

[www.vishnuias.com](http://www.vishnuias.com)



**JANUARY 2022**

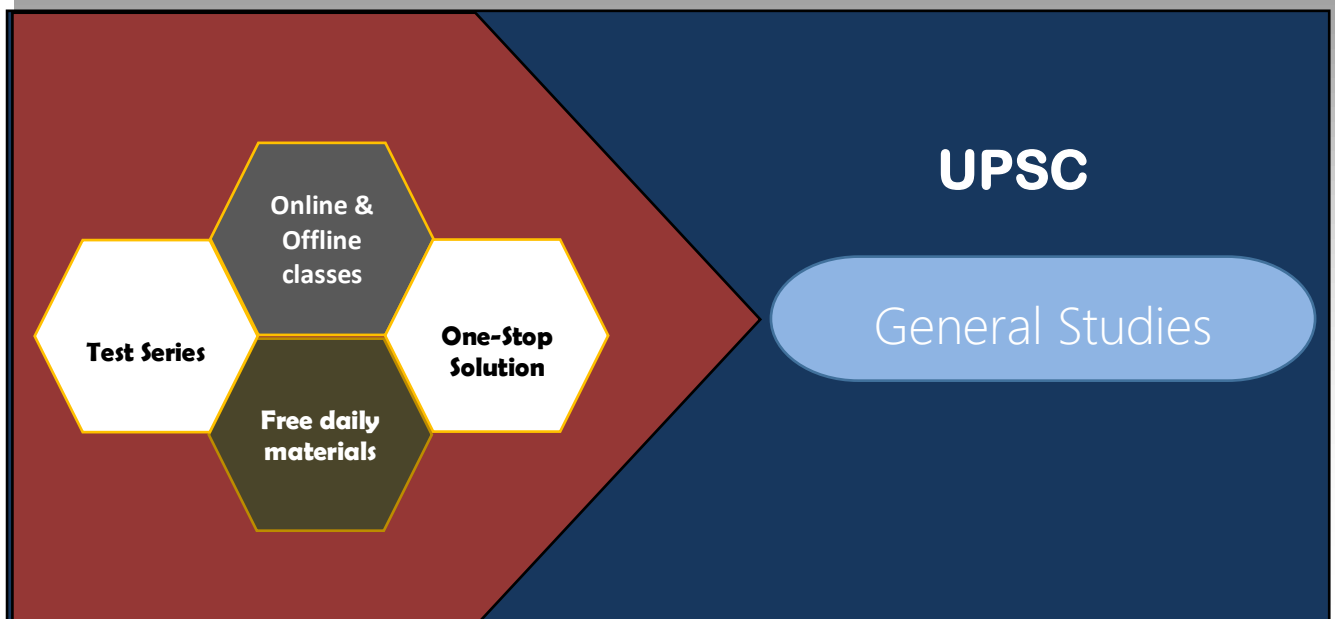
**Monthly current affairs magazine**

# **CURRENT AFFAIRS**

A MAGAZINE FOR CIVIL SERVICES PREPARATION

**JOIN OUR TELEGRAM:** <https://t.me/vishnuiasmentor>

**Articles of the day  
THE HINDU & INDIAN EXPRESS**



## Contents

### **GS 1 : Heritage and culture ,Geography of the World and Society**

1. Amar Jawan Jyoti now merged with the War Memorial flame: govt.
2. The 'racial profiling' of the Chakmas and Hajongs

### **GS 2 : Polity, Governance, International Relations**

1. China issues 'official' names for 15 places in Arunachal Pradesh
2. Budgeting for the education emergency
3. The Dravidian model of public health
4. Selective alignment to universal engagement of Indian diplomacy
5. 8 lakh income 'reasonable' cap for EWS quota, Centre tells SC
6. To the poll booth, with no donor knowledge
7. Punishing Hate Speech
8. Can a Russia-Ukraine conflict be averted?
9. HC allows woman to terminate 28-week pregnancy
10. India, Pakistan exchange list of nuclear installations, prisoners
11. What Russia hopes to do by ratcheting up tensions with Ukraine
12. India's rights record, America's blinkered vision
13. Aiding in Governance
14. The challenge of antimicrobial resistance
15. The hint of a 'one nation one NGO' regime
16. The bottom line in Blinken's foray into Southeast Asia
17. 'Order on CCTVs in spas against SC verdict on privacy'
18. English is the language of Court: Gujarat HC
19. Use drones more effectively: Civil Aviation Ministry
20. Sri Lanka's looming economic crisis
21. Awaiting law panel report on Uniform Civil Code: Centre
22. Omicron epidemic: third wave or new pandemic?
23. The 'old man' and the unrest
24. The Chinese challenge
25. The Personal Data Protection Bill conundrum
26. MHA seeks more time to frame CAA rules
27. HC orders notice to Center on Dam Safety Act
28. Hate speech: SC seeks response from govt.
29. Assemblies had fewer sittings than Parliament
30. India's watchwords in a not so bright 2022

## **GS 3 : Economy, Science and Technology, Environment**

1. Should the government loosen its purse strings?
2. Should the government loosen its purse strings?
3. Why is India challenging WTO verdict on sugar?
4. A new form of socialism powered by cooperative economic enterprises is required
5. Extending GST compensation as a reform catalyst
6. Treating the planet well can aid progress
7. Taxing cryptocurrency transactions
8. Issues with India's GDP data
9. Inequality Kills: A study of the new Oxfam report
10. Draft Regional Plan 2041 for NCR
11. National Ambient Air Quality Standards (NAAQS)
12. Extending the GST compensation
13. The Devas arbitration
14. 'India can make \$300-bn electronics by 2026'
15. States told to share intel on common grid
16. For carbon sequestration, India must revisit its policy framework
17. A chance to support growth, fiscal consolidation
18. What is Antrix- Devas Multimedia Deal?
19. GST Council defers Tax Rate increase on Textiles
20. Chisumle- Demchok: Worlds' Highest Motorable Road
21. The functioning of INSACOG
22. A proposal for Indian Environmental Service
23. Show commitment to equity in the Budget
24. The DLI scheme and the chip making industry in India
25. Govt. moots plan to link digital IDs
26. Parasitic plant found in Nicobar eco hotspot
27. Snow 'bomb' unleashes blizzard on eastern U.S.
28. 'Banks to transfer 15 NPAs worth 50,000 cr. to NARCL'
29. Spot-billed pelicans dying en masse in Andhra Pradesh
30. 'India can make \$300-bn electronics by 2026'

## **GS 1 : Heritage and culture ,Geography of the World and Society**

### **1. Amar Jawan Jyoti now merged with the War Memorial flame: govt.**

The Amar Jawan Jyoti at the India Gate was merged with the eternal flame at the National War Memorial (NWM).

#### **Amar Jawan Jyoti**

- Amar Jawan Jyoti is an eternal flame at India Gate in central Delhi.
- It is an iconic symbol of the nation's tributes to the soldiers who have died for the country in various wars and conflicts since Independence.

#### **Why was Amar Jawan Jyoti constructed?**

- After India defeated Pakistan in the 1971 war, the Amar Jawan Jyoti was constructed as a memorial for Indian soldiers who made the supreme sacrifice.
- Amar Jawan Jyoti was inaugurated by the then prime minister, Indira Gandhi, on January 26, 1972.

#### **What are the Key Elements of Amar Jawan Jyoti?**

- The key elements of the Amar Jawan Jyoti included a black marble plinth, a cenotaph, which acted as a tomb of the unknown soldier.
- The plinth had an inverted L1A1 self-loading rifle with a bayonet, on top of which was a soldier's war helmet.
- The installation had four burners called the eternal flame which was never allowed to be extinguished.

#### **How was the eternal flame kept burning?**

- Since 1972, Amar Jawan Jyoti has been kept alive with the help of cylinders of liquified petroleum gas, or LPG.
- In 2006, the fuel for the flames was changed from LPG to piped natural gas, or PNG.

#### **Why was the eternal flame merged with the flame at the National War Memorial (NWM)?**

- The government sources have claimed that the eternal flame paid homage to the soldiers killed in the 1971 War, but does not mention their name.
- Besides the India Gate is a "symbol of our colonial past"

- The names of all Indian martyrs from all the wars are housed at the National War Memorial. Hence it is a true tribute to have the flame paying tribute to martyrs there.
- Indian political and military leaders and foreign dignitaries pay their tributes to the fallen soldiers at the National War Memorial, which used to happen at the Amar Jawan Jyoti earlier.
- Many criticized that Amar Jawan Jyoti was etched so strongly in the emotional psyche of the country that the new war memorial did not get the attention as the government had expected, and the government wants to promote the new memorial.

### What is the National War Memorial (NWM)?

- The National War Memorial was inaugurated in 2019.
- It is located at the 'C' Hexagon near India Gate.
- It was built in memory of the soldiers who laid down their lives for the country in the post-Independence period.
- The architecture of the memorial is based on four concentric circles: Raksha Chakra, Tyag Chakra, Veerta Chakra, and Amar Chakra.

### 2. The 'racial profiling' of the Chakmas and Hajongs

- In November 2021, a letter was issued for a "special census" to be conducted in all the Chakma- and Hajong-inhabited areas of the Changlang district of Arunachal Pradesh.
- Arunachal Pradesh Chief Minister had stated that his Government was serious about **relocating the Chakma-Hajongs** to other States.

### Migration of the Chakmas and Hajongs:

- The **Buddhist Chakmas and Hindu Hajongs** are migrants from the **Chittagong Hill Tracts of erstwhile East Pakistan, now Bangladesh**. They were **displaced in the 1960s** by the Kaptai dam on the Karnaphuli River and sought asylum in India.
- A large chunk of these migrants was settled in relief camps in the southern and south-eastern parts of Arunachal Pradesh from 1964 to 1969. A rehabilitation plan was formulated, land and financial aid were provided depending on the size of their families.
- Mizoram and Tripura also have a sizeable population of the Chakmas. Some Hajongs also inhabit the Garo Hills of Meghalaya and adjoining areas of Assam.

### Current status of Chakmas and Hajongs:

- As of 2011, there are 47,471 Chakmas and Hajongs living in the State of Arunachal Pradesh. However, as per the Chakma Development Foundation of India, this number stands at about 65,000 currently. A majority of them live in the Changlang district.
- Of the total estimated 65,000, 60,500 of the migrants are **citizens by birth under Section 3 of the Citizenship Act, 1955**, after having been born before July 1, 1987, or as descendants of those who were born before this date. The applications of the remaining 4,500 surviving migrants have not been processed yet.
- The organisations representing the migrants argue that they were permanently settled by the Union of India in the 1960s and since 95% of the migrants were born in the North-East Frontier Agency or Arunachal Pradesh, the **Inner Line Permit** mandatory **under the Bengal Eastern Frontier Regulation of 1873**, for outsiders seeking to visit the State, also does not apply to them.

#### Concerns expressed by Chakmas and Hajongs:

- Chakma organisations have termed the proposal for the special census as nothing but **racial profiling** of the two communities based on their ethnic origin. This they claim violates **Article 14 of the Constitution of India (Right to Equality)** and **Article 1 of the International Convention on the Elimination of All Forms of Racial Discrimination** which has been ratified by India.
- The repeated statements by Arunachal Pradesh officials to get the Hajongs and Chakmas relocated goes against previous Supreme Court Judgments on the issue.
  - The **Supreme Court had in January 1996 prohibited any move to evict or expel the Chakma-Hajongs** and directed the Central and State governments to process their citizenship. Similar observations had also been made by the **National Human Rights Commission**.
  - The Supreme Court in its September 2015 judgment had noted that Arunachal Pradesh cannot expect other States to share its burden of migrants.
- Members of the two communities have allegedly been **victims of hate crime, police atrocities, discrimination and denial of rights and beneficiary programmes**.

#### Concerns raised by locals:

- Local organisations argue that the Union government had **not consulted the local communities before settling the Chakma-Hajongs**.

- They argue that Arunachal Pradesh is having to carry the burden of hosting the migrant Chakmas and Hajongs.
- Local tribes claim the population of the migrants has increased alarmingly and could outnumber the indigenous communities. This they claim poses challenges to their own survival given the **increased competition over land, resources and jobs.**

#### **Threats posed by extreme ethnic consciousness:**

- Though ethnicity and ethnic consciousness are a universal phenomenon, this is considered a **unique feature of tribal societies.**
- Such ethnic consciousness in their more extreme forms of expression are **exclusion and hatred of the 'Other.'**
- Manifestations of the same have been observed in the recent attacks on non-tribal people in Meghalaya's capital Shillong or an Assam-based group's warning to a fuel station owner in Guwahati against employing Bihari workers.
- Violent ethnic assertions could **bring in divisions within the society.** This could take extreme forms of ethnic cleansing and **civil wars.** Ethno-nationalistic mobilisations could lead to calls for **separatism.**

## **GS 2 : Polity, Governance, International Relations**

### **1. China issues 'official' names for 15 places in Arunachal Pradesh**

China's Ministry of Civil Affairs has issued standardized names for 15 places in the Indian State of Arunachal Pradesh, to be used henceforth on official Chinese maps.

#### **MEA clarification**

- The Ministry of External Affairs has dismissed the Chinese "invention".
- Arunachal Pradesh has always been, and will always be, an integral part of India, said MEA.

#### **Why is China giving names to places that are in India?**

- China claims some 90,000 sq km of Arunachal Pradesh as its territory.
- It calls the area "Zangnan" in the Chinese language and makes repeated references to "South Tibet".
- Chinese maps show Arunachal Pradesh as part of China, and sometimes parenthetically refer to it as "so-called Arunachal Pradesh".

- China makes periodic efforts to underline this unilateral claim to Indian territory.
- Giving Chinese names to places in Arunachal Pradesh is part of that effort.

### **Earlier unilateral renamings**

- This is the second lot of “standardized” names of places in Arunachal Pradesh that China has announced.
- Earlier in 2017, it had issued “official” Chinese names for six places spanning the breadth of Arunachal Pradesh

### **What is China’s argument for claiming these areas?**

- The PRC disputes the legal status of the McMahon Line, the official boundary under the ‘Convention Between Great Britain, China, and Tibet’ – of 1914 (Simla Convention).
- China was represented at the Simla Convention by a plenipotentiary of the Republic of China, which had been declared in 1912 after the Qing dynasty was overthrown.
- The present communist government came to power only in 1949, when the People’s Republic was proclaimed.
- The Chinese representative did not consent to the Simla Convention, saying Tibet had no independent authority to enter into international agreements.

### **What is the McMohan Line?**

- The McMohan Line, named after Henry McMahon, the chief British negotiator at Shimla, was drawn from the eastern border of Bhutan to the Isu Razi pass on the China-Myanmar border.
- China claims territory to the south of the McMahon Line, lying in Arunachal Pradesh.
- China also bases its claims on the historical ties that have existed between the monasteries in Tawang and Lhasa.

### **Intention behind these renamings**

- This renaming is a part of the Chinese strategy to assert its territorial claims over Indian territory.
- As part of this strategy, China routinely issues statements of outrage whenever an Indian dignitary visits Arunachal Pradesh.
- Beijing keeps harping on its “consistent” and “clear” position that the Indian possession of Arunachal Pradesh.
- These claims have been firmly established and recognized by the world, as “illegal”.



## Arunachal not all-alone

- Laying aggressive claims to territories on the basis of alleged historical injustices done to China is a part of Beijing's foreign policy playbook.
- The claim on Taiwan is one such example, as are the consistent efforts to change the "facts on the ground" in several disputed islands in the South China Sea.
- The aggression is at all times backed in overt and covert ways by the use of China's economic and military muscle.

## 2. Budgeting for the education emergency

Faced with an unprecedented education emergency, this is the time to substantially ramp up public spending on education and make it more effective.

### Low allocation for education

- UNESCO's 2030 framework for action suggests public education spending levels of between **4% and 6% of GDP** and 15%-20% of public expenditure.
- A recent World Bank study notes that **India spent 14.1 % of its budget on education**, compared to 18.5% in Vietnam and 20.6% in Indonesia, countries with similar levels of GDP.
- But since **India has a higher share of population under the age of 19 years** than these countries, it should actually be allocating a greater share of the budget than these countries.
- Public spending on education in most States in India was below that of other middle-income countries even before the pandemic.
- Most major States spent **in the range of 2.5% to 3.1%** of State income on education, according to the Ministry of Education's Analysis of Budgeted Expenditure on Education.
- This compares with the **4.3% of GDP that lower-middle-income countries spent**, as a group, between 2010-11 and 2018-19.
- In the 2021-22 Budget, the Central government's allocation for the Education Department was slashed compared to the previous year, even though the size of the overall budget increased.
- Of the major States and Delhi, eight either reduced or just about maintained their budget allocation for education departments in 2021-22 compared to 2020-21.

## Way forward

- The vast majority of the **260 million children** enrolled in preschool and school, especially in government schools, did not have meaningful structured learning opportunities during the 20 months of school closures.
- **Infusion of resources:** The education system now needs not only an infusion of resources for multiple years, but also a **strengthened focus on the needs of the poor and disadvantaged children.**
- What it is spent on and how effectively resources are used are important.
- It is clear what additional resources are required for.
- **The needs include:** back-to-school campaigns and re-enrolment drives; expanded nutrition programmes; reorganisation of the curriculum to help children learn language and mathematics in particular, and support their socio-emotional development, especially in early grades; additional learning materials; teacher training and ongoing support; additional education programmes and **collection and analysis of data.**
- **Focus on teacher training:** How does **expenditure on technology** compare with the amounts spent on teacher training, which represents just 0.15% of total estimated expenditure on elementary education?
- **Teachers are central to the quality of education**, so why does India spend so little on teacher training?

## The opacity of education finance data in India

- The opacity of education finance data makes it difficult to comprehend this.
- For instance, the **combined Central and State government spending on education** was estimated to be 2.8% of GDP in 2018-19, according to the Economic Survey of 2020-21.
- This figure had remained at the same level since 2014-15.
- On the other hand, data from the Ministry of Education indicates that public spending on education **had reached 4.3% of GDP in the same year, rising from 3.8% of GDP in 2011-12.**
- The difference in the figures is due to the inclusion of expenditure on education by departments **other than the Education Department.**
- Including expenditure on education by, for example, the **Ministry of Tribal Affairs**, the Ministry of Social Justice and Empowerment (on Anganwadis, scholarships, etc.), the Ministry of Science and Technology (for higher education) is of course legitimate.
- However, the composition of these expenditures is not readily available.

## Conclusion

The questions for this Budget should be clear. How much additional funds are being allocated for different levels of education by the principal departments in 2021-22? Are the funds being spent on the specific measures required to address the education emergency facing the children?

### 3. The Dravidian model of public health

The recent Supreme Court judgement of upholding the constitutionality of reservation for Other Backward Classes (OBC) in National Eligibility cum Entrance Test (NEET) 's All-India Quota (AIQ) is considered a landmark in the history of social justice in the country.

#### Tamil Nadu model of Public Health

- The governments in Tamil Nadu have had a broad and inclusive understanding of 'merit' and its social implications.
- The affirmative action to provide reservations for in-service doctors has stood the test of time for over forty years.
- The introduction of the scheme reserving 50% of the postgraduate and super-specialty medical seats for government doctors had a big impact in providing tertiary health care in government hospitals.
- The policymakers included a unique superannuation bond for these government doctors to ensure that those who secure postgraduate or super-specialty seats by availing themselves of in-service reservations will serve the government till their retirement.

#### Key achievements of the TN model:

- It resulted in the expansion of public health infrastructure in the State.
- The progressive reform has ensured the availability of specialists in multiple disciplines such as gynaecology, anaesthesia, general medicine, paediatrics, general surgery and orthopaedics, in almost every district hospital.
- This resulted in a steady rise in the availability of multi-specialty experts not only in metropolitan cities but also in Tier-2 cities.
- Currently, the public health sector in Tamil Nadu has 900 super-specialists in different disciplines.
- The scheme encouraged young MBBS graduates to serve in rural areas.
  - As a result, State PHCs and government hospitals did not witness a shortage of doctors.
  - People got better healthcare facilities at their doorsteps.

- The superannuation bond has ensured that a vast majority of the specialists continue their service in the government sector throughout their careers.

### **Criticism on current admission policies of NEET**

- Since 2017, it is compulsory for States to surrender all the seats of super-specialty courses to the central pool for common counselling i.e. 15% of MBBS seats, 50% of postgraduate seats and 100% of super-specialty seats are surrendered to Centre, which is known as All India Quota (AIQ).
- The Medical Council of India (MCI) has framed a policy of giving only 50% of postgraduate diploma seats to service doctors, exempting super-specialty degrees.
- The weightage for government doctors who serve in rural areas has reduced, putting the rural healthcare delivery system in peril.
- The union government is criticized for the lack of consultation with stakeholders and the policy as a short-sighted move in the public domain.
- States feel that not incentivising the serving doctors would jeopardise the healthcare delivery system.
- The policy discourages young rural doctors, who find it difficult to compete with their urban counterparts who have access to coaching institutes.
- The policy's attempts to force unwilling doctors to take up compulsory rural service after MBBS or to introduce a bridge course for AYUSH doctors to incarnate them as rural physicians are also criticised.

