



# IASBABA'S MONTHLY MAGAZINE

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## PREFACE

With the present shift in examination pattern of UPSC Civil Services Examination, 'General Studies – II and General Studies III' can safely be replaced with 'Current Affairs'. Moreover, following the recent trend of UPSC, almost all the questions are issue-based rather than news-based. Therefore, the right approach to preparation is to prepare issues, rather than just reading news.

Taking this into account, our website [www.iasbaba.com](http://www.iasbaba.com) will cover current affairs focusing more on 'issues' on a daily basis. This will help you pick up relevant news items of the day from various national dailies such as The Hindu, Indian Express, Business Standard, LiveMint, Business Line and other important Online sources. Over time, some of these news items will become important issues.

UPSC has the knack of picking such issues and asking general opinion based questions. Answering such questions will require general awareness and an overall understanding of the issue. Therefore, we intend to create the right understanding among aspirants – 'How to cover these issues?'

This is the **28<sup>th</sup> edition** of IASbaba's Monthly Magazine. This edition covers all important issues that were in news in the month of **September 2017**.

**Value add's from IASbaba- Must Read and Connecting the dots.**

**'Must Read' section**, will give you important links to be read from exam perspective. This will make sure that, you don't miss out on any important news/editorials from various newspapers on daily basis.

Under each news article, **'Connecting the dots'** facilitates your thinking to connect and ponder over various aspects of an issue. Basically, it helps you in understanding an issue from multi-dimensional view-point. You will understand its importance while giving Mains or Interview.

**Must Read Articles:** We have not included them in the magazine. Those following DNA on daily basis may follow it- <http://iasbaba.com/babas-daily-news-analysis/>

***"You are confined ONLY by the WALLS you build YOURSELF"***

**All the Best ☺**

## INDEX

### NATIONAL (Page 4-46)

- [Demonetisation: Success, Failures and Lessons learnt](#)
- [Muslim personal law: The beginning](#)
- [Amending Rule 12 of RTI: Challenges and way ahead](#)
- [The problem of not-growing manufacturing enterprises](#)
- [Murder of yet another rationalist: Stifling dissent](#)
- [Urbanisation: Paying heed to ecological principles](#)
- [Setting priorities for achieving '24x7 Power for All' by 2022](#)
- [High Speed Rail: A visionary project](#)
- [Improving the performance of Indian courts](#)
- [Balancing Aadhaar and Right to privacy](#)
- [Making our schools safe](#)
- [Poor medical colleges and Shortage of medical doctors: What needs to be done?](#)
- [Sub-Categorisation of OBC](#)
- [Reforming fuel prices](#)
- [Meeting the target of power for all by 2022 requires innovative solutions](#)
- [Strengthening the agricultural sector](#)
- [Waste management for soil health](#)
- [Molestation of women at BHU](#)

### INTERNATIONAL (Page 47-81)

- [PM Modi's visit to Myanmar- Part I](#)
- [Tackling North Korea](#)
- [Rethinking India's membership in RCEP](#)
- [Protecting the Rohingyas in India](#)
- [Solving the Rohingya issue at the regional level](#)
- [Checking China's inroads in South Asia](#)
- [Rohingya Issue- India caught in a difficult spot](#)
- [India-Japan ties: A new paradigm](#)
- [India- Afghanistan ties](#)
- [Reforming United Nations](#)
- [United Nation's Ineffectiveness](#)

### SECURITY (Page 82-88)

- [First phase of reforms in armed forces](#)
- [Jammu and Kashmir Issue: People's movement is the need of the hour](#)
- [Maintaining regional stability](#)

### ENVIRONMENT (Page 89-100)

- [Subsuming of environment related cesses under GST](#)
- [Rethinking on river-linking project](#)
- [Water management: Reinventing organisations](#)
- [Rethinking on Interlinking of rivers- Part II](#)
- [Keeping our planet safe for future](#)

### ECONOMY (Page 101-119)

- [A new industrial policy is in process](#)
- [Enhancing farm income on a sustained basis](#)
- [Solving the problem of pulses in India](#)
- [Inclusive growth: Indispensable to reach India's full economic potential](#)
- [Adopting service-based model in tax administration](#)
- [Structural reforms and not fiscal stimulus is what Indian economy requires](#)
- [Framing of A New Industrial Policy](#)
- [Making GST good and simple](#)

### SCIENCE AND TECHNOLOGY (Page 120-122)

- [Artificial Intelligence can be transformative: But only with right public policy](#)

### HEALTH (Page 123-124)

- [Ascertaining quality healthcare](#)



## NATIONAL

### TOPIC:

#### *General Studies 2*

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

#### *General Studies 3*

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*

### Demonetisation: Success, Failures and Lessons learnt

#### **In news:**

The Reserve Bank of India (RBI) has released numbers that show how most of the currency notes that were cancelled were deposited in banks. Now that we know that 99% of demonetised money has come back, the government's estimates of how much black money would be extinguished have been proven wrong. As the RBI's latest annual report has confirmed, Rs 15.28 lakh crore or 99 per cent of the Rs 15.44 lakh crore worth of the notes withdrawn overnight on November 8 was turned in. Thus, almost all demonetised notes have been returned to the central bank, including the stock of black money held as cash.

#### **How money laundering took place?**

The total reduction in black money was much smaller than what might have been envisaged. To the extent that it was possible to exchange money legally, individuals did so. After that it was done illegally.

- Those who could not exchange money legally found money changers. When the government announced that old notes could no longer be exchanged, but only deposited, new ways of changing the stock of unaccounted cash emerged. Individuals with bank accounts, including Jan Dhan accounts, and companies showing cash accrual from sales came into business. Large amounts could be laundered through this route as it did not involve immediate cash payouts by banks, since cash shortages still persisted with the RBI and banks scrambling to remonetise the economy.
- Even when people have to pay tax on their hoarded cash, and a change fee they preferred to do that rather than lose the whole amount.
- Data from Prowess, a database of companies in India, shows that in the quarter of demonetisation, when purchasing power had fallen sharply, net sales by companies rose significantly.
- At the same time, the number of tax payers and tax collections rose. The tax department is said to have found thousands of shell companies which were possibly engaging in the activity of depositing money in their accounts during the demonetisation period, claiming that it was cash from sales. This provided a means for laundering money.



- There is no doubt that those with holdings of unaccounted cash lost some of their wealth in the process of laundering it. To some extent, taxes were paid on it in the process of legitimising it. But in addition to that, illicit wealth was redistributed from black money holders to money launderers. Whether the money launderer was a company owner, a bank employee or a Jan Dhan account holder, there was now a need breed of criminals with wealth obtained from illegal means.

#### **Objective seems unachieved:**

The objective of reducing counterfeit currency seems unachieved.

- In 2015, the National Investigation Agency established that at any point only Rs. 400 crore of counterfeit currency is in circulation. That's 0.028% of total currency. Now, CNBC has calculated only 0.0007% of the returned Rs. 1,000 notes as being fake and only 0.002% of the Rs. 500 notes. In value terms the total is just Rs. 41 crore. So either a lot of fake currency hasn't been detected or didn't exist.
- In terms of tackling terror funding, the Finance Ministry has said: "As a result of demonetisation of specified bank notes, terrorist and Naxalite financing stopped almost entirely." But no proof has been provided.
- Reduced dependence on cash: Both in number and value, digital transactions increased sharply after November but also dipped sizeably thereafter. There were 671.49 million transactions in November, rising to 957.50 million in December before shrinking to 862.38 million in July. So, the use of cash initially diminished but has been steadily increasing thereafter.

#### **Negative economic consequence of demonetisation:**

- The disruption of unorganized supply chains that are dependent on cash transactions; it is still not clear how smoothly they were being rebuilt as the economy was remonetized.
- No less has been the damage to institutional credibility. The RBI is yet to convincingly demonstrate that the demonetisation decision was not forced on it. At any rate, it was ill-prepared to deal with the aftermath, in terms of making available adequate quantity of replacement notes in the right denominations. That remonetised notes are mostly of the illiquid Rs 2,000 denomination — constituting over 50 per cent of the total value of currency in circulation even as late as March 31 — didn't help matters.
- The economic costs— whether manifested in a crash in farm produce prices or a wide swathe of cash-dependent informal enterprises going bust, not to mention the sheer time wasted waiting in lines — are incalculable.
- In the period immediately after demonetisation, there was expectation that it would bring a windfall for the Centre. To the extent that the scrapped Rs 500 and Rs 1,000 denomination notes were not deposited or exchanged at banks — especially by those who had hoarded their ill-gotten wealth significantly in cash — the resultant reduction in the Reserve Bank of India's (RBI) currency liabilities would generate a "profit", which it could then distribute as dividend to the government. But this did not happen.

#### **Potential advantages of demonetisation:**

Attack on the scourge of black money, tackling corruption, counterfeit currency, terror funding and reducing dependence on cash

### **Salient lessons learnt:**

- The government did not seek the advice of experts before going ahead. The strategic decision to surprise holders of illegal wealth would anyway have restricted the circle of those who could be informed, but it seems that the idea didn't come from experienced policy advisers.
- Good policy design should take into account how people will respond to any change in the rules of the game. In other words, incentives matter. Most rational human beings will adjust their behaviour to further their self-interest. Those who had illegal wealth held in cash obviously gamed the cash exchange process. Good incentive-compatible policy design is thus as important as good policy intent.
- Political dynamics can be quite different from economic dynamics. That voters have continued to back the Bharatiya Janata Party (BJP) despite the pain imposed by demonetisation shows that the ruling party has gradually redefined its typical voter from the traditional trading base that supported the Bharatiya Jana Sangh to the aspirational middle class that has a lower tolerance for corruption.
- International evidence suggests that few countries address the problem of black money by demonetising their currencies. If the problem is large-scale crime, corruption, bribery, bureaucrat-politician nexus, rent seeking, tax evasion etc. the answer lies in reforming the criminal justice system, law and order, administrative reforms, bringing transparency in the functioning of the state and rationalisation and simplification of the tax system. In this context, the GST will be a far more effective mechanism to bring down tax evasion in indirect taxes considering the greater incentive for compliance that its design holds.
- This episode in India's policy-making highlights an essential tenet of policy-making — the need for a cost-benefit analysis. For any objective that is to be achieved, we need to examine various policy options and analyse their costs and efficacy. For an economy on the path of reform, with many more reforms still to come, long-term sustainable impact can be achieved only when we strengthen the policy-making process as well.

### **Conclusion:**

It is still quite possible that demonetisation will have positive consequences over a longer period— the growth in the direct tax base, the switch in the financial holdings of households from cash to bank deposits, and the increased use of digital payments. The question to be asked is whether the potential long-term benefits will be greater than the short-term costs that the Indian economy had to bear.

### **Connecting the dots:**

- What were the objectives of demonetisation? How far was it successful? Critically analyze.
- The demonetisation drive in many ways proved to be a failed one. Discuss. What are the lessons learnt when it comes to policy-making in future.

**TOPIC:****General Studies 2**

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Welfare schemes for vulnerable sections of the population by the Centre and States*

**General Studies 1**

- *Social empowerment*
- *Salient features of Indian Society, Diversity of India.*

**Muslim personal law: The beginning****Background:**

The August 22 Constitution Bench judgment on instant talaq ( talaq-e-bid'a ) was a historic one. For the first time in Indian history talaq-e-bid'a was specifically debated and set aside by the Supreme Court.

**Shamim Ara case, 2002:**

In the 2002 Shamim Ara case a two-judge bench of the Apex Court had delegitimised this medieval practice only when it was not properly pronounced and preceded by attempts at reconciliation.

But the latest ruling completely and unconditionally invalidates talaq-e-bid'a and renders it bad in law .

The Koranic procedure of talaq is the only way by which a Muslim husband will be able to divorce his wife from now on.

**The majority judgment:**

Justices R.F. Nariman and U.U. Lalit concluded that talaq-e-bid'a cannot be excluded from the definition of "talaq" mentioned in Section 2 of the Muslim Personal Law (Shariat) Application Act, 1937.

- They declared that as the Shariat Act was a law made by the legislature before the Constitution came in force, it would fall within the expression "laws in force" in Article 13(3)(b), and would be hit by Article 13(1) if found to be inconsistent with Part III of the Constitution, to the extent of the inconsistency. Article 13(2) clearly states that the "State shall not make any law which takes away or abridges the rights conferred by this Part and any law made in contravention of this clause shall, to the extent of the contravention, be void."
- They also declared talaq-e-bid'a to be "manifestly arbitrary" and violative of Article 14 because it allows a Muslim man to break the marriage "capriciously and whimsically" without attempting to save it through reconciliation.

On these grounds, Section 2 of the 1937 Act was struck down as being void to the extent that it recognises and enforces instant talaq.



Interestingly, Justice Kurian Joseph, even while fully agreeing with the doctrine of manifest arbitrariness on the pure question of law, disagreed with Justices Nariman and Lalit that the 1937 Act regulates instant talaq and hence can be brought under Article 14. In his view, talaq-e-bid'a can be set aside without testing any part of the 1937 Act against Part III of the Constitution. As the whole purpose of the Shariat Act was to declare Shariah as the "rule of decision", any practice that goes against the Shariah cannot be legally protected. Talaq-e-bid'a falls outside the Shariah because it goes against its primary source, the Koran. Therefore, what is bad in theology is bad in law as well.

Those who criticised the authors of the majority judgment for grounding the crux of their ruling in the Koran ignore the fact that personal laws of all communities in India enjoy constitutional protection. And as these laws are sourced from religious scriptures in most cases the Apex Court cannot but uphold the right of individuals and groups to profess, practise and propagate everything that forms an essential part of their religious scripture, subject to the provisions of Article 25(1). It may be pointed out here that the Koranic procedure of talaq that was implicitly upheld in this judgment does not in any way violate our constitutional values.

#### **The minority opinion:**

- In their 272-page ruling former Chief Justice J.S. Khehar and Justice S. Abdul Nazeer, in contradiction to the majority judgment, declared talaq-e-bid'a to be an essential part of the Hanafi faith and gave it protection under Article 25(1).

However, this view does not stand up to scrutiny as it is based on the flawed theological premise that a religious custom which has been in vogue for several centuries automatically becomes integral to the denomination that practises it. Such a stance is not consistent with the teachings of the Koran.

The minority view also failed to appreciate the fact that hadees quoted by the AIMPLB were comparatively less authentic than those cited in High Court judgments relied upon by the petitioners which were from the six most authentic Sunni hadees books (Sihah Sitta). The AIMPLB cited just one report from Sihah Sitta (Hadees No. 5259 from Sahih Bukhari) in which instant talaq is mentioned. But this hadees does not show any Prophetic support for talaq-e-bid'a. It clearly states that the man who pronounced "triple talaq" did so "without the Prophet's command."

#### **Implications of verdict:**

- The biggest goal attainment for Muslim women is the realisation that talaq-e-bid'a in any of its manifestations will not dissolve the marriage.
- This renders redundant not just halala but the incorporation of a platitudinous advisory against instant talaq in the nikahnama.
- There is also scope now to amend the 1937 Act, even without designating it as statutory law, to exclude talaq-e-bid'a from the definition of the word "talaq" mentioned in Section 2, and make the Koranic procedure of talaq gender-neutral.

- Indeed all provisions of the Shariah mentioned in the 1937 Act can be similarly redefined to bring them in conformity with the humanitarian teachings of the Koran and the Prophet.
- This judgment will also encourage legally and theologically informed Muslim intellectuals to establish mediation centres across India under the Alternative Dispute Resolution (ADR) mechanism to help Muslim couples amicably resolve their marital disputes.

### Conclusion:

This is not the end but the beginning of the process of reforms in the Muslim personal law. The biggest challenge, however, would be to inform the Muslim masses that the abolition of talaq-e-bid'a is not against the Shariah but has, on the contrary, brought it closer to the original principles of Islam.

### Connecting the dots:

- The abolition of triple talaq by a SC bench is just a beginning of the process of reforms in the Muslim personal law. Discuss.

