorities. Zimbabwe's 2008 withdrawal allowed Mugabe to win unopposed. Even international criticism failed to reverse these outcomes.

4. The Rare Exception: Serbia in 2000 shows a contrasting example where contesting and protesting election fraud led to the fall of Slobodan Milosevic. But this remains an exception, not the norm.

Implications of Election Boycotts

1. Elections Continue Regardless: India's Constitution does not invalidate elections due to low turnout. The EC must proceed with polls and declare results based on polled votes. Boycotts merely clear the path for incumbents.

2. Low Turnout Dilutes Mandates: When opposition exits the field, ruling parties often win with wafer-thin mandates, weakening democratic legitimacy and broad representation.

3. Symbolic but Ineffective Protests: Boycotts may express discontent, but their practical consequence is usually the absence of challenge and accountability in the democratic process.

Concerns About Electoral Integrity

1. SIR and Public Distrust: In Bihar, critics claim that the SIR process enables mass deletion of voter names, disproportionately affecting vulnerable groups. Lack of transparency in verification has increased public suspicion.

2. Need for Robust Scrutiny: The EC must urgently address these concerns by ensuring transparency, proper grievance redressal, and restoring trust in electoral rolls.

3. Role of Institutions and Media: Civil society, the media, and the judiciary must remain vigilant and press for fair procedures instead of abandoning the electoral space.

Parliamentary Boycotts and Legislative Weakness

1. **Disruptions Without Debate:** Walkouts by Opposition parties have allowed governments to pass crucial legislation—like the 2020 farm bills—without scrutiny. Such tactics undermine parliamentary responsibility.
2. **Comparative Lessons from Neighbours:** Bangladesh and Pakistan experienced similar patterns. Prolonged boycotts helped ruling parties legislate freely, weakening checks and balances.
3. **Loss of Democratic Forums:** Parliament is the core platform for democratic challenge. Leaving it empty deprives citizens of debate and exposes governance to unchecked authority.

Participation as a Democratic Imperative

1. **Constructive Engagement Over Absence:** Effective opposition requires presence in both elections and legislatures. Boycotts may be emotionally satisfying but are politically counterproductive.
2. **Strength in Staying, Not Leaving:** History favours those who fight within democratic spaces. Walking away surrenders both the political arena and the public narrative to the ruling party.
3. **A Call to Reconsider:** The article concludes that democracy depends on vigilant, active participation. Boycotts serve only to weaken the very institutions they aim to protect.

Question for practice:

Examine the effectiveness of election and parliamentary boycotts as a political strategy in democracies, with reference to historical and contemporary examples.

Pension funds must help build green economy

Source: The post Pension funds must help build green economy has been created, based on the article “**Pension funds should prepare for climate risk**” published in “**Businessline**” on 7th August 2025

UPSC Syllabus Topic: GS Paper3- Environment conservation

Context: India's green transition to achieve net-zero by 2070 demands \$10–12.5 trillion in mitigation investment, plus \$100 billion annually for adaptation. While banks are central to green finance discussions, pension funds — managing over \$600 billion — remain underutilized. Their long investment horizon and financial scale make them ideal for climate finance participation.

India's Climate Finance Needs

1. **Massive Capital Requirements:** India's green transition needs trillions in investment over the next 25–45 years. Achieving net-zero emissions by 2070 requires \$10–12.5 trillion, while climate adaptation needs add \$100 billion annually by 2030.
2. **Banking-Centric Discussions:** India's capital mobilisation for climate action is mostly bank-focused. However, this approach neglects other key players like pension funds that can provide long-term capital.
3. **Pension Funds' Untapped Potential:** India's pension funds manage \$600 billion, growing 10% annually. Although over half is in government securities, the rest goes into equities, bonds, and other financial assets — yet little flows to climate-focused investments.

Why Pension Funds Suit Climate Investment

1. **Long-Term Investment Horizon:** Pensioners invest over decades, aligning well with the long gestation of renewable energy, clean transport, and climate adaptation projects. These sectors promise better returns than carbon-heavy ones in a decarbonising economy.