### **The Court's View**

- Hearing of a case filed by members of the Service Doctors and Postgraduates Association for the reintroduction of 50% service doctors' reservation in super-specialty courses, the Madras High Court directed the Centre to provide reservations for service doctors in super-specialty courses.
- In the recent judgment the Supreme Court held that, "the correctness of actions and dedication to public service should also be seen as markers of merit, which cannot be assessed in a competitive examination."
- The court also said that "Merit should be socially contextualised and reconceptualised as an instrument that advances social goods like equality that we as a society value".

### **Conclusion**

Examining the success of the model followed in Tamil Nadu and following the recent court's directions, the union government must look to redefine the concept of merit by facilitating the reintroduction of in-service doctors and reservation for respective States in super-specialty courses.

#### 4. Selective alignment to universal engagement of Indian diplomacy

In 2021, Indian diplomacy was characterised by a readiness to deal with friends and foes alike.

##### Challenges faced by India diplomacy in 2021

- **The US leadership change:** Coping with the change from President Donald Trump to President Joe Biden and the consequent changes in U.S. policy were big enough to keep the world leaders on tenterhooks.
- **Pandemic:** With the increased onslaught of the pandemic, India suddenly became the epicentre of the tragedy.
- The exposure of the **inefficiency of India's health system** and put the country in the defensive and **weakened its credibility** as it tried to contribute to the resolution of global issues.
- **Aggression by China:** For India, the biggest preoccupation of 2021 was the effort to get China to disengage in areas in Ladakh.
- Dialogue, military preparedness and economic pressure met with limited success.
- **Afghanistan crisis:** Afghanistan turned out to be a bigger crisis than expected, with the Taliban's walkover in Kabul.
- Bringing some civility to the Taliban in Kabul became a high priority in the face of a **Pakistan-China-Taliban axis** with some support from Russia and Iran.
- **Issue of permanent membership of the UN Security Council:** Unprecedented in the history of the UN, an event at the Security Council was chaired by the Prime Minister.
- Significant inputs were provided during discussions on issues like **maritime security, peacekeeping and anti-terrorism** for active consideration in the future.
- Although it is illusory to believe that the way has been cleared for India's permanent membership of the Security Council, India's diplomatic capabilities and its commitment to the UN have demonstrated yet again.

##### What marks the change in the style of Indian diplomacy?

- From **selective alignment**, India moved to **universal engagement**, even to the extent of convening meetings with antagonists.
- **Engagements with the U.S.** went beyond familiarisation with the new government to increased commitment to Quad and acceptance of AUKUS and formation of the 'western Quad', with the U.S., Israel and the UAE.

- **Engagement with Russia:** Major agreements were signed with Russia, despite the American threat of CAATSA against S-400 missiles and the Russian inclination to align with China in the days to come.
- **The engagement with China** at the level of commanders and diplomats was intense, and ministerial interaction continued even when China tore up many fundamental agreements that sustained the dialogue for many years.
- **Patience, diligence and firmness:** India attended a Shanghai Cooperation Organisation meeting, where a sub-group led by China took its own decisions on Afghanistan.
- We also attended a meeting of Russia, China and India.
- Perhaps because of the unique geopolitical situation, India gave particular importance to its presidency of the UN Security Council in August 2021.
- **Engagement with Myanmar:** The Foreign Secretary's visit to Myanmar to engage the military junta at a time when opposition leaders are in prison may raise eyebrows in many countries, but this is another instance of India's readiness **to engage those in power to explore** possibilities of friendship and co-operation.
- The intention is to **prevent China from having a field day in Myanmar.**

## Conclusion

Sadly, the extraordinary efforts made by India have not been fruitful in the cases of China and Afghanistan. But India's new style of diplomacy will have an impact in shaping the world of the future.

## 5. 8 lakh income 'reasonable' cap for EWS quota, Centre tells SC

A government committee report in the Supreme Court has said that "income" is a "feasible criterion" for defining the "Economically Weaker Sections" (EWS) in society, and the annual family income of ₹8 lakh is a "reasonable" threshold to determine EWS.

### Centre's Argument: Strict criteria for EWS

- The income criterion for EWS was "more stringent" than the one for the OBC creamy layer.
- EWS's criteria relates to the financial year prior to the year of application.
- On the other side, income criterion for the creamy layer in OBC category is applicable to gross annual income for three consecutive years.

## EWS Quota: A backgrounder

- The 10% reservation was introduced through the 103rd Constitution Amendment and enforced in January 2019.
- It added Clause (6) to Article 15 to empower the Government to introduce special provisions for the EWS among citizens except those in the classes that already enjoy reservation.
- It allows reservation in educational institutions, both public and private, whether aided or unaided, excluding those run by minority institutions, up to a maximum of 10%.
- It also added Clause (6) to Article 16 to facilitate reservation in employment.
- The new clauses make it clear that the EWS reservation will be in addition to the existing reservation.

## Significance of the quota

- The Constitution initially allowed special provisions only for the socially and educationally backward classes.
- The Government introduced the concept of EWS for a new class of affirmative action program for those not covered by or eligible for the community-based quotas.

## What are the criteria to identify the section?

- The main criterion is that those above an annual income limit of ₹8 lakh are excluded.
- It accounts income from all sources such as salary, business, agriculture and profession for the financial year prior to the application of the family, applicants, their parents, siblings and minor children.
- Possession of any of these assets, too, can take a person outside the EWS pool:
  1. Five or more acres of agricultural land
  2. A residential flat of 1,000 sq.ft. and above
  3. A residential plot of 100 square yards and above in notified municipalities, and
  4. A residential plot of 200 square yards and above in other areas

## What are the court's questions about the criteria?

- **Reduction within general category:** The EWS quota remains a controversy as its critics say it reduces the size of the open category, besides breaching the 50% limit on the total reservation.

- **Arbitrariness over income limit:** The court has been intrigued by the income limit being fixed at ₹8 lakh per year. It is the same figure for excluding the 'creamy layer' from OBC reservation benefits.
- **Socio-economic backwardness:** A crucial difference is that those in the general category, to whom the EWS quota is applicable, do not suffer from social or educational backwardness, unlike those classified as the OBC.
- **Metropolitan criteria:** There are other questions as to whether any exercise was undertaken to derive the exceptions such as why the flat criterion does not differentiate between metropolitan and non-metropolitan areas.
- **OBC like criteria:** The question the court has raised is that when the OBC category is socially and educationally backward and, therefore, has additional impediments to overcome.
- **Not based on relevant data:** In line with the Supreme Court's known position that any reservation or norms for exclusion should be based on relevant data.
- **Breaches reservation cap:** There is a cap of 50% on the reservation as ruled in the Indira Sawhney Case. The principle of balancing equality ordains reservation.

### What is the current status of the EWS quota?

- The reservation for the EWS is being implemented by the Union Government for the second year now.
- Recruitment test results show that the category has a lower cut-off mark than the OBC, a point that has upset the traditional beneficiaries of reservation based on caste.
- The explanation is that only a small number of people are currently applying under the EWS category — one has to get an income certificate from the revenue authorities — and therefore the cut-off is low.
- However, when the number picks up over time, the cut-off marks are expected to rise.

### Practical issues with EWS Quota

The EWS quota will come in for judicial scrutiny soon. But it's not only a matter for the judiciary, India's Parliament should revisit the law too.

- **Hasty legislation:** This law was passed in haste. It was passed in both the houses within 48 hours, and got presidential approval the next day.
- **Minority appeasement:** It is widely argued that the law was passed to appease a certain section of upper-caste society and to suppress the demands for minority reservations.



- **Morality put to question:** Imagine! A constitutional amendment has been made with few hours of deliberation and without consultation of the targeted group. This is certainly against constitutional morality and propriety.
- **Substantial backing is missing:** This amendment is based on a wrong or unverified premise. This is at best a wild guess or a supposition because the government has not produced any data to back this point.
- **Under-reservation of Backward Classes:** The assertion is based on the fact that we have different data to prove the under-representation of SC, ST, OBCs. That implies that 'upper' castes are over-represented (with 100 minus reservation).
- **Rationale of 10%:** There is one more problem in this regard. The SC and ST quota is based on their total population. But the rationale for the 10 per cent quota was never discussed.
- **Principle of Equality:** Economic backwardness is quite a fluid identity. It has nothing to do with historic wrongdoings and liabilities caused to the Backward Classes.

### Way forward

- **Preserving the merit:** We cannot rule out the sorry state of economic backwardness hampering merit in our country .
- **Rational criteria:** There has to be collective wisdom to define and measure the economic weakness of certain sections of the society in order to shape the concept of economic justice.
- **Judicial guidance:** Judicial interpretation will pave the wave forward for deciding the criterion for EWS Quota.
- **Targetted beneficiaries.** The centre needs to resort to more rational criteria for deciding the targeted beneficiary of this reservation system. Caste Census data can be useful in this regard.
- **Income study:** The per capita income or GDP or the difference in purchasing power in the rural and urban areas, should be taken into account while a single income limit was formulated for the whole country.

### 6. To the poll booth, with no donor knowledge

As the states gear up for elections, the debate on electoral bonds has once again come into the limelight.

#### Electoral Bonds

- In 2021, the Union government authorized the State Bank of India to issue and encash a new tranche of electoral bonds.

- It is the 19th such arrangement since the scheme's notification in 2018.
- The electoral bond scheme is designed to allow an individual, or corporates, to purchase bonds issued by the State Bank of India during notified periods of time.
- These instruments are issued in the form of promissory notes, and in denominations of 1,000; ₹10,000; ₹1 lakh; ₹10 lakhs and ₹1 crore.
- The buyer can donate these purchased bonds to any political party of their choice and the party can then encash it on demand.
- The purchasers are not obliged to disclose to whom they presented the bond, and a political party encashing a bond is compelled to keep the donor's identity secret.

### Arguments against Electoral Bonds Scheme

- **Anything but transparent**
  - Ensuring citizens have access to information is an essential feature of a democracy.
  - But the electoral bond scheme has tainted the democratic process, by destroying the notion of transparency in political funding.
- **No obligation on parties**
  - The parties and funding companies have no obligations to provide details to the public about the donations received or made by them through electoral bonds.
  - Companies are further under no obligation to disclose the name of the party who they have funded.
- **Weakened key restrictions**
  - Amendments removed a previous prohibition that disallowed a company from donating more than 7.5% of its net profits over preceding three years.
  - A mandate that a company should be in existence for at least three years before it could make donations, aimed at discouraging shell corporations from funnelling money into politics, was also lifted.

### Government's stand

- The donor will know which party he is depositing money to and the political party will file a return with the Election Commission.
- Which donor gave to which political party is the only thing that will be anonymous.
- Voters do not have a fundamental right to know how political parties are funded.
- The scheme helps eliminate the role of black money in funding elections.

## Court's View

- According to the Court, since the transactions of the bonds are through banking channels, a person could look through every corporation's financial statement available with the Registrar of Companies to know about the donations.
- The Supreme Court has held that voters have the right to freely express during an election and are entitled to all pieces of information that give purpose to the right.
- To participate in the electoral process in a meaningful way and to choose one's votes, a citizen must be aware of the identity of those backing the candidates.
- The affidavits filed by the Election Commission of India in the Supreme Court have demonstrated that the scheme, if anything, augments the potential role of black money in elections; it does so by removing existing barriers against shell entities.

## Need for Judicial Interventions

- One of the important functions of an independent judiciary in a democracy is to check the fundamentals of the democratic process.
- Governments derive their legitimacy from elections, and it is elections that grant governments the mandate to pursue their policy goals.
- The electoral legitimacy of the government is questionable if the electoral process is questionable. And since the government itself cannot regulate the process that it is subject to every five years, the courts remain the only independent body that can adequately enforce the ground rules of democracy.
- A delay in adjudication cannot be afforded as the integrity of the electoral process is at stake.

## 7. Punishing Hate Speech

A recent religious conclave has witnessed inflammatory and provocative speeches by some religious proponents hinting at a Myanmar-type 'minority cleansing campaign'.

### 'Hate Speech'

- There is no specific legal definition of 'hate speech'.
- The Law Commission of India, in its 267th Report, says: "Hate speech generally is an incitement to hatred primarily against a group of persons

defined in terms of race, ethnicity, gender, sexual orientation, religious belief and the like ...

- Thus, hate speech is any word written or spoken, signs, visible representations within the hearing or sight of a person with the intention to cause fear or alarm, or incitement to violence.”
- In general, hate speech is considered a limitation on free speech that seeks to prevent or bar speech that exposes a person or a group or section of society to hate, violence, ridicule or indignity.

### **How is it treated in Indian law?**

- Provisions in law criminalize speeches, writings, actions, signs and representations that foment violence and spread disharmony between communities and groups and these are understood to refer to ‘hate speech’.
- Sections 153A and 505 of the Indian Penal Code are generally taken to be the main penal provisions that deal with inflammatory speeches and expressions that seek to punish ‘hate speech’.

#### **[I] Section 153A:**

- Promotion of enmity between different groups on grounds of religion, race, place of birth, residence, language, etc., and doing acts prejudicial to maintenance of harmony’, is an offence punishable with three years’ imprisonment.

#### **[II] Section 505:**

##### **505(1): Statements conducing to public mischief**

- The statement, publication, report or rumour that is penalized under Section 505(1) should be one that promotes mutiny by the armed forces, or causes such fear or alarm that people are induced to commit an offence against the state or public tranquility.
- This attracts a jail term of up to three years.

**505(2):** It is an offence to make statements creating or promoting enmity, hatred or ill-will between classes.

**505(3):** Same offence will attract up to a five-year jail term if it takes place in a place of worship, or in any assembly engaged in religious worship or religious ceremonies.

## What has the Law Commission proposed?

The Law Commission has proposed that separate offences be added to the IPC to criminalize hate speech quite specifically instead of being subsumed in the existing sections concerning inflammatory acts and speeches.

### [A] Inserting two sections

- It has proposed that two new sections, Section 153C and Section 505A, be added.

#### Section 153C

It is an offence if anyone-

- Uses gravely threatening words, spoken or written or signs or visible representations, with the intention to cause fear or alarm OR
- Advocates hatred that causes incitement to violence, on grounds of religion, race, caste or community, sex, gender identity, sexual orientation, place of birth, residence, language, disability or tribe

#### Section 505A

- It proposes to criminalize words, or display of writing or signs that are gravely threatening or derogatory, within the hearing or sight of a person, causing fear or alarm or, with intent to provoke the use of unlawful violence against that person or another”.

### [B] Imprisonment

- Section 153C: two-year jail term for this and/or a fine of ₹5,000 or both
- Section 505A: prison term of up to one year and/or a fine up to ₹5,000

### Other committees' recommendations

- Similar proposals to add sections to the IPC to punish acts and statements that promote racial discrimination or amount to hate speech have been made by the M.P. Bezbaruah Committee and the T.K. Viswanathan Committee.
- At present, the Committee for Reforms in Criminal Laws, which is considering more comprehensive changes to criminal law, is examining the issue of having specific provisions to tackle hate speech.

## Why regulate hate speech?

- **Creates social divide:** Individuals believe in stereotypes that are ingrained in their minds and these stereotypes lead them to believe that a class or group of persons are inferior to them and as such cannot have the same rights as them.
- **Threat to peaceful co-existence:** The stubbornness to stick to a particular ideology without caring for the right to co-exist peacefully adds further fuel to the fire of hate speech.

## Issues in regulating hate speech

- **Powers to State:** Almost every regulation of speech, no matter how well-intentioned, increases the power of the state.
- **Hate speeches are Political:** The issue is fundamentally political and we should not pretend that fine legal distinctions will solve the issue.
- **Legal complications:** An over-reliance on legal instruments to solve fundamentally social and political problems often backfires.

## What lies ahead?

- Subjects like hate speeches become a complex issue to deal with, in a country like India which is very diverse, as it was very difficult to differentiate between free and hate speech.
- There are many factors that should be considered while restraining speeches like strong opinions, offensive comments towards certain communities, the effect on values like dignity, liberty and equality.
- We all have to work together and communicate efficiently for our country to be a healthy place to live in.

## 8. Can a Russia-Ukraine conflict be averted?

Russia has mobilised around 1,00,000 troops on its border with Ukraine.

### Details

- Russia claims that the eastward expansion by the North Atlantic Treaty Organization (NATO) which they call “**enlargement**”, has threatened Russia’s interests and has asked for written security guarantees from NATO.
- The crisis has led to many diplomatic moves with the U.S., NATO and the European Union holding talks with Russia.

### Enlargement of NATO

- NATO is a military alliance of twenty-eight European and two North American countries that constitutes a system of collective defense.
- Enlargement of NATO is the process of including new member states in NATO.
- Since the German unification in 1990, NATO has added new members five times.
  - The alliance had 12 founding members in 1949, which currently has 30 members,
  - Members include three Baltic countries of **Estonia, Latvia** and **Lithuania** that share borders with Russia.
  - Members also include **Hungary, Poland, Romania** and **Bulgaria**, all of them being a part of the former Soviet-led **Warsaw Pact**.

### **Russia's demands**

- Russia has demanded a ban on further expansion of NATO that includes countries like Ukraine and Georgia that share Russia's borders.
- Russia asked NATO to pull back its military deployments to the 1990s level and prohibit the deployment of intermediate range missiles in the bordering areas.
- Further, Russia asked NATO to curb its military cooperation with Ukraine and other former Soviet republics.
- Russia not just wants to prevent NATO's future expansion but also its retrieval from Russia's rim land.
- Russia has also asked for a written response by the U.S. to its proposals regarding security guarantees and official commitments for non-expansion of NATO eastwards.

### **The response from the U.S.**

- The U.S. has given a written response to the Kremlin, which hasn't been released.
- The public remarks by top officials suggest that the U.S. has taken a mixed stand of diplomacy and economic deterrence.
- The U.S. has ruled out changing NATO's "open door policy" that means, NATO would continue to induct more members.
- The U.S. also says it would continue to offer training and weapons to Ukraine.
- The U.S. is said to be open for a discussion regarding missile deployment and a mutual reduction in military exercises in Eastern Europe.
- The U.S. has ruled out sending troops to Ukraine or other military measures against Russia in the event of an invasion. However, it has threatened to impose severe economic sanctions on Russia in case of any military move.

## Options for Russia

- Russia says it won't attack Ukraine, but since the annexation of Crimea, the situation continues to remain tense.
  - Russia is backing separatists in the self-declared **Luhansk** and **Donetsk** republics (**Donbas**) in eastern Ukraine.
  - Russia could annex **Donbas** and launch incursions, capturing more territories along the **Sea of Azov**, establishing a land bridge from its border to Crimea.
  - Russia could provide further military assistance to the rebels in Donbas to push the frontline further into Ukraine without triggering a major international response.
- Moscow has mobilised troops on Ukraine's eastern border with Russia and northern border with Belarus, southern border with Crimea and south-western border with Transnistria.
  - In case of invasion, Russian troops could make swift moves into Ukraine from three sides.
- The other option is to de-escalate, claiming a diplomatic victory which would be based on guarantees from the West.

## India's stand

- India called for "a peaceful resolution of the situation through sustained diplomatic efforts for long-term peace and stability in the region and beyond".
  - This was India's stand even during the Crimean crisis.
- The decisions taken after the annexation of Crimea offer insights into the minds of policy-makers in India on Ukraine,
  - Immediately after the annexation, India abstained from voting in the UN General Assembly on a resolution that sought to condemn Russia.
  - In 2014, Putin praised India's "restraint and objectivity".
  - In 2020, India voted against a Ukraine-sponsored resolution in the UN General Assembly that sought to condemn alleged human rights violations in Crimea.
- India's position is largely rooted in neutrality and has adapted itself to the post-2014 status quo on Ukraine.

## Conclusion

The continuing diplomatic activities between the various stakeholders is a positive sign that suggests that a military conflict is not imminent. However, there is no clarity on the de-escalation along the borders.



## 9. HC allows woman to terminate 28-week pregnancy

The Delhi High Court has permitted a 28-week pregnant woman to undergo medical termination of pregnancy on account of substantial foetal abnormality.

**What did the HC rule?**

**Ans.** Termination of Pregnancy is a matter of Right

- The High Court said the woman cannot be deprived of the freedom to take a decision to continue or not to continue with the pregnancy, due to foetal abnormalities.
- HC ruled that reproductive choice is a dimension of personal liberty that is enshrined in Article 21 of the Constitution.
- It stated that allowing the pregnancy to continue would have a deleterious impact on the petitioner's mental health.
- The petitioner cannot be deprived of the freedom to take a decision to continue or not to continue with the pregnancy in view the medical board's opinion.

**What is the Medical Termination of Pregnancy (MTP) Act?**

- Abortion in India has been legal under various circumstances for the last 50 years with the introduction of MTP Act in 1971.
- The Act was amended in 2003 to enable women's accessibility to safe and legal abortion services.