**Also read:** **Triple talaq declared unconstitutional**  
<http://iasbaba.com/2017/08/iasbabas-daily-current-affairs-23rd-aug-2017/>

### TOPIC:

#### General Studies 2

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation*
- *Important aspects of governance, transparency and accountability and institutional and other measures*

### Amending Rule 12 of RTI: Challenges and way ahead

#### Background:

In April, the government of India proposed amendments to the RTI Act. The most controversial amendment pertained to Rule 12. It would allow the withdrawal of an application in case of the applicant's death, making the job of those who file RTIs even more risky.

#### Problems pertains to:

- Problems pertaining to land, illegal construction and property disputes are the root cause of most of the cases. Seventeen murders of RTI activists, 32 assaults and 31 cases of harrasment are related to such issues.

- Then come conflicts due to government schemes (including MGNREGA), either because those who should have benefitted from them have not, or because of embezzlement at the local level.
- The third category that is also well represented is made of illegal mining, including the sand mafia's activities.

#### **The nature of the RTI activist's work:**

- The RTI activists are already exposed to violence, all the more so as the Whistle Blowers Protection Act (2011) is not implemented.
- Sixty-nine activists have been killed, according to the National Campaign for People's Right to Information. Besides, the NCPRI presents on its website the case of 130 RTI activists who have been victims of assault and 170 others who are victims of harassment. Of the 268 cases whose location is known, 100 belong to rural India, a clear sign that the RTI has also been owned in the village.
- The states where one finds the largest number of casualties are not those of the BIMARU belt known for law and order problems, but rich states. On the podium stand Maharashtra, Gujarat and Karnataka with, respectively, 13, 13 and 7 murders, 31, 14 and 11 cases of assault and 36, 14 and 12 cases of harassment. The fact that the rich states are the most dangerous ones for RTI activists is not surprising since they mostly fight against the appropriation of public goods by predatory and vested interests, which are comparatively stronger in affluent provinces.
- The nature of the RTI activist's work is revealing of the character of corruption in India today.

#### **Issue:**

- The RTI activists fight for their rights and/or those of others, but they are hardly protected by the police and judiciary. Cases have been filed for only 137 murders, assaults and harassment (out of 369). No action has taken place in 141 cases. (No information is available on the status of 91 cases).
- And where action has taken place, it has resulted in conviction and sending to jail of only six people so far (justice is delayed in many pending cases).

This impunity creates the conditions of more violence against the RTI activists and has made the revision of Rule 12 even more problematic.

#### **Effectiveness of RTI activists:**

The vested interests and the state are so afraid of the RTI activists, it is because of their relative effectiveness. The number of RTI applications continues to grow. While it had already reached 7.55 lakh in 2014-2015, it rose by 22.67 per cent or 2.21 lakh in 2015-2016. A study conducted by the Commonwealth Human Rights Initiative (CHRI) reveals that 27.2 per cent (47.66 lakh) of the total RTIs filed between 2005 and 2015 was submitted to the different ministries and departments under the Centre.

- These applications cover a wide range of issues and even if no action is taken, the media often publicise the cases and give bad publicity to the offending bureaucrats, industrialists or politicians.
- In fact, some of the most dedicated RTI activists are journalists and the reasons why small-town journalists are murdered, assaulted and harassed are similar to those affecting the RTI activists.
- The RTI activists not only expose corrupt practices and crimes, but also provide alternative leadership at the local level. Some of them have become community mobilisers and have been elected sarpanch.
- The RTI Act has offered space to young Dalits, Adivasis and members of the minorities who would have been (more) helpless otherwise. In this process, they've been helped by NGOs whose leaders — not only from the intelligentsia, but also from the SMEs world — have toured villages to initiate them into the art of filling an RTI form. The role of “RTI clinics”, often in the form of itinerant vans and helplines, has been key.

### **Challenges faced by RTI activists and way out:**

Now, besides violent reactions and the amendment of Rule 12, the RTI community is facing new challenges.

- In some states, Information Commissions are burdened with huge pendencies. In UP, they have crossed the 48,000 mark.  
Way out: The number of applications filed could easily decrease: If the frequently asked questions were identified, it would not be difficult to proactively disclose information for those questions (which is in tune with Section 4(1)(b) of the RTI Act, 2005).
- Delays and backlogs are also due to the fact that the job of Information Commissioner has become a post-retirement sinecure for former bureaucrats who do not necessarily feel the urge of idealism.
- The attitude of the government of India is another big challenge. Some of its agencies refuse to disclose the required information. The PMO, where the rejection rate is very high, is a case in point.
- The Commission does not have enough power for getting responses to its questions and does not have the mechanisms for following up on whether its orders have been complied with.
- Thirdly, the Information Officers do not necessarily get the right training, at least the updated information which would make their action more appropriate.  
Way out: Universities could include the RTI Act in their curriculum and offer not only degrees or modules for credit, but also continuing training for helping this major achievement to remain relevant.

### **Conclusion:**

The urgent issue concerns the risk of the amendments formulated in April (including those related to Rule 12) to be transformed into law. If they go through, it would send disturbing signals to the defenders of human rights.

**Connecting the dots:**

- The government of India proposed amendments to the RTI Act. The most controversial one pertained to Rule 12. It would allow the withdrawal of an application in case of the applicant's death, making the job of those who file RTIs even more risky. Discuss.
- The RTI community faces varied challenges. Analyze.

**TOPIC:*****General Studies 2***

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

***General Studies 3***

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*
- *Inclusive growth and issues arising from it.*

**The problem of not-growing manufacturing enterprises****Background:**

The recently released *Ease Of Doing Business* report by NITI Aayog and the IDFC Institute, based on an enterprise survey carried out in 2016, delineates the problem of not-growing enterprises sharply.

According to the sixth economic census conducted during 2013 and the first quarter of 2014, 131.29 million people are employed in 58.5 million establishments in industry and services. Only 21% of the enterprises employ 10 or more workers. Own account enterprises, meanwhile, which were managed entirely by their owners and didn't employ any other workers, constituted almost 45% of the enterprises.

**Growth problem:**

Indian manufacturing enterprises have a growth problem, often turning out to be "dwarfs". These dwarfs dominate the sector numbers-wise.

They suffer from low productivity given that their small size prevents them from achieving economies of scale, among other disadvantages.

However, they employ a huge chunk of the labour force.

Small firms dominate. The jobs they create are low-paying ones. The wage spread between small and large enterprises is a disquieting 80%.

**Reasons behind:**

The report shows that there are two reasons for this:



- Large firms with larger workforces face a greater regulatory burden in this area. This diminishes their efficiency and provides an incentive for smaller firms to cap their workforce below the point where onerous regulations kick in, feeding into the size problem, or employ workers in an informal capacity.
- The lower wage spread in China goes along with the domination of medium and large enterprises, which together account for over 75% of the workers. The report speculates that this domination of larger enterprises creates an ecosystem where small firms must perforce improve productivity—whether to compete or take advantage of the downstream opportunities created by larger firms. High productivity goes with higher wages.

#### **The solutions:**

- Improving physical infrastructure is essential. This ranges from transport systems to the power sector.
- The report also mentions the need to improve access to finance for smaller enterprises and making firm entry and exit easier, among other measures.
- Enhancing the flexibility of labour regulations.
- Out of the box measures might be of some use as well. Case study: The report throws up some interesting facts. Most of the young enterprises are located in Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh and Telangana. Concurrently, unlike in other states, older manufacturing firms in Andhra Pradesh, Telangana, Maharashtra and Gujarat face a lower regulatory burden than younger firms. The latter are thus disadvantaged in the states where they are highly concentrated, creating a barrier to growth and productivity—perhaps a legacy of crony capitalism in states that have traditionally been more enterprise-oriented, with larger firms more effectively able to utilize these networks.
- It's time the government legitimize lobbying, a widely accepted practice in developed economies—by bringing in a law to legitimize it and regulate it in a transparent fashion. This could reduce corruption and give smaller enterprises that band together for advocacy and lobbying a means to have policy inputs.

Thus, the government of the day needs to bite the bullet if the problem of manufacturing enterprises not growing as expected needs to be solved.

#### **Connecting the dots:**

- The recently released *Ease Of Doing Business* report by NITI Aayog and the IDFC Institute, based on an enterprise survey carried out in 2016, delineates the problem of not-growing enterprises sharply. Discuss the issue, the reasons behind and the way forward.

#### **TOPIC:**

##### **General Studies 1**

- **Social empowerment**

##### **General Studies 2**

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes*

### Murder of yet another rationalist: Stifling dissent

#### **In news:**

The murder of journalist-activist Gauri Lankesh in Bengaluru has set off a wave of protests across the country; the chill that has set in is difficult to miss. The manner in which she was brutally murdered raises extremely worrying questions. Her killers caught her outside her home, alone and with her guard down as she got out of her car — they fired at point-blank range, hitting her on the chest and the temple. They appear to have fled without even once getting off their motorbike, leaving no finger or shoe prints, as ‘clean’ a murder as can be.

#### **Why was she murdered?**

Lankesh’s killing cannot but draw attention to the various constituencies that she kept on notice. Lankesh, the publisher and editor of the Kannada weekly Gauri Lankesh Patrike , wore her activism on her sleeve.

She came up against the establishment in multiple ways, as she sought to bring naxalites to the mainstream, take up the cause of Dalits and farmers, raise consciousness on the creeping influence of Hindutva groups, give moral support to progressive campaigns, and basically bear scrutiny on those in power.

#### **Cause of concern:**

- As in the cases of Safdar Hashmi decades ago and rationalists M.M. Kalburgi, Govind Pansare and Narendra Dabholkar in recent years, the high-profile death of an activist is a confirmation of how formidable are the forces, howsoever invisible they may be to the arm of the law, that individual activism is up against. The manner of killing bears a resemblance to the murders of Narendra Dabholkar, Govind Pansare and MM Kalburgi.
- The common factor is that they were vocal critics of the Hindu far right. If Kalburgi’s interpretation of Basavanna’s teachings earned the wrath of the self-appointed vigilantes, Dabholkar and Pansare lost their lives in 2013 and 2015, respectively, for espousing rationalism, and challenging casteism and dogma. Gauri Lankesh, the editor of Gauri Lankesh Patrike, spoke for media and cultural freedoms, locking horns with the cow vigilantes, love jihad campaigners and others of their ilk. For praising Kanhaiya Kumar over the ‘sedition’ fracas in JNU in 2016, she was trolled as being anti-national.
- These brutal attacks have the power to potentially scare off others — activists, journalists, complainants.

- The rise in cultural intolerance and the muzzling of dissent by vigilante groups has become an alarming feature of this government's tenure. Nationalism and the practice of religion are being rigidly defined.
- Gauri Lankesh's killing reminds us that forces of intolerance are still at large. Thus far, both the Centre and the governments of Karnataka and Maharashtra have failed to stand up to the moral police. Investigations into the killings of Dabholkar, Pansare and Kalburgi have made no progress. In the absence of convictions, conspiracy theories have flourished, spawning a climate of fear and suspicion.
- Government's response to this bleak state of affairs has been unconvincing, leaving it to party colleagues to deal with the public discourse. This needs to be stopped, otherwise, the rhetoric of development and progress will ring hollow in an atmosphere of insecurity and social polarisation.

### How free is Indian press?

- India dropped three places in the World Press Freedom Index compiled by Reporters Without Borders, from an already bleak 133 to 136 out of 180 countries.
- The 2017 *India Freedom Report*, brought out this May by media watchdog Hoot, reports 54 reported attacks on journalists, and 45 sedition cases against individuals and groups between January 2016 and February 2017.
- Laws such as the Chhattisgarh Public Security Act and the Unlawful Activities Prevention Act and the freedoms guaranteed in our Constitution have been repeatedly sought to be suppressed by those in power.

### Way ahead:

- Identifying and capturing the [Gauri Lankesh's](#) killers, including those who ordered her execution-style assassination, is the responsibility of the Union government as well.
- It is important that the police conduct a time-bound probe, so that the facts about the murder can be unearthed, and all the questions answered: Who killed Lankesh, and who ordered the killing? What was their motive?
- Politicians across parties, many of whom are active on social media, must recognise this grave danger to a free and democratic discourse.

### Conclusion:

Gauri is not the first to be silenced. She will not be the last if we do not take a firm stand to defend our Constitution and democratic rights. Gauri Lankesh's killers must be found; or it'll embolden those who stifle dissent. The murderers must be expeditiously traced and punished — another unsolved crime will only embolden those who believe that dissent and opposition must be met with violence creating a threat to one of the largest democracy of the world.

### Connecting the dots:

- Recent murder of journalist Gauri Lankesh is not first such incident. It is an indication of how moral policing is increasingly being threat to Indian democracy. Government of the day needs to see that the perpetrators of such crimes are brought to justice. Discuss.

### TOPIC:

#### *General Studies 1*

- *Poverty and developmental issues, urbanization, their problems and their remedies*

#### *General Studies 2*

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

#### *General Studies 3*

- *Conservation, environmental pollution and degradation, environmental impact assessment*

### Urbanisation: Paying heed to ecological principles

#### **Background:**

Heavy rains this year from the southwest monsoon and accompanying floods have devastated people's lives in parts of Mumbai, Chandigarh and Mount Abu (Rajasthan), all in the same period as Hurricane Harvey's rampage through Houston. Mumbai is reported to have received 400 mm of rain within a matter of 12 hours while Houston received about 1,300 mm over several days with Harvey.

#### **Climate change is responsible:**

Climate models have indicated with high confidence that climate change will lead to an increase in extreme rainfall events.

According to the Intergovernmental Panel on Climate Change (IPCC) Special Report on Extreme Events, global warming leads to "changes in the frequency, intensity, spatial extent, duration, and timing of extreme weather and climate events, and can result in unprecedented extreme weather and climate events".

#### **In India:**

For India, the average monsoon rainfall is expected to increase initially and then reduce after a few decades.

Examining daily rainfall data between 1951 and 2000, B.N. Goswami, former Director of the Indian Institute of Tropical Meteorology, Pune, showed that there has been a significant increase in the magnitude and frequency of extreme rainfall events along with a decrease in the number of moderate events over central India.

These changes interacting with land-use patterns are contributing to floods and droughts simultaneously in several parts of the country.

**Understanding extreme events:**

The main reason for understanding extreme events is to help policymakers, emergency responders and local communities to plan and prepare for them.

Research that tries to understand this relationship between anthropogenic climate change and extreme events in particular locations is called “attribution”.

- Is an extreme event, such as torrential rainfall or record storm surges, part of a natural cycle of variability or due to human-induced climate change?
- To what extent do poor preparedness and ecologically insensitive land-use worsen the impacts?

**Determining attribution:**

- According to much of the literature, it is easier to determine attribution for severe heat or cold waves. NASA scientist James Hansen earlier found, for instance, that the Texas heat wave of 2011 and the Russian heat wave of 2010 were due to climate change.
- Conversely, for rainfall simulation, climate models cannot mimic or simulate extreme rainfall such as the kind Chennai experienced in 2015. According to a paper by Geert Jan Van Oldenborgh and colleagues, the 494 mm rain in Chennai was a rare event, with less than a 0.2% chance of occurring in any given year. The Chennai flood of 2015 did not have a clear climate signature to show that it was due to warming of the earth.
- On the other hand, with regard to Hurricane Harvey, Michael Mann, a well-known climate scientist, wrote in The Guardian that climate change made the impact much worse, because of higher sea surface temperatures and a blocking region of high pressure that kept the rain clouds over Houston for a long period.

**Issue:**

Any rain that falls on soil or vegetation is mostly absorbed into the earth’s surface. Some of it slowly trickles into shallow or deep protected aquifers that make up what we call groundwater. The rest usually flows downhill along surface or subsurface stream channels. The spread of infrastructure such as roads, highways, buildings, residential complexes, tiled or asphalt-covered land obstructs rainwater from percolating into the soil. Often there are further barriers that block movement of water and increase flooding.