2. Stable and Patient Capital: Unlike typical market investors reacting to short-term news, pension funds adopt disciplined, patient strategies. This makes them ideal to support climate tech requiring sustained capital over long periods.

3. Compatibility with Green Technologies: Clean investments can outperform fossil-based ones in the coming decades. Pension funds' patient capital can help scale such technologies during India's economic transition.

Risk Alignment and Future Resilience

1. Climate as a Systemic Risk: Long-term risks like climate change threaten company performance and financial stability. Pension funds, due to their long-duration liabilities, must factor these into portfolio decisions.

2. Shift from Government to Corporate Assets: As India's financial markets evolve, pension funds will diversify more into corporate assets. Integrating climate risk into asset selection will ensure : sustained performance and reduced exposure to future shocks.

3. Global Practices as a Guide: European pension funds already integrate climate risk to safeguard beneficiaries. Indian funds must follow suit to protect long-term returns.

Regulatory Gaps in Climate Governance

1. Weak Climate Disclosures: Globally, regulators demand climate-related disclosures from pension funds. However, Indian pension regulators offer minimal guidance, limiting climate risk management and transparency.

2. Structural Challenges in India: EPFO and NPS manage most pension assets. NPS employs external fund managers, but lacks strong enforcement of its stewardship code, leaving climate considerations largely optional.

3. Lack of Beneficiary Awareness: Investors are often unaware whether climate risks are factored into fund decisions. This weakens accountability and delays green capital mobilisation.

Moving Towards Global Best Practices

1. Role of International Norms: NPS, as an IOSCO member, is aligned with global frameworks promoting climate disclosures. These can improve transparency and support better risk assessments of carbon-intensive investments.

2. Initiating Regulatory Dialogue: Like the Reserve Bank's move on sustainable finance, NPS can begin consultations on climate risk. This would build awareness and push fund managers towards responsible investment aligned with India's green goals.

Question for practice:

Examine how pension funds can contribute to India's green economy transition while managing climate-related financial risks.

RBI committee keeps rates steady amid uncertainty

Source: The post RBI committee keeps rates steady amid uncertainty has been created, based on the article "**RBI has done well to focus on its core competence: Price stability**" published in "**Live mint**" on 7th August 2025

UPSC Syllabus Topic: GS Paper3- Indian Economy and issues relating to planning, mobilisation, of resources, growth, development and employment.

Context: On August 6, 2025, the RBI's Monetary Policy Committee (MPC) chose to keep the repo rate unchanged at 5.5% amid global uncertainties. Despite earlier aggressive rate cuts, the MPC signaled a pause, acknowledging the limits of monetary policy in managing growth during tariff-driven instability.

A Shift Toward Caution

- 1. Maintaining Neutrality Amid Global Instability:** The MPC unanimously chose a status quo on interest rates, aligning with other major central banks. The stance reflects caution in the face of trade uncertainties, especially those triggered by tariff tensions.
- 2. Recognising the Limits of Monetary Action:** Governor Sanjay Malhotra admitted the unpredictable impact of tariffs. The MPC acknowledged it had limited space left to support growth after successive rate cuts earlier this year.
- 3. Restraint as a Strategic Choice:** Like leaving a ball in Test cricket, the MPC's restraint was portrayed as intelligent policy. Despite reducing inflation projections, it did not pursue further cuts, avoiding premature policy moves.

Reconsidering Past Rate Cuts

- 1. Bias Toward Growth Now Tempered:** The MPC had earlier shown a bias for supporting growth, reducing the repo rate thrice in 2025. The June cut of 50 bps and a 100 bps CRR reduction bordered on adventurism.
- 2. Concerns Over Policy Overreach:** Aggressive cuts may have weakened household financial savings, while credit growth stayed subdued. The rise in corporate credit did not translate into bank credit growth, raising doubts about monetary policy's effectiveness.
- 3. Credit Dynamics and Structural Constraints:** If weak credit demand is structural, not cyclical, monetary policy tools may be ineffective. Easy money might instead be diverted to riskier retail lending, endangering financial stability.