Termination of pregnancy is permitted for a broad range of conditions up to 20 weeks of gestation as detailed below:

1. **Threat to mother:** When the continuation of pregnancy is a risk to the life of a pregnant woman or could cause grave injury to her physical or mental health;
2. **Child abnormalities:** When there is substantial risk that the child, if born or dead would be seriously handicapped due to physical or mental abnormalities;
3. **Rape survivors:** When pregnancy is caused due to rape (presumed to cause grave injury to the mental health of the woman);
4. **Failure of contraception:** When pregnancy is caused due to failure of contraceptives used by a married woman or her husband (presumed to constitute grave injury to mental health of the woman).

### Conditions for abortion

- The MTP Act specifies – (i) who can terminate a pregnancy; (ii) till when a pregnancy can be terminated; and (iii) where can a pregnancy be terminated.
- There must be an **opinion formed of a doctor**, that the pregnancy would cause a risk to the life of the pregnant woman or grave injury to her physical or mental health.
- When a **pregnancy exceeds 20 weeks** but not 24 weeks, termination is permissible on the **opinion formed of two registered medical practitioners**.

### What was the recent case?

- In the present case, the woman has completed 28 weeks of pregnancy.
- As the MTP Act does not permit pregnancy termination beyond 24 weeks, she approached the court.
- Various anomalies were found in the heart of the foetus in the foetal ECG.

### Key issues

There are differing opinions with regard to allowing abortions.

- One opinion is that terminating a pregnancy is the choice of the pregnant woman and a part of her reproductive rights.
- The other is that the state has an obligation to protect life, and hence should provide for the protection of the foetus.
- Across the world, countries set varying conditions and time limits for allowing abortions, based on foetal health, and risk to the pregnant woman.

### Conclusion

- Access to abortion facilities is limited not just by legislative barriers but also the fear of judgment from medical practitioners.
- It is imperative that healthcare providers be sensitized towards being scientific, objective and compassionate in their approach to abortions.

## 10. India, Pakistan exchange list of nuclear installations, prisoners

India and Pakistan has exchanged a list of their nuclear installations that cannot be attacked in case of an escalation in hostilities, as part of an annual ritual that has been in practice between the two neighbours for more than three decades.

## Non-Nuclear Aggression Agreement

- The Non-nuclear aggression agreement is a bilateral and nuclear weapons control treaty between India and Pakistan, on the reduction (or limitation) of nuclear arms.
- Both pledged not to attack or assist foreign powers to attack on each others nuclear installations and facilities.
- The treaty was drafted in 1988, and signed by the PM Rajiv Gandhi and his counterpart Benazir Bhutto on 21 December 1988; it entered into force on January 1991.
- The treaty barred its signatories to carry out a surprise attack (or to assist foreign power to attack) on each other's nuclear installations and facilities.
- Starting in January 1992, India and Pakistan have annually exchanged lists of their respective military and civilian nuclear-related facilities.

## Need for the treaty

- In 1986-87, the massive exercise, 'Brasstacks' was carried out by the Indian Army, raising the fears of an Indian attack on Pakistan's nuclear facilities.
- Since then, the Foreign ministries of both countries had been negotiating to reach an understanding towards the control of nuclear weapons.

## Significance of the agreement

- The treaty barred its signatories to carry out a surprise attack (or to assist foreign power to attack) on each other's nuclear installations and facilities.
- The treaty provides a confidence-building security measure environment.

## Other: Sharing of Prisoners information

- Both nations do simultaneously share the list of prisoners in each others' custody.
- These lists are exchanged under the provisions of the Agreement on Consular Access signed in May 2008.
- Under this pact, the two countries should exchange comprehensive lists on January 1 and July 1 every year (i.e. twice a year).

## 11. What Russia hopes to do by ratcheting up tensions with Ukraine

### Background:

- **Russia has been indulging in military build-up along its border with Ukraine**, an aspiring NATO member. Russia has stated that its troop

deployment is in **response to NATO's steady eastward expansion**. Russia argues that its moves are aimed at protecting its own security considerations.

- Russia is believed to have amassed more than 1,00,000 troops along the border, prompting fears that it is planning to invade its neighbour.
- This has resulted in tensions between Russia and the West which have been supportive of Ukraine. The U.S. has assured Ukraine that it will “respond decisively” in case of an invasion by Russia.

#### **Russia's demands:**

- Putting the onus of de-escalation on the West, Russia has put forward certain conditions that must be met before it considers scaling back its military mobilisations along the Ukrainian border.
  - Russia has **asked NATO to withdraw its forces from all countries in Europe that joined the alliance after May 1997**. This would include Baltic countries like Latvia, Estonia, Lithuania, central European states such as Poland, Hungary, and the Czech Republic, and Balkan states such as Croatia and Slovenia.
  - Russia also wants NATO to **drop plans of any further 'enlargement' of its membership**. This would mean NATO not accepting Ukraine and Georgia as members of NATO.
  - Russia also demands that **NATO must not hold drills in eastern Europe, (Ukraine and Georgia) without prior approval from Russia**.

#### **West's response:**

- The U.S and NATO officials have termed Russia's proposals as being unrealistic. Their line of argument has been that countries like Ukraine and every other country are **sovereign entities and thus have the right to determine their own foreign policy without outside interference** and join whichever alliance they want.
- The west powers believe that Russia, by amassing troops at the Ukrainian border and upping tensions, is hoping to negotiate a regional security architecture directly with the U.S., bypassing the smaller European states. However, both the U.S. and NATO have indicated that they would consult with their European allies on any negotiations with Russia.
- Germany has also warned Russia that the **Nord Stream 2 pipeline** would be stopped if Russia were to invade Ukraine.

#### **Recommendation:**

- **Diplomatic negotiations** between Russia and the Western powers led by the U.S. seem to be the only way to try and work out a path towards de-

escalation. The **Organisation for Security and Co-operation (OSCE)** can provide such a platform.

- The Organization for Security and Co-operation in Europe (OSCE) is the world's largest **security-oriented intergovernmental organization**. Most of its 57 participating countries are in Europe, but there are a few members present in Asia and North America. The participating states cover much of the land area of the Northern Hemisphere. It was created during the Cold War era as an **East-West forum**.
- The OSCE is concerned with early warning, conflict prevention, crisis management, and post-conflict rehabilitation.

## 12. India's rights record, America's blinkered vision

This article talks about the recent developments in India-US relations.

### India-US Relations in a Changing Strategic Environment

- The United States considers India to be a crucial ally and the sole recognised Major Defense Partner.
- In a very short period of time, India-US relations reached even higher heights.
- The US Administration has maintained its predecessors' harsh stance toward China, ratcheting it up in several areas.
- The United States convened a virtual summit of Quad leaders, energizing a platform that had been lacking in direction.
- From India's perspective, there are repercussions of a hastened withdrawal of American soldiers from the war-torn country Afghanistan on India in terms of security challenges.

### Democratic Values in India-US Relations:

- The United States is understanding of India's broad downgrades in indicators used to gauge democratic norms and human rights.
- The world's two most powerful democratic powers are India and the United States. Both parties have highlighted the importance of common principles in strengthening India-US ties.
- The question of values sparked suspicion that Washington would try to exert pressure on New Delhi in response to perceived threats to India's democratic fabric.
- In the unusual position of Chinese authoritarianism and Indian democracy, there have been doubts regarding India's usefulness as a US ally in battling China.

- Experts argue that the US should not engage in India's domestic affairs and have begun to argue that the US should confront the Indian administration more forcefully on problems of democracy and human rights.

### **Significant Aspects of India-US Relations:**

#### **1. Threat of Sanctions:**

1. The United States should not dismiss the reality that a militarily robust India with Russian assistance can operate as a deterrent to China.
2. Before threatening India with sanctions, the US, which is opposed to India's purchase of Russian S-400 missile systems, will have to recognise the two countries' intimate defense ties.

#### **2. Human Rights Violations:**

1. According to the United States State Department's Country Report on Human Rights Practices, India has "serious human rights concerns," such as extrajudicial murders, violence against minorities, and so on.

#### **3. International Findings:**

1. Reporters Without Borders' World Press Freedom Index placed India at number 142.
2. In the Open Doors World Watch List, India is listed fourth for 'severe' Christian persecution, behind Syria, Iraq, and Saudi Arabia.
3. The U.S. government has chosen to ignore all these findings to the dismay of non-governmental organizations (NGOs) and activists due to the positioning of India as an indispensable partner for the US.

#### **4. World Media**

1. Third-world leaders like India, Malaysia, Indonesia, and Nigeria attempted to develop a competing media platform, but they lacked the resources and reach of the English-medium news ecosystem dominated by the West.
2. The news in the world is filtered by a few western capitals, who may enjoy the United States and its allies ranting endlessly about opponents who humbly succumb to the diatribes.

### **Way Forward:**

It's paradoxical for the world's oldest democracy like the US to adjudicate other people's fundamental rights while itself experiencing democratic problems. Global efforts should be made to address important issues such as inequality, climate change, and arms control on the earth and in space.

## **13. Aiding in Governance**

This article examines how the collaborative effort of markets and the Government leads to the development of a country.

## Aspects of Corporate Development

- **Non-State Actors and Corporates:**
  - The corporates who are beyond a certain level of profits and turnover are required to pay at least 2% of their net profits before tax to the development space, as per Section 135 of the Companies Act.
  - This law provides businesses with the push they need to work with non-state entities like NGOs and civil society organizations (CSOs).
  - Non-state players provide patient capital to business boardrooms while also assisting the government with social programmes.
    - Patient capital is another name for long term capital. Patient capital refers to an investor's willingness to put money into a business with no expectation of making a quick profit.
  - This is a typical example of state-driven governance procedures encouraging non-state players to collaborate.
- **Role of NGOs:**
  - NGOs and volunteer organizations have played an important role in empowering individuals to hold governments accountable.
  - With the government declaring that any activity by a non-governmental organisation that is critical of the government is "anti-national," the room for foreign funding has been limited.
- **CSR Responsibility:**
  - Corporate Social Responsibility (CSR) funding has become more important in providing much-needed support to non-governmental organizations (NGOs) and civil society organizations (CSOs) as vital participants in non-state governance.
  - Corporate companies and governments, especially in the years leading up to elections, are ambitious in their target-setting when it comes to CSR initiatives and flagship projects.
- **Problem with Bureaucracy:**
  - Because their political superiors' goalposts are continually shifting, the Indian bureaucratic elite lacks risk-taking and creativity.
  - There's also the fear of failure, which has the unintended result of non-risk-takers rising to the top of the chain.

## What is the Significance of Non-State Actors?

1. The non-state actor is the one who invents and develops new community involvement models. They also serve as a conduit for people's demands to reach official institutions.

2. Even in the face of disasters, NGOs and CSOs take on the heavy lifting to guarantee that programmes reach the last individual.
3. Non-state actors relieve the state of a significant burden, allowing it to focus more on governance.
4. On the field, NGOs and CSOs are most adapted for last-mile delivery of government programmes or execution of a corporate house's CSR activities, thereby nudging one another toward a developmental state, thanks to their penetration.
5. The CSR law has not only forced corporations to clean up their own mess, but it has also established a legal framework for corporations to collaborate with NGOs and CSOs.

### Way Forward:

NGOs and CSOs in India will play a critical role in mobilizing public action to correct many wrongs, despite the government's blatant opposition. They have the potential to contribute to better politics and government. Most significantly, they have the authority to function as crucial cogs in the wheel of effective government, rather than merely as actors who must ride off into the sunset once their duty is done.

### 14. The challenge of antimicrobial resistance

- The **Global Research on Antimicrobial Resistance (GRAM) report** was published in 'The Lancet'.
  - GRAM is a joint effort of the University of Oxford Big Data Institute and Institute for Health Metrics (IHME).
- Based on estimates from 204 countries and territories, this report provides a comprehensive estimate of the global impact of Antimicrobial Resistance (AMR).

### Major findings of the report:

- The report notes that as many as **95 million deaths may be associated with bacterial AMR in 2019**. As per this estimate, AMR is the leading cause of death globally, being higher than even HIV/AIDS or malaria.
- The six leading pathogens for deaths associated with AMR were **Escherichia coli**, followed by **Staphylococcus aureus**, **Klebsiella pneumoniae**, **Streptococcus pneumoniae**, **Acinetobacter baumannii**, and **Pseudomonas aeruginosa**. These six pathogens alone were responsible for 3.57 million deaths associated with AMR in 2019.



- Lower respiratory tract infections were the most common infectious syndrome, accounting for more than 1.5 million AMR related deaths in 2019.
- There is a **marked regional variation of the impact of AMR**. The death rate due to AMR was highest in Western sub-Saharan Africa and lowest in Australasia. In South Asia, over 3,89,000 people died as a direct result of AMR in 2019.

### **Antimicrobial resistance:**

- Antimicrobial resistance (AMR) refers to the **ability of microorganisms to withstand antimicrobial treatments**. Available antimicrobials become ineffective because pathogens such as viruses, fungi and bacteria become resistant to them.
  - Antimicrobials include antibiotics, antivirals, antifungals and antiparasitics.

### **Concerns:**

#### **Leading cause of death:**

- Increasing Antimicrobial resistance (AMR) among common bacteria has made them more resistant to treatment. As a result, common infections such as lower respiratory tract infections, bloodstream infections, and intra-abdominal infections have become the cause of death of hundreds of thousands of people every year.

#### **Threat to public health:**

- AMR remains a major threat to public health.
- As the microbials no longer respond to medicines, this **makes infections harder to treat** and this increases the **risk of disease spread, severe illness and death**. It renders available treatment ineffective. Previously treatable infections, such as pneumonia, hospital-acquired infections, and foodborne ailments have also become untreatable in some cases due to AMR.
- Especially alarming is the rapid global spread of **multi- and pan-resistant bacteria** (also known as “**superbugs**”).
- The World Health Organization has declared **AMR as one of the top 10 global public health threats facing humanity**.

#### **Impact on growth and development:**

- The **cost of AMR to the economy is significant**. In addition to death and disability, prolonged illness results in longer hospital stays, the need for more expensive medicines and financial challenges for those impacted.

#### **Vulnerability of children:**

- Though everyone is at risk from AMR, young children are particularly vulnerable.
- Children continue to be affected due to AMR. In 2019, **one in five global deaths attributable to AMR occurred in children under the age of five**.

#### **Impact on health practices:**

- Antimicrobial resistance has been having an adverse impact on global health practices as well. AMR is threatening the ability of hospitals to keep patients safe from infections and **undermining the ability of doctors to carry out essential medical practice safely**, including surgery, childbirth and cancer treatment since infection is a risk following these procedures.
- Without effective antimicrobials, the success of modern medicine in treating infections, including during major surgery and cancer chemotherapy, would be at increased risk.

#### **Recommendations:**

- AMR is a complex problem that requires a united multisectoral approach.

#### **Judicious use of antibiotics:**

- There should be more thoughtful use of antimicrobial medicines. The antibiotics should be used only where necessary and minimised where not necessary according to **WHO's recommendations** on the same.

#### **One health approach:**

- The **use of antibiotics in food and animal production must be optimised**.
- This brings together multiple sectors and stakeholders engaged in human, terrestrial and aquatic animal and plant health, food and feed production and the environment to communicate and work together in the design and implementation of programmes, policies, legislation and research to attain better public health outcomes.

#### **Monitoring infections:**

- A **structured monitoring system** should be put in place to monitor the advent and spread of AMR. This would help identify the dominant pathogens and **drive evidence-based policymaking on the issue.**
  - WHO launched the **Global Antimicrobial Resistance and Use Surveillance System (GLASS)** in 2015 to continue filling knowledge gaps and to inform strategies at all levels. GLASS has been conceived to progressively incorporate data from surveillance of AMR in humans, surveillance of the use of antimicrobial medicines, AMR in the food chain and in the environment.

### **Controlling infections:**

- Lack of clean water and sanitation and inadequate infection prevention and control promotes the spread of microbes, some of which can be resistant to antimicrobial treatment.
- There needs to be a greater focus on **controlling infections, globally, nationally and within individual hospitals.** Access to vaccines, clean water and sanitation needs to be expanded to control the spread of infectious diseases.
- Antimicrobials should be made affordable and accessible to everyone.

### **Developing new antimicrobials:**

- Between 1980 and 2000, 63 new antibiotics were approved for clinical use. Between 2000 and 2018, just 15 additional antibiotics were approved. Out of the seven deadliest drug-resistant bacteria, vaccines are only available for two (*Streptococcus pneumoniae* and *Mycobacterium tuberculosis*).
- There needs to be **increased Research and Development activities with respect to the development of new antimicrobials.** This would require the allocation of increased funding and development of **national policies** and required human resources.
- Also, the efforts at developing new antimicrobials must be **targeted at priority pathogens such as K. pneumoniae and E. Coli.**

### **Collaboration and cooperation:**

- Given the criticality of the issue and the potential of pooling resources, **increased international collaboration and cooperation** on this would be a welcome effort.
  - Globally, countries committed to the framework set out in the **Global Action Plan1 (GAP) 2015 on AMR** during the 2015 World Health Assembly and committed to the development and implementation of multisectoral national action plans.

## 15. The hint of a 'one nation one NGO' regime

This article talks about the issues associated with NGOs in India.

### What are the challenges faced by civil society organizations (CSOs) in India?

- **Increase in restrictions:**
  - The amount of due diligence and information requested, as well as the yearly disclosures required of board members of civil society groups, has greatly grown.
  - The State Bank of India has consolidated the necessary establishment of bank accounts for foreign contributions in one location.
- **Impact on Humanitarian Assistance:**
  - This has had an influence on the people who are or have been involved in civil society groups that serve a social or cultural cause.
- **Hindrance in Financing:**
  - Many specialized groups were working in very distant places that didn't have direct access to foreign financing.
  - Many bigger non-governmental organizations died as a result of the FCRA changes that limited the capacity to sub-grant.
  - This limited the amount of money that could be spent on administration, suffocating groups that advocated for the rights of the oppressed.
- **Strict Governance**
  - Many organizations have lost personnel on their governance structures as a result of the increased degree of monitoring and type of data requested, resulting in financial issues.

### Why do we need civil society organizations?

- According to the author, we need civil society organizations precisely because they work on an unreasonable agenda in that:
  - They ask the government to be more efficient, offer more, and be more accountable.
  - They work to correct the extractive nature of markets.
  - They work in very niche areas where the state cannot necessarily reach and intervene.
- These activities are unable to be incorporated into specific company strategies, spreadsheets, or government programmes. As a result, they require a grant-based, cause-based income model.
- A state's ability to do humanitarian work is limited.

- Specialty financing may come from organizations that may be located outside of the country. They must be bolstered.

#### **Way Forward:**

- The breadth and complexity of a civil society organization's operations cannot be conveyed in annual reports submitted to the FCRA website.
- Research should be conducted to determine how many civil society groups had their permits expired because the pre-populated dropdowns provided by the FCRA interface were unable to capture the organizations' activities.
- We are confronted with the paradox of encouraging foreign investment while aggressively limiting foreign funding to NGOs.

### **16. The bottom line in Blinken's foray into Southeast Asia**

This article talks about the US interests in Southeast Asia in the context of a visit by the United States Secretary of State in the region.

#### **United States in Southeast Asia:**

- The United States' Indo-Pacific policy isn't merely about restraining Chinese aggression and rising power.
- The goal is to portray the United States as a trustworthy partner in addressing the Indo-Pacific region's difficulties.
- Individual countries will be entitled to pick their own route and partners, according to the United States.

#### **Significant Aspects in Southeast Asia:**

##### **1. China's Threat:**

- The competition between the United States and China in Southeast Asia is particularly obvious in two areas: the South China Sea and investment in meeting Southeast Asian countries' infrastructure development demands.
- China is accused of aggressive behaviour, including claiming open seas as their own, distorting open markets through subsidies to state-owned enterprises, denying exports or terminating agreements with countries whose policies it disagrees with, and engaging in illegal, unreported, and unregulated fishing.
- China and the United States are both attempting to persuade the Association of Southeast Asian Nations (ASEAN) to join their side.

##### **2. Investments in Infrastructure:**

- Southeast Asia has been one of the leading recipients of Chinese funding in infrastructure development as part of the Belt and Road Initiative (BRI).
- Besides this, China has made significant investments in port and railway infrastructure in nations like Indonesia and Vietnam.
- These investments have compelled nations like Cambodia and Laos to do China's bidding in ASEAN, even if it means jeopardizing their cohesiveness.
- The United States is dedicated to bridging the infrastructural deficit.

### 3. Financing Quad

- The Quad members (Australia, India, Japan, and the United States) have contributed government-backed infrastructure finance for the area.
- The Quad members' infrastructure coordination committee is hoping to accelerate even more investment and work with Southeast Asia on infrastructure and a variety of other shared goals.

### 4. US framework in Indo-Pacific:

- Under the Build Back Better World project and the Blue Dot Network, the United States promises to do more.
- In the Indo-Pacific, the US is attempting to present a complete economic framework that focuses on "trade and the digital economy, technology, resilient supply chains, decarbonization and renewable energy, infrastructure, labor standards, and other areas of mutual interest."