**Unplanned urbanisation:**

- The actual patterns of flooding in Chennai, Mumbai and Houston were due to several human-induced activities: Rampant increase in built-up area across natural drainage channels and the diversion or damming of rivers upstream leading to sediment transport and siltation, coastal subsidence and other effects of development.
- Topography not taken into consideration: In many parts of the world, construction in cities or in urbanising areas does not take into consideration the existing topography, surface water bodies, stream flows or other parts of terrestrial ecosystems.
- Hydrology ignored: In much of India, urban growth over the past few decades has blithely ignored the hydrology of the land. In Chennai, for example, systematic intrusion



into the Pallikaranai marsh and other wetlands by housing complexes and commercial buildings, slums along Cooum and Adyar rivers, and large-scale construction along the coast are just examples of the flagrant encroachment of the built environment that obstructs rivulets and absorption of rainwater into the earth.

- When it rains heavily, exceeding the capacity of the soil to absorb it and regular stream flows are blocked from proceeding into the sea, these heavily built-up areas get inundated. Satellite images from 15 or more years back show the existence of hundreds of lakes and tanks, and several waterways within the city's boundaries.
- Ecological principles ignored: For decades, urbanisation has ignored ecological principles associated with water bodies, vegetation, biodiversity and topography. These are not 'environmental' issues to be disregarded or attended to only after we have attained 'growth'. Rather, they are part and parcel of and integral to how we live and whether we prosper.

### **What is to be done?**

- Development needs to be climate-smart, but also avoid social and institutional challenges such as moral hazard. If investments are made in places where severe impacts are likely, the government will end up bailing out those engaging in such risky activities. If the built environment and structures of financing and housing are 'locked-in' or get firmed up with regard to institutional arrangements, these can lead to further complications.
- Construction on existing lake beds and other waterbodies needs to be removed or redesigned to allow flood drainage along natural water channels.
- Hydrology, topography and ecological principles must be taken into account while creating plan for urban development.

### **Handling extreme events:**

- Cities could be laid out to reduce flooding by following natural contours, drainage and tank systems.
- Emergency responders should be well prepared to transport and care for people who may become stranded during disasters.
- Insurance companies might also be concerned about underwriting places that are at perpetual risk in the future.
- Once an extreme event such as a heat wave or heavy rain occurs, people want to know to what extent a single event has been caused by climate change, that is, by greenhouse gases released through human activities.

### **Conclusion:**

As the frequency of extreme weather events increases around the world, losses in rich countries are higher in terms of GDP, but in terms of the number of people at risk, it is the poor countries that suffer the most. Those who are the most vulnerable and the poorest end up bearing the brunt of the burdens of climate change and mal-development, which

together operate to worsen impacts. Given the presence of highly vulnerable population in India, the urbanisation process needs to be planned in ways mentioned above.

### **Connecting the dots:**

- As the frequency of extreme weather events increases around the world, India faces severe risks in terms of the number of people at risk. Discuss.
- Urbanisation in India is taking place at a much faster pace. All of it being done without paying heed to ecological principles. This is a cause of concern. Discuss why. Also analyze what needs to be done so as to make our cities climate change proof.

### **TOPIC:**

#### **General Studies 3**

- **Infrastructure: Energy**
- **Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.**

### **Setting priorities for achieving '24x7 Power for All' by 2022**

#### **Background:**

India has four crore unelectrified rural households. This is more than the total number of households in Europe's biggest economy, Germany, and more than double the households in Canada and South Korea. The year 2022, the 75th anniversary of Indian independence, has been earmarked for achieving '24x7 Power for All'. Achieving this target would mean electrifying more than 7 lakh households every month!

#### **Steady progress made by the government:**

- Data from the power ministry's GARV-2 portal suggest that the Government has electrified more than three-fourths of the remaining 18,000-plus unelectrified villages since it came to power in 2014.
- Recently, the Government has also shifted focus from village electrification, which required only 10 per cent of the households in a village to be electrified, to electrifying every household.

#### **ACCESS-The Survey**

In 2015, the Council on Energy, Environment and Water (CEEW), in association with Columbia University, conducted ACCESS, the largest-of-its-kind energy access survey covering almost 8,600 rural households in the six most energy-deprived States of India. Survey findings from Uttar Pradesh, Bihar, Jharkhand, West Bengal, Madhya Pradesh, and Odisha highlighted that while most of the villages and more than two-thirds of the households had electricity connections, less than 40 per cent had meaningful access to electricity.

Many rural consumers were displeased with the poor power supply and cited reliability, quality, duration, and affordability as key concerns.

Providing an electricity connection to every household does not guarantee electricity access.

#### Action plan:

- **Legalise existing connections:** In Madhya Pradesh, Jharkhand, Uttar Pradesh, and Odisha, the higher electrification rate could partly be due to the presence of illegal connections, and legalising these would help the Government move closer to its target.

- **Improve uptake of connections:** By addressing cashflow hurdles, awareness barriers, and supply challenges.

High upfront cost is the major reason behind consumer disinterest in taking up an electricity connection. While BPL households already receive a free connection under the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), APL families could be given a low-cost EMI based connection.

Empowering and encouraging local authorities to organise awareness campaigns and enrolment camps in habitations exhibiting limited awareness are also essential for increasing uptake of connections. Bihar is a fine example of improving consumer uptake, providing low-cost EMI-based connections to APL families, and conducting awareness campaigns.

- **Improve the supply situation for electrified households:** In Bihar, Jharkhand and Uttar Pradesh, more than one-third of electrified households received less than four hours of supply during the day. Also, more than one-third households experienced at least four days of voltage fluctuations in a month.

DISCOMs need to better plan for their infrastructure, factoring in near-term increase in demand, strengthening maintenance, and improving supply.

- **Explore innovative business models:** Managing rural customers, particularly in remote areas, is a challenge. Maintenance and operations such as reading meters, generating bills, and collecting revenues, are key concerns. To better manage their services, discoms could explore a franchisee model by collaborating with local mini-grid operators.

A potential business model involves mini-grids importing grid electricity and supplementing with their own generation during times of peak demand. This kind of tail-end generation model would ensure improved electricity supply for the household, and enable DISCOMs to collect payments from a single entity.

- **Cater to people's aspirations:** This will create a willingness to pay for the service. In a favourable political atmosphere, if rural households were to be provided quality supply via prepaid metering, it could potentially nudge them to make timely payments.
- **Distributed generation:** It could complement centralised grid electricity to resolve both, and ensure sustained use of electricity not just for rural households, but also for the entire rural economy including farms, schools, hospitals, and small businesses. It would lead to improved consumer satisfaction, as electricity truly becomes an enabler of prosperity in rural India.

**Conclusion:**

Achieving the target of electricity for all by 2022 is an ambitious but achievable target. The steps proposed above must be taken up on priority basis.

**Connecting the dots:**

- The year 2022 has been earmarked for achieving '24x7 Power for All'. Achieving this target would mean electrifying more than 7 lakh households every month. Discuss.
- The Government has rightly shifted focus from village electrification, which required only 10 per cent of the households in a village to be electrified, to electrifying every household. However, there are many other steps required to achieve the goal of electrification for all. Outline these steps.

**TOPIC*****General studies 2:***

- ***Structure, organization and functioning of the Judiciary***

**Improving the performance of Indian courts****Background:**

The Indian judicial system has a pendency problem. The national pendency count is pegged at around 2.3 million cases. Recently there was a news that the lower courts in Kerala, Punjab, Himachal Pradesh, Haryana, and Chandigarh have disposed of almost all cases that had been pending for a decade or more.

**Issues:****Justice delayed this much is justice compromised:**

Earlier this month, a special court sentenced gangster Abu Salem and others for the 1993 Mumbai bomb blasts. It took nearly 25 years for the Indian state to convict and sentence at least some of those who had perpetrated one of the bloodiest acts of terrorism on Indian soil.

**Citizens are poorly served by the state twice over:**

Once when their access to the law exists more in name than in fact, and the second time when they are deprived of the benefits of economic growth that has been hamstrung by clogged courts. The lower courts in states like Kerala and Punjab have shown that this need not be the case.

**Lessons to be learnt:****Improving transparency and accountability:**

The figures are only for the lower courts but there are still valuable lessons to be learnt—especially since the lower courts are where most cases get stuck. Example: The high court of

Punjab and Haryana has jurisdiction over the lower courts of Punjab, Haryana and Chandigarh.

- Almost a decade ago, it set up a case management system—i.e. a mechanism to monitor every case from filing to disposal.
- It also began to categorize writ petitions based on their urgency.
- In addition, it set annual targets and action plans for judicial officers to dispose of old cases, and began a quarterly performance review to ensure that cases were not disposed of with undue haste.

All these measures ushered in a degree of transparency and accountability in the system, the results of which are now apparent.

#### **Good performance despite missing judges:**

It is generally assumed that courts struggle to keep up because there aren't enough judges. But this might not be entirely true given that some courts are clearly managing to perform better in the same conditions. A study found no strong direct correlation between judicial vacancies and the performance of a court. The study looked at the lower courts in Tamil Nadu and found that while all courts had missing judges, there was still significant variation in their performances. For example, while a civil case anywhere in the state takes on an average about 2.95 years to be resolved, in the district of Ariyalur, it takes an average of 4.65 years. Similarly, while Chennai's lower courts dispose criminal cases the quickest, Coimbatore's lower courts are the slowest.

#### **Way ahead:**

The large number of judicial vacancies isn't a problem. But there are other effective ways to address the problem as well.

#### **Judicial case management:**

The court can set a timetable for the case and the judge can actively monitor progress. This marks a fundamental shift in the management of cases—the responsibility for which moves from the litigants and their lawyers to the court. Some believe that judges should stick to judicial matters and leave administrative issues to other court officials and staff, while others believe that the two functions cannot be viewed separately.

**Law Commission's recommendations:** The Law Commission of India in its 230th report has also offered a long list of measures to deal with the pendency of cases. These include

- Providing strict guidelines for the grant of adjournments.
- Curtailing vacation time in the higher judiciary.
- Reducing the time for oral arguments unless the case involves a complicated question of law.
- Framing clear and decisive judgements to avoid further litigation.



**Incorporating technology into the system:**

- Digitizing courts records has been a good start in this context but a lot more can be done.  
For example, just like automation powered by Artificial Intelligence is already helping doctors, it can also be leveraged to assist judges and lawyers.

**Conclusion:**

The missing judges problem is the reason behind poor performance of Indian courts. True the solution lies in filling up the vacancies especially at the level of lower courts. However, there is much more that can be done to improve the performance as reflected by the performance of lower courts in states like Kerala, Punjab, Himachal Pradesh etc. These changes must be brought on urgent basis as justice delayed is justice compromised.

**Connecting the dots:**

- The Indian judicial system has a pendency problem. The solution is to fulfil the vacancies. However there are many other reforms which if brought in can help improve the efficiency of courts. Discuss.

**TOPIC*****General Studies 2:***

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections*

***General studies 3:***

- *Banking & related Issues; Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*
- *Inclusive growth and issues arising from it*

**Balancing Aadhaar and Right to privacy****Background:**

The Supreme Court has declared the Right to Privacy a fundamental right, albeit subject to reasonable restrictions in legitimate state interest. In this context, the role of Aadhaar in transforming India is being debated. India has embarked on a major revolution towards a transparent economy through digital payments. The share of digital payments is said to be about five per cent of total personal consumption or even lower at two per cent of total transactions, which are among the lowest in the world. Now with 1.17 billion Aadhaar cards

and an equal number of mobile phones, we have the opportunity to take digital payment to the masses.

**Aadhaar and UPI:** Aadhaar will help India leapfrog traditional payment systems such as cheques, drafts, debit cards, POS (point-of-sale) devices and transition to modes of digital payments not seen even in the most advanced countries. UPI will have a far-reaching impact because it is India's own internet of digital payments. UPI is real time and fully interoperable across all banks. There are 350 million smartphone users in India, who can use UPI to make digital payments up to Rs 1 lakh without any card or POS device. Merchants can also use the Bharat QR Code to receive payments.

**Enabling digital payment in rural India:**

BHIM-Aadhaar allows more than 300 million Indians living in rural and urban areas, who do not have credit cards, debit cards, smartphones or feature phones or who are not financially literate to handle PINs, passwords etc. to pay digitally. In this mode, a retail corner shop would not need an expensive POS device such as a debit or credit card swipe machine. He can use his own smartphone with a fingerprint scanner, which costs around Rs 2,000, install the BHIM Aadhaar app and link it to his bank account. Customers can pay small amounts upto Rs 2,000 without needing a debit or credit card. Upon Aadhaar authentication of the fingerprint, the money will be debited from the Aadhaar-linked bank account of the customer and credited to the merchant's account. Each one of the more than 700 million people who have linked their Aadhaar with their bank accounts, can now use her or his fingerprint to make payments.

**Critics:**

The beneficiaries of the cash economy as well as traditional payments systems oppose using Aadhaar in digital payments by raising concerns about the Aadhaar database being insecure, fingerprints being vulnerable to hackers etc.,

**Mitigating risks rather than abrogating technology:**

The payment systems based on physical signatures, cheques, debit cards, ATM cards, PIN etc. were also not absolutely safe and had no vulnerabilities. People have been writing cheques and putting their physical signatures on documents for ages, knowing fully well how easy it is to forge a signature. Similarly, we read about frauds in ATMs, debit cards and internet banking through cloning, scheming, spoofing, phishing etc., and yet we have not stopped using them. Every technology is vulnerable and subject to risks. What is needed is mitigation of risks, not abrogation of technology.

**The Aadhaar-based payment system has been robust and secure:**

It is evident from the track record of the Aadhaar Enabled Payment System (AEPS).

- The AEPS provides doorstep banking through more than 1,30,000 banking correspondents to people living in remote villages and enables them to withdraw or deposit money using their fingerprints on Aadhaar-based micro-ATMs.
- In the last four years, more than 700 million transactions have been carried out without a single case of financial loss due to fraud or identity theft.
- Besides, Aadhaar continuously reviews emerging threats and takes measures to counter them and minimise risk.

#### **Making UPI and Aadhaar-based payment system more secure:**

Three major reforms happened in the last six months, which would make UPI and Aadhaar-based payment systems even more secure.

- In February 2017, Parliament amended the Income Tax Act to mandatorily link PAN with Aadhaar.
- The Supreme Court in the **Lokniti Foundation case** has required that more than 100 crore existing mobile SIM cards be biometrically verified with Aadhaar by February 2018.
- The government amended the Prevention of Money Laundering Rules in June this year to require every bank account to be verified and linked with Aadhaar and PAN by December 31, 2017.

In BHIM-Aadhaar and UPI, since the bank accounts and mobile numbers of the sender and receiver of the payment are linked to their Aadhaar and PAN cards, the transactions will undoubtedly be safer. In the worst case, if there is an unauthorised transfer from an account, the beneficiary can be identified through Aadhaar.

#### **Ensuring mass adoption of digital payments:**

India has set an ambitious target of achieving 2,500 crore of digital payment transactions this year. Efforts are on to bring down transaction costs so that consumers are not at a disadvantage for choosing to pay digitally.

- The US in 2010 undertook reforms to protect consumers of digital transactions.
- The EU also passed regulations in 2015 to rationalise and reduce transaction fees.

Similar steps are necessary in India too.

#### **Conclusion:**

Democratisation of digital payments through UPI and BHIM-Aadhaar will lead to a less cash economy, rid the country of black money and tax evasion and bring large numbers into the financial mainstream. And thus the way forward should be to mitigate the risks associated with it rather than abrogating the technology.

#### **Connecting the dots:**

- In the wake of judgment of Supreme Court regarding Right to Privacy the usage of Aadhaar is debated. Discuss how and why the way forward should be- mitigating the risks associated with it rather than abrogating the technology.