Limitations of Inflation Data

- 1. Misleading Comfort in Low Inflation:** Retail inflation hit a 77-month low of 2.1% in June, but this was due to high base effects and low food inflation. The June resolution ignored this distortion.
- 2. Correcting Past Oversights:** The August resolution explicitly acknowledged base effects and predicted CPI inflation could exceed 4% by Q4 2025-26. Core inflation also showed a rising trend, averaging 4.3% in Q1.

Wider Economic Headwinds

- 1. Rupee Depreciation and Import Price Pressures:** With the rupee falling to a record ₹87.8 per dollar, and tensions with the US over Russian oil and arms, import inflation is expected to rise, affecting domestic prices.
- 2. Relying on Fiscal Policy for Growth:** Even if growth slows, the remedy lies with fiscal policy, not monetary interventions. The MPC reaffirmed that central banks should focus on potential growth, guided by data.

Conclusion

The RBI's MPC has now returned to a path of cautious decision-making. In uncertain times, restraint and data dependence have prevailed over adventurism, preserving monetary credibility while allowing space for fiscal policy to act.

Question for practice:

Evaluate the reasons behind the RBI Monetary Policy Committee's decision to maintain a status quo on interest rates in August 2025.

ICJ ruling reinforces global climate action obligations

Source: The post ICJ ruling reinforces global climate action obligations has been created, based on the article “World court’s advisory opinion boosts climate action” published in “The Hindu” on 8th August 2025

UPSC Syllabus Topic: GS Paper3- Environment

Context: The International Court of Justice (ICJ) has issued a landmark advisory opinion clarifying states’ legal obligations on climate change. While not binding, such opinions shape global norms and can generate political pressure, marking a significant step in advancing climate accountability and strengthening climate justice.

For detailed information on **International Court declares climate action a legal global obligation** [read this article here](#)

Legal Obligations on Climate Protection

- 1. Authoritative Clarification of Duties:** The ICJ unanimously affirmed that states are legally bound to protect the climate system. This includes clear consequences for non-compliance, reinforcing that climate obligations transcend political considerations.
- 2. Integration of Treaty Commitments:** The court interpreted climate treaties—the UNFCCC, Kyoto Protocol, and Paris Agreement—alongside scientific consensus, ensuring a unified approach to their provisions. This strengthens operational clarity for states’ responsibilities.
- 3. 1.5°C as a Binding Threshold:** Drawing on science and COP decisions, the court held that limiting warming to 1.5°C is the relevant goal, narrowing ambiguity in treaty language.

Nationally Determined Contributions and State Responsibility

- 1. No Unfettered Discretion:** Rejecting claims of absolute freedom in designing NDCs, the court ruled that states must exercise due diligence and cooperation in setting climate goals.
- 2. Highest Possible Ambition Standard:** NDCs must reflect the highest possible ambition, with proactive measures reasonably capable of achieving them.
- 3. Binding Nature of Implementation:** Though often viewed as voluntary, NDC commitments now carry legal weight through states’ obligations to act in good faith.

Climate Justice and Global North-South Dynamics

- 1. Applying CBDR-RC Principle:** The court reaffirmed that responsibilities vary according to historical emissions, development level, and current capacities.
- 2. Obligation of Support from Developed Nations:** Wealthy countries must provide finance and technology transfer for mitigation and adaptation in developing nations. This duty is legally binding despite no specific figure in the Paris Agreement.
- 3. Accountability in Assistance:** Breach of support obligations is judged against good faith and due diligence, linking finance directly to global temperature targets.

Broader International Legal Framework

1. **Rejection of Self-Contained Regime Argument:** Contrary to some states' claims, climate treaties do not operate in isolation. General international and environmental law principles also apply.
2. **Obligations Beyond Treaties:** Duties to mitigate, prevent harm, and cooperate arise from other environmental treaties, the Law of the Sea, and customary law.
3. **Human Rights Considerations:** Climate actions must protect human rights, ensuring a just transition without harming vulnerable groups.