### 5. Concerns with ASEAN countries:

- When it comes to dealing with the United States and China, the ASEAN members do not have a consistent strategy.
- These divergent approaches are also posing a threat to ASEAN's much-touted primacy in the Indo-Pacific.

### Way Forward:

The connection between the United States' vision of a free and open Indo-Pacific and the ASEAN Indo-Pacific Outlook was highlighted. The US's economic framework, investment plans, and commitments must be implemented fast if the US is to prove that it is serious about a long-term commitment to the Indo-Pacific.

## 17. 'Order on CCTVs in spas against SC verdict on privacy'

### Right to Privacy:

- **Article 21 of the Indian Constitution guarantees the fundamental right to privacy.** The right to life and personal liberty guaranteed in Article 21 of the Indian Constitution also includes implicitly a right to privacy.
- As per the law laid down by the Supreme Court in the landmark **Justice K.S. Puttaswamy case** on the Right to Privacy, privacy as guaranteed in Article 21 includes a right to bodily autonomy, a right to informational privacy and a right to privacy of choice.

#### Context:

- Justice G.R. Swaminathan of the Madras High Court has noted that a recent order passed by another judge of the same court, mandating **the installation of CCTV cameras inside spas would infringe upon a person's bodily autonomy** and hence go against his/her right to privacy provided by Article 21 of the Indian Constitution.
- The Judge also noted that though no right can be absolute, restrictions can be put in place only by the legislature or the executive. The Supreme Court can however intervene in the exercise of its power under **Article 142**.
  - Article 142 of the Constitution of India deals with the Enforcement of decrees and orders of the Supreme Court. It states that the Apex Court in the exercise of its jurisdiction may **pass such decree or make such order as is necessary for doing "complete justice"** in any case pending before it.

#### 18. English is the language of Court: Gujarat HC

A Division Bench of the Gujarat High Court has asked a convict to speak only in English as that was the language in the higher judiciary referring to Article 348 of the Constitution which mandates that the language of the High Court would be English.

#### What is Article 348?

- It provides for languages to be used in the Supreme Court and in the High Courts and for Acts, Bills, etc
- Article 348 (1) provides that all proceedings in the Supreme Court and in every High court shall be in English Language until Parliament by law otherwise provides.

- Under Article 348 (2), the Governor of the State may, with the previous consent of the President, authorize the use of the Hindi language or any other language used for any official purpose of the State.
- It states that in the proceedings of the High Court having its principal seat in that State provided that decrees, judgments or orders passed by such High Courts shall be in English.

### When is use of other languages permitted?

- Section 7 of the Official Languages Act, 1963, provides that the use of Hindi or official language of a State in addition to the English language may be authorized.
- This has to be done with the consent of the President of India, by the Governor of the State for purpose of judgments etc. made by the High Court for that State.

### 19. Use drones more effectively: Civil Aviation Ministry

The **Ministry of Civil Aviation (MoCA)** has asked for more effective usage of drone applications.

#### Details:

The drones offered benefits to almost every sector of the economy, including the likes of national defence, agriculture, law enforcement, mapping, and others.

As part of the initiatives to make India a global hub for drones under the Atmanirbhar Bharat Abhiyan, the Union government rolled out the liberalised **Drone Rules 2021**,

#### Application of Drones

- **Defence:** Deployment of drones for surveillance, combat, communication in remote areas, raids and counter-terror operations, counter-drone solutions, etc.
- **Health and Family Welfare:** Delivery of medicines, collection of samples from remote or epidemic/pandemic-affected areas.
- **Home Affairs:** VVIP Security and crime control operations.
- **Agriculture:** Crop and soil health monitoring, anti-locust work, and insurance claim surveys.
- **Environment:** Forest and climate change monitoring, anti-poaching, monitoring wildlife.



- **Power and Natural Gas:** Real-time surveillance of assets and transmission lines, theft prevention, visual inspection, construction, planning and management of projects.
- **Road Transport:** Project monitoring and incident response.
- **Railways:** Disaster management, incidence response, inspection/maintenance works and project monitoring.
- **High-quality videography:** Replace expensive helicopter-based videography, high-quality videography of events and difficult-to-reach-places at a fraction of the cost and approvals required. Help in shooting at low altitudes without noise and dust.

### Significance of Drone Technology

- The Drone Rules, 2021 has identified that we will have drone corridors and will have to manage drone traffic. So as far as the security aspects are concerned, everything has been taken care of.
- Using drones will make our lives easier and simpler particularly in the far-off areas, right from disaster management to the oil industry, high-rise buildings, everywhere where remote access is required.
- These systems are cost-effective because the more emphasis the industry starts giving to it, the more orders it gets, then the cost of the system is also going to go down drastically.
- In the years to come, it is going to be the most effective in terms of the cost-benefit analysis and this will be the most utilized system both in the civilian domain as well as in the military domain.

### 20. Sri Lanka's looming economic crisis

Sri Lanka's external reserves dropped to **\$1.6 billion** in November 2021, triggering panic among different sectors.

#### Details

- Sri Lanka's external debt is dominated by market borrowings and international sovereign bonds constituting half of the country's total foreign debt.
- The American credit rating agency "**Fitch**" downgraded the nation to a 'CC' rating, which is the lowest rating.

#### Background

- Sri Lanka has been witnessing an economic crisis since August 2021.

- Sri Lanka's foreign reserve which was already in peril due to economic troubles and 2019's Easter Sunday terror attacks are being further drained after the pandemic.
- The critical aspects of the Sri Lankan economy involving exports (tea and garments), labour remittances and tourism sectors have been badly hit.
- Sri Lanka's total foreign debt is approximately **\$55 billion**, which accounts for nearly **80%** of its **GDP**.
- Sri Lanka has an outstanding payment of about **\$960 million** to India.
- Sri Lanka's external reserves have now dropped to **\$1.6 billion** in November 2021.
- The current economic meltdown, marked by a continuing dollar crisis, rising living costs, and food shortage is threatening the prospects of the country.

### Challenges

- The repayment of foreign debt will lead to a situation wherein no dollars will be available to import essentials like food, fuel, or medical supplies.
- Sri Lanka's external debt that is already dominated by Chinese loans, will have to again turn to China for help with debt repayment, as it did in 2014.
- This could make Sri Lanka fall prey to China's debt-trap diplomacy.
- The country is in need of importing more food, as the agricultural production dropped by half post the Government's overnight switch to organic farming in May 2021.
- There is a shortage of milk powder and other essentials in the stores which are largely imported.
- There is an acute shortage of LPG cylinders, following a spate of explosions reportedly owing to a change in the chemical composition of the gas.

### Sri Lanka's response

- The Governor of the Central Bank of Sri Lanka confirmed that the country's foreign reserves stood at **\$3.1 billion at year-end**, however, this includes the **\$1.5 billion currency swap** by China.
- The Governor also said that the Central Bank has earmarked **\$500 million** to repay an international sovereign bond maturing on January 18.
- The Government has expressed confidence about being able to fulfil its debt obligations this year, despite its **Balance of Payments (BoP)** crisis.
- The Finance Minister also announced a **\$1.2 billion relief package**.

### Options for India

- Irrespective of China's massive investments in Sri Lanka, India has continued to be one of the largest trading partners for Sri Lanka and they have been heavily dependent on Indian tourists and investments.
- Sri Lanka also needs India as it provides vital services in the areas of education, healthcare and even pilgrimage. So India needs to leverage this unique advantage to help overcome the crisis in Sri Lanka without affecting its sovereignty.
- India could postpone the deadline of repayment of outstanding debt that has been lent to Srilanka.
- Further, India could assist by way of debt freeze, currency swap and by providing emergency Lines of Credit to meet its essential imports.
- As Sri Lanka is an important part of India's '**Neighbourhood First policy**', India has to stand by the people of Sri Lanka in this dire situation.

### Way Forward

- The best option for Sri Lanka would be to negotiate a solution with the **International Monetary Fund (IMF)** to restructure its external debt.
- IMF agreements usually come with specific conditions for the borrower.
- Greater transparency has to be maintained on how the money has been spent. This would help gain the trust of the common people.
- More focus and efforts should be concentrated on investments in social services and welfare programmes, that would help counter the aggravating poverty since the pandemic.

### 21. Awaiting law panel report on Uniform Civil Code: Centre

The Centre has informed the Delhi HC that it was awaiting the report of the Law Commission of India, which is examining various issues relating to the Uniform Civil Code.

#### What is a Uniform Civil Code?

- A Uniform Civil Code is one that would provide for one law for the entire country, applicable to all religious communities in their personal matters such as marriage, divorce, inheritance, adoption etc.
- Article 44, one of the directive principles of the Constitution lays down that the state shall endeavour to secure a Uniform Civil Code for the citizens throughout the territory of India.

- These, as defined in Article 37, are not justiciable (not enforceable by any court) but the principles laid down therein are fundamental in governance.

### **Why need UCC?**

- UCC would provide equal status to all citizens
- It would promote gender parity in Indian society.
- UCC would accommodate the aspirations of the young population who imbibe liberal ideology.
- Its implementation would thus support the national integration.

### **Hurdles to UCC implementation**

- There are practical difficulties due to religious and cultural diversity in India.
- The UCC is often perceived by the minorities as an encroachment on religious freedom.
- It is often regarded as interference of the state in personal matters of the minorities.
- Experts often argue that the time is not ripe for Indian society to embrace such UCC.

### **UCC vs. Right to Freedom of Religion**

- Article 25 lays down an individual's fundamental right to religion;
- Article 26(b) upholds the right of each religious denomination or any section thereof to "manage its own affairs in matters of religion";
- Article 29 defines the right to conserve distinctive culture.
- An individual's freedom of religion under Article 25 is subject to "public order, health, morality" and other provisions relating to FRs, but a group's freedom under Article 26 has not been subjected to other FRs.
- In the Constituent Assembly, there was division on the issue of putting UCC in the fundamental rights chapter. The matter was settled by a vote.
- By a 5:4 majority, the fundamental rights sub-committee headed by Sardar Patel held that the provision was outside the scope of FRs and therefore the UCC was made less important.

### **Enacting and Enforcing UCC**

- Fundamental rights are enforceable in a court of law.
- While Article 44 uses the words "state shall endeavour", other Articles in the 'Directive Principles' chapter use words such as "in particular strive"; "shall in particular direct its policy"; "shall be obligation of the state" etc.
- Article 43 mentions "state shall endeavour by suitable legislation" while the phrase "by suitable legislation" is absent in Article 44.

- All this implies that the duty of the state is greater in other directive principles than in Article 44.

### **What are more important – fundamental rights or directive principles?**

- There is no doubt that fundamental rights are more important.
- The Supreme Court held in *Minerva Mills* (1980): Indian Constitution is founded on the bed-rock of the balance between Parts III (Fundamental Rights) and IV (Directive Principles).
- To give absolute primacy to one over the other is to disturb the harmony of the Constitution.
- Article 31C inserted by the 42nd Amendment in 1976, however, lays down that if a law is made to implement any directive principle, it cannot be challenged on the ground of being violative of the FRs under Articles 14 and 19.

### **What about Personal Laws?**

- Citizens belonging to different religious and denominations follow different property and matrimonial laws which are an affront to the nation's unity.
- If the framers of the Constitution had intended to have a UCC, they would have given exclusive jurisdiction to Parliament in respect of personal laws, by including this subject in the Union List.
- But “personal laws” are mentioned in the Concurrent List.

### **Various customary laws**

- All Hindus of the country are not governed by one law, nor are all Muslims or all Christians.
- Muslims of Kashmir were governed by a customary law, which in many ways was at variance with Muslim Personal Law in the rest of the country and was, in fact, closer to Hindu law.
- Even on registration of marriage among Muslims, laws differ from place to place.
- In the Northeast, there are more than 200 tribes with their own varied customary laws.
- The Constitution itself protects local customs in Nagaland. Similar protections are enjoyed by Meghalaya and Mizoram.
- Even reformed Hindu law, in spite of codification, protects customary practices.

## Minority opinion in the Constituent Assembly

- Some members sought to immunize Muslim Personal Law from state regulation.
- Mohammed Ismail, who thrice tried unsuccessfully to get Muslim Personal Law exempted from Article 44, said a secular state should not interfere with the personal law of people.
- B Pocker Saheb said he had received representations against a common civil code from various organisations, including Hindu organisations.
- Hussain Imam questioned whether there could ever be uniformity of personal laws in a diverse country like India.
- B R Ambedkar said “no government can use its provisions in a way that would force the Muslims to revolt”.
- Alladi Krishnaswami, who was in favour of a UCC, conceded that it would be unwise to enact UCC ignoring strong opposition from any community.
- Gender justice was never discussed in these debates.

## Conclusion

- Article 44 of the Constitution creates an obligation upon the State to endeavour to secure for citizens a Uniform Civil Code throughout the country.
- The purpose behind UCC is to strengthen the object of “Secular Democratic Republic” as enshrined in the Preamble of the Constitution.
- This provision is provided to effect integration of India by bringing communities on the common platform on matters which are at present governed by diverse personal laws.
- Hence it UCC should be enforced taking into confidence all the sections of Indian society.

## 22. Omicron epidemic: third wave or new pandemic?

This article examines the concerns associated with the Omicron Epidemic.

### What is Omicron?

Omicron is a new coronavirus variant B 1.1. 529, identified in Southern Africa which has been categorized as a SARS-CoV-2 “variant of concern” by the World Health Organization (WHO).

### Concerns why Omicron is considered an epidemic by experts?

#### 1. Influenza pandemic

- When the H1N1 pandemic of 1918 was still circulating as endemic/seasonal, the 1957 pandemic owing to a subtype H2N2 arose.
- The second pandemic began in 1968 with the H3N2 subtype, which superseded H2N2 owing to cross-immunity.
- The 2009 pandemic was caused by a novel H1N1 strain containing genes taken from swine influenza.

## 2. Mutational changes

- Coronavirus mutations have resulted in a variety of changes in virus-host cell interactions.
- The primary cell entrance procedure is used in all preceding variations.
- Coronaviruses enter cells in two ways: the major one involves fusing the viral envelope to the cell membrane, and the minor one involves fusing the virus envelope to endosomes in the cytoplasm.

## 3. Immunity evasion

- Omicron has a proclivity towards evading immunity. Virus neutralizing antibodies generated by infection with any of the previous versions or any of the vaccinations are ineffective against Omicron illness.
- However, higher antibody levels achieved by a booster dosage have been shown to provide a high level of protection against serious illness needing hospitalization everywhere over the world.

### Way Forward: -

Omicron being more transmissible than Delta, experts speculate:

1. In 2022, both Delta and Omicron might co-circulate
2. We may need vaccines against all variants of SARS-CoV-2 as well as against Omicron and its future variants if any.

## 23. The 'old man' and the unrest

This article critically evaluates the reasons behind the Kazakhstan Crisis and its ; Implications on South Asia and India.

### Why there is Crisis in Kazakhstan?

- Thousands of protesters have taken to the streets throughout Kazakhstan's towns to demonstrate against increased LPG and fuel costs.

- In reaction, the administration resigned, indicating a political and national crisis in the region's major economy.
- Following recent violent protests in Kazakhstan, the government has resigned and troops from a Russian-led military coalition have arrived in the country.

### **Significance of Kazakhstan**

- Kazakhstan is Central Asia's largest economy, with Russia to its north and China to its east.
- Kazakhstan, a member of the OPEC Plus group, is one of the world's largest oil and gas producers.
- Last year, it produced over 2% of the world's total daily consumption.
- Kazakhstan is also rich in coal and uranium, accounting for around 40% of the world's uranium supply.

### **Russian Angle in Kazakhstan Crisis:**

- Kazakhstan is a member of the Collective Security Treaty Organization, which is governed by Moscow (CSTO).
- Kazakhstan has a sizable ethnic Russian minority, which makes up around 20% of the population of the former Soviet country.
- The Baikonur Cosmodrome in southern Kazakhstan serves as the launch pad for all Russian-manned space missions.
- Kazakhstan has appealed to the countries of the CSTO for assistance in restoring order in the nation. This is the second time in two years that Russia has intervened in nations where there have been social protests.

### **Implications of Kazakhstan Crisis:**

#### **A. Implications on Central Asia: -**

- The Kazakhstan crisis will have an influence on regional stability. Countries may choose to become even more autocratic, resulting in issues such as violence, chaos, and mayhem. They would, on the other side, become more dictatorial.
- Kazakhstan is particularly important to the United States since it has become a major source of energy for the country.
- The participation of the Collective Security Treaty Organization has the potential to have far-reaching geopolitical implications in the area.

#### **B. Implications on South Asia and India: -**



- South Asia is home to a considerable number of terrorist organisations' sleeper cells. If terrorist organisations cause troubles and instability in Central Asia, it's probable that their effects may be seen in South Asia as well.
- Increased radicalization and fundamentalism in these nations, in particular, might have a significant influence on the situation in South Asia.
- Kazakhstan is bordered by China, which is one of Kazakhstan's neighbours. China condemns any attempt to undermine Kazakhstan's stability by endangering its security or jeopardizing Kazakhs' peaceful lives.
- In the midst of the tumultuous situation in Afghanistan, Kazakhstan has emphasised the need of strengthening his country's military capabilities against foreign threats.
- Kazakhstan's unrest has once again highlighted the vulnerabilities of the strongman leaders that the Kremlin has entrusted with maintaining order. It has also given Russia another chance to regain its influence in its old Soviet realm.
- The incidents suggest that authoritarian leadership in a nearby nation may face another threat.

### Way Forward

The current political, strategic, and economic environment, both regionally and globally, offers India and Kazakhstan with enormous opportunities to qualitatively and quantitatively improve their relationship and take it to new heights.

### 24. The Chinese challenge

Nearly 20 months after the border crisis began in Ladakh, China has pressed on with aggressive diplomatic and military gestures against India.

#### Recent anti- India moves by China

- Beijing recently renamed 15 places in Arunachal Pradesh, following the six it had done in 2017.
- China justifies the renaming as being done on the basis of its **historical, cultural and administrative jurisdiction** over the area – these old names existed since ancient times which had been changed by India with its “illegal occupation”.
- On January 1, 2022, Beijing's new land border law came into force, which provides the People's Liberation Army (PLA) with full responsibility to take steps against “invasion, encroachment, infiltration, provocation” and safeguard Chinese territory.

## India's response

- Delhi has run out of **proactive options** against Beijing that will force the Chinese leadership to change course on its India policy.
- The two countries have an **increasingly lopsided trade relationship** driven by Indian dependency on Chinese manufacturing, a situation further worsened by the Government's mishandling of the novel coronavirus pandemic.
- To restore the status quo ante on the LAC as of April 2020, India undertook **internal balancing** of its military from the Pakistan border to the China border and **external rebalancing** through a closer partnership with the United States in the Indo-Pacific.
- Because of the China factor, the U.S. is currently looking away even as India mistreats its minorities and its democracy stands diminished.
- India's difficult diplomatic and military engagement with China is going to leave it more dependent on U.S. support, rendering **India more vulnerable to American pressure on 'shared values'**.
- With a rising China as its neighbour and a more self-centred U.S. – which is uncomfortable with India's reliable partner, Russia – as its friend, **Delhi continues to face difficult choices.**

## Conclusion

Put under the harsh glare, India has been found wanting in its ability to deal with future challenges. The immediate challenge, however, remains China. It cannot be wished away and must be tackled.

## 25. The Personal Data Protection Bill conundrum

The Joint Committee report on the Bill has failed to provide robust draft legislation ensuring the privacy of citizens.

### Background of the Personal Data Protection Bill

- The Puttaswamy judgment held that the right to privacy is a fundamental right.
- The **Puttaswamy judgment** and the Justice **B.N. Srikrishna committee report** led to the Personal Data Protection Bill of 2019.
- The Joint Committee report on the Bill has failed to provide a robust draft legislation ensuring the privacy of citizens.

## Issues with the Joint Committee report on Personal Data Protection Bill

- **Division into Government and private domains:** The report has divided the digital world into two domains – government and private.
- This division is based on the **presumption** that the question of right to privacy emerges only where operations and activities of private entities are concerned.
- **Exemption to government and government agencies:** Clause 12 of the Bill provides exemptions for the government and government agencies and **Clause 35 exempts government agencies from the entire Act itself.**
- Clause 12, which says personal data can be processed without consent for the performance of any function of the state, **is an umbrella clause** that does not specify which ministries or departments will be covered.
- **The issue with the defining harm:** The Bill says, “harm includes any observation or surveillance that is not **reasonably expected** by the data principal”.
- This means if you install any software in your computer and the software violates the principle of privacy and data get leaked, the **complaint of the data principal will not be legally tenable** as the defence will be that ‘once you have installed the software, you should have reasonably expected this level of surveillance’.
- The government can use these provisions **as a means of control and surveillance.**
- The Committee has **failed to provide formidable firewalls** to protect the privacy of individuals and has also carved out a mechanism for government control over personal data.
- **Against the Supreme Court judgement:** The provisions are ultra vires of the judgment on privacy.
- **Inclusion of non-personal data harms the economy:** By **including non-personal data** within the ambit of the Bill, the Joint Committee has put a huge **compliance burden** on the economy.
- This will hit the MSME sector and small businesses harder as technical processes involving data-sharing are very expensive.
- The government-constituted panel headed by S. Gopalkrishnan also **opposed the idea of including non-personal data** in the Bill.
- **Mandatory data localisation**, it is estimated, will squeeze the economy by 0.7-1.7%.
- **Hamper the smooth cross-border flow of data:** This may also invite similar measures by other sovereign countries which will hamper smooth cross-border flow of data.