**TOPIC****General Studies 1:**

- *Social Issues*

**General Studies 2:**

- *Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.*
- *Issues relating to development and management of Social sector or Services relating to Health, Education, Human Resources.*

**Making our schools safe****Background:**

The two recent incidents of attack on children inside their school premises in the national capital region of Delhi have sent shock waves across the country. Parents are up in arms asking the government and school managements to ensure that prescribed safety and security norms are followed by all schools, government as well as private. The media has been carrying versions and comments of anguished parents, school authorities, government officials and the police, all stakeholders offering their own explanations on how and why the task is beyond their competence.

**Reasons behind:**

These tragedies (and indeed, many more before them, reported and unreported), are only the symptoms of an entire educational system that has gone horribly wrong.

**Who sets up most of the private schools in the country and why?**

Barring exceptions, most private schools are set up by property dealers, liquor barons, politicians and the like. Schools give them a fig leaf of respectability. And they are also a great avenue for the investment of dubiously acquired wealth. To impart education is very rarely the primary motive. The driving force thus becomes the recovery of the capital invested and in order to achieve this, corners have to be cut. Among the softest targets for the axe are safety and security and teacher training. After all, parents grateful for admission are hardly likely to ask questions relating to safety and security measures. Also, security measures go largely unnoticed, unlike swimming pools, air-conditioned buses and “smart” classrooms.

**Lack of implementation of regulations required in order to secure affiliation:**

Both the CBSE and ICSE have, on paper, very stringent norms governing the process. But the devil lies in the implementation. Inspections” are manipulated. The state of affairs in most government schools is pitiable. They are, for the most part, too starved for funds to make

safety a priority, and are, by and large, manned by staff just intent on getting through the day.

**No training of the head of the school:**

The head of school is the person on the ground who is responsible for the implementation of safety norms. Heads of schools do not have the requisite training for this responsibility. Heads have no training in safety and security as well.

**Inefficient private security agency:** The management and head (both of whom are equally ignorant), are thus quite content to hand over the responsibility to some private security agency.

Most of these agencies (and more so, the ones at the lower end, which schools can afford), are quite content to have a hugely under-paid and untrained force, whose only claim to “security” is that they wear a uniform, practise marching in public view and salute the principal. And these are the people entrusted with not only guarding the premises but also responding to emergencies. All this while when even simple safety procedures are not followed.

**No regular audit in safety:**

The problem is further compounded by the fact that there is no way in which a regular audit in safety measures can be conducted. None of the school boards (although they have comprehensive manuals) have either the resources or the expertise to ensure conformity with safety measures. Neither the school managements nor the directorates of education have the wherewithal to carry out the requisite security audits and surveys.

**Teachers also not playing their role:**

If the head of the school and the security agency entrusted with the well-being and safety of the students are both questionable in their level of competence, it is hardly likely that the teachers, who should really be the ones with their ears to the ground, will have any clue about spotting likely danger areas. Teachers also seek refuge in the fact that they are overburdened anyway and have to rush off for their private tuitions. What this effectively means is that those closest to the students are, in reality, quite far removed from a critical area of concern in more ways than one.

Thus, the issue runs much deeper. It goes back to the very way in which we view school education, the priorities that we accord in the hierarchy of “educational needs” and whether we are really interested in investing in a better and safer future.

**Way ahead:**

**Step taken by government:**

- The Delhi Education Minister and Directorate of Secondary Education has issued directives to all school managements to get all their staff verified by the police within one month.

### What more needs to be done?

We must be “pro-active” in this area rather than “reactive”.

- Securing a premises requires a complex multi-layered screening process with the help of technical gadgetry, manned by skilled and alert security personnel, to ensure that all potentially lethal objects and persons are kept out, to the extent possible.
- Regular fire and other emergency drills must be conducted. Connectivity with the jurisdictional police and fire services should be failure-proof and tested.
- Experts can be asked to prepare a panel of professionally manned and managed licensed private security companies, based on careful and objective evaluation of their capabilities and capacities.
- On-the-spot audits and regular inspections by experienced security professionals is required. The Directorate of Education should ask all school managements to get the audits of their school premises conducted by any one of them, within a stipulated time frame to be followed up by regular and periodical reviews to ensure that the safety and security measures are made as foolproof as possible.
- The school authorities have to be suitably cautioned that failure to do so shall entail punishment and even termination of NOCs.
- The ministers for education of NCR Delhi should convene forthwith meetings of representatives of all bodies including the police and invite former police and security experts to serve as advisers to monitor progress.

### Conclusion:

The heat and dust arisen because of recent dust must not be let to settle down. The above outlined steps must be implemented if our schools and hence our future has to be made safe.

### Connecting the dots:

- These recent tragedies in Delhi-NCR schools are only the symptoms of an entire educational system that has gone horribly wrong. Discuss the reasons behind and also the way forward.

### TOPIC

#### *General Studies 2:*

- *Statutory, regulatory and various quasi-judicial bodies.*
- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*



- *Issues relating to development and management of Social Sector or Services relating to Health, Education, Human Resources.*

### Poor medical colleges and Shortage of medical doctors: What needs to be done?

#### **Background:**

According to the World Directory of Medical Schools, in 2016, India, with 343 medical colleges, had the largest number of operational allopathic medical schools in the world. Brazil, was a distant second, with 193 medical colleges, and China, with a population comparable to India's, had less than half the number. It is imperative that India ensures that all these medical colleges meet a basic minimum quality standard.

#### **Issues:**

- The Medical Council of India (MCI) has been repeatedly criticized for providing opaque accreditation to aspiring medical colleges in India.
- Many of its members have been accused of taking bribes in order to fast-track accreditation.
- Bribes reduce the legitimacy of all accredited colleges and thereby compromise medical college quality overall in the country.

Considering India's dearth of medical professionals, quality medical colleges are needed to fill the growing healthcare shortages.

#### **NITI Aayog's recommendation:**

Experts at NITI Aayog have proposed replacing the compromised MCI with a new National Medical Commission (NMC), outlined in a draft Bill known as the National Medical Commission Bill of 2016.

#### **The NMC Bill, 2016 – Issues and Way out:**

The proposed Bill and recommendations that would raise the integrity and overall quality of accreditation of medical education in India are discussed below:

- **Mandate of the proposed NMC:**

The NMC would split the selection, advising, and actual accreditation process into three separate boards. By dividing power, the hope is to create a system of checks and balances.

#### **Issue:**

As per the current Bill, all members of the accreditation board are supposed to be ex-officio members of the advisory board. This defies the logic of good governance. Instead of creating different boards to watch and observe each other, the NMC would instead create two different heads, but for the most part, a single potentially corrupt body.

#### **Way ahead:**

It would be better if all members of the accreditation board are removed from the advisory board.

- The accreditation board is not given direct jurisdiction over the accreditation process. Rather, it is given authority over four sub-boards that look into the four core areas of accreditation: undergraduate, postgraduate (PG), registrar of medical professionals, and compliance. The compliance wing is supposed to hire a third party to check that colleges meet standards set by the other sub-boards.

- **Issue:**

The monopolistic nature of this service will produce unnecessary bureaucracy, stifle smooth accreditation and possibly raise the spectre of the old MCI all over again.

**Way ahead:**

Instead four regional medical councils can be created. Creating these regional options will lead to competition and an increase in the quality of accreditation services overall. There already exist state medical councils which can be combined for the purpose. There is a great deal of variation in the quality of state medical councils across states. Competition for the accreditation business could ignite life into these bodies.

**What more needs to be done?**

- **Sticking to the set standards:**

The World Health Organization has put out several drafts on standards for basic medical education, postgraduate medical education (PME), and continuing professional development.

The NMC would greatly benefit from being tied to these best practices. Countries like China and Thailand have already done so to the benefit of their medical education establishment.

Although the standards set by the PME call for schools to balance teaching and research, the Bill needs to incentivize research. A study found that over 57% of medical colleges in India have published no peer-reviewed articles.

Research is fundamental to PG medical education. The PG sub-board should only accredit schools that establish a research-based hierarchy for its faculty and assess students on their research.

- The current MCI rules and guidelines prohibit qualified MBBS doctors without a PG degree from performing procedures such as ultrasound and interpreting chest X-rays. The NMC should revisit these rigid regulations to raise the effective availability of qualified doctors in India.

- **Checking the brain drain:**

The other factor contributing to the shortage of medical doctors is the emigration of physicians. India is the largest source of physicians in the US and the UK, and the second and third largest in Australia and Canada. This brain drain is especially expensive because many of them are trained in colleges subsidized by the government.

It is within the purview of the NMC Bill to recommend a policy to limit emigration of newly graduated doctors.

Case study: Thailand - successfully adopted such a measure in 1972. Their policy mandates three years of government work for all post-graduates. The first year is spent in provincial hospitals, while the second and third years are spent in rural or community hospitals. Statistical evidence indicates that this policy limited brain drain, and reduced medical professional density disparity between rural and urban areas. Case Study: Kerala- implemented compulsory rural service for all MBBS and PG doctors studying in government medical colleges as a part of Arogyakeralam, its version of the National Rural Health Mission.

### **Connecting the dots:**

- India needs to ensure that all these medical colleges meet a basic minimum quality standard. The National Medical Council Bill, 2016 drafted by NITI Aayog can go a long way to serve the purpose. However, there are certain issues that needs to be resolved. Discuss.

### **TOPIC**

#### ***General Studies 1:***

- ***Social empowerment, communalism***
- ***Salient features of Indian Society, Diversity of India***

#### ***General Studies 2:***

- ***Government policies and interventions for development in various sectors and issues arising out of their design and implementation.***
- ***Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections***

### **Sub-Categorisation of OBC**

#### **In news:**

The government recently announced creation of a committee to look into sub-categorisation of Other Backward Classes (OBC). It provides an opening to ensure social justice in an efficient manner. The biggest challenge India faces is that the groups perceived to be disadvantaged consist of a very large segment of Indian society, while public policies are highly limited in scope.

#### **The jobs-claimants mismatch:**

The National Sample Survey (NSS) data from 2011-12 show that about 19% of the sample claims to be Dalit, 9% Adivasi, and 44% OBC. This totals a whopping 72%. Among the population aged 25-49, less than 7% have a college degree. By most estimates, less than 3% of the whole population is employed in government and public-sector jobs. Since reservations cover only half the college seats and public-sector jobs, the mismatch is obvious.

A vast proportion of the population eligible for reservations must still compete for a tiny number of reserved and non-reserved category jobs. Thus, there is tremendous internal competition within groups.

If we want reservations to make a significant difference in the lives of the marginalised groups, there are only two options.

- Either the government must drastically increase availability of government jobs and college seats or it must reduce the size of the population eligible for these benefits.
- The only viable option is to reduce the size of the eligible population, possibly along the lines of sub-categorisation proposed by the government.

#### **The practical challenges facing sub-categorisation:**

How will we know which castes are the most disadvantaged? At the moment, the only reputable nationwide data on caste comes from the 1931 colonial Census and some of the ad hoc surveys conducted for specific castes.

#### **Lack of credible data:**

The Socio-Economic Caste Census (SECC) of 2011 was supposed to provide up-to-date comprehensive data. However, the results remain shrouded in mystery. When releasing poverty and deprivation data from the SECC in 2015, it was found that about 4.6 million distinct caste names, including names of gotra, surname and phonetic variations were returned, making the results almost impossible to interpret. For nearly 80 million individuals, caste data were believed to be erroneous.

#### **Way ahead:**

##### **Getting credible data:**

It would make sense to rethink collection of caste data in Census. Preparations for Census 2021 are ongoing. There is still time to create an expert group to evaluate the methodology for collecting caste data and include it in the Census forms. Losing this opportunity would leave us hanging for another 10 years without good data for undertaking sub-categorisation of OBC quota or evaluating claims to OBC status by groups like Jats and Patels.

##### **Addressing caste-based inequalities:**

A broader issue, however, focusses on whether we want to radically rethink our approach to affirmative action. We need to think on what would it take to eliminate caste-based disadvantages in next three or four decades. A two-pronged approach that focusses on eliminating discrimination and expanding the proportion of population among the disadvantaged groups that benefits from affirmative action policies could be a solution.

##### **Checking disadvantages at school level:**

The present policies focus on preferential admission to colleges and coveted institutions like IITs and IIMs. But these benefits may come too late in the life of a Kurmi or Gujjar child. Their disadvantage begins in early childhood and grows progressively at higher levels of

education.

The India Human Development Survey of 2011-12 found that among families where no adult has completed more than Class X, 59% children from the forward castes are able to read a simple paragraph while the proportion is only 48% for OBCs, 41% for Dalits and 35% for Adivasis.

Improving quality of education for all, including those from marginalised groups, must be a first step in addressing caste-based inequalities.

### **Ensuring that benefits of reservations are widely spread:**

It makes little sense for a young man to obtain admission to a prestigious college, get admitted to a postgraduate course, get a job as an assistant professor, and be promoted to the position of a professor using the same caste certificate. It would make even less sense if his children are also able to obtain preferential treatment using the same caste certificate. Thus, use of the OBC quota must be limited to once in a person's lifetime, allowing for a churn in the population benefitting from reservations.

Linking the Aadhaar card to use of benefits makes it possible that individuals use their caste certificates only once, spreading the benefits of reservations over a wider population.

### **Conclusion:**

The present move by the government to rethink OBC quota creates a wedge that could potentially be used to ensure that we have better data on caste-based disadvantages for future discourse. Sub-categorisation of OBCs provides an opening to ensure social justice works better.

### **Connecting the dots:**

- The government recently announced creation of a committee to look into sub-categorization of Other Backward Classes (OBC). It provides an opening to ensure social justice in an efficient manner. Critically analyze.

### **TOPIC:**

#### ***General Studies 2***

- ***Government policies and interventions for development in various sectors and issues arising out of their design and implementation.***

### **Reforming fuel prices**

#### **Background:**

The sharp increase in petrol and diesel prices has caused furore. Prices of these fuels in India had increased due to a sharp rise in their international prices. When the price of crude oil has halved since mid-2014, critics ask, why does petrol and diesel today cost almost the same as in mid-2014. They point out that when the crude oil rout was underway, the

governments, central and State, instead of passing on the benefit to consumers, chose to pocket most of the gains through regular hikes in excise duty and VAT. And now, despite rise in prices, the Government is holding on to these high taxes instead of cutting them and giving relief to consumers. The consumer price of oil remains the same as it was when the crude price was twice as high.

### **Fundamental issues:**

#### **Pricing mechanism flaw**

In India, the prices of petrol and diesel are not determined by the actual costs incurred by refiners on crude oil sourcing, refining and marketing and allowing for profits. Rather, a formula — trade parity price (TPP) — is the starting point for pricing these products. The TPP is determined based on prices for these products prevailing in the international market assuming that 80 per cent of the petrol and diesel is imported and 20 per cent is exported.

This legacy pricing mechanism is meant to protect the margins of the public-sector oil refiners — Indian Oil, HPCL and BPCL. It probably made some sense in the earlier days when petrol and diesel pricing were controlled, and the oil refiners suffered huge under-recoveries due to selling below the market price.

Trade Parity Pricing also gives unwarranted benefits to private sector refiners such as Reliance Industries and Essar Oil. These refiners get to sell their petrol and diesel at rates close to that of the PSU refiners in the domestic market. This, despite the superior refineries and crude sourcing abilities of private sector refiners that give them the leeway of pricing petrol and diesel competitively. Increased competition among PSU refiners will also encourage private refiners to price their products more competitively.

#### **Way ahead:**

With the prices of these products decontrolled — petrol in 2010 and diesel in October 2014 — and made market-linked, the PSU oil companies suffer no more under-recoveries on this count.

So, continuing with the TPP to offer protection to PSU refiners no longer seems justified. There is a need to move to a pricing model that factors costs of refiners plus margins. These refiners will likely have different cost structures, based on their crude oil sourcing, and refining capacities and operational efficiencies. They should be encouraged to price their products independently and transparently based on market principles. Truly 'dynamic' fuel pricing not only means more frequent resets, but it should also translate into also true competition among fuel retailers, both public and private, based on cost efficiencies and free market pricing, to give customers more choice. Also, there is an urgent need for an empowered, independent petroleum regulator to enforce price competition in the sector. Only then can the product pricing reforms be said to be complete.