Attribution and Accountability

1. **Scientific Basis for Responsibility:** The court noted it is scientifically possible to determine each state's total emissions contribution, past and present.
2. **No Escape through Withdrawal:** Leaving a climate treaty does not remove obligations; commitments persist under general international law.

Strategic Leverage for the Global South

1. **Small Island States' Legal Win:** Island nations initiated the request for the opinion, securing a powerful tool to hold major emitters accountable.
2. **Boost to Climate Litigation:** The opinion strengthens court challenges to insufficient climate action, such as the *Ridhima Pandey* case in India.
3. **Collective Pressure for Fair Commitments:** Global South countries can use this decision to demand better fulfilment of climate finance promises and resist disproportionate burdens.

Question for practice:

Examine how the ICJ advisory opinion strengthens global climate accountability.

India's Goldilocks Economy Faces Hidden Structural Challenges

Source: The post *India's Goldilocks Economy Faces Hidden Structural Challenges* has been created, based on the article "*Is the Indian economy perfectly balanced?*" published in "*The Hindu*" on 8th August 2025

UPSC Syllabus Topic: **GS Paper3-** Indian Economy and issues relating to planning, mobilisation, of resources, growth, development and employment.

Context: India's Finance Ministry recently described the economy as being in a "**Goldilocks situation**", marked by moderate growth, low inflation, and supportive monetary conditions. While quarterly numbers point to buoyancy, a closer look at **inflation trends, wage stagnation, inequality, and fiscal constraints** shows structural weaknesses behind this optimistic view.

The Goldilocks Claim and Surface Indicators

1. **Official and Analyst Optimism:** The government pointed to **7.6% GDP growth**, peaking interest rates, and stable corporate earnings as signs of a balanced economy. Analysts labelled it a "**mini-Goldilocks moment**" and projected a strong macroeconomic backdrop for 2025.
2. **Historical Perspective and Skepticism:** Long-term observers caution that such equilibrium may hide **deeper imbalances** that shape the economic reality for most households.

Inflation Trends and Food Price Pressures

1. Divergence Between CPI and Food Inflation: CPI fell from **4.8% in May 2024 to 2.82% in May 2025**, but the **Consumer Food Price Index (CFPI)** often stayed higher. In **October 2024**, CFPI reached **10.87%** against CPI's 6.21%. In **August 2024**, it was 5.66% against 3.65% CPI.

2. Impact on Lower-Income Groups: Food is nearly **half of household spending** for low-income families. High and volatile food prices—due to unseasonal rains, supply disruptions, and global price changes—reduce purchasing power and force cuts in diet, savings, and essential needs.

3. Core Inflation as a Better Gauge: Economists like **Dr. Pronab Sen** argue for focusing on **core inflation** (excluding food and fuel) as it better reflects persistent costs in housing, education, transport, and personal care.

Stagnant Real Wages and the “Silent Squeeze”

1. Gap Between Nominal and Real Wage Growth: In **2023**, nominal wages rose **9.2%**, but real growth was only **2.5%**. In **2020**, real wages fell **-0.4%** despite a 4.4% nominal rise. For **2025**, real growth is projected at **4%** versus an 8.8% nominal hike.

2. Daily Impact on Households: When inflation erodes half the nominal gain, households save less, cut discretionary spending, and depend more on debt—especially in **IT, manufacturing, engineering, and consumer sectors** where hikes are smaller.

Income Inequality and Uneven Recovery

1. ILO Observations and Limited Wage Gains: The **ILO** notes stagnant real wages in emerging economies like India, restricting consumption demand and broad-based recovery.

2. Gini Coefficient Trends and Limitations: The **Gini coefficient** for taxable income dropped from **0.489 (AY13)** to a projected **0.402 (AY23)**, but it misses most of the **informal sector**, hiding real inequality.

3. K-Shaped Recovery and Wealth Concentration: Post-pandemic growth favoured the affluent, with **billionaires increasing** while lower incomes stagnated. This risks **social cohesion** and limits access to quality health and education.