## Concerns with the Data Protection Authority

- For compliance with the provisions of the Act, a **data protection authority (DPA)** has to be appointed.
- It is doubtful whether a single authority will be able to discharge so many functions in an efficient manner.
- **Concern with appointment:** Unlike the Justice Srikrishna committee report which provided for a judicial overlook in the appointments of the DPA, the Bill entrusts the executive with the appointments.
- Although the Joint Committee **report expanded the committee**, the power to appoint the panelists vests with the Central government.
- **Lack of independence:** Clause 86 says, “Authority should be bound by the directions of the Central Government under all cases and not just on questions of policy”.
- This weakens its independence and **gives the government excessive control.**
- **Violation of federalism:** There is internal data flow and the States are key stakeholders in the process.
- Even if the proposed central authority issues directions to allow processing of data on the grounds of ‘public order’, it is important to note that **‘public order’ is an entry in the State List.**

## Conclusion

The report has raised more questions than it has solved. At the time of passage of the Bill, loopholes must be plugged so that India can have a robust data protection law.

## 26. MHA seeks more time to frame CAA rules

The Ministry of Home Affairs (MHA) has sought another extension from parliamentary committees to frame the rules of the Citizenship (Amendment) Act (CAA), 2019.

### What is Citizenship Amendment Act (CAA), 2019?

- The act is sought to **amend the Citizenship Act, 1955** to make Hindu, Sikh, Buddhist, Jain, Parsi, and Christian illegal migrants from Afghanistan, Bangladesh, and Pakistan, eligible for citizenship of India.
- In other words, it intends to make it easier for non-Muslim immigrants from India’s three Muslim-majority neighbours to become citizens of India.

- Under The Citizenship Act, 1955, one of the requirements for citizenship by naturalization is that the applicant must have resided in India during the last 12 months, as well as for 11 of the previous 14 years.
- The amendment relaxes the second requirement from 11 years to 6 years as a specific condition for applicants belonging to these six religions, and the aforementioned three countries.
- It exempts the members of the six communities from any criminal case under the Foreigners Act, 1946 and the Passport Act, 1920 if they entered India before December 31, 2014.

### Key feature: Defining illegal migrants

- Illegal migrants cannot become Indian citizens in accordance with the present laws.
- Under the CAA, an illegal migrant is a foreigner who: (i) enters the country without valid travel documents like a passport and visa, or (ii) enters with valid documents, but stays beyond the permitted time period.
- Illegal migrants may be put in jail or deported under the Foreigners Act, 1946 and The Passport (Entry into India) Act, 1920.

### Exceptions

- The Bill provides that illegal migrants who fulfil four conditions will not be treated as illegal migrants under the Act. The conditions are:
  1. they are Hindus, Sikhs, Buddhists, Jains, Parsis or Christians;
  2. they are from Afghanistan, Bangladesh or Pakistan;
  3. they entered India on or before December 31, 2014;
  4. they are not in certain tribal areas of Assam, Meghalaya, Mizoram, or Tripura included in the Sixth Schedule to the Constitution, or areas under the “Inner Line” permit, i.e., Arunachal Pradesh, Mizoram, and Nagaland.

### Controversy with the Act

- **Country of Origin:** The Act classifies migrants based on their country of origin to include only Afghanistan, Pakistan and Bangladesh.
- **Other religious minorities ignored:** It is unclear why illegal migrants from only six specified religious minorities have been included in the Act.
- **Defiance of purpose:** India shares a border with Myanmar, which has had a history of persecution of a religious minority, the Rohingya Muslims.
- **Date of Entry:** It is also unclear why there is a differential treatment of migrants based on their date of entry into India, i.e., whether they entered India before or after December 31, 2014.

## Way forward

- India is a constitutional democracy with a basic structure that assures a secure and spacious home for all Indians.
- Being partitioned on religious grounds, India has to undertake a balancing act for protecting the religious minorities in its neighbourhood.
- These minorities are under constant threat of persecution and vandalism.
- India needs to balance the civilization duties to protect those who are prosecuted in the neighbourhood.

## 27. HC orders notice to Center on Dam Safety Act

The Madras High Court ordered notice to the Centre on a case challenging the constitutional validity of the Dam Safety Act, 2021, on the grounds that it goes against federalism and is beyond the legislative competence of the Centre.

### What is the Significance of Dams in India?

- The first Prime Minister of India, Pandit Jawaharlal Nehru, proudly proclaimed dams as the **'temples of modern India'**.
- Dams are critical infrastructure, constructed with large investments which provide multipurpose benefits such as irrigation, power generation, flood moderation and supply of water for drinking and industrial purposes.
- Other physical assets, such as hydropower plants, irrigation, drinking and industrial water networks besides municipal supplies are also linked with the dams.

### What is the Dam Safety Act and what is its Significance?

- The Dam Safety Act is aimed at developing uniform safety procedures for all dams across the country.
- The Act provides for surveillance, inspection, operation and maintenance of dams to prevent disasters, and institutional mechanisms to ensure safety.
- It is applicable to all dams across the country which are over 10 meters in height, subject to specific design and structural conditions.

### What are the reasons for criticism of the Act?

- Many states opposed the Act because they say it encroaches upon the sovereignty of States to manage their dams and violates the principles of federalism.

- The Centre taking control of state dams is considered an unconstitutional move.
- The provisions in the Act implies that the dam-owning State would not have rights over the safety and maintenance of the dam located in another State.

### What are the grounds on which the petition is filed against the Act?

1. **Legislative competence:** The petition contended that the Act is ex-facie unconstitutional and ultra vires as the Parliament lacked legislative competence to enact a law on a subject matter in the State's domain.
2. **Against Fundamental Rights:** Various provisions of the Act were manifestly arbitrary, discriminatory, unreasonable and against Articles 14, 19 and 21. **More on fundamental rights in the link.**
3. **Against Cooperative Federalism:** It encroaches upon the exclusive legislative domain of the State. Hence, it infringes the doctrine of cooperative federalism.
4. **Against Basic Structure:** It violates the federal structure of the Constitution which was a part of the basic structure of the Constitution.

### Conclusion:

There needs to be a pan-India statutory framework for reporting and recording dam failure events. The legislation to ensure the safety of dams in India should be put in place with proper consideration of all the stakeholders and ensuring the democratic principle of cooperative federalism.

### 28. Hate speech: SC seeks response from govt.

- The Supreme Court has asked the Ministry of Home Affairs (MHA) and the police chiefs of Delhi and Uttarakhand to respond to the petitions that accused "Dharam Sansad" of delivering hate speeches.
  - The recent speeches at Haridwar targeting minorities have brought back the focus on the need to counter the hazards of hate speech.

### Hate Speech

Hate speech refers to words whose intent is to create hatred towards a particular group, that group may be a community, religion, or race. This speech may or may not have meaning, but is likely to result in violence. Know more about hate speech in the link.

### Key Problems

- The harm in hate speech is not restricted to direct calls to violence, hate speech works in subtle ways in creating an atmosphere that strengthens existing prejudices and already existing discrimination.
- Our laws and sections as they stand are unequipped to deal with the challenges of hate speech.
- Hate speech is speech that targets people based on their identity and calls for violence or discrimination against people because of their identity.
- Hate Speech will not always proclaim itself to be hate speech, as seen in the Haridwar case, where statements, worded with the right degree of ambiguity, are now being defended as calls to self-defense rather than calls to violence.

### Laws commonly invoked in Hate Speech Cases

- **Section 295A of the Indian Penal Code** – deals with punishing acts that deliberately or with malicious intention outrage the religious feelings of a class of persons (blasphemy).
- **Section 153A of Indian Penal Code** – promotion of enmity between different groups on grounds of religion, race, place of birth, residence, language, etc., and doing acts prejudicial to maintenance of harmony.

These sections do not cover Hate Speech comprehensively as hate speech is not the same as blasphemy as seen in Section 295A, nor is it captured by a vague phrase, “enmity between classes” as in Section 153A.

### Conclusion

The social and legal norms against hate speech are to be implemented without descending into pure subjectivity. What is needed is a social consensus about what kind of speech is beyond the acceptable levels.

## 29. Assemblies had fewer sittings than Parliament

This article discusses the issue with the reduced number of Sittings of State Assemblies and Parliament.

### An analysis by The Hindu on the State Assemblies and Parliament Sittings:

- After a low of 33 days in 2020, Parliament saw only a small improvement in 2021 by functioning for 58 days.



- Both Parliament and the State Assemblies cited restrictions imposed due to the COVID-19 pandemic as the primary reason for cutting back on scheduled sittings.

### Why Is the Decline in the Sittings of Parliament & Assemblies Worrying?

1. Fewer sittings of the assembly adversely impact the responsibility of the legislatures to scrutinize the work of the executive.
2. Due to lack of adequate sittings, the members do not have sufficient time to prepare for the deliberation on bills, and several of them are passed without much discussion.
3. Due to fewer sittings, budgets of many states have been passed without detailed discussion and thus the legislature failed to scrutinize budgetary proposals before approving them.
4. Lesser number of sitting days also means that state governments are free to make laws through ordinances. And when they convene legislatures, there is little time for MLAs to scrutinize laws brought before them.

### What Affects the Functioning of the Legislature?

1. **Lack of Independence:** One of the reasons for decreasing sittings of assemblies is due to the lack of independence of the legislature to decide its own sittings.
2. **Disruptions:** Even during the few days that the assemblies meet, disruptions further reduce the time spent on deliberation on important issues of the state.

### Sessions of State legislature

- The Constitution does not prescribe a minimum number of sittings.
- **Article 174** of the Constitution only says that the State legislature has to meet within six months of the last session.
- Within this period, it is up to the State governments to call for the session.

### Way Forward: -

- Continuous and close scrutiny by legislatures is central to improving governance in the country.
- Increasing the number of working days for state legislatures is a first step in increasing their effectiveness.
- One way to do that is by convening legislatures to meet all around the year.
- In many mature democracies, a fixed calendar of sittings of legislatures, with breaks in between, is announced at the beginning of the year.
- It allows the government to plan its calendar for bringing in new laws.

- It also has the advantage of increasing the time for debate and discussion in the legislative assembly.
- With the legislature sitting throughout the year, it gets rid of the politics surrounding the convening of sessions of a legislature.

### 30. India's watchwords in a not so bright 2022

In this article, the author examines the uncertainties and impermanence India would face in the context of domestic and geopolitical world affairs for the year 2022.

#### What are the Geopolitical Challenges and Risks for India in 2022?

- **China as disruptor:** The role of China in 2022 is possibly the most disrupting one, given the challenge it poses to the existing international order.
  - Militarily, China is openly challenging U.S. supremacy in many areas, including 'state-of-the-art weaponry' such as hyper-sonic technology.
  - China has abandoned the 'one country two systems' policy, stripping Hong Kong of its freedom and inviting international opprobrium.
  - It is now threatening Taiwan, which could well become one of the flash points of conflict in 2022.
- **Concerns in Indo-Pacific:** China might well be tempted to demonstrate its ability in the Indo-Pacific region. This, in the context of US ambitions in the same region, could constitute a serious risk.
- **Russia-Ukraine Conflict:** The Russia and Ukraine conflict has grave possibilities and could result in a series of cyclical outcomes with considerable damage potential.
- **Kazakhstan Crisis:** The current unrest in Kazakhstan demonstrates a sharper cleavage between the U.S.-led West and its principal opponents, Russia and China.
- **Return of the Taliban:** Taliban's return to power in Afghanistan has led to a material shift in the balance of power in an already troubled region on India's periphery.
  - Taliban's return to power represents a significant victory for Pakistan.
  - Developments in Afghanistan have fuelled the ambitions of quite a few 'anti-state militant groups' across the region.
- **Concerns with Indonesia:** In Indonesia, a resurgence of radical activities is taking place which provides fertile ground for other radical groups to enlarge their activities across the Asian region.

- **Border issues with China:** The Chinese transgressions across the Line of Actual Control in different sectors in Ladakh could well be expanded in 2022 at many more points on the Sino-Indian border.
- **Challenges in Central Asia:** In Central Asia, India will be challenged on how best to manage its traditional friendship with Russia with the pronounced tilt seen more recently in India-U.S. relations.
- **Challenges in West Asia:** In West Asia, the challenge for India is how to manage its membership of the Second Quad (India, Israel, the United Arab Emirates and the U.S.) with the conflicting interests of different players in the region.

#### Way Forward:

- India's foreign policy needs to demonstrate more flexibility to manage the contradictions that exist.
- India needs to develop a strategy on how to counter the publicity given by China to its low-yield nuclear weapons meant for battlefield use even during conventional military operations and against conventional targets.
- India would need to strengthen its military posture to convince India's neighbours that it can stand up to China.

## GS 3 : Economy, Science and Technology, Environment

### 1. Should the government loosen its purse strings?

Upcoming Union budget.

#### Trends in Inflation

- **Retail Inflation**
  - The retail inflation is currently at 6% and the Reserve Bank of India (RBI) has predicted that it will remain below 6% till the end of March 2022.
  - Critics believe that there are some risks associated with inflation and inflation expectations. Because
    - International oil prices have gone up to \$87 per barrel currently.
    - The inflation pressure is building up across the world, especially in countries where there was a large fiscal stimulus.
  - This poses a risk of transmission of international inflation to the domestic economy.
  - In the Indian context, inflation is driven by supply-side constraints.

- Even though the domestic factors do not influence the inflation as the international factors, domestic factors have added to the problem, the most important factor being the increase in taxes on petroleum goods and services.
- **Wholesale Price Index (WPI) and Consumer Price Index (CPI)**
  - The annual **WPI** rate in India reduced to **13.56%** in December 2021 from 14.23% in the previous month.
  - The RBI has projected **CPI** inflation at **5.7%** for the January-March quarter.
  - The gap between WPI and CPI is wide.
  - The inflation in wholesale prices will be passed on to consumer prices, so inflation is a cause of worry not just for the fiscal policy or monetary policy, but also for the overall health of the economy because inflation is going to affect the basic economics of households.

### **Role of fiscal policy in supporting the economy**

- Fiscal policy plays a key role in increasing the rate of capital formation both in the public and private sectors.
- Through taxation, the fiscal policy helps mobilize a considerable amount of resources for financing its numerous projects.
  - In terms of fiscal policy, the current year has performed well in terms of tax revenues.
- Fiscal policy also provides stimulus to elevate the savings rate.
  - Currently, the government wants to focus on the social sector as well as medium-term growth prospects.
  - The biggest stimulus would be to any measure that provides more employment opportunities.
- The fiscal policy gives adequate incentives to the private sector to expand its activities.
- Fiscal policy aims to minimize the imbalance in the dispersal of income and wealth.

### **Risks of stagflation**

- Stagflation is defined as a situation with persistently high inflation combined with high unemployment and stagnant demand in a country's economy.
- Inflation and low growth are persisting for a long time and are causing a bit of worry.
- A lot of the inflation currently is from the supply side, if the economy does bounce back once the pandemic is over, it's not going to lead to the softening of inflation; it actually aggravates the inflation.
- The growth numbers are also not optimistic.

- The average growth rate over the recent years has been 0.6% per annum.
- The youth unemployment rate in the country is around 23%, among the highest globally.
- Workers, farmers and small businesses are seeing negative growth.
- India's overall macroeconomic situation is in a recovery mode but the growth is still concentrated at the top end.

### Way Forward

- The measures to economic recovery have to be on a more sustainable basis rather than in the form of short-term spikes in growth.
- As inflation is currently driven by supply-side factors, a loosened fiscal policy is required to cushion its impact. The government should spend more not just in terms of improving the incomes of people using social security schemes, but also by increasing the transfers to the States.
- Aggregate consumption, which is a big part of GDP, is slowing down for quite some time now and hence there is a need to focus more on reviving the consumption thereby reviving the economy.
- Measures that were brought in to help the poor in terms of providing safety nets should continue.
- There is a threat of stagflation and carefully curated policy interventions by the government are required, in terms of managing inflation and also reviving the economy.
- The government should take measures to counter the rise in petroleum products and fertilizer prices.

### Conclusion

The government should focus on the long-term measures rather than the short-term measures of generating revenues by increasing taxation. It should rather take up measures that ensure larger disposable income for the people so that consumption in the economy increases. And one way to do it, other than through income transfers, is to reduce taxes on goods and services that are witnessing high inflation.

## 2. Should the government loosen its purse strings?

Upcoming Union budget.

### Trends in Inflation

- **Retail Inflation**

- The retail inflation is currently at 6% and the Reserve Bank of India (RBI) has predicted that it will remain below 6% till the end of March 2022.
- Critics believe that there are some risks associated with inflation and inflation expectations. Because
  - International oil prices have gone up to \$87 per barrel currently.
  - The inflation pressure is building up across the world, especially in countries where there was a large fiscal stimulus.
- This poses a risk of transmission of international inflation to the domestic economy.
- In the Indian context, inflation is driven by supply-side constraints.
- Even though the domestic factors do not influence the inflation as the international factors, domestic factors have added to the problem, the most important factor being the increase in taxes on petroleum goods and services.
- **Wholesale Price Index (WPI) and Consumer Price Index (CPI)**
  - The annual **WPI** rate in India reduced to **13.56%** in December 2021 from 14.23% in the previous month.
  - The RBI has projected **CPI** inflation at **5.7%** for the January-March quarter.
  - The gap between WPI and CPI is wide.
  - The inflation in wholesale prices will be passed on to consumer prices, so inflation is a cause of worry not just for the fiscal policy or monetary policy, but also for the overall health of the economy because inflation is going to affect the basic economics of households.

### **Role of fiscal policy in supporting the economy**

- Fiscal policy plays a key role in increasing the rate of capital formation both in the public and private sectors.
- Through taxation, the fiscal policy helps mobilize a considerable amount of resources for financing its numerous projects.
  - In terms of fiscal policy, the current year has performed well in terms of tax revenues.
- Fiscal policy also provides stimulus to elevate the savings rate.
  - Currently, the government wants to focus on the social sector as well as medium-term growth prospects.
  - The biggest stimulus would be to any measure that provides more employment opportunities.
- The fiscal policy gives adequate incentives to the private sector to expand its activities.
- Fiscal policy aims to minimize the imbalance in the dispersal of income and wealth.

## Risks of stagflation

- Stagflation is defined as a situation with persistently high inflation combined with high unemployment and stagnant demand in a country's economy.
- Inflation and low growth are persisting for a long time and are causing a bit of worry.
- A lot of the inflation currently is from the supply side, if the economy does bounce back once the pandemic is over, it's not going to lead to the softening of inflation; it actually aggravates the inflation.
- The growth numbers are also not optimistic.
- The average growth rate over the recent years has been 0.6% per annum.
- The youth unemployment rate in the country is around 23%, among the highest globally.
- Workers, farmers and small businesses are seeing negative growth.
- India's overall macroeconomic situation is in a recovery mode but the growth is still concentrated at the top end.

## Way Forward

- The measures to economic recovery have to be on a more sustainable basis rather than in the form of short-term spikes in growth.
- As inflation is currently driven by supply-side factors, a loosened fiscal policy is required to cushion its impact. The government should spend more not just in terms of improving the incomes of people using social security schemes, but also by increasing the transfers to the States.
- Aggregate consumption, which is a big part of GDP, is slowing down for quite some time now and hence there is a need to focus more on reviving the consumption thereby reviving the economy.
- Measures that were brought in to help the poor in terms of providing safety nets should continue.
- There is a threat of stagflation and carefully curated policy interventions by the government are required, in terms of managing inflation and also reviving the economy.
- The government should take measures to counter the rise in petroleum products and fertilizer prices.

## Conclusion

The government should focus on the long-term measures rather than the short-term measures of generating revenues by increasing taxation. It should rather take up measures that ensure larger disposable income for the people so that consumption in the economy increases. And one way to do it, other than through income transfers, is to reduce taxes on goods and services that are witnessing high inflation.

### 3. Why is India challenging WTO verdict on sugar?

India filed an appeal with the Appellate Body of the World Trade Organization (WTO) disputing a verdict by the WTO's dispute settlement panel on sugar subsidies.

#### Details

- In 2019, Australia, Brazil, and Guatemala complained against India at the WTO alleging that subsidies offered by the Indian government to sugar producers were against the rules governing international trade.
- They argued that these subsidies, which include both domestic subsidies as well as export subsidies, exceed the limits imposed by WTO trade rules.
- According to WTO rules, subsidies cannot exceed 10% of the total value of sugar production.
- The three countries believe that subsidies offered by India have led to increased production of sugar and caused the price of sugar to drop significantly in the global market.
- After two years, the WTO ruled that India's sugar policy was favouring domestic producers through subsidies that harm foreign producers.