#### **High taxes:**



The sale price of oil is as high as it was when the crude price was twice as high. During that time, the government used to subsidise consumers; the government, OMCs and upstream public sector oil companies were bearing the losses. The level of under-recoveries (the difference between sales realisation and cost of supply — which is the subsidy to the consumers) over 2002-2003 to 2012-2013 was Rs 25,000 crore for petrol users and Rs 3,38,000 crore for diesel users.

In any case, increase in the cost of diesel or petrol does not increase the revenue of the central government as the excise duty is specific, that is, it remains at the same level in rupee terms. Excise rate on diesel is Rs 17.33 per litre and on petrol it is Rs 21.48 per litre.

#### **Way ahead:**

- The excise duty rates can be adjusted and be made equal for both diesel and petrol. This can be done in a way that does not change the excise duty revenue of the central government. It will increase the price of diesel by two per cent and reduce the price of petrol by six per cent.

The benefits of doing this will be reduction in distortion, reduced demand for diesel, a fall in demand for diesel-driven vehicles, reduced air pollution, a fall in carcinogenic emissions and a decline in diesel imports.

- The sale prices of diesel and petrol have increased because of the very high VAT rates imposed by the states. These vary from state to state. Since the VAT rates are in percentage terms, whenever the cost of diesel or petrol increases, revenues of states go up. Thus, the states have a scope to reduce their VAT rates so that sale price of petrol and diesel can be moderated.
- Ideally, all states should have a uniform GST rate for diesel and petrol. The states insist on keeping diesel and petrol out of GST as they would suffer a huge reduction in their revenues — the tax on diesel and petrol constitutes the bulk of the revenues of many states. A mechanism needs to be developed to get the states to agree on the GST for petroleum products. Then the prices of diesel and petrol will come down dramatically. Even if gradual, shift of these products to the GST regime is imperative to provide meaningful relief to consumers. The resultant lower prices of petrol and diesel can have a multiplier effect on economic growth.

Besides, it can solve problems being faced by oil companies on stranded input tax credit and higher costs arising from these two tax regimes not talking to each other.

#### **Conclusion:**

The Government must explore innovative ways of providing relief to consumers and protecting its pocket at the same time. It needs to rise up to the challenge.

#### **Connecting the dots:**

- What are the issues regarding fuel pricing? How is the price mechanism of petrol, diesel still flawed and what changes must be brought to tackle the challenge of price rise?

**TOPIC****General Studies 3:**

- **Infrastructure: Energy**
- **Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.**

**Meeting the target of power for all by 2022 requires innovative solutions****Background:**

Two years ago, in his Independence Day speech, Prime Minister [Narendra Modi](#) promised to provide electricity to the 18,500 villages, which did not have electricity then, in 1,000 days. This Independence Day he highlighted that more than 14,000 have been electrified since then.

While 99.5 per cent of our villages are deemed electrified, a fifth of the country's population still awaits an electricity connection and many more suffer due to poor power supply. Hence, the government has moved beyond village electrification to 24x7 power for all by 2022.

**Issue:**

The central government has set out this ambitious goal by focusing on household electrification and reliable power supply. As per the Ministry of Power statistics, 43 million Indian households are yet to be electrified. India will take nearly 20 years to electrify the existing unelectrified households if it continues with the current rate of household electrification, about 2 lakh households per month. In order to achieve the target by 2022, we need to increase the rate of household electrification by at least four times. However, even if we manage to achieve the feat, providing 24x7 electricity will remain a problem.

**ACCESS Survey:**

In 2015, the Council on Energy, Environment and Water in collaboration with Columbia University conducted the largest energy access survey of its kind in India, ACCESS, covering 714 villages in six major rural electrification deprived states — Uttar Pradesh, Bihar, Jharkhand, Madhya Pradesh, Odisha and West Bengal.

- The study showed that an electricity connection does not guarantee electricity access. Fifty per cent of the electrified rural households across these six states did not receive even 12 hours of supply in a day. The situation was much worse in UP, Bihar and Jharkhand, with three-quarters of electrified households receiving less than 12 hours of supply in a day.
- Similarly, during evening hours, particularly important for basic lighting needs, half of the electrified households received less than three hours of supply. A third of electrified households in these states still rely on kerosene as their primary source of lighting.
- Reliability and voltage instability are also major challenges.

**Reason behind:**

- A majority of above mentioned challenges pertain to the operations and performance of state electricity distribution companies.
- Challenges in infrastructure planning, deployment, as well as maintenance lead to unreliable and poor supply at the local level. Thirty per cent of the rural electrified households in the six states did not have electricity supply for 24 hours on more than four days a month. This indicates a frequent breakdown of the infrastructure as well as delays in repairing them. Only about half the electrified households in the six states had a metered connection, with the situation much worse in UP that had only 15 per cent metered connections.
- Unmetered connections with flat fees provide no incentive for households to be judicious about energy consumption, discouraging distribution companies to supply reliable power. DISCOMs in these states often struggle with limited or non-performing staff to effectively operate and maintain services in rural areas. A fourth of the metered households either received either a fixed bill or no bill at all, indicating that DISCOMs did not have the capacity to read meters and generate bills regularly. Electricity theft and payment defaults pose further challenges for the DISCOMs.

**Innovative solutions:**

We need innovative solutions to address the electricity access challenges posed by rural India.

- Village-level entrepreneurs could be contracted to operate and maintain the local distribution while generating bills and collecting revenues from the customers.
- Banking on community relationships, these entrepreneurs could improve compliance on payments as well as curb stealing of power.
- Recruiting and training local youth could help address maintenance issues. This will also help in creating more skilled jobs and entrepreneurs in rural areas.
- Pre-paid and smart metering systems are other ways to encourage payments. Such solutions need to be piloted and tested.

**Conclusion:**

As the government races to meet the 2022 target, it must also focus on designing robust and innovative tools to measure and monitor the progress on a multi-dimensional level, rather than just counting the number of connections. A new India should also embrace a new electricity system, built on the smart technologies and decentralised approaches offering resilience, flexibility, and above all, inclusiveness.

**Connecting the dots:**

- The Power for all by 2022 target would require robust and innovative tools to measure and monitor the progress on a multi-dimensional level, rather than just counting the number of connections. Discuss.

**TOPIC****General Studies 3:**

- *Issues related to direct and indirect farm subsidies and minimum support prices*
- *Inclusive growth and issues arising from it.*

**General Studies 2:**

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections*

**Strengthening the agricultural sector****Background:**

Last month, the NITI Aayog released the Three-Year Action Agenda (TYAA) for the government, a roadmap for reforming the various sectors of the economy. Its agenda for the agriculture sector, and how best it can rescue the sector has been discussed in this article.

**The TYAA:**

It talks of action pertaining to-

- Increasing productivity of land and water.
- Reforming agri-markets on the lines of e-NAM,
- Reforming tenancy laws.
- Relief measures during natural disasters.

The recommendations are good and have been suggested by earlier committees like the High Level Committee (HLC) on Management of Foodgrains and Restructuring FCI (headed by Shanta Kumar), the Task Force on Agriculture headed by the Vice-Chairman of the NITI Aayog (May 2016), the four volumes (out of 14) of the Committee on Doubling of Farmers' Income etc. The government, thus, has ample reference points for reforming the food and agriculture sector.

**Issue:** The TYAA, however, does not prioritise policy actions, nor does it talk about the role of trade policy in agriculture, or reforming the massive system of food and fertiliser subsidies.

**5-Point action plan based on priority:**

- First, the government needs to improve the profitability of cultivation by “getting markets right”.
- Second, it needs to invest in water to fulfil its slogan of “har khet ko pani” and “more crop per drop”.

- Third, should be providing Direct Benefit Transfer (DBT) of food and fertiliser subsidies to the accounts of targeted beneficiaries, which can release resources for investments.
- Fourth it should ensure that the new Pradhan Mantri Fasal Bima Yojana (PMFBY) delivers compensation to farmers in time.
- Finally, it should free up land lease markets. Let us elaborate on these points a bit.

### Ensuring profitability of cultivation:

#### Issue:

- The policy of minimum support prices (MSPs) has not improved profitability of cultivation. In fact, farmers' returns have gone down in the case of most crops. The situation is worse for producers of basic vegetables like potatoes, onions and tomatoes. Prices of these crops during harvest time plunged to about Rs 2 per kg in the last season while the consumers were still paying Rs 15 to Rs 20 per kg.
- Attempts to reform the Agricultural Produce Marketing Committee (APMC) markets on the lines of the model act of 2003, and now through the Agricultural Produce and Livestock Marketing Act, 2017, have not achieved much success.

#### AMUL model:

India has shown in the case of milk, through Operation Flood — a la the AMUL model — that farmers can get 70-80 per cent of the price paid by consumers. We can have “**Operation Veggies**” on similar lines. A beginning can be made with at least onions, potatoes and tomatoes.

That would require buying directly from farmers' groups (FPOs), setting up logistics from grading, storage to movement, and linking them to organised retail (including e-retail), large processors and exporters. The government must commit enough resources as it did for Operation Flood and also change certain laws, including the Essential Commodities Act (ECA).

#### Issue:

The e-NAM scheme, which is supposed to create an all India market, in order to ensure better prices to farmers, has not succeeded in its endeavour so far. Software is still being installed in mandis to enable them to switch auctions from the shouting platform to the electronic ones. Inter-mandi and inter-state transactions are very rare.

#### Solution:

An easier way to improve farmers' profitability is to open up exports of all agri-products, without any restrictions, and allowing private trade to build global value chains, keeping the ECA in abeyance. This would require a change from the current pro-consumer approach to one that is focused on farmers.

#### Issue of investments:

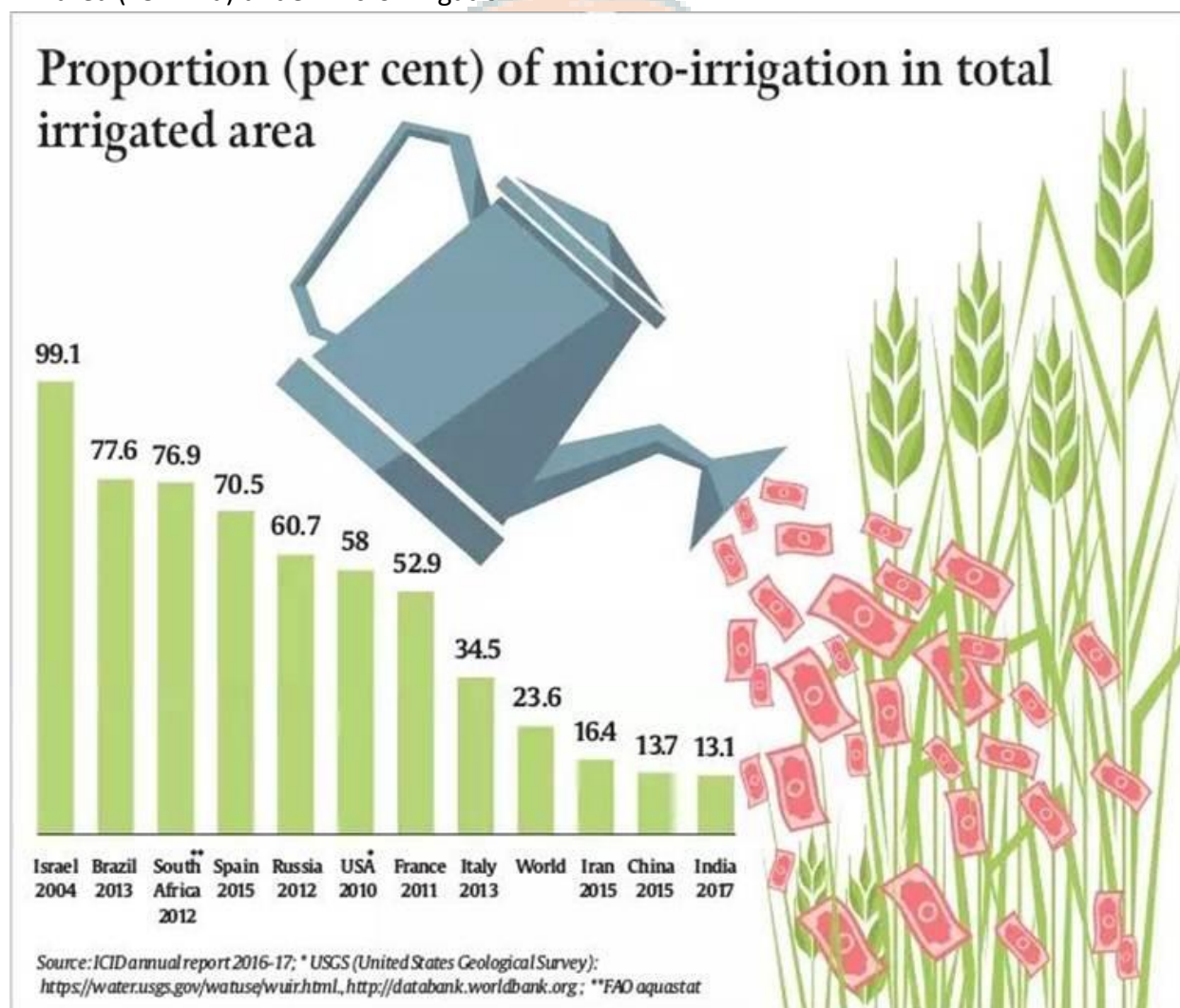
Especially in water. The Pradhan Mantri Krishi Sinchayee Yojana is mandated to complete 99 irrigation projects by 2019, which will bring 76 lakh ha additional area under irrigation. NABARD, with Rs 40,000 crore as Long-Term Irrigation Fund, is to help states in completing

these projects. It would be a commendable achievement for the government if it can complete these projects as planned. But open canal systems with flood irrigation don't give high water-use efficiency.

**Solution:**

- According higher priority to micro-irrigation (drip and sprinklers) to achieve the objective of "more crop per drop".

Israel and the US could be good examples to follow: Israel has the highest proportion (99 per cent) of its irrigated area under micro-irrigation while the US has largest absolute area (15 m ha) under micro-irrigation.



Pic credits: A sketchy roadmap  
<http://images.indianexpress.com/2017/09/chart-roadmap-759.jpg>

- Providing DBT of food and fertiliser subsidies. A report estimates that Rs 30,000 to Rs 50,000 crores can be saved each year, which can be invested in water resources and upgrading marketing infrastructure.
- Ensuring that the Pradhan Mantri Fasal Bima Yojana (PMFBY) delivers. Currently, several states don't pay premium in time, don't conduct crop cutting experiments, and as a result, farmers suffer long delays in getting any compensation.



These lacunae can be fixed through modern technology and better governance, provided there is a champion in the government to deliver.

- Free up land lease markets for long periods. China allows land lease for 30 years so that corporate bodies can work with farmers, bringing in their best expertise, inputs and investments.

### **Connecting the dots:**

- For reforming agricultural sector, India needs an action plan based on priority. Ensuring profitability of cultivation should be at utmost priority. Discuss.

### **TOPIC**

#### ***General Studies 1:***

- *Urbanization, their problems and their remedies.*

#### ***General Studies 2:***

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

### **Waste management for soil health**

#### **Background:**

Keeping cities clean is essential for keeping their residents healthy. Our health depends not just on personal hygiene and nutrition, but critically also on how clean we keep our cities and their surroundings. The proliferation of dengue and chikungunya are intimately linked to the deteriorating state of public health conditions in our cities. If we do not rise to the occasion to manage the waste that we generate and fail to create clean and healthy cities, we will face many more man-made disasters such as we have seen in recent months in Deonar, Bellandur, and Ghazipur.