Fiscal Deficit and Debt Constraints

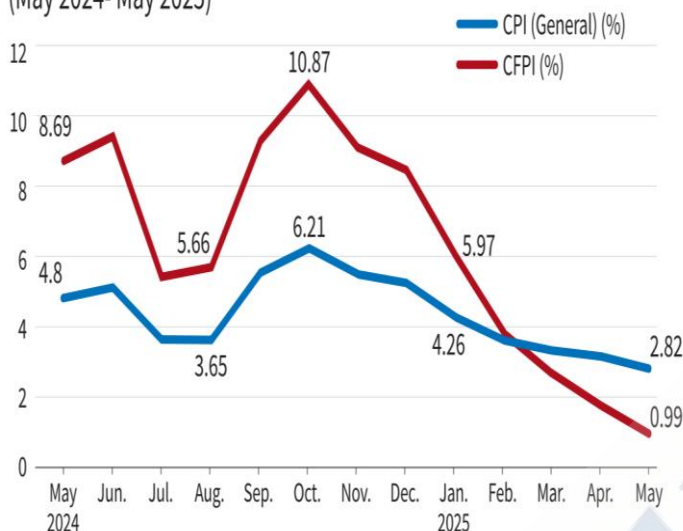
1. Fiscal Consolidation Goals: The fiscal deficit is projected to fall from **6.4% (2022-23)** to **4.4% (2025-26)**, and the revenue deficit from 4% to 1.5%. The primary deficit may drop from 3% to 0.8%.

2. Risks of High Public Debt: Public debt was **81% of GDP in 2022-23**, far above the 60% FRBM target,

India's Goldilocks moment

While the number of billionaires in India has surged, real wages for many at the lower end of the income spectrum have remained the same. This persistent inequality can undermine social cohesion

Chart 1: All-India inflation rates: CPI (General) and CFPI
(May 2024- May 2025)



Source: MoSPI

Chart 2: Salary increase vs real wage growth (2019-2025)

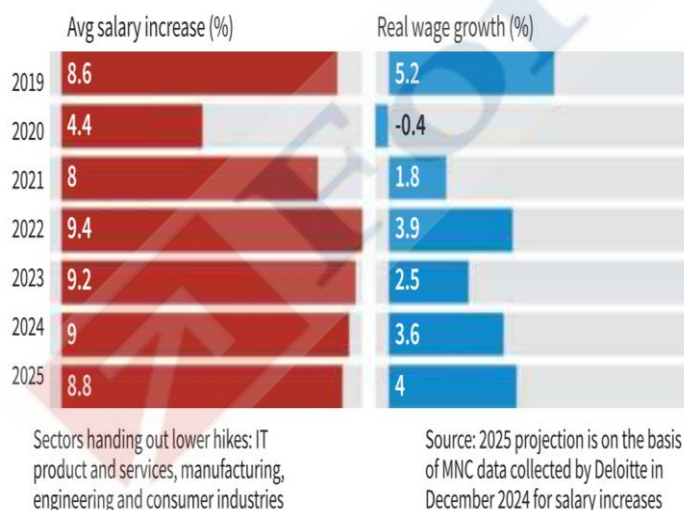


Chart 3: Gini coefficient on taxable income (AY13-AY23F)

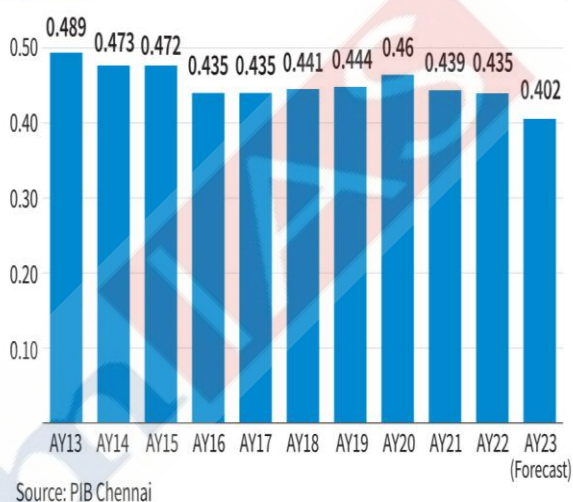


Chart 4: Trends in fiscal and revenue deficits (% of GDP)



reducing fiscal space and risking higher taxes or lower social spending.