#### Panel's Recommendations and Challenges to India

- India should bring its WTO-inconsistent measures in accordance with its commitments under the Agreement on Agriculture and the SCM Agreement.
- The panel recommended that India withdraws its prohibited subsidies under the Production Assistance, the Buffer Stock, and the Marketing and Transportation Schemes.
- The WTO Appellate Body's decision will be considered final in the dispute.
- In case India refuses to comply with the decision, it might have to face retaliatory action from other countries.
  - This could be in the form of additional tariffs on Indian exports and other stringent measures.
  - However, the appellate body of the WTO is not functioning because of differences among member countries to appoint members, and disputes are pending with it.



#### 4. A new form of socialism powered by cooperative economic enterprises is required

Inequalities of wealth have increased around the world and India is becoming one of the world's most unequal countries.

##### Role of globalisation and privatisation in increasing economic distress

- Economic despair is feeding the rise of authoritarianism, nationalism, and identity politics.
- **Role of Globalisation:** Opening national borders to free trade became an ideology in economics in the last 30 years.
- Taxes of incomes and wealth at the top were also reduced.
- The ideological justification was that the animal spirits of 'wealth creators' must not be dampened.
- With higher taxes until the 1970s, the U.S. and many countries in Europe had built up their **public health and education infrastructure** and strengthened social security systems.
- The rich are now being taxed much less than they were.
- The pie has grown larger but the richest few have been eating, and hoarding, most of it themselves.
- **Role of privatisation:** 'Privatisation' of everything became another ideological imperative in economics by the turn of the century.
- Selling off public enterprises raises resources for funds-starved governments.
- Another justification is **efficiency in delivery of services**, setting aside ethical questions of equity.
- When 'public' is converted to 'private', rich people can buy what they need.
- The gaps between the haves and the have-nots become larger.

##### How liberal economic policies are creating illiberal societies

- Liberal economists, promoting free markets, free trade, and privatisation, are worried by nationalism and authoritarian governments.
- They rail against "populist" policies of governments that subsidise the poor and adopt industrial strategies for self-reliance and jobs for their citizens.
- Liberals must re-examine their ideas of economics, to understand their own culpability in creating authoritarian and identitarian politics.

##### The failure of capitalism and communism

- While communism had lifted living standards, and the health and education of masses of poorer people faster than capitalism could, communism's solution to the "property" question – that there should be no private property – was a failure.

- It deprived people of personal liberties.
- Capitalism's solution to the property problem – replacing all publicly owned enterprises with privately owned ones (and reducing taxes on wealth and high incomes) has not worked either.
- It has denied many of their basic human needs of health, education and social security, and equal opportunities for their children.
- The private property solution has also harmed the natural environment.

### Way forward

- Climate change and political rumblings around the world are both warnings that capitalism needs reform.
- Economic policies must be based on new ideas.
- Thought leaders and policymakers in India must lead the world out of the rut of ideas in which it seems to be trapped.
- Principles of human rights must not be overpowered by property rights.
- A new form of **"Gandhian" democratic socialism**, powered by cooperative economic enterprises, is required in the 21st century, to create wealth at the bottom, not only at the top, and save humanity and the planet.

### Conclusion

A new form of 'Gandhian' democratic socialism powered by cooperative economic enterprises is required.

## 5. Extending GST compensation as a reform catalyst

The landmark implementation of Goods and Services Tax in India has set a remarkable example of cooperative federalism between the centre and states. This intended to evolve as a value-added tax on goods and services establishing tax harmonisation. In order to mitigate the revenue losses of the states in the short term implementation phase of the GST, the Union government promised to pay compensation in the evolutionary phase of five years.

### Estimation of GST Compensation:

- The compensation was calculated as the shortfall in the actual revenue collections in GST. Such revenues include ones that the states would have got from the taxes merged in the GST.
- The estimation of the revenue shortfalls was carried out taking 2015-16 as the base and applying the growth rate of 14% every year.

- A GST compensation cess was imposed on items such as tobacco products, automobiles, coal and solid fuels manufactured from lignite, pan masala and aerated waters.

### **The Outcome:**

- The entire episode of compensation was accompanied by several controversies after a smooth execution in the first two years of its implementation wherein the cess collection exceeded the compensation requirements.
- The states incurred huge losses of revenue in the period of 2020-21 due to severe lockdown activities in the wake of the pandemic. The loss was estimated to be ₹3 lakh-crore of which ₹65,000 crore was supposed to be recovered from compensation cess.
- The remaining amount was decided to be paid by the Union government by borrowing from the Reserve Bank of India under a special window and the interest and repayment were to be made by collections from compensation cess in the future.
- The follies in the compensation payments took the Centre-State relationship to a new low widening scope for mistrust which has been further elevated due to the pandemic.

### **Demand of the States:**

- The agreement to pay the compensation for revenue losses will come to an end in June 2022 that marks the completion of five years till which it was valid.
- The states demanded the continuity of the compensation scheme for another five years by considering the uncertainties faced by them in the midst of COVID-19.

### **Major Challenges:**

- The initially planned returns could not be filed as the technology platform could not be firmed up for a long time. This resulted in a large-scale misuse of input tax credit using fake invoices.
- The 41st GST Council meeting in 2020 that offered two options of borrowing to the states to address the revenue shortfalls attracted a deluge of opposition from the states as the borrowing options were perceived as a liability on the states. This contributed to further the face-offs between the centre and states.
- The states are overburdened with the commitments to protect the lives and livelihoods of people with limited avenues for mitigating revenue losses.

Therefore it is imperative that the entire structure of GST must undergo reformations.

### **Reforms Suggested:**

- It is recommended that 50% of the consumption items that are categorised under the Consumer Price Index (CPI) are in the exemption list. This requires significant pruning of items.
- It is necessary to bring petroleum products, real estate, alcohol for human consumption and electricity within the ambit of GST.
- Multiple rates that complicate the tax system and lead to administrative constraints must be reformed into a unified structure that is accompanied by the cooperation of states addressing their concerns and opinions.
- It is inferred that the GST tax regime is still in the transition stage and is evolving with the succeeding days. An extension of the compensation would not only be necessary for GST to attend a holistic transition but also be beneficial in providing a comfortable environment to the states.
- The restructuring of GST will open ways to increase the buoyancy of the tax along with the reduction of several administrative challenges.
- The compensation scheme of applying 14% growth on the base year must be revisited which was also put forth by the 15th Finance Commission.
- The rate of growth of reference revenue can be linked to the growth of Gross State Domestic Product (GSDP) in states to calculate the compensation assuring some certainty on the revenue.

### **6. Treating the planet well can aid progress**

The Human Development Report of the UNDP proposed to introduce a planetary pressure-adjusted Human Development Index.

#### **The Human-Induced Change:**

- Environment, over a period of time, has become an essential component to determine human development.
- The concept of planetary pressure adjusted HDI was introduced by a group of scientists across the world to highlight the implications of human activities on the environment.
- This proposed aspect of measuring human development is significant to regulate the imbalance caused by humans that has led to detrimental consequences to biodiversity disturbing the ecological balance.

- As a consequence, the world is witnessing the issues of climate change, unusual heat waves, global warming, urban deluge and other natural calamities.

### **The Purpose of planetary pressure-adjusted Human Development Index:**

- This index intends to communicate to the larger society the risk involved in continuing with the ongoing practices of misusing natural resources and the generation of greenhouse gas emissions.
- It also serves the purpose of determining the effect of environmental stress on development.

### **Challenges Faced by India:**

- Poverty alleviation and safeguarding the environment have been twin problems that India has experienced with emerging complexity in the present day.

### **Ways Ahead:**

- An interconnect between people and the planet is considered to play a pivotal role in buffering the issues of the social-ecological system. Therefore social and environmental problems cannot be treated in isolation and there must be an integrated perspective in order to achieve the goals echoed in the form of SDGs.
- A local-level involvement for effective delivery of policies is required with enormous emphasis on the provisions of the 73rd and 74th constitutional amendments.
- Reorientation of planning, adoption of decentralised approach, effective policy interventions, expansion of technology and institutional frameworks will serve as major condiments to address the social and environmental issues and assist in the creation of a progressive and sustainable future.

## **7. Taxing cryptocurrency transactions**

This article examines the possibility and concerns associated with the Process of taxing crypto transactions in India.

### **What Are The Available Legal Options To Bring The Cryptocurrencies Under Taxation?**

### **What are the Challenges in the Process of taxing crypto transactions?**

1. **Varied interpretations:** The absence of explicit tax provisions has led to uncertainty and varied interpretations being adopted in relation to mode of computation, applicable tax head and tax rates.
2. **Ambiguity over Fair Market value:** Since there is no consistency in the rates provided by the crypto-exchanges, it is difficult to arrive at a fair market value.
3. **Difficulty in Identifying Tax Jurisdiction:** It is often tricky to identify the tax jurisdiction for crypto transactions as taxpayers may have engaged in multiple transfers across various countries and the cryptocurrencies may have been stored in online wallets.
4. **Risk of Tax Evasion:** Crypto does not reveal the person's real identity, giving tax evaders a cloak of invisibility. The lack of third party information on crypto transactions makes it difficult to scrutinize and identify instances of tax evasion.
5. **Crypto Funding Black Money and Terrorism:** There are serious concerns with cryptocurrencies being used to park black money abroad and fund criminal activities, terrorism, etc.
6. **Unregulated intermediates:** Crypto-market intermediaries like the exchanges, wallet providers, network operators, miners, administrators are unregulated and collecting information from them is very difficult.
7. **Difficulty in Tracing Transactions:** Due to lack of information on crypto transactions, they are hard to trace and only voluntary disclosures from the parties involved or a search/survey operation may reveal the tax evaders.

### What Steps can be taken to provide a robust mechanism for taxing crypto transactions?

1. **Clear laws:** The income-tax laws pertaining to the crypto transactions need to be made clear by incorporating detailed statutory provisions.
2. **Generating Awareness:** This should be followed by extensive awareness generation among the taxpayers regarding the same.
3. **Separate Mandatory Disclosure:** The practice of having separate mandatory disclosure requirements in tax returns should be placed on the taxpayers as well as all the intermediaries involved, so that crypto transactions do not go unreported.
4. **Strengthening international legal framework:** The existing international legal framework for exchange of information should be strengthened to enable collecting and sharing of information on crypto-transactions.
5. **Linking crypto Identities:** This will go a long way in linking the digital profiles of cryptocurrency holders with their real identities.
6. **Impart Training:** The Government must impart training to its officers in blockchain technology. In this regard, it may be noted that the United Nations Office on Drugs and Crime's 'Cybercrime and Anti-Money Laundering'

Section (UNODC CMLS) has developed a unique cryptocurrency training module, which can aid in equipping tax officers with requisite understanding of the underlying technologies.

7. **Use of Latest Technology:** Tax authorities should also equip themselves with the latest forensic software (such as Elliptic Forensics Software is being used by the USA Internal Revenue Service and GraphSense used in the European Union) which can analyse a high volume of crypto transactions at a time and raise red flags in cases of suspicious transactions.

### Conclusion: -

It is certain that cryptocurrencies are here to stay. A streamlined tax regime will be essential in the formulation of a clear, constructive and adaptive regulatory environment for cryptocurrencies.

## 8. Issues with India's GDP data

There are three major reasons why the GDP data, and hence any narrative of economic recovery based on it, are questionable.

### Background

- The NSO released the current GDP series in 2015, **using 2011-12 as its base year.**
- Some have argued that the problem in the new series is the real growth rate. This is debatable.
- Scholars have pointed **to measurement problems**, both in the nominal and real GDP growth rates.

### Three issues with the GDP data, and narrative of economic recovery based on it

#### [1] Double deflation problem

- The new series entailed a shift from a **volume-based measurement system** to one based on nominal values, thereby making the deflator problem more critical.
- Simply put, the NSO calculates real GDP by gathering nominal **GDP data in rupees** and then deflating this data using various price indices.
- The nominal data **needs to be deflated twice:** Once for outputs and once for inputs.

- But the NSO – almost uniquely amongst G20 countries – **deflates the nominal data only once.**
- It **does not deflate the value of inputs.**
- To see why this is a problem, consider what happens when the price of imported oil goes down.
- In that case, input costs will fall and the profits recorded by Indian firms will rise.
- This increase in profits **is merely the result of a fall in input prices**, so it needs to be deflated away.
- But the NSO doesn't deflate away the increase in profits.
- Since the cost of inputs is measured by the WPI (wholesale price index), a crude measure of the overestimation caused by the absence of “double deflation” is given by the gap between the WPI and the CPI (consumer price index).
- In the 2014-2017 period, oil prices plunged, **causing the WPI to fall sharply relative to the CPI.**
- This meant that real growth was probably overstated.
- In the last few months, the exact opposite has been happening. WPI inflation is soaring.
- The rapid increase in the WPI relative to the CPI is imparting an upward bias to the deflator.

## [2] Sectoral weight not updated

- When it calculates GDP, it takes a sample of activity in each sector, then aggregates the figures by using sectoral weights.
- To make sure that the weights are reasonably accurate, the NSO normally updates them once a decade.
- It has now been more than 10 years since the weights were changed, and there are no signs of a base year revision.
- As a result, the sectoral weights are still **based on the structure of the economy in 2010-11**, when in particular the information technology sector was much smaller.

## [3] Measurement of unorganised sector

- Measurement of the unorganised sector has always been difficult in India.
- Once in a while, the NSO undertakes a survey to measure the size of the sector.
- In the meantime, it simply assumes that the sector has been **growing at the same rate as the organised sector.**
- However, starting in 2016 the unorganised sector has been disproportionately impacted by a series of shocks.



- In 2018, the NBFC sector reported serious problems, which in turn impacted unorganised sector firms since they were heavily dependent on NBFCs for funds.
- From 2020 onwards, the pandemic has impacted the unorganised sector more than the organised sector enterprises.
- Despite these shocks, the NSO does not seem to have made any adjustments to its methodology for estimating the growth of the unorganised sector.

## Conclusion

There are serious problems with India's GDP data. Any analysis of recovery or growth forecast based on this data must be taken with a handful of salt.

## 9. Inequality Kills: A study of the new Oxfam report

- “Inequality Kills: The unparalleled action needed to combat unprecedented inequality in the wake of COVID-19” report released by Oxfam.
  - Oxfam is a U.K.-based consortium of 21 charitable organisations.

### Details:

- The report notes that the COVID-19 pandemic has **heightened economic inequalities** across the world.
  - The report points out that **160 million people were rendered poor during the pandemic**, while the **ten richest people doubled their fortunes** since the start of the pandemic.
- The report notes with concern the fact made obvious during the pandemic that the **peoples' life chances are directly linked to their access to wealth** and healthcare, their positions of power in society, their racial and caste identities, and their geographic locations.

### How has the pandemic aggravated global inequality?

- The most impacted section of the population due to the pandemic was the poor who often indulge in **informal work**. The pandemic induced lockdowns led to the **loss of livelihood opportunities** for this section. This led to the **loss of income** and impacted the educational as well as nutritional security of the children of such families. The **lack of social and income protections** for the poor people only added to their concerns. Thus the pandemic only pushed the poor into greater poverty.

- The report notes that the emergency government expenditure meant as a fiscal stimulus (estimated at \$16 trillion) inflated stock prices and **disproportionately benefitted the rich who invested in stock markets** rather than helping the poor.
- The **structural and systemic policy and political choices** that are skewed in favour of the richest and most powerful people are also factors contributing to the gross inequality.

### Concerns:

#### Form of economic violence:

- The report describes the gross economic inequality as being a **form of institutionalized 'economic violence' against poorer people** as it robs them of access to basic living standards.

#### Higher impact on the vulnerable:

- The major brunt of the inequality and the violence it begets is borne mostly by vulnerable sections like **women and Dalits in India**, Black, Native American and Latinx persons in the United States and indigenous groups in many countries.
- The economic inequality **only further marginalizes people already marginalized by social and economic structures** and removed from political decision making.

#### Impact on women:

- The lockdowns implemented to contain the spread of the pandemic led to an **increase in violence against women worldwide**, which has been described as a **shadow pandemic**.
- Available estimates note that around 13 million women have not returned to the workforce and 20 million girls are at risk of losing access to education due to the disruption caused by the pandemic.
- Hence the **goal of gender equality has suffered a huge setback** as women who were already unequal before the pandemic are now more unequal because of increased economic inequality.

#### Nutritional insecurity:

- Poverty, caused by rising inequality, also **leads to hunger and deaths due to hunger**. Around 369 million children have reportedly lost access to school meals during the pandemic robbing them of their access to the most nutritious meal of the day.

### Impact on social trust in the society:

- The higher economic inequality could **fuel more crime and violence in the society** and would **lessen social trust** due to the glaring difference between the haves and have nots.

### Climate crisis:

- The report argues that the **climate crisis is exacerbated by inequality between countries**.
- The extreme neoliberal models of economic growth have led to a skewed system of carbon-intensive production that favours richer countries while shifting the risk onto poorer countries. This is **undermining the global climate action efforts**.

### Recommendations:

- The report warns that the increasing economic inequality could be profoundly dangerous for the world. The report argues for sustained and immediate action to end the pandemic, address global inequality and initiate concerted measures to tackle the climate emergency.
- The report proposes changes to structures of government, economy and policy-making to rectify the gross global inequality.

### Addressing vaccine inequity:

- Given that the **“vaccine apartheid”** (unequal access to vaccines between countries) and the lack of universal vaccination programs in many countries has been a major cause of the emergence of multiple new strains of the coronavirus that has led to the continuation of the pandemic, the report asks for the **ending of monopolies over vaccines held by pharmaceutical companies**.
- The vaccine manufacturing process and the associated technical know-how should be openly available to every qualified vaccine manufacturer to enable easy manufacturing of the vaccines and **enable affordable vaccine access to everyone**.

### Taxation measures:

- The report proposes addressing the gross wealth inequality by administering **solidarity taxes on the rich** that have profited during and because of the pandemic.
  - A solidarity tax is a government-imposed tax that is levied in an attempt to provide funding towards theoretically unifying (or

solidifying) projects. The tax acts in conjunction with income taxes and places an additional burden on taxpayers, including individuals, sole proprietors, and corporations.

- The report also calls for permanent **cancellation of tax havens, progressive taxation on corporations and an end to tax dodging by corporations.**
- The revenue thus collected should be redirected towards **building income safety nets, universalising healthcare and investing in protecting the vulnerable sections.**

#### Climate action:

- The unequal impact of climate change on underdeveloped nations needs to be recognized and acknowledged. These countries should be adequately **financed for adaptation measures.**
- The developed and developing countries should take higher responsibility for mitigation measures. There should be a **higher investment in green technologies** to reduce the carbon footprint.

#### Political empowerment:

- The report advocates for **redistributing political power by strengthening workers' unions and boosting political representation of marginalised groups** to ensure higher political bargaining power for these sections.

### 10. Draft Regional Plan 2041 for NCR

Many environment analysts and activists has offered objections to the Draft Regional Plan-2041 for National Capital Region (NCR).

#### Draft Regional Plan 2041

- The National Capital Region Planning Board had sought objections and suggestions to the Draft RP-2041 from public.
- Under the NCRPB plan, Delhi, two districts of Rajasthan, eight districts of Uttar Pradesh and 14 districts of Haryana are covered. In all, it covers an area of around 55,083 square kilometres.
- The plan paves the way for a future-ready and slum-free NCR comprising of facilities like air ambulance, high-speed connectivity by means of rail, road, Heli taxis, and inland waterways.

## Key provisions

- This plan puts special impetus on 30-minute connectivity by means of super-fast trains within major cities of NCR.
- It also proposes to explore feasibility of 30-minute Mass Transit Rail System (MTRS) from boundaries of NCR to Delhi.
- The plan seeks to make NCR a smart connected region by improving connectivity using bullet trains, smart roads, and helitaxi services.
- It will evolve the region into an economically prosperous region comprising of citizen centric harmonious infrastructure.
- It laid emphasis on circular economy of water & air quality improvements, improving environment conservation.

## Need for the plan

- There was a need to ease out traffic congestions and create more integrated, accessible, user-centric and affordable transportation system.

## Various objections with the Plan

- The plan excludes the terms “Aravalli” and “forest areas” from the Natural Conservation Zone (NCZ).
- The Aravallis were an integral part of the NCZ in the current Regional Plan-2021.
- This has left Aravallis open to unlimited real estate construction.
- Similarly, the phrase “forest areas” has been deleted from the NCZ also. This will drastically reduce the forest cover that is eligible for NCZ zoning protection.

## Why Aravallis matters?

- The Aravallis are home to over 400 species of native trees, shrubs and herbs, more than 200 native and migratory bird species, and wildlife that includes leopards, jackals, hyenas, mongoose and civet cats.
- They are crucial to groundwater recharge, which is significant given the water scarcity the region faces during harsh summer months.
- The thick forest cover helps to naturally purify air in a region plagued by high levels of vehicular and industrial pollution through the year.