#### **On agenda:**

The good news is that waste management to keep cities clean is now getting attention through Swachh Bharat Mission.

#### **Issue:**

Much of the attention begins and stops with the brooms and the dustbins, extending at most to the collection and transportation of the mixed waste to some distant or not so distant place, preferably out of sight.

- The challenge of processing and treating the different streams of solid waste, and safe disposal of the residuals in scientific landfills, has received much less attention in municipal solid waste management than is warranted from a health perspective.
- Instead of focusing on waste management for health, we have got sidetracked into “waste for energy”. In the process, we are opting for financially and environmentally

expensive solutions such as incineration plants which are highly capital-intensive. While the National Green Tribunal (NGT) does not allow incineration of mixed waste, nor of any compostables or recyclables, enforcement is a challenge, and the danger to health from toxic emissions looms large.

#### **An alternative to farmyard manure:**

City compost from biodegradable waste provides an alternative to farmyard manure (like cowdung) which has been valued from time immemorial for its rich microbial content that helps plants to take up soil nutrients. It provides an opportunity to simultaneously clean up our cities and help improve agricultural productivity and quality of the soil.

#### **Improving soil health:**

India's Green Revolution rescued us from huge dependence on food imports during droughts by using high-yielding varieties of seeds and chemical fertilisers to boost the productivity of food grains. But over time, excessive and imbalanced use of chemical fertilisers has led to severe deterioration in the quality of soil. Organic manure or compost plays a very important role as a supplement to chemical fertilisers in replenishing the nutrient-depleted soils. City compost can be the new player in the field.

- Benefits of compost on the farm are well-known. The water holding capacity of the soil which uses compost helps with drought-proofing, and the requirement of less water per crop is a welcome feature for a water-stressed future. Because of good water retention, farmers do not need second or third sowing if rains fail. By making soil porous, use of compost also makes roots stronger and resistant to pests and decay. Farmers using compost therefore need less quantity of pesticides. There is also evidence to suggest that horticulture crops grown with compost have better flavour, size, colour and shelf-life.
- Weed-free unlike farmyard manure: City compost has the additional advantage of being weed-free unlike farmyard manure which brings with it the seeds of undigested grasses and requires a substantial additional labour cost for weeding as the crops grow.
- City compost is also rich in organic carbon, and our soils are short in this. Fortification of soil with organic carbon is an essential element of integrated plant nutrient management as it increases the productivity of other fertilisers. City compost can also be blended with rock phosphate to produce phosphate-rich organic manure.
- Chemical fertilisers when used by themselves pollute surface water with nitrogen runoff because only 20 per cent to 50 per cent of the nitrogen in urea is absorbed by plants. The rest runs off into streams and lakes. The addition of compost or organic manure reduces nitrogen wastage, as its humus absorbs the nitrogen and acts like a slow release sponge.

#### **Rules and regulations:**

- **SC directive-** Recognising the importance of organic manure for the balanced nutrition of crops and restoring soil health, the Supreme Court had directed fertiliser companies in 2006 to co-market compost with chemical fertilisers. However, this direction went largely unheeded.
- **The Solid Waste Management Rules 2016-** It makes the co-marketing of compost mandatory.
- **The MDA Scheme-** To provide incentive for co-marketing to the fertiliser companies, in February 2016, the Government of India's Department of Fertilisers notified a policy to promote the use of city compost by offering Market Development Assistance (MDA) of Rs 1,500 per tonne on the purchase and distribution of city compost through the rural outlets of these companies.  
In 2017, the MDA scheme was extended to compost manufacturers on bagged compost.

#### **Way ahead:**

The MDA scheme has not worked well because of its administrative complexity and it needs to be simplified. The high volume but low value nature of compost also makes it not so attractive for fertiliser marketing companies to promote its use. While compost manufacturers must meet the quality specifications laid down by the Fertiliser Control Order (FCO), it is equally important for fertiliser companies to make vigorous efforts to market city compost using their well-connected dealer channels and help develop this nascent sector.

A possible solution in such a situation would be to find a way to make the payment of fertiliser subsidy to the fertiliser companies conditional on the co-marketing of compost.

The state agricultural departments can also help facilitate the use of city compost through their widespread extension networks.

The city waste needs to be composted before making it available to the farmers for applying to the soil, cities would be cleaned up and the fields around them would be much more productive. It would, however, require that delivery mechanisms be set up for the delivery of city compost to farmers.

#### **Conclusion:**

Assuming that urban India generates 70 million tonnes of municipal solid waste in a year, and assuming 15 per cent yield of compost, this would provide 10 million tonnes of city compost annually.

Quite apart from cleaning up the cities of biodegradable waste, this would be a major and sustainable contribution to improving the health of our soil without further damage by excessive chemical inputs. That would surely be a marvelous transition from waste to health.

#### **Connecting the dots:**

- Converting city waste into compost will not only help clean up cities of biodegradable waste, but would be a major and sustainable contribution to improving the health of our soil. Elaborate.

## TOPIC

### *General Studies 1:*

- *Social empowerment*

### *General Studies 2:*

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes*

## Molestation of women at BHU

### **In news:**

An incident of alleged molestation of a women student of the Banaras Hindu University (BHU) has triggered a set of events which show the central university, particularly its vice-chancellor, the police and administration, in poor light. Images of male policemen charging female students have gone viral on social media, further fuelling anger over inaction of the authorities against the original complaint.

### **Note the difference: A new wave and a greater assertion**

- It is important to distinguish what is happening in BHU from similar struggles in elite universities in cosmopolitan Mumbai, Delhi or even Hyderabad. In JNU, for instance, even if the students belong to subaltern India, the institutional sub-culture promotes progressive ideas and collective bargaining with structures of power. In places like Benares, closer home for a majority of the protesting women students, an ultra-conservative culture permeates down to hostel messes where there is reportedly gender discrimination in quality and quantity of food served. These women in small towns and nondescript cities are battling structures and attitudes several shades more rigid and oppressive than in big cities where modernity has started to be viewed in the context of gender equality.
- Greater assertion: The BHU phenomenon is more noteworthy, more symbolic of the assertion of a new female identity in small-town India. The defiance exhibited by women students of BHU in the face of authority is a welcome collective assertion of their identity.
- The demand for a safe campus from young women from Gorakhpur or Deoria who simply want to walk alone, sometimes late in the evening, to think, or to chat with friends without fear of being molested shows a collective assertion for their own rights.
- A new wave- Of course, there are classes among women, and for every Akanksha Gupta there are countless others who are denied even primary school education, are married

off at puberty and die in childbirth. But for those who do manage to break through these barriers, university education and learning are no longer just a certificate in the marriage market. These women are asserting their identity through attire, language and conduct. Certainly, the image of furious young women dismissing arguments curbing their freedom of movement and demanding safety, law and order, and dignity symbolises a new assertion.

#### **Official response:**

The comments of the proctor and Vice-Chancellor Girish Chandra Tripathi, reflect an inability to grasp the strength of these young women's resolve to assert their freedom of movement in and outside the campus. If something happens to daughters, who is answerable? Security for boys and girls can never be at par. If we are going to listen to every demand of every girl, we won't be able to run the university. All these rules are for their safety, all in favour of the girl students," the VC asserted in response to the women's demand for a safe campus. These official responses fit into the mindset that leads to the clamping of curfews, the tacit instructions for dressing "modestly", and the setting up of 'Romeo Squads' supposedly to ensure safety for young women in a State that has reported a staggering 33 per cent rise in sexual harassment cases from 2014 to 2015, according to the National Crime Records Bureau (NCRB). The VC has sought to underplay the complaint as a case of "eve-teasing" and not molestation. Such blind and bigoted view of a students' protest is unlikely to help the university understand why the campus has become restive. The university seems to think that it can address the student unrest by somehow clamping down on legitimate demands for dialogue. It reeks of a mindset predisposed to fixed ideas about how adult female students should behave and a clear attempt to refuse them agency in matters concerning their life on the campus.

#### **Deep-seated problems:**

The case and the way it has been handled draws attention to the many problems that plague one of the country's most revered institutions of higher education.

- University policies that discriminate against women.
- A campus environment that seemingly allows cover for rampant sexual harassment and violence.
- A state administration whose law enforcement officials have effectively proven themselves incapable of handling a sensitive situation.
- The official statements shows that the problem is more deep-seated. It goes beyond the BHU campus and manifests itself in just about every public space, from the college canteen to the office boardroom to the train station and the public park—the routine threatening and compromise of a woman's safety and her dignity.
- Internalizing of patriarchal norms:  
The authority seeing no problem with different security protocols for men and women is an example of how it has internalized the many misogynistic and patriarchal norms of society.

Indeed, it is this mindset that has also fuelled the other ongoing instance of campus unrest in the country.

**Justice for women:**

As the Vishakha guidelines had noted, there are structural barriers that prevent women from seeking justice. Several studies conducted across India by NGOs working on women's issues, such as Saheli, Sanhita, Sakshi, the South Asian Research and Development Initiative, the Lawyers Collective and the Yugantar Education Society, have shown that sexual harassment goes largely unreported. A student abused by her teachers or a junior assistant molested by a senior partner in the office is often reluctant to speak out for fear of being penalized in class or losing a promotion. Those who still come forward to lodge a complaint are often faced with a system loaded against them—where an internal committee of nominated members, for example, has little incentive to pursue justice.

**Way forward:**

- The idea should be to address the issue of institutional failure that has shockingly resulted in as many as 74 per cent of such cases going unpunished rather than shifting the blame onto the women.
- Authorities and institutions need to alter their attitudes accordingly.

**Conclusion:**

Considering the historical, geographical, political and social context, these young women in Banaras are challenging the patriarchal idea in its stronghold. This incident serves as a warning for the establishment that expects women or students to remain subservient to age-old social mores. We need to acknowledge the brave young women at BHU who have stood up to an oppressive system, made themselves heard, and are fighting for a better future. Young women asserting their rights in India is a welcome, irreversible force. Everyone else has to grow up. The times are changing, even if ever so slowly.

**Connecting the dots:**

- Molestation case in BHU and the following incidents are disturbing and equally signifies a welcome change. Discuss.
- Women in Indian university come after overcoming various hurdles. However, the lack of security within university campuses not only deter them to move forward but also discourage others from allowing girls to go for higher education. Critically analyze.



## INTERNATIONAL

### TOPIC:

#### *General Studies 2*

- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests*
- *Effect of policies and politics of developed and developing countries on India's interests.*

#### PM Modi's visit to Myanmar- Part I

##### **Background:**

Prime Minister Narendra Modi embarks on an official bilateral visit to Myanmar from September 5. This follows upon his earlier ASEAN-related visit in November 2014 and former Prime Minister Manmohan Singh's visit in May 2012. The visit marks seven decades of diplomatic relations between India and Myanmar.

##### **Political context:**

Though overdue, taking into account Mr. Modi's 'Neighborhood First', 'Act East' and diaspora policies, international and domestic developments since then have clarified the political context of the visit. These include

- The impact of elections in Myanmar in November 2015 and in the U.S. in late 2016 that brought Aung San Suu Kyi's National League for Democracy (NLD) to power in Myanmar and Donald Trump in the U.S.
- The finalisation of China's Belt and Road Initiative (BRI) and its assertiveness in the South China Sea.
- The India-China border stand-off.
- Myanmar's travails over the peace process, the Rohingya issue and the economy.

##### **Key elements of the visit could be:**

- Greater attention to emerging political forces, ethnic states and the peace process as part of our democratic political outreach.
- Converting our investments in the Trilateral Highway and the Kaladan to fuller trade and investment corridors.
- Use of Indian investment in the Greater Mekong Sub-region as an arm of our foreign policy with a focus on agriculture, agro-industries and light industry.
- A broader development partnership reaching to the grassroots with the help of civil society.
- Specific prongs in our 'Act East' policy through the Northeast and Bodh Gaya as a pilgrimage centre.
- A new political approach to the IIG issue (Indian Insurgent Groups) beyond an intelligence-based approaches.

- The objective should be to restore the balance in Myanmar's relations between East and South Asia that has been lost with the eastward tilt in Myanmar's external relations over 50 years of insular military rule during which the two countries have forgotten the habit of thinking of themselves psychologically as immediate neighbours

### **Key issues:**

#### **The Rohingya crisis**

The visit is taking place amidst some of the worst violence involving Rohingya militants and the Myanmar security forces ever resulting in a full-fledged international crisis triggered by large-scale, coordinated attacks by Rohingya militants under a recently formed Arakan Rohingya Salvation Army (ARSA, now designated as 'terrorists') against government and security outposts in northern Rakhine state on August 25-26. The attacks and clearance operations against it have resulted in some 400 (and mounting) deaths, mostly Rohingya; widespread arson and burning of villages allegedly by both sides; displacement of thousands within Rakhine state and across the Naf river to Bangladesh; and severe disruption in food and humanitarian supplies. The Modi government has unequivocally condemned the "terrorist" attacks at a time when the security forces and Ms. Suu Kyi herself face heightened international criticism on the handling of the issue. This is likely to resonate in Mr. Modi's favour in Myanmar. If called upon, India can certainly help in improving the socio-economic conditions in the area and also create employment opportunities.

#### **China factor:**

The visit is also taking place against the backdrop of uncertainties in the future India-China relationship caused by the now defused Doklam stand-off and the BRICS summit.

- Sensitive to its location between the two Asian giants, Myanmar is keen to leverage the growth potential of good relations with Asia's two fastest growing economies.
- It is also wary of its economic dependence on China, characterised by a largely extractive relationship focussed on natural resources and access to the Bay of Bengal where it already has an oil and gas terminal, concession to build a Special Economic Zone and seeks a possibly controlling stake in a natural deep sea harbour at Kyaukpyu that could form part of its ambitious BRI.

The shadow of China is thus looming large. However, Myanmar would welcome closer economic ties with India to balance and offset its domineering ties with China.

#### **Bilateral issues that have the potential to transform the relationship between India and Myanmar:**

##### **Strengthening the development cooperation framework:**

No other country has committed as much in grant-in-aid to Myanmar as India. These include four major connectivity projects running into hundreds of millions of dollars — the Kaladan multi-modal corridor, repair of 69 bridges on the Tamu-Kalewa road and the construction of

the 120-km Kalewa-Yargyi corridor, both of which are part of the India-Myanmar-Thailand trilateral highway, and the Rhi-Tiddim road in the Chin state bordering Mizoram. Unfortunately, the projects have not been completed in time.

**Way ahead:**

It is essential that the two countries immediately start negotiating transit and other agreements for the smooth movement of goods and vehicles for optimal use of the infrastructure — even though such traffic may not flow before 2020.

**Capacity building in Myanmar:**

Six centres imparting training in diverse subjects, from English language to industrial skills, are running successfully in Myanmar.

The Myanmar Institute of Information Technology set up in Mandalay with the collaboration of IIT Bangalore has been a success with all its graduates finding ready employment. The Advanced Centre for Agriculture Research and Education set up in collaboration with India's ICAR is a fine example of pooling research efforts on pulses and oilseeds.

**Way ahead:**

With Myanmar's government emphasising higher education and vocational training, more Indian-assisted institutions can come up in the country.

Scholarships for undergraduates can work if a way is found to bridge the difference between the matriculation system of schooling in Myanmar and India's 10+2 system.

**Geater cooperation between Northeast India and Western Myanmar:**

Four states in the Northeast share common borders with Myanmar's Sagaing and Chin provinces. The Kaladan corridor also passes through the Rakhine state till it arrives at the Sittwe port developed by India.

**Way ahead:**

- Businesses on both sides, especially SMEs in contiguous provinces, and the governments need to come up with action plans for transforming the evolving corridors into development corridors.
- Border trade through Tamu/Moreh and Rhi/Zhokhowthar needs to become more formalised with truly single-window clearances and easier currency arrangements. The border haats can energise exchange of local produce.
- Cross-border bus services can promote people-to-people connectivity. Cross-border trade in services can be boosted in sectors like medicine, diagnostics, or even education and training for which there is a large market.
- There is also potential for cooperation on larger initiatives, such as the sale of refined petroleum products from the Numaligarh refinery in upper Myanmar. All this will mean that the Northeast will gain from the Act East policy.
- Strengthening the border region cooperation project, implemented by India in Myanmar's Chin and Naga areas, can help India in securing political — and other — support at the local-level in Myanmar.