3. Crowding Out Private Investment: High borrowing needs can raise interest rates, discouraging private investment and slowing job creation.

Beyond the Goldilocks Narrative

- 1. Underlying Fragilities:** Volatile food inflation, wage stagnation, inequality, and fiscal stress reveal weaknesses beneath the surface optimism.
- 2. Need for Inclusive Growth:** India's economic strength depends on **raising real incomes**, ensuring **equitable growth**, and building **fiscal resilience**.
- 3. Risk of Superficial Optimism:** Without addressing structural challenges, the **"just right" economy** remains out of reach for many households.

Question for practice:

Examine how structural challenges in inflation, wages, inequality, and fiscal health undermine the perception of India's current "Goldilocks" economic situation.

MGNREGA remains crucial for rural economic revival

Source: The post MGNREGA remains crucial for rural economic revival has been created, based on the article **"India's rural jobs scheme is more relevant today than it may seem"** published in **"Live Mint"** on 8th August 2025

UPSC Syllabus Topic: GS Paper3- growth, development and employment.

Context: August 2025 marks 20 years of MGNREGA, India's largest rural employment programme after the National Food Security Act. Enacted under UPA-I, it created a legal and rights-based framework for social protection. Despite changes, it remains central to rural livelihoods, especially for marginalized communities. For detailed information on **Rural economy shows growth but signals are still mixed** [read this article here](#)

Origins and Unique Features

- 1. Legal Backing and Rights-Based Framework:** MGNREGA was passed by Parliament, giving it legal status and immunity from arbitrary government changes. It established a statutory right to work for rural households.
- 2. Universal Applicability and Self-Selection:** Its universal rural coverage and self-selection principle reduced targeting errors common in earlier schemes. The poor, particularly marginalized groups, could opt in without complex eligibility filters.
- 3. Direct and Indirect Gains:** Beyond employment and poverty reduction, MGNREGA boosted rural infrastructure, agricultural productivity, and wage growth, producing long-term economic benefits.

Impact on Rural Labour and Social Inclusion

- 1. Participation of Marginalized Groups:** Women form over half of MGNREGA's workforce. SC and ST workers consistently make up about a quarter, exceeding their population share.
- 2. Empowerment through Self-Selection:** Marginalized communities continue to self-select into the programme, ensuring inclusion without the need for targeted quotas.
- 3. Indirect Market Impact:** From 2008 to 2013, MGNREGA helped push rural wages up by more than 6% annually in real terms, lifting incomes and stimulating rural demand.

Infrastructure and Productivity Gains

- 1. Agricultural Enhancement:** Village irrigation projects, rural roads, and soil conservation works have improved farm productivity. Many projects were on land owned by marginalized farmers, directly aiding the poorest.

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2. Rural Connectivity: Road construction under MGNREGA improved access to markets, boosting trade and agricultural sales.

Challenges and Decline in Effectiveness

1. Falling Wage Competitiveness: Post-2011–12, wages fell below market levels in most states, with 2023 data showing gaps in 20 states.

2. Administrative and Political Hurdles: Since 2014, biometric authentication, delayed payments, and other conditions have slowed implementation. West Bengal saw a two-year suspension due to Centre–state disputes.

3. Stagnating Rural Wages: Administrative apathy has contributed to wage stagnation since 2013, dampening rural demand.

Reviving the Scheme for Economic Growth

1. Crisis-Response Potential: MGNREGA cushioned rural distress during the 2008 financial crisis and the covid pandemic, when demand for work surged.

2. Current Economic Need: With rural wages and farm incomes stagnant, MGNREGA can revive consumption and productivity, bolstering domestic demand amid global uncertainty.

3. Policy Actions Needed: The scheme needs higher budget allocation, wage hikes, and removal of administrative barriers to align with its objectives.