## 11. National Ambient Air Quality Standards (NAAQS)

Delhi and most of the other non-attainment cities under the National Clean Air Programme (NCAP) have shown only a marginal improvement, said a new analysis released.

### About NCAP

- The NCAP was implemented across India in 2019 to reduce particulate matter levels in 132 cities by 20-30% in 2024.
- Cities are declared non-attainment if they consistently fail to meet the National Ambient Air Quality Standards (NAAQS) over a five-year period.

### What are NAAQ standards?

- The mandate provided to the Central Pollution Control Board (CPCB) under the Air (Prevention and Control of Pollution) Act empowers it to set standards for the quality of air.
- Hence the current National Ambient Air Quality Standards were notified in November 2009 by the CPCB.
- Prior to this, India had set Air Quality standards in 1994, and this was later revised in 1998.
- The 2009 standards further lowered the maximum permissible limits for pollutants and made the standards uniform across the nation.
- Earlier, less stringent standards were prescribed for industrial zones as compared to residential areas.

### Pollutants covered:

- Sulphur Dioxide (SO<sub>2</sub>)
- Nitrogen Dioxide (NO<sub>2</sub>),
- Particulate Matter (size less than 10 µm) or PM 10
- Particulate Matter (size less than 2.5 µm) or PM2.5
- Ozone (O<sub>3</sub>)
- Carbon Monoxide (CO)
- Ammonia (NH<sub>3</sub>)

(Air Pollutants that most of us NEVER heard of:)

- Lead

- Benzene (C<sub>6</sub>H<sub>6</sub>)
- Benzo(a)Pyrene (BaP)
- Arsenic(As)
- Nickel (Ni)

## 12. Extending the GST compensation

- Ahead of the **46th meeting of the GST Council**, Finance Ministers of several States have **demanding the extension of the GST compensation scheme beyond June 2022**, when it is set to expire.

### Background:

#### GST compensation:

- The adoption of nationwide Goods and Services Tax (GST) was made possible by States ceding almost all their powers to impose local-level indirect taxes and agreeing to come under the GST framework.
- To address the concerns of any possible shortfall in revenue for the states, it was agreed that revenue shortfalls arising from the transition to the new indirect taxes regime would be compensated from a **GST Compensation Fund** which is to be funded through a **compensation cess** levied on some select 'demerit' goods.
- The computation of the revenue shortfall is done calculating the difference between revenue **projections based on 14% compounded growth from the base year's (2015-2016) revenue** and the actual GST collections in a year.
- This compensation is to be paid for **five years** from the launch of the indirect tax regime in July 2017 to June 2022.

#### Arguments of the states:

- The states point out the **widening gap between the actual revenues realised and the protected revenues guaranteed** over the last few years.
- Their argument has been that **the COVID-19 pandemic has resulted in lower revenues** for the states and also that the states are having to spend substantially more to address the ongoing public health emergency and also address its socio-economic fallout on the people. This has resulted in **acute stress on the state's finances** and hence the need for extension of GST compensation.
- The states argue that at the time of the introduction of GST, the **States had agreed to forego their fiscal autonomy** with an assurance from the Union government that their revenues would be protected. Hence the Union government must ensure this by extending GST compensation.

## Recommendations:

- Considering the adverse impact that financial stress in the states can have on the economic recovery process of India in the post-pandemic phase, **the union government is well advised to extend the GST compensation scheme beyond the current deadline.**
- Earlier in the face of inadequate resources in the GST Compensation fund to compensate the states for the revenue shortfall, the union government had borrowed ₹1.59 lakh crore and released it to the States and UTs. Instead of such an ad-hoc move, this time the Union government can move **an amendment to the GST law to extend the GST compensation scheme.**
- To fund the extension, the government can **extend the compensation cess period.** Notably, even now the compensation cess will continue to be levied well beyond the current fiscal year since the borrowings made in lieu of the shortfalls in the compensation fund would need to be met.

## 13. The Devas arbitration

Shareholders of Devas have claimed that they have won an arbitration award order allowing the seizure of \$30 million worth of properties of Air India and the Airports Authority of India after a Canadian court's order.

### Background

- In 2005, a Bengaluru-based telecommunications company Devas Multimedia signed a contract with **Antrix**, a commercial arm of ISRO, under which Antrix would build and launch two ISRO satellites and lease the corresponding S-band satellite spectrum to Devas to use it to provide its Internet services.
- In 2011, following the reports of irregularities in the deal, including financial mismanagement and violation of standard operating procedures (SOPs), the then Government scrapped the deal.
- However, the final CAG report on the issue and a number of other probes did not reveal any evidence of irregularities.
- Questions have been raised about the calculation of losses by the CAG in the Antrix-Devas deal as it compared satellite spectrum with telecom spectrum.

### Antrix Corporation Limited (ACL)

- Antrix Corporation Limited was incorporated as a private limited company owned by the Government of India in September 1992.
- ACL is a Marketing arm of ISRO for promotion and commercial exploitation of space products, technical consultancy services and transfer of technologies developed by ISRO.



- Vision: To maximize the commercial potential of the Indian Space Programme by creating a robust space eco-system in India.
- The major objective of ACL is to facilitate the development of space-related industrial capabilities in India.

### Recent Developments

- After the cancellation of the Devas-Antrix deal in 2011, Devas and its shareholders have won three arbitration awards at international tribunals.
- First In 2015, the **International Chamber of Commerce (ICC)** Tribunal, seated in New Delhi, awarded Devas \$562.5 million in damages plus 18% interest per annum.
- Second, Shareholders of a Devas arm in Mauritius moved the **Permanent Court of Arbitration (PCA)** against India, alleging violation of the obligation to protect their interest as guaranteed under the **India-Mauritius Bilateral Investment Treaty (BIT)**.
  - In 2016, The PCA Tribunal, seated at The Hague, held India liable for breaching its obligations and awarded Devas shareholders U.S. \$111 million-plus interest as compensation.
- Third, arbitration by one of the other shareholders of Devas, Deutsche Telekom (DT), under the **India-Germany Bilateral Investment Treaty** at the PCA, won DT more than \$132 million-plus interest.

### India's Response

- India has not yet paid the award price and has challenged the awards multiple times.
- Antrix has filed a petition to set aside the ICC award which is currently under adjudication before the Delhi High Court.
- In January 2021, post a plea from Antrix, the **National Company Law Tribunal** ordered the closedown of Devas on grounds of being fraudulent.
- The NCLAT has also held the Antrix-Devas agreement to be illegal.
- The Supreme Court of India has heard the Devas ex-management and others concerned at length in its appeal and its order is awaited.

### Current status

- Quebec court in Canada had ordered the seizure of amounts collected by the International Air Transport Association (IATA) on behalf of Air India and AAI.
- This is the latest attempt by Devas shareholders to enforce the arbitration awards it won at international tribunals after India cancelled the Devas-Antrix deal in 2011.

- So far, Devas has moved to seize U.S. \$17.3 million of ticketing fees collected on behalf of Air India and U.S. \$12.76 million of air navigation and aerodrome charges international airlines owe to AAI.
- Air India and AAI have sought to quash the seizure order and the court has reserved its decision.
- Devas said that in 2020 the current government of India agreed to negotiate and come to a financial settlement, but later moved away from it and said until India returns to the negotiations, it has no alternative but to move against India's assets globally.
- Devas's actions to seize Air India assets are unlikely to disrupt the transfer of the airline to Tata Sons, as Tata group has been granted indemnity from past legal claims in the agreement.

#### 14. 'India can make \$300-bn electronics by 2026'

- As per a document released by the Ministry of Electronics and IT (MeitY) in association with the India Cellular & Electronics Association (ICEA), India is likely to achieve electronics production of \$300 billion by 2026 as against the set **target of \$400 billion by 2025** as per the **National Policy on Electronics (NPE) 2019**.
- Despite lower than targeted growth owing mostly to the challenges brought forth by the pandemic, the **electronics manufacturing sector has shown impressive growth over the pre-pandemic phase years**.
- The major challenges being faced by the industry include **qualitative (non-tariff, infrastructure-related)** and **quantitative (tariff, free trade agreements, etc.)** aspects.

#### 15. States told to share intel on common grid

- The Union Home Minister during a **review meeting of the security situation** with state Directors-General of Police has asked them to be more forthcoming on sharing of more information and actionable intelligence inputs through the Multi Agency Centre (MAC).

#### Multi-Agency Centre:

- Multi-Agency Centre (MAC) is a **nodal establishment for sharing intelligence inputs among various agencies**. Around **28 agencies** are part of the MAC and every organisation that is in any way involved in counter-terrorism is a member of this mechanism. This includes organisations like the

Research and Analysis Wing (R&AW), armed forces and State police. Various security agencies share real-time intelligence inputs on the MAC.

- **Intelligence Bureau (IB) is the nodal agency for the MAC.**
- At the MAC level, the meeting of all these agencies is convened almost every day where the intelligence of the last 24 hours is brought on to the table, discussed and follow-up action is devised or agreed upon.
- The national-level MAC, located in Delhi was **set up in 2001** after the Kargil intrusion. The states too have **subsidiary MACs (SMACs)**. There are around 400 secured sites connected with the MAC headquarters. There has also been the proposal of extending the connectivity of **SMACs to the district level**.

### Concerns/challenges with the functioning of MAC:

#### Low contribution/reluctance from state agencies:

- The **contribution from state agencies to the MAC is low** compared to the overall inputs received by the national-level MAC. There have also been a few instances where **some State agencies have hesitated to share their intelligence inputs** with the MAC.
- Such a situation could impact the availability of actionable inputs from the ground level.

#### Challenges in coordination:

- Given the multiple agencies involved, one of the biggest challenges with the functioning of MAC is **how to coordinate and act upon inputs** gathered by these units. At times, due to lack of coordination, **distrust amongst those intelligence agencies**, timely action to prevent terrorist incidents could not be taken.

#### Implementation challenges:

- The IB's move to connect districts to the counter-terror intelligence network has been facing **issues with lease lines, encryptors, etc.**

#### Recommendations:

- The state agencies should provide adequate information through the counter-terror network. This process should be made more streamlined.
- To address the challenges of coordination, a focal point of coordination should be assigned. The Ministry of Home Affairs can be assigned this role.
- The intelligence agencies should strive for increased coordination and cooperation not only at the district, state and regional levels but **also at the**

international level with friendly foreign counterparts in developing and sharing intelligence to mitigate and nullify threats.

## 16. For carbon sequestration, India must revisit its policy framework

India's pledge to set a net-zero target by 2070, at the COP26 summit, Glasgow, has again highlighted the importance of forests to help mitigate the challenges of climate change.

### Need for sustainable management of forests

- The United Nations Framework Convention on Climate Change (UNFCCC) framework (2013) of REDD+ for Reducing Emissions from Deforestation and Forest Degradation has highlighted the importance of forest along with the 'sustainable management of forests for the conservation and enhancement of forest carbon stocks'.
- **Land-based sinks:** In a study by Griscom (2017), land-based sinks (natural climate solutions which also include forests) can provide **up to 37% of emission reduction** and help in keeping the global temperature below 2° C.
- **Natural regeneration model:** Recent research has favoured a natural regeneration model of restoration over the existing much-hyped **mode of tree planting** as such forests are said to secure nearly **32% carbon storage**, as per one report of the Intergovernmental Panel on Climate Change.

### Degradation and deforestation in India

- As per the State of Forests Report (1989), the country had 2,57,409 sq.km (7.83% of its geographical area) under the open forest category, having a density of 10% to less than 40%.
- However, in 30 years (2019) this has been increased to 3,04,499 sq. km (9.26%).
- This means every year on average, **nearly 1.57 lakh hectare of forests was degraded.**
- **Anthropogenic pressure:** This degradation highlights the presence of anthropogenic pressures including encroachment, grazing, fire, which our forests are subjected to.

### Need for the participation of people to achieve target of carbon sequestration

- The degradation warrants the participation of people as an essential and effective route to achieve the desired target of carbon sequestration through the restoration of forests.

- As envisaged in National Forest Policy, 1988, India made its attempt, in 1990, **to engage local communities** in a partnership mode while protecting and managing forests and restoring wastelands with the **concept of care and share**.
- Later, the concept of **forest development agencies** was introduced to consolidate the efforts in an autonomous model.
- **Creation of joint forest management committees:** The efforts to make this participatory approach operative resulted in the formation of nearly 1.18 lakh **joint forest management committees** managing over 25 million hectares of forest area.
- Most of these became active and operative while implementing various projects financed by external agencies such as the World Bank, **the Overseas Economic Cooperation Fund (OECF) Japan**, the Department for International Development (DFID) United Kingdom and the European Union (EU).
- A similar system of joint management in the case of national parks, sanctuaries and tiger reserves which existed in the name of eco-development committees initially proved effective.
- However, the completion of the project period and lack of subsequent funding affected their functionality and also the protection of forests due to a lack of support from participating local communities including associated non-governmental organisations.
- **Customary participation:** Except for the National Mission for Green India, in all other centrally sponsored programmes such as Project Tiger, fire management, **Integrated Development of Wildlife Habitats (IDWH)** including the Compensatory Afforestation Management and Planning Authority (CAMPA), **the lack of priority and policy support** to ensure the participation of local communities via the institutions of joint forest management committees slowly made their participation customary.
- This caused a gradual decline in their effectiveness.
- **Role change:** The role of local institutions of gram panchayat or joint forest management committees is now restricted to be a consultative institution instead of being partners in planning and implementation.
- **Implications of role change:** This indifference and alienation from the participatory planning and implementation of various schemes

### Way forward

- **Revisit legal and policy mechanism:** To achieve net-zero targets there is a need to revisit our existing **legal and policy mechanisms**.
- **Incentivise local communities:** We also need to incentivise the local communities appropriately and **ensure fund flow for restoration interventions**.

- There is a need for duly providing for the adequate participation of local people in planning and implementation through local institutions.
- **Replicate Telangana model:** Political priority and appropriate policy interventions as done recently in Telangana by amending the panchayat and municipal acts and creating a provision for Telangana Haritha Nidhi need replication in other States.
- **Financial and institutional support mechanisms:** These should be supported by enabling financial and institutional support mechanisms and negotiations with stakeholders
- Though India did not become a signatory of the **Glasgow Leaders' Declaration on Forests and Land Use**, the considerations of land tenure and the forest rights of participatory communities with accelerated finances will help aid steps in the race toward net zero.

## Conclusion

This inclusive approach with political prioritisation will not only help reduce emissions but also help to conserve and increase 'our forest cover' to 'a third of our total area'. It will also protect our once rich and precious biological diversity.

## 17. A chance to support growth, fiscal consolidation

The adverse effect of the third wave of COVID-19, which is mainly affecting the last quarter of 2021-22, may call for a further downward adjustment in the growth rate to about 9%.

### Growth in FY 2021-22

- As per the NSO's advance estimates, at the end of 2021-22, the magnitude of GDP in real terms is estimated at **INR ₹147.5-lakh crore** that is only a shade higher than INR ₹145.7-lakh crore in 2019-20.
- Thus, due to the three waves of COVID-19 that India has experienced, **two years of real growth in economic activities have been wiped out.**
- As per the advance estimates, the **gross fixed capital formation (GFCF)** relative to GDP at current prices stands at 29.6% in 2021-22.
- **Capacity utilisation** in India continues to have considerable slack.
- **Private final consumption expenditure (PFCE)** also shows a low growth of 6.9% in 2021-22.
- Any pick-up in demand would continue to be constrained by low-income growth in sectors characterised by a **high marginal propensity to consume**

(MPC) such as the trade, transport, et al. sector and the Micro, Small and Medium Enterprise (MSME) sector more broadly.

- It may thus be prudent to expect a **real GDP growth in the range of 6%-7%**.
- Growth in 2022-23 would also continue to be constrained by supply-side bottlenecks and high prices of global crude and primary products.
- Growth in 2022-23 would depend on the basic determinants such as **the saving and investment rates** in the economy.

## Suggestions

- **Extend GST compensation period:** The GST compensation provision would also come to an end in June 2022.
- This would cause a major revenue shock at least for some States such as **Tamil Nadu, Kerala and Andhra Pradesh**.
- While this matter may be considered by the GST Council, the compensation **arrangement should be extended by two years** in some modified form.
- With respect to non-tax receipts, the scope of the **National Monetization Pipeline (NMP)** may be extended to cover monetisation of government-owned land assets.
- **Disinvestment initiatives** may have to be accelerated.
- Expenditure prioritisation in 2022-23 should focus on reviving both **consumption and investment demand**.
- **Urban counterpart to MGNREGA:** Since consumption demand remains weak, some fiscal support in the form of an **urban counterpart** to Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) may be considered.

## Focusing on fiscal consolidation

- It would be appropriate now to consider a **graduated return to fiscal consolidation** while using fiscal policy to lay the base for faster growth in the years to come.
- The Fifteenth Finance Commission had **suggested a fiscal consolidation path** where the Centre's fiscal deficit was benchmarked at 5.5% of GDP for 2022-23.
- In their pessimistic scenario, **it was kept at 6% of GDP**.
- It may be prudent to limit the reduction in fiscal deficit-GDP ratio to about 1% point of GDP in 2022-23.
- This would imply a fiscal deficit in the range of 5.5%-6% of GDP.
- From here on, a stepwise reduction of 0.5% points per year would enable a level of about 4% of GDP by 2025-26.
- By this time, as suggested by the Fifteenth Finance Commission, a **high-powered inter-governmental group should be constituted** to re-examine the

sustainability parameters of debt and fiscal deficit of the central and state governments.

## Conclusion

Expenditure prioritisation in 2022-23 should focus on reviving both consumption and investment demand while aiming for the gradual return to the fiscal consolidation.

## 18. What is Antrix- Devas Multimedia Deal?

A Canadian court has ordered the seizure of more than \$30 million worth of Airport Authority of India's assets.

### Background

- In 2005, Devas Multimedia signed an agreement with Antrix – a commercial arm of the IISRO – to provide multimedia services to mobile users using the leased S-band satellite spectrum to be provided by Antrix.
- In 2011, the UPA-2 government canceled this agreement on the ground that it needed the S-band satellite spectrum for national security and other social purposes.
- This led to arbitration between Antrix and Devas at the International Chambers of Commerce (ICC) and two bilateral investment treaty (BIT) arbitrations. India lost all three disputes.

### India's non-compliance

- AAI and Air India are being targeted because they are Indian public sector entities with overseas assets and serve as a proxy for the government of India.
- The Canada court can do so through the concept of restrictive immunity.
- In the meanwhile, the National Company Law Tribunal (India) ordered the liquidation of Devas Multimedia on the ground that the affairs of the company were being carried on fraudulently.

### Why did India cancel the deal?

- The scandal first came to light when in 2011, the news reported that there were some irregularities in the agreement between Antrix and Devas.



- They reported the findings of a draft audit report and pointed out discrepancies including financial mismanagement, conflict of interest, non-compliance of rules, and favoritism.
- This revelation came at the heel of the 2G spectrum scam which was condemned for the high level of corruption.

### **How can a Canadian court order the attachment of Indian assets?**

- State immunity – a well-established principle of international law – shields a state and its property against legal proceedings in the courts of other countries.
- This covers immunity from both jurisdiction and execution.
- However, there is no international legal instrument in force dealing with state immunity in the municipal legal systems of different countries, which has created an international void.
- Consequently, countries have filled this void through their national legislations and domestic judicial practices on state immunity.
- Typically, prominent jurisdictions such as Canada follow the concept of restrictive immunity (a foreign State is immune only for sovereign functions) and not absolute immunity.

### **How can assets of AAI be seized when the claim is against India?**

- In execution proceedings, assets of an entity can be seized if that entity is an alter ego of the State that fails to comply with the arbitral award.
- In other words, if the foreign sovereign exercises such extensive control over the entity, then the presumption that the entity has a separate corporate character is set aside.
- Thus, the Canadian court must have concluded that the Indian government extensively controls AAI.

### **What options does India have?**

- The first option is to comply with the two adverse BIT awards. However, it is highly unlikely that India would do so.
- The second option is to challenge this decision in an appellate court in Canada as per Canadian law where India can try proving that the 'extensive control requirement' is not met in the case of AAI.
- However, state immunity from execution is purely a procedural hurdle to the enforcement of the BIT award.
- It cannot justify India's breach of its international law obligations enshrined in the two BITs and the continued failure to comply with the arbitral awards.

## 19. GST Council defers Tax Rate increase on Textiles

Hours before the new GST rate was to take effect, the GST Council has decided to temporarily roll back the increase in tax rate for the textiles sector.

### What was the proposal?

- The GST Council had recommended making certain rate changes for footwear and textiles to correct the inverted duty structure.

### What is Inverted Duty Structure?

- An inverted duty structure arises when the taxes on output or final product is lower than the taxes on inputs.
- This creates an inverse accumulation of input tax credit which in most cases has to be refunded.