- Such development initiatives could also prompt Myanmar to collaborate more in tackling the insurgency issue in Nagaland — particularly in a post-Khaplang scenario.

### **Expanding bilateral trade and investment:**

Bilateral trade between the two countries has, for long, remained at around \$2 billion. India ranks fifth among Myanmar's import sources and 10th among foreign investors. Barring a few outfits, large Indian business groups are conspicuous by their absence. Chinese, Singaporean, Korean, Japanese, Thai and Vietnamese businesses have actively seized business opportunities in Myanmar.

Commercial trade and investments:

Both stand on narrow bases, primary agricultural and forest products from Myanmar in the case of trade, and oil and gas in case of investments, underlining a strong need to expand, diversify and upgrade commercial ties in ways that also contribute to Myanmar's development needs and meet India's \$3 billion trade target set in 2012.

Way ahead:

- Indian businesses could invest in the power, steel, automobiles and even textile sectors in Myanmar. Some leveraging by the Indian delegation during PM Modi's visit will be necessary here.
- The issue of restrictions imposed by India limiting the import of pulses — following a steep fall in domestic prices in India needs to be resolved as pulses form the single largest item in Myanmar's limited export basket. A bilateral agreement can be achieved on this. The two sides could also discuss basing this trade on letters of credit and direct shipment than having to go through Singapore.

### **Conclusion:**

Modi's visit to Myanmar can truly invigorate the 'Act East' agenda. It's high time Indian and Myanmar realise the potential of their relationship and act accordingly.

### **Connecting the dots:**

- India and Myanmar are yet to realise full potential of their relationship. Discuss the key bilateral issues among the two nations and the way forward.

### **TOPIC**

#### ***General Studies 2:***

- *India and its International relations.*
- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*

#### ***General studies 3:***

- *Security challenges*

## Tackling North Korea

### **Background:**

North Korea's nuclear weapons programme is no longer the joke it once was thought to be. The estimates so far of sixth nuclear test by North Korea suggest an explosive yield that could run into hundreds of kilotonnes. This is sufficient to decimate a major US city. Earlier, North Korea first tested an intercontinental ballistic missile (ICBM) that is capable of reaching American territory.

### **Why is North Korea doing this?**

North Korea relies on increasing militarisation and show of missile and nuclear prowess for various reasons:

- The nuclear capability is primarily meant to ensure the survival of the regime. Part of its ploy is to convince its impoverished and isolated citizenry of the need for the country to attain military parity in light of the presence of the U.S. military shield in South Korea and Japan.
- To justify the years of the Kim family rule, as these tests add to the myth of strong leadership by its 33-year-old, third-generation dictator, Kim Jong-un.
- It wants to break the US' alliance with South Korea and Japan. The ICBM capability is a credible tool to "decouple" the US from its allies. South Korea and Japan have every reason to doubt whether the US would risk its major cities in order to come to their rescue against North Korea.
- North Korea, like the South, desires the reunification of the Korean peninsula but on its own terms.
- The unpalatable prospect of the escalation of a possible military conflict into a nuclear war is also a way to stave off any external intervention against the dictatorship, the likes of which were seen in Iraq and Libya.

### **China is to blame:**

Even though China has upped its rhetoric against North Korea in recent days, it should shoulder some of the blame for North Korea's nuclearization in the first place. Its political objective of reducing the US role in Asia resonates with North Korea's aim of decoupling America's alliances.

China, along with Russia, has been putting forward a "freeze for freeze" proposal which will entail North Korea freezing its nuclear programme in exchange for the US and South Korea suspending their joint military exercises. China is also banking on the assumption that a proliferation-obsessed Washington will not allow South Korea and Japan to have their own nukes. Beijing, therefore, hopes to come out on top after the crisis is over even though it too does not like a North Korea whose missiles can reach all corners of China.

### **Implications for India:**

The defence and foreign affairs establishment in New Delhi must be carefully examining all the scenarios and thinking deeply about the changes in Asia's security architecture that North Korea's nuclear capabilities may bring.

- For India, the most immediate concern will be any possible diminution of the US role in Asia, which is crucial to meeting the China challenge.
- Both the eventuality of a North Korean-induced decoupling and the more distant prospect of South Korea and Japan developing their own nuclear weapons have the potential to significantly alter the security role that the US plays in the region.
- Given the history of proliferation networks, some Indian analysts are also concerned about advanced nuclear technology finding its way from North Korea to Pakistan.

### Lessons learnt:

For the international community to find a way forward following lessons must be learned.

- Nuclear-proliferation is driven by the rational fears of regimes, not the madness of despots. By overthrowing regimes it charged with being enemies of human rights, the West gave powerful incentives to other states to pursue nuclear weapons. Libya's Muammar Qaddafi and Iraq's Saddam Hussein both gave up their weapons of mass destruction programmes; North Korea's despots learned from their fate.
- Sanctions and threats cannot always stop more states from seeking nuclear weapons. Instead, there needs to be a genuine global compact that will guarantee state survival, as long as clearly-demarcated norms are met. A nation that has faced international sanctions for over a decade, has succeeded in manufacturing a hydrogen bomb, and missiles to deliver it to the cities of adversaries across Asia and the Pacific. Pyongyang has done so despite a limited technological and industrial base.
- The world must come to terms with the fact that mega-death cannot, and will not, remain the preserve of an élite club of nations. As weapons proliferate, the risks also increase, whether by accident or design. The world must reflect — or face a long, nuclear night.
- More than 70 years after the first nuclear tests at Alamogordo in the US, the science and technology behind mass death is inexorably becoming easier for determined states to master. Short of war, there may be no means of stopping states from acquiring nuclear weapons.
- In many cases, like North Korea, preventive war may not be possible, because aspiring nuclear weapons states have superpower patrons — in this case, China — or conventional-weapons capabilities that can inflict damage too massive to countenance.

### Way forward:

Military threats by US no more seems to be an option:

If US President Donald Trump does not engage North Korea in a dialogue process and continues to sound military threats following are the possibilities:

- With its enhanced capabilities, North Korea is bound to become more assertive. This is already evident in its demand that the US cease flying bombers over the Korean peninsula.



- A threat may potentially trigger a nuclear war.

#### **Direct talks are the only way out to de-escalate the crisis:**

- Clearly the tough talk is not working — it is only pushing North Korea's totalitarian regime to take even more provocative steps in a quest to attain the status of a de facto nuclear power.
- China is the only regime with some degree of influence — though it is not clear exactly how much — over the North Korean regime. The Chinese, however, seem to be willing to live with a nuclear North Korea as opposed to applying drastic trade sanctions that could lead to a crippled economy and a refugee crisis besides other unpredictable response by a beleaguered regime. International community must pressurize China to tackle North Korea in its own way.

Accepting that North Korea won't give up its weapons we need to open the door to pragmatic negotiations that acknowledge the realities. For example, the North Korean government could be offered some economic incentives and diplomatic recognition in return for capping its arsenal.

#### **Challenge:**

- Should the dialogue process resume, North Korea will have greater leverage this time around and can demand further concessions with the aim of unravelling America's security alliances in East Asia.
- Normalising with N. Korea will have costs: It might push other states to also seek nuclear weapons.

In light of all this, it is important to de-escalate the conflict by having direct talks involving the U.S., China, South Korea and North Korea. Multilateral talks are, in fact, by far the best option.

#### **Connecting the dots:**

- North Korea's nuclear weapons programme is no longer the joke it once was thought to be. The global community need to take adequate steps to de-escalate the grooming nuclear crisis. Discuss.
- Dramatic rise of North Korea as a nuclear country is something which should be taken as a lesson by international community especially western powers. This happened despite economic sanctions and the increasing call for preventing nuclear proliferation. Critically analyze.

#### **TOPIC:**

#### ***General Studies 2***

- ***Important Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.***

- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*

### Rethinking India's membership in RCEP

#### **Background:**

In the ambitious Regional Comprehensive Economic Partnership (RCEP) pact India is negotiating with 15 other nations including China. The rising pressure for opening up markets in goods is making negotiations unsustainable. India will not be able to justify its continued efforts to reach a compromise.

#### **About RCEP:**

Regional Comprehensive Economic Partnership (RCEP) is an ASEAN-centred proposal for a regional free trade area.

10 ASEAN states (Brunei, Burma (Myanmar), Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, Vietnam) and six states with which ASEAN has existing FTAs (Australia, China, India, Japan, South Korea and New Zealand) are members to it. ASEAN+6 RCEP is aimed at transforming the region by higher economic growth through more cross-border trade and investment.

#### **Issues:**

- For most RCEP members, the sky seems to have become the limit as far as ambitions in opening up markets for goods go. As has been reported, many members have demanded that import tariffs on goods — both agricultural and industrial — must be reduced to zero for more than 92 per cent of tariff lines. What is less known is that some RCEP countries have further suggested that tariffs should be reduced to less than 5 per cent on an additional 7 per cent of lines which would take the total coverage of items to 99 per cent. This would mean that India has to phase out duties on most items and dismantle the wall protecting its industry and farmers from indiscriminate competition.
- To make matters worse for India, which is grappling with the demands already on the table, countries like Australia and New Zealand which want India to lower tariffs on items like wheat and dairy, are now insisting that the offers should not be just linked to tariff lines but to the value of the items. This means that agreeing to eliminate tariffs on a large number of items is not enough. The items should be of significant trade value too.
- What is more worrisome is the thought of unhindered flow of goods from China with which we have an annual trade deficit of over \$50 billion. A Free Trade Agreement (FTA) with no duties on most products could increase the deficit significantly.

#### **India's stand:**

India participated in the negotiations for so long even it was not in a position to offer zero tariffs on many items because New Delhi was never averse to the idea of eliminating tariffs on a considerable number of items — the length of the list depending on the country for which it was making the offer. The issue is that India is being pressured into treating all members equally and offering tariff elimination or reduction on an exceptionally long list of items, giving it very little scope to protect its sensitivities.

**Over the last two years the concerns of India have been sidelined:**

- India's first set of offer for tariff elimination based on a three-tier system — 42.5 per cent of tariff lines for China, New Zealand and Australia, a higher 65 per cent for its FTA partners South Korea and Japan and the highest offer of 80 per cent for Asean — was rejected by all members, including Asean.
- Last August, India was forced to give up its proposal for a three-tier system at the ministerial meet in Laos in favour of a single offer for all. India had to satisfy itself with members agreeing to allow deviations to protect its vulnerabilities with respect to certain members (read China). The caveat, of course, was that the deviations can't be too high.

**One-sided deals:**

- The offer proposed by India has not satisfied the RCEP members. At the recent negotiating round in Hyderabad, India was pushed incessantly to improve its offers with Australia and New Zealand, insisting on increased market access in items like wheat and dairy. The existing situation is exactly what the Indian industry and farmer groups, protesting against the RCEP pact, were apprehensive about.
- India's expected gains in goods from the RCEP pact are not significant, given the fact that the existing levels of tariffs in member countries are relatively low and there wouldn't be significant gains from further cuts. This is the main reason why India's gains in goods have been much lower than that of the partner countries in its FTAs with Asean, Japan and South Korea.
- While India's gains in RCEP are to mainly come from services liberalisation, including easier work visa norms, the offers in the area have been almost non-existent. The Asean countries have refused to offer even the level of openness that exists among the 10-member group.
- Many RCEP members are now insisting on inclusion of substantial commitments in the area of e-commerce and investment facilitation — the two areas where India wants to preserve its sovereign right for policymaking.

**Way ahead:**

- New Delhi needs to get assertive about what it cannot agree to, even if it means getting isolated in the RCEP related talks. For a country with a large number of sensitive agricultural crops and labour-intensive industry sectors, bending to above mentioned demands is a near impossibility.

- It is high time India asked itself why it needs to be part of a pact where it runs the risk of putting the future of its industry and farmers at stake while getting almost nothing in return.

Its fear of being the only major economy not part of a mega trade deal is no longer real. Negotiations on most large trade pacts such as the Trans Pacific Partnership, Transatlantic Trade and Investment Partnership and a new NAFTA have hit major road blocks after President Donald Trump took over in the US.

### **Conclusion:**

New Delhi has to realise that there is no issue in getting out of a bad deal. There is a world of wisdom in exiting while there is still time rather than signing a bad deal. A free trade pact between the RCEP countries accounting for 45 per cent of the world population and over \$21 trillion of GDP does seem attractive, but not at the price India is being asked to pay.

### **Connecting the dots:**

- A free trade pact between the RCEP countries is attractive, but not at the price India is being asked to pay. Critically analyze.

### **TOPIC:**

#### ***General Studies 2***

- *India and its neighborhood- relations.*
- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*
- *Important International institutions, agencies and fora- their structure, mandate.*

### **Protecting the Rohingyas in India**

#### **Background:**

The statement by Minister of State for Home Kiren Rijju that the government is making plans to “deport” the Rohingya who already live in this country, makes India and Indians seem small-minded and insecure, rather than a nation with a long and confident record of compassion towards people seeking safe haven from persecution in their own countries. A UN report has called them victims of “crimes against humanity”, while Archbishop Emeritus Desmond Tutu has referred to the violence as “ethnic cleansing”.

#### **Historical background:**

The army's antagonism towards Rohingyas dates back at least to World War II, when the Burmese army under General Aung San had initially sided with the Japanese (before switching to the British towards the end of the war), while many Muslims supported the

British. The Japanese had expelled Rohingyas to northern Arakan (as Rakhine was known then), which was under British control. At Burma's independence from the British in 1948, Arakanese Muslims wanted to join East Pakistan, but Mohammed Ali Jinnah refused. When Bangladesh became independent in 1971, Burma asked Bangladesh to take the Rohingya Muslims, but Bangladesh declined. Since the late 1970s, Myanmar's army has frequently attacked Rohingyas, forcing many to make a hazardous journey through the narrow Naf river and reach south-eastern Bangladesh, where they settle in ramshackle tents in sprawling camps like Kutupalong. Many others are trafficked to South-East Asia.

### **State of Rohingyas:**

- The Rohingya have been fleeing, mostly on rickety boats, for years now. Their exodus has picked up pace recently. Violence has targeted them in phases, most notably beginning in 2012 when inter-religious conflict forced them out in the thousands.
- The Rohingya, about 1 million in all, are the world's most persecuted ethnic Muslim community. Though they have lived in the Rakhine province of Myanmar, that country has deprived them of citizenship, and restricted their freedom of movement to limit their access to economic opportunities. The Rohingya have been the ultimate nowhere people since 1982, when a Burmese law rendered them stateless, with the government arguing that they are Bengali. In 2014, the Burmese census refused to enumerate the Rohingya, giving them only the option to identify themselves as Bengali.
- The UN estimates that about 270,000 people, more than a quarter of the entire Muslim Rohingya population in Rakhine, have fled since then, mostly to Bangladesh.
- Over the last year, the Myanmar Army has used attacks by a group calling itself the Arakan Rohingya Salvation Army to launch ever widening crackdowns on the Rohingya. In the last three weeks, tens of thousands have fled Rakhine and crossed the border into Bangladesh.

### **Aung San Suu Kyi's changed stand:**

It is an irony that the period of Myanmar's transition to democracy, that too on Nobel Peace Prize winner Aung San Suu Kyi's watch, has coincided with the most heartless alienation of the Rohingya.

- Aung San Suu Kyi was once among the world's most well-known prisoners of conscience. She led a non-violent struggle for democracy against military might, earning global respect and many honours, including the Jawaharlal Nehru Award for International Understanding in 1993 when she was under house arrest. But since her release in late 2010, the world has discovered a different Suu Kyi.
- She appears to hold the majoritarian view that Rohingya Muslims are not citizens of Myanmar. In private conversations, she has blamed Myanmar's poor immigration controls for the crisis, reinforcing the idea that Rohingyas are illegal immigrants, even though they have lived in western Myanmar for centuries.
- Explaining her reticence, in 2012 Suu Kyi had said that she wanted to work towards reconciliation between Buddhists and Rohingya Muslims, which would be difficult were

she to take sides. Since then, the violence has worsened, with the overwhelming blame falling on the army.

**Implications:**

Rakhine forms the frontier between Muslim and Buddhist Asia, so violence there has wider implication-

- There have been protests near the Myanmar embassy in Kuala Lumpur, and Indonesia's second largest Muslim group, Muhammadiyah, has called for Myanmar's expulsion from the Association of Southeast Asian Nations (Asean).
- Other Asean countries—including southern Thailand and parts of the Philippines—have long-running insurgencies involving Muslim groups, and continued oppression of Rohingya Muslims can ignite the region.

**India's stand:**

- On his first bilateral visit to the country, Prime Minister Narendra Modi said he shared the Myanmar government's concerns about "extremist violence" in Rakhine state, which has seen unprecedented violence over the past fortnight.
- At the World Parliamentary Forum on Sustainable Development, Lok Sabha Speaker Sumitra Mahajan abstained from the Bali Declaration because of a reference to "violence in Rakhine state".
- New Delhi has traditionally been wary of internationalising the internal affairs of its neighbours; on Myanmar, it has concerns about keeping the country from spinning back into the Chinese orbit.
- Recently, when the matter of Rohingya refugees in India came up for hearing in the Supreme Court, government counsel refused to guarantee they would not be deported. This was in line with the government's indication to Parliament that all illegal immigrants, including the Rohingya, who number around 40,000, will be deported.

**What's wrong with India's stand?**

- Delhi's official stance is casting it on the wrong side of the humane position.
- Also the deportation plans are perceived as being drawn by the sectarian pulls of domestic politics.
- Not being a signatory to the 1951 United Nations Convention on the Status of Refugees or its 1967 protocol that lays down the obligations of a host country to those who seek refuge in its territory, India would not be in breach of any international law in turning away the Rohingya people. Nor does it have a domestic law for refugees. Still, India has big power aspirations, and to that end at least, it must act like one.

**Way ahead:**

- There may be radicalised Rohingya, and the ARSA is said to have links with the Lashkar-e-Toiba. But it is the job of the intelligence and security apparatus to weed out the bad, so that there is no tarring of an entire community.



- The National Human Rights Commission has cautioned the government, saying that even if the refugees are not citizens, the government should consider that they might face persecution if they are pushed back.
- India has not signed the 1951 Refugee Convention, but it has abided by its spirit, and generously hosted refugees from Tibet, Bangladesh, Sri Lanka and Afghanistan over the years.
- In 1996, the Supreme Court ruled that refugees have certain rights, including the right to life and liberty, and in 2015, asked the Centre to extend citizenship to Chakma and Hajong refugees from Bangladesh.

### Conclusion:

Indian law, India's practice of abiding by international expectations, long tradition of compassion, and humanitarian impulse, all suggest that India should let the Rohingyas remain, and join the collective global outrage which seeks to remind Aung San Suu Kyi of who she used to be, or was believed to be, so that she lives up to the image she once had. And as a regional power, India must answer the question: if it is driving out a stateless people, where does it hope to send them?

### Connecting the dots:

- What is the stand Indian government has taken against Rohingya Muslims in India. How far such a stand is justifiable. Discuss.

### TOPIC:

#### General Studies 2

- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests*
- *Effect of policies and politics of developed and developing countries on India's interests.*

### Solving the Rohingya issue at the regional level

#### Background:

Myanmar is witnessing a brutal episode of violence since August 25, 2017 between Rohingya Muslims and Rakhine Buddhists (who reportedly enjoy support from the Myanmar state too). Some 2600 houses have allegedly been burnt, more than 100,000 Rohingyas have been forced to flee to neighbouring Bangladesh and approximately 1000 lives have been lost. Given the scale of death and destruction in such a short span of time, this latest phase of internal violence can easily be termed as the most horrifying in Myanmar's recent history.

**Implications for the Region:**

Apart from impinging upon Myanmar's internal security, the Rohingya crisis is also posing a security challenge to the South and Southeast Asia. The IS, in some of its public messages has stated its concern over the repression of the minority Rohingyas by the majority Burman-led governments. Suspicions persist about linkages between the two groups.

**Issues:**

- The systematic deprivation and gross violations of basic human rights have forced Rohingyas to flee their native land and seek refuge in neighbouring states including Bangladesh, Indonesia, Thailand, Malaysia and India.
- They have been unable to rebuild their lives in most of these countries due to the lack of opportunities provided by the host nations to contribute to the economy of that country even through semi-skilled and unskilled labour work as well, due to the growing fear of their linkages with Islamic extremism.

**Bangladesh's stand:**

Bangladesh's Border Guards meanwhile are not permitting fleeing Rohingyas to enter the country, leaving hundreds of refugees stranded in the border areas. Bangladesh has received the most number of refugees in the recent crisis primarily for two reasons. First, geography makes it easier for Rohingyas to cross the border into Bangladesh. And second, Rohingya Muslims are culturally and ethnically closer to the people of Bangladesh, given that they are descendants of Bengali-Muslims from the Chittagong area who had migrated to present-day Myanmar during the British Raj.

**India's stand:**

Kiren Rijiju, the Union Minister of State for Home Affairs, has stated that India needs to deport those Rohingyas who are illegally staying in India. India's tough stand on deporting Rohingyas back to Rakhine State in the midst of the ongoing violence has evoked criticism from national and international human rights activists. The India-Myanmar Joint Statement, released when Prime Minister Modi visited Nay Pyi Taw, noted that the situation in Rakhine State has a 'developmental as well as a security dimension'. India will help Myanmar under the Rakhine State Development Programme and both sides are expected to finalise the implementation plan of this programme in the coming months. It will cover infrastructure development and socio-economic projects, especially in the areas of education, health, agriculture, agro-processing, community development, construction of roads and bridges, protection of environment and so on. The Joint Statement, however, has no specific mention about the recent clashes between the Rohingya Muslims and Rakhine Buddhists or exodus of the Rohingyas from Myanmar or India's plan about deportation of some 40,000 Rohingya refugees who are reportedly staying in India.

**Reason behind indifferent attitude:**

The economic burden emanating from the huge refugee influx, the growing fear of linkages between the Rohingyas and the IS, coupled with the apathy of the countries of the region towards the problem, explains the stance of the ASEAN countries in advocating a domestic solution to the crisis.

#### Way ahead:

- The countries of South and Southeast Asia need to ponder whether it is rational to push Rohingya refugees back to violence-torn Myanmar.
- Regional countries need to take into account the fact that the Rohingya crisis is not just Myanmar's internal problem; rather, its spill over effect into their own territories is already evident.
- The Rohingya crisis is a regional issue and it needs to be tackled at the regional level in a more comprehensive way.
- ASEAN, India and Bangladesh need to discuss the Rohingya crisis together to work for an optimum solution to the problem.

The first step would be to convince the present government in Myanmar about the benefits of well-coordinated cooperation between ASEAN members, India and Bangladesh to tackle the issue.

- The platforms of the regional and sub-regional institutions including ASEAN Regional Forum (ARF) and the Bay of Bengal Initiative for Multi-Sectoral, Technical and Economic Cooperation (BIMSTEC) need to be more effectively used to convince the National League for Democracy (NLD) government in Myanmar to discuss the issue openly and take advantages of the experience of countries like India and Thailand who have long experience in dealing with insurgency and terrorism. Here, ASEAN needs to push aside the principle of non-interference in the internal affairs of a member country as the Rohingya crisis is not a one-country problem.

#### Conclusion:

The statelessness of the Rohingyas and the lack of empathy towards the plight of the Rohingyas have contributed to the adoption of extremist methods by them. If not addressed pragmatically, the Rohingya crisis will only cause more violence, leading to more refugees and chronic instability in the region. The regional leaders especially India must come to a solution to the regional problem.

#### Connecting the dots:

- The Rohingya Muslims issue is a regional one and must be solved at regional level. Discuss.

#### TOPIC

#### *General Studies 3:*

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*

- *Infrastructure: Energy, Ports, Roads, Airports, Railways etc*

### High Speed Rail: A visionary project

#### **In news:**

Prime Ministers Narendra Modi and Shinzo Abe will be laying the foundation stone of the Mumbai-Ahmedabad High Speed Rail (MAHSR) project, popularly known as the bullet train, on September 14 in Ahmedabad.

#### **Background:**

- Since they were commissioned more than five decades ago, bullet trains have been the symbol of Japan's engineering prowess. This ambitious project demonstrated Japan's significant engineering skill and expertise, and its success transformed the way Japan was viewed by the rest of the world.
- Similarly, China has focussed on the development of its high-speed rail network as a symbol of its engineering capabilities.

This project could be one of the catalysts in transforming India. India has already experienced success in major projects in the past, which includes building the Golden Quadrilateral and upgrading its national highways, which has added to GDP, created efficiencies in transportation, provided jobs and improved rural development through enhanced connectivity.

#### **Apprehension:**

Some have raised the question whether the MAHSR is an effective use of resources. However, resourcing is only one of the issues being faced by the Railways. We heard a similar debate about the Indian space programme, which has seen some remarkable achievements.

#### **Possible benefits of HSR project:**

##### **Boost to Make in India:**

The project will provide stimulus for advanced components' manufacture and construction. One of the stated objectives of the project is "Make in India". As per the agreement between the two governments, the MAHSR Project has "localised manufacture" and "transfer of technology" as twin, complementary objectives. Under the guidance of the task force comprising of the Department of Industrial Policy and Promotion (DIPP) and Japan External Trade Organisation (JETRO), action is being initiated as per the agreed guidelines.

It is instructive to recall how an investment by Suzuki in the automobile industry spawned a new generation of Indian auto-component manufacturers from the early '80s.

**Economic growth:**

- Investment in infrastructure development has always acted as a catalyst in the economic growth of India.  
This project could provide an important boost to public investment.
- The soft funding of the project by the Japanese government is an additional advantage, which brings the two countries together and provides significant economic benefits. India is getting the loan for the MAHSR at close to almost zero cost. This saves any strain on existing financial resources, as more than 80 per cent of the project cost is being funded by the government of Japan in this way. It is for the first time that an infrastructure project of this size and magnitude is being funded on such favourable terms.
- In addition to creating demand for local industry, the project would also generate significant employment.
- The construction sector in India is also expected to get a big boost not only in terms of works contracts but also with respect to new technology and work culture.
- This project is likely to generate employment for about 20,000 workers, who will then be equipped to take up construction of more such projects in India. The new areas where construction skills would be developed are ballast-less track, under sea tunneling et al.

**Reduction in carbon footprint:**

The HSR system is more energy- and fuel-efficient. Studies show that HSR systems are around three times more fuel-efficient than aeroplanes and five times more fuel-efficient than cars. Given the traffic density in the Mumbai-Ahmedabad corridor, this project could lead to a significant reduction in India's carbon footprint.

**Ushering in technology:**

- A large part of this project will be focussed on bringing new technology to Indian companies.
- India is getting cutting-edge operational technology in totality. The Shinkansen technology is renowned for its reliability and safety. The train delay record of Shinkansen is less than a minute with zero fatalities. Thus, the project is set to provide reliable and comfortable service with high standards of safety.
- The technology regarding disaster predictions and preventions will also be acquired as part of the project.
- Indian companies will in this way imbibe the new technologies and potentially also become suppliers to HSR contracts worldwide

**Professional capacity building:**

- A dedicated High Speed Rail Training Institute is being developed at Vadodara. This institute will be fully equipped with equipment and facilities, such as a simulator, as exist in the training institute at Japan. This institute will be functional by the end of 2020, and have facilities to train about 4,000 staff in the next three years, who will then be utilised for operation and maintenance. They will also serve as a backbone for the development of other high speed corridors in India.
- In addition, 300 young officials of the Indian Railways are being trained in Japan to give them exposure in high speed track technology. As these young professionals absorb the latest technologies, they will then be able to manage other high speed corridors which are under consideration.

**Speed:**

The “rapid train” would complete the journey in 2 hours and 7 minutes, while the slower service would take 2 hours and 58 minutes. Thirty-five daily services will be operated on the line, with three services per hour during peak times and two services per hour during off-peak times.

**Cultural transformation:**

Through a demonstrated ability to implement large projects and improve safety.

**Way ahead:**

- The success of this project, however, will lie in its execution. Its successful and timely completion could act as a powerful catalyst to create a culture of efficient project implementation in India.
- Similarly, there should be a focus on leveraging the post-implementation synergies, which could make this a transformational project for India.

**Conclusion:**

Successful and timely completion of the bullet train project will be a game changer. This visionary project will herald a new era of safety, speed and service and help the Indian Railways craft a pathway to becoming a global leader in scale, technology and skill. We should be careful not to confuse leapfrogging technology development with elitism — whether it is mobile phones, satellite launches, regional air-connectivity or high-speed rail.

**Connecting the dots:**

- Successful and timely completion of the Mumbai-Ahmedabad bullet train project will be a game changer. It will herald a new era of safety, speed and service and help the Indian Railways craft a pathway to becoming a global leader in scale, technology and skill. Elaborate.

**TOPIC:**

*General Studies 2*



- *India and its neighborhood- relations.*
- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*
- *Important International institutions, agencies and fora- their structure, mandate.*

### Checking China's inroads in South Asia

#### **Background:**

China's inroads into South Asia since the mid-2000s have eroded India's traditional primacy in the region, from Afghanistan to Myanmar and also in the Indian Ocean. As Beijing deploys its formidable financial resources and develops its strategic clout across the subcontinent, New Delhi faces capacity challenges to stem Chinese offensive in its own strategic backyard.

#### **India's policy:**

Prime Minister Modi's new 'Neighbourhood First' policy, unveiled in 2014, has consequently focused on reaching out to other states to develop partnerships across the region. This balancing strategy marks a departure from India's unsustainable efforts to insulate South Asia as its exclusive sphere of influence and deny space to any extra-regional actors. Officially, these unprecedented outreach efforts are implicitly referred to as a partnership with "like-minded" countries. According to Foreign Secretary S Jaishankar, in its quest for more "people-centric" connectivity projects and a "cooperative regional architecture," India is "working closely with a number of other international players whose approach is similar."

#### **Examples of this new strategy:**

- With the US, India now conducts close consultations on smaller states such as Nepal, Bangladesh, or Sri Lanka.
- In 2015, following Japan's permanent inclusion into the Malabar naval exercises, Tokyo and New Delhi developed a joint "Vision 2025" plan promising to "seek synergy... by closely coordinating, bilaterally and with other partners, for better regional integration and improved connectivity," especially in the Bay of Bengal region.
- The Asia-Africa Growth Corridor, announced in 2016, further highlights India's willingness to work with Japan to develop alternatives to China's Belt and Road Initiative (BRI).
- In 2014, India and Russia signed an unprecedented agreement to cooperate on developing nuclear power in third countries, with a focus on Bangladesh and Sri Lanka.
- Year 2015 saw the first Australia-India Maritime Exercise (AUSINDEX) off India's Eastern coast.

- With the UK, India signed a statement of intent on “partnership for cooperation in third countries” with a focus on development assistance in South Asia, and held its first formal dialogue on regional affairs in 2016.
- With Brussels, Paris, and Berlin, New Delhi has engaged in dialogues about maritime security and the Indian Ocean region, and shared intelligence to bolster regional counter-terrorism efforts.
- Contrasting with its past reluctance to involve multilateral organisations, India has enthusiastically endorsed the Asian Development Bank’s South Asia Subregional Economic Cooperation (SASEC) operational programme for 2016-25, focused on improving connectivity between the subcontinent and Southeast