Conclusion

MGNREGA remains vital for rural India's economic stability. Strengthening it is not only socially just but also essential for boosting rural demand and national growth.

Question for practice:

Evaluate the role of MGNREGA in addressing rural economic distress over the past two decades.

India must respond to American tariff hike with strategy

Source: The post India must respond to American tariff hike with strategy has been created, based on the article “Stay calm, negotiate smartly” published in “Indian Express” on 8th August 2025

UPSC Syllabus Topic: GS Paper2- Effect of policies and politics of developed and developing countries on India's interests.

Context: On August 6, President Donald Trump doubled tariffs on all Indian products entering the US from 25% to 50%, affecting nearly a fifth of India's \$87 billion exports. The decision, rooted in political and strategic motives, requires a calm, well-planned Indian response to protect economic and strategic interests.

For detailed information on India must respond wisely to Trump's trade [read this article here](#)

Understanding the Tariff Escalation

1. Shift from Strategic Altruism: The US has ended special trade carve-outs for India, once justified by the hope of a long-term partnership. This signals a move towards a transactional approach.

2. Political and Personal Factors: Trump is reportedly offended that India did not acknowledge the US's possible role in the May 10 India-Pakistan ceasefire.

3. Economic and Technological Disputes: US tech firms resent **India's data localisation rules**, as India controls data of **one-fifth of humanity**, vital for modern AI.

4. Energy and Geopolitics: India's **discounted Russian oil purchases** are politically inconvenient for Washington, prompting punitive tariffs.

Short-Term Tactical Responses

1. Targeted Exemptions: India should seek exemptions for **textiles, jewellery, and electronics**, joining the over **\$1 trillion worth of US tariff exemptions** already granted. Pharmaceuticals and smartphones are exempt for now.

2. Mobilising US Domestic Pressure: Engage US retailers and industries to show **how tariffs raise inflation** and **hurt American consumers**, especially before major shopping seasons.

3. Retaliation with Restraint: Prepare a list of **politically sensitive US exports** — California almonds, Washington apples, Wisconsin motorcycles — and apply duties only if talks fail.

Negotiating Leverage

1. Trade Concessions with Strategic Value: Offer tariff cuts on **luxury goods and automobiles** in return for benefits like increased US natural gas sales and **controlled fintech access**.

2. Separating Trade from Security: Maintain strategic deterrence in the **Indo-Pacific** while using big-ticket defence deals — drones, GE-HAL fighter engines — as incentives for tariff removal.

3. Domestic Support Measures: Provide **temporary credit** and **incentives** to vulnerable export sectors such as garments and pharmaceuticals.

Long-Term Strategic Adjustments

1. Coalition Building: Collaborate with countries also facing US tariffs — **Vietnam, Bangladesh, Brazil, EU, Japan**, and even China — to form coordinated responses.

2. Workarounds and Diversification: Use **Mexico and Canada** as transit points to bypass tariffs. Accelerate the **EU trade agreement**, implement the UK deal, and strengthen Gulf and Latin American ties.

3. Leveraging Services Sector Strength: Expand IT and business services exports, especially **Global Capability Centres**, which are largely immune to tariff measures.

Transforming the Challenge into Opportunity

1. Reducing Own Trade Barriers: Selectively **lower India's high tariffs** to make exports more competitive.

2. Accelerating Manufacturing Reforms: Push long-delayed reforms to improve competitiveness and productivity.

3. Resilience over Dependence: Reduce over-reliance on the US market, using **domestic demand, diaspora networks, and global partnerships** to sustain growth.

Conclusion: Calm, Pragmatic Statecraft

India must **negotiate firmly, build alliances, diversify markets, and boost competitiveness**. Following Deng Xiaoping's advice — "**hide your strength, bide your time**" — this tariff dispute can become a turning point for a **resilient, confident Indian trade strategy**. The US market matters, but India's growth rests on **dignity, sovereignty, and strategic autonomy**.

Question for practice:

Examine how India can strategically respond to the recent US tariff hike while safeguarding its economic and strategic interests.