### A loss for the govt

- Inverted duty structure has implied a stream of revenue outflow for the government prompting the government to relook the duty structure.
- For footwear, the government refunds around Rs 2,000 crore in a year.

### What is the present rate of GST on textiles?

- At present, tax rate on manmade fibre, yarn and fabrics is 18%, 12% and 5%, respectively.
- Apparel and clothing up to Rs 1,000 per piece currently attracts 5% GST.

### Issues with the tax increase

- This decision has created a negative impact resulting in drop in demand and recession.
- The new rate structure would cause closure of around 1 lakh textile units and losses of 15 lakh jobs nationally.

## 20. Chisumle- Demchok: Worlds' Highest Motorable Road

Ladakh's Chisumle-Demchok Road, when it crosses the Umling Pass, is now the world's highest motorable road.

## Chisumle- Demchok Road

- The project to build the road through the pass – a **part of Border Roads Organization (BRO) Project Himank** – had been completed in 2017, after which vehicles had started playing on the route.
- The road is in south Ladakh. It **passes through Umling La Pass**, which is at a height of over 19,000 feet.
- The height of the pass makes it the highest motorable road in the world, and was recently recognized as such by **Guinness World Records**.
- The 52-km road 'black-top' tarmac road from Chisumle to Demchok betters the previous record of a road in Bolivia, which connects the volcano Uturuncu at 18,953 feet.
- The road was built under extremely challenging conditions, as temperatures in the region can fall to **below minus 40 degrees Celsius**, and oxygen levels go down to 50 per cent below normal.

## Top of the world

- At the pass, the road is higher than both the base camps for the climb to Mount Everest, the world's highest mountain.
- The South Base Camp in Nepal is at a height of 17,598 ft, while North Base Camp in Tibet is at 16,900 ft.
- The Chisumle-Demchok road is also higher than the Siachen Glacier, which is situated at 17,700 feet.
- Khardung La in Leh, which at one time was among the highest roads in the world, is at an altitude of 17,582 feet.

## Military significance of the road

- This road provides a direct route from Chisumle, which lies on the major road coming from Leh, Karu and Nyoma.
- All of these stations have important military stations which are close to the Line of Actual Control.
- Demchok has been an India-China flashpoint earlier, the site of a standoff between the two armies in 2016.
- In the current standoff in eastern Ladakh, which began in May 2020, Demchok has come up as a point of contention.

## Other benefits offered

- The new axis will be helpful for the armed forces, making it easier to **mobilize troops and equipment**, including rations.

- The road will not only enable **faster movement of armed forces** to the region but will also **boost tourism and improve the socio-economic condition** of the local people in the region.

### Certain limitations

- Since the road goes through such a high pass, road transport will be **unfeasible during the winter**, when the armed forces rely on air support.

## 21. The functioning of INSACOG

The Indian SARS-CoV-2 Consortium on Genomics (INSACOG) has sequenced about 1,00,000 samples.

### What is INSACOG?

- INSACOG is a **consortium of 10 labs and 18 satellite labs across India** tasked with scanning COVID samples from patients and finding the variants that has led to spike in transmission.
- The institutes involved include the laboratories of the Department of Biotechnology, Council of Scientific and Industrial Research, Indian Council of Medical Research, and the Health Ministry.
- Its work began in January 2020, by sequencing all samples with a history of travel from the U.K. and a proportion of positive samples in the community.

### Tasks of INSACOG

- The NCDC is tasked with coordinating **collections of samples** from the States as well as correlating disease with certain mutations.
- It is mainly involved in **genomic sequencing** which is done by isolating the genetic material of the coronavirus samples.
- It is also tasked with **tracking certain combinations of mutations** that become more widespread in India.

### What has it found so far?

- The INSACOG **sequenced about 1,00,000 samples** as of early December 2021 when this data was last made publicly available.
- The bulk of its effort has been focussed on **identifying international 'variants of concern' (VoC)** that are marked out by the WHO as being particularly infectious or pathogenic.

- **International travellers** who arrive in India and test positive are the ones whose samples usually get sent to INSACOG for determining the genomic variant.

### Why is genome sequencing useful?

- **Understanding mutations:** The purpose of genome sequencing is to understand the role of certain mutations in increasing the virus's infectivity.
- **Immune response:** Some mutations have also been linked to immune escape, or the virus's ability to evade antibodies, and this has consequences for vaccines.
- **Effectiveness of vaccines:** Labs across the world, including many in India, have been studying if the vaccines developed so far are effective against such mutant strains of the virus.
- **Evolution of viruses:** Studies such as this have shown that Omicron, for instance, has evolved to evade antibodies much better than the Alpha or Delta variant. This prompted the push towards booster doses.

### How is it done?

- Genomic sequencing is done by **isolating the genetic material (RNA)** of the coronavirus samples.
- RNA consists of millions of nucleotide bases and genomic sequencing is about identifying and comparing the sequence in a given sample to a reference sample.
- Changes in the sequence are clues to mutations that show that the virus may have undergone distinct changes at some key locations.
- There are several approaches to genome sequencing – whole genome sequencing, next-generation sequencing – that have different advantages.
- It has now evolved to a stage where large sequencers can process even thousands of samples simultaneously.

### Various challenges that INSACOG faces

- **Geographical variations:** Given that COVID-19 is spreading, mutating and showing geographical variations, the original aim of the group was to sequence at least 5% of COVID-19 samples.
- **Shortage of funds:** But only 1% has been achieved yet, primarily due to a shortage of funds, insufficient reagents and tools necessary to rapidly scale up.
- **Red-tapism:** The INSACOG, in spite of being peopled by expert scientists, is ultimately within the Central government's communication structure.

- **Infrastructure lacunae:** Not all INSACOG labs have the same quality of equipment and manpower and therefore a surge or spike in some cities can mean difficulties in processing.

## 22. A proposal for Indian Environmental Service

The Supreme Court has asked the Government if it will create an Indian Environmental Service (IES) as recommended by a committee headed by former Cabinet secretary T.S.R Subramanian in 2014.

### Why is the IES debate back in the news?

- The Supreme Court was responding to a petition whose counsel pointed out that the matters of environment required special expertise.
- Currently, matters of environmental regulation rest on scientists of the Ministry of Environment and Forests as well as bureaucrats from the Indian Administrative Services (IAS).
- The apex court expressed reluctance at getting into administrative matters of the Government but nevertheless asked the Centre if it expects to go about constituting such a mechanism.

### TSR Subramanian Committee Report on Environment

- The Subramanian committee was set up in August 2014 to review the country's green laws and the procedures followed by the Ministry of Environment, Forest and Climate Change (MoEF&CC).
- It suggested several amendments to align with the Government's economic development agenda.
- The report had suggested amendments to almost all green laws, including those relating to the environment, forest, wildlife and coastal zone clearances.
- The committee suggested that another committee, with more expertise and time, be constituted to review the environmental laws.

### Key recommendations

#### (a) Establishment of Environment Management Authorities

- The report proposed an 'Environmental Laws (Management) Act' (ELMA), that envisioned full-time expert bodies to be constituted at the Central and State levels respectively:
  1. National Environmental Management Authority (NEMA)
  2. State Environmental Management Authority (SEMA)

### **(b) Project clearances**

- These authorities evaluate project clearance (using technology and expertise), in a time bound manner, providing for single-window clearance.
- It suggested a “fast track” procedure for “linear” projects (roads, railways and transmission lines), power and mining projects and for “projects of national importance.”
- It also suggested an appellate mechanism against the decisions of NEMA/SEMA or MoEF&CC, in respect of project clearance, prescribing a three-month deadline to dispose appeals.

### **(c) Expanding Environment Protection Act**

- The Air Act and the Water Act is to be subsumed within the EP Act.
- The existing Central Pollution Control Board and the State PCBs, which monitor and regulate the conditions imposed on the industries to safeguard environment be integrated into NEMA and SEMA.

### **(d) Evaluating Environmental Reconstruction Cost (ERC)**

- The report also recommends that an “ERC” should be assessed for each project on the basis of the damage caused by it to the environment and this should be added into the cost of the project.
- This cost has to be recovered as a cess or duty from the project proponent during the life of the project.

### **(e) Research and Development**

- It proposed the establishment of a National Environment Research institute “on the lines of the Indian Council of Forestry Research and Education”.
- It would bring in the application of high-end technology in environment governance.

### **(f) Establishment of Indian Environment Service (IES)**

- Finally, an Indian Environment Service should be established to recruit qualified and skilled human resource in the environment sector.

### **How were the recommendations received?**

- The Centre never formally accepted this report and neither constituted a new committee as recommended by the Parliamentary Standing Committee.

- The Parliamentary **rejected** the report on the grounds that it ended up diluting key aspects of environmental legislation designed to protect the environment.
- However, many of these recommendations are implicitly making their way into the process of environmental regulation.

### 23. Show commitment to equity in the Budget

This article examines how budget allocations of the recent past have worsened the inequality scenario in India.

#### Inequality in India: -

- According to the World Inequality Report 2022, the top 10 percent of Indians had about 96 times more income on average than the bottom 50 percent.
- Similarly, Oxfam International claimed that in 2021 India's top 1 per cent owned about 77 per cent of the country's wealth.
- **Inequality Kills: Oxfam report**
  - "Inequality Kills: The unparalleled action needed to combat unprecedented inequality in the wake of COVID-19" is a report released by Oxfam.
  - The report notes that the COVID-19 pandemic has heightened economic inequalities across the world.

#### Constitutional mandate to reduce inequality: -

- **Directive Principles of State Policy:** The policymaking "duty" of all governments is to follow Part IV of the Constitution – the Directive Principles of State Policy.
- **Articles 38 and 39 :**
  - **Article 38(1) states:** "The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life."
  - **Article 39(c) states:** The State shall, in particular, direct its policy towards securing – (c) that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment;

#### Constitutional provisions related to budget:



- Under Article 112 of the Constitution, the Annual Financial Statement (AFS) of estimated receipts and expenditure of the Government of India has to be laid before Parliament in respect of every financial year.

### How Budget allocation worsened inequality in India?

- **Declined health Budget:** -The health Budget has declined by a substantial 10% over the last year. This reduces the access to quality and affordable health services and increases out-of-pocket expenditure which can push people into poverty. This has serious concerns amidst the COVID-19 pandemic.
- **Cut in Education budget:** There has been a 6% cut in the education Budget over the last couple of years. The reduced expenditure in the education sector could reduce the opportunities for quality and affordable public education systems. Given that education has been a tool for poverty alleviation, the Budget cuts in the educational sector would amount to the institutionalization of endemic multidimensional poverty.
- **Declined Social security expenditure:** Social security expenditure has declined from 1.5% in 2020-21 to 0.6% of the Union Budget in 2022. This would deprive the people of the most basic services and entitlements.
- **Reduced MGNREGA Supplements:** The government supplements have reduced causing extensive distress in functioning of MGNREGA, thus undermining the legal guarantee of work on demand.
- **Exclusion of beneficiaries:** The households under the National Food Security Act (NFSA) are based on a percentage determined from the 2011 Census. The reduced allocation to the scheme could lead to the exclusion of eligible beneficiaries.

### Way Forward

The Budget is a policy that matters to all. There is a need for society to stand up and make sure that we are true to our constitutional commitment of building a more just and equal society as envisaged under the DPSPs. That is our most fundamental duty.

### 24. The DLI scheme and the chip making industry in India

- As part of the recently launched **Design-linked incentive (DLI) scheme**, the Ministry of Electronics and Information (MeitY) has sought applications from 100 domestic companies, startups and small and medium enterprises to become a part of the scheme.

### DLI Scheme:

- Under the DLI Scheme, **financial incentives and design infrastructure support** will be extended to domestic companies, startups and MSMEs across various stages of **development and deployment of semiconductor design** for Integrated Circuits (ICs), Chipsets, System on Chips (SoCs), Systems & IP Cores and semiconductor linked design for over a period of 5 years.
- The scheme is part of a package that the government announced recently with the aim of nurturing at least 20 domestic companies involved in semiconductor design and facilitating them to achieve turnover of more than ₹1500 Crore in the next 5 years.
- **C-DAC (Centre for Development of Advanced Computing)**, a scientific society operating under MeitY, will serve as the nodal agency for implementation of the DLI scheme.
- The scheme has **three components - Chip Design infrastructure support, Product Design Linked Incentive and Deployment Linked Incentive.**

#### **Incentives under the scheme:**

- Under the Chip Design infrastructure support, C-DAC will setup the **India Chip Centre** to host the state-of-the-art design infrastructure and facilitate its access to supported companies.
- Under the Product Design Linked Incentive component, there are provisions for **fiscal support of up to 50% of the total cost** to eligible participants who are engaged in semiconductor design in India as well as the offer of **fiscal support of 30% of the capital expenditure** to participants building compound semiconductors, silicon photonics and sensors fabrication plants in India.
- Under the Deployment Linked Incentive component, there are provisions for **incentives of 4% to 6% on net sales** for five years to companies of semiconductor design for integrated circuits, chipsets, system on chips, systems and IP cores.

#### **Initiatives being taken in other countries:**

- The U.S aims to reduce the country's reliance on a small number of chipmakers based largely in Taiwan and South Korea. As part of its **America Competes Act, 2022**, there are provisions for providing \$52 billion to encourage more semiconductor production in the US.
- The European Commission has announced a **public-private semiconductor alliance** with the goal of increasing Europe's chip production share to 20% by 2030.
- South Korea has offered various incentives to attract \$450 billion in investments by 2030.

### Significance of the DLI scheme:

- As per MeitY estimates, the scheme is expected to facilitate the growth of at least 20 related companies which can achieve a turnover of more than ₹1500 crore in the coming five years. This will provide a **boost to the Indian economy in the post pandemic phase**.
  - The **semiconductor industry is growing fast** and it can reach \$1 trillion dollar by 2030. India can grow fast and reach \$64 billion by 2026 from the current \$27 billion.
- The scheme can help **overcome the global shortage of chips and semiconductor components**. The inception of new companies in India will help in ramping up supplies in the global market. This can have a moderating influence on the prices.
  - Several sectors in India, including auto, telecom, and medical technology had suffered due to the unexpected global surge in demand leading to the scarcity of chips
- The scheme can go a long way in establishing a robust semiconductor ecosystem in India which can help it **avoid high dependencies on a few countries or companies**
  - Currently, semiconductor manufacturing is dominated by companies in the U.S., Japan, South Korea, Taiwan, Israel and the Netherlands. Taiwan and South Korea chipmakers alone produce up to 70% of the world's semiconductors.
- Apart from acting as an incentive to domestic players and encouraging innovation in India, the DLI scheme will also **help attract existing global players** to choose India as their preferred investment destination. This apart from bringing **new investments into India** can also bring their **leading-edge expertise in the domain**.
- The DLI scheme **in conjunction with other related schemes** like the Production Linked Incentive scheme and initiatives by the IT ministry to train 85,000 qualified engineers on semiconductor design and manufacturing can help **create a vibrant domestic ecosystem for Semiconductor Chip Design and manufacturing** and could help bring India on the world map for semiconductor manufacturing.

### Potential of India in the sector:

- Notably, several gases and minerals which are a part of the global semiconductor supply chain are produced in India. The **presence of such backward linkages** within India would be crucial to setting up of the fabrication units.

- The presence of **elite academic institutions** working in this domain and their ability to produce **highly skilled engineers** for semiconductor manufacturing would help ensure the availability of required manpower for this sector.
- India owing to its **large market** can become an important destination for electronics design and manufacturing for the global companies.

### Challenges to making semiconductors in India:

- In India, more than 90% of global companies already have their R&D and design centres for semiconductors but never established their fabrication units. Some of the major reasons for lack of fabrication units in India include the following.
  - The setting up of fabrication units is **capital intensive** as it needs investment in the range of \$5 billion to \$10 billion. **Lack of such high investments and adequate supportive government policies** are one of the main challenges to setting up fabrication units in India.
  - Also the use of **sub 5 nanometer technology** in new fabrication units requires clearance from the technology provider. The major companies holding rights to this technology have been **reluctant in sharing the technology** owing to both commercial as well as geopolitical reasons.
  - Other main challenges to setting up fabrication units in India include **infrastructure connectivity** to airports, seaports and **availability of large volumes of pure water**.

### 25. Govt. moots plan to link digital IDs

- The government has invited stakeholder comments on a proposal that seeks to establish '**Federated Digital Identities**'. It proposes the linking of various consumer identification data into a single unique ID for digital transactions such as authentication and eKYC services.
  - The proposal is part of the Electronics and IT Ministry's **India Enterprise Architecture 2.0 (IndEA 2.0)**
- Such a framework holds many advantages.
  - This would help create a **single unique digital identity for the citizens** and would make the **citizens' digital interaction with the government less cumbersome**.
  - Under such a framework, electronic registries can be linked via the IDs to allow easy, **paperless on-boarding of citizens** and also **avoid repeated data verification needs**. This would also help **lessen exclusion scenarios**.
  - Such a framework would enable the governments and the private sector enterprises to design IT architectures that can span beyond their

respective organisational boundaries for **delivery of integrated services.**

## 26. Parasitic plant found in Nicobar eco hotspot

A new genus of a parasitic flowering plant has recently been discovered from the Nicobar group of islands.

### Genus *Septemeranthus*

- The genus *Septemeranthus* is the parasitic flowering plant.
- It grows on the plant species *Horsfieldia glabra* (Blume) Warb.
- The plant was found on the periphery of the tropical forest in the Nicobar group of islands separated from the Andaman group of Islands.

### Special features: -

- The leaves of the plant are heart-shaped with a very long tip and the ovary, fruit and seeds are 'urceolate' (earthen pot-shaped).
- It has a modified root structure spread on the stem of the tree and is anchored inside the bark of the host tree.
- They play an important role as they provide food for frugivorous birds.

## 27. Snow 'bomb' unleashes blizzard on eastern U.S.

The National Weather Service confirmed that snow had intensified into a "bomb cyclone" in eastern United States.

### What is a bomb cyclone?

- A bomb cyclone is a type of storm that typically develops in the wintertime, over the ocean or off a coast.
- It begins in the temperate latitudes and strengthens fast, with the atmospheric pressure at its center dropping swiftly, a process now called "bombogenesis."

### What is bombogenesis?

- The word "bombogenesis" is a combination of cyclogenesis, which describes the formation of a cyclone or storm, and bomb.
- This can happen when a cold air mass collides with a warm air mass, such as air over warm ocean waters.

- It occurs when a midlatitude cyclone rapidly intensifies, dropping at least 24 millibars over 24 hours.
- Bombogenesis is fairly common in the Pacific Ocean region because there is enough water surface area for strengthening.
- It has happened a few times on the Atlantic coastline; however, it is not as common there.

## 28. 'Banks to transfer 15 NPAs worth 50,000 cr. to NARCL'

Banks have finalized plans to transfer 15 Non-Performing Asset (NPA) accounts to the National Asset Reconstruction Company Ltd. (NARCL), or the 'bad bank'.

### What is a Bad bank?

- A 'bad bank' is a bank that buys the bad loans of other lenders and financial institutions to help clear their balance sheets.
- The bad bank then resolves these bad assets over a period of time.
- **Know More About Bad Banks.**

### National Asset Reconstruction Company Ltd. (NARCL):

- NARCL has been incorporated under the Companies Act and has applied to the Reserve Bank of India for a license as an Asset Reconstruction Company (ARC).
- NARCL has been set up by banks to aggregate and consolidate stressed assets for their subsequent resolution.
- **Know More About National Asset Reconstruction Company Ltd. (NARCL).**

## 29. Spot-billed pelicans dying en masse in Andhra Pradesh

- Nematode infestation triggers **mass mortality of spot-billed pelicans at Telineelapuram Important Bird Area (IBA)** in Naupada swamp of Srikakulam district in Andhra Pradesh.

### Spot-billed pelicans:

- The **spot-billed pelican (Pelecanus philippensis)** or **grey pelican** is a member of the pelican family. It is a bird of large inland and coastal waters, especially large lakes.
- The spot-billed pelican is a **relatively small pelican** but still a large bird.

- Thousands of spot-billed pelicans **migrate from the Siberian region** to breed in the Telineelapuram IBA and a majority of them prefer to stay here instead of going back home.
- In South India, the **Telineelapuram IBA** is the prime winter sojourn for the bird for breeding.
- The spot-billed pelican is capable of hunting huge fish from the water bodies and swamps.

### 30. 'India can make \$300-bn electronics by 2026'

- As per a document released by the Ministry of Electronics and IT (MeitY) in association with the India Cellular & Electronics Association (ICEA), India is likely to achieve electronics production of \$300 billion by 2026 as against the set **target of \$400 billion by 2025** as per the **National Policy on Electronics (NPE) 2019**.
- Despite lower than targeted growth owing mostly to the challenges brought forth by the pandemic, the **electronics manufacturing sector has shown impressive growth over the pre-pandemic phase years**.
- The major challenges being faced by the industry include **qualitative (non-tariff, infrastructure-related)** and **quantitative (tariff, free trade agreements, etc.)** aspects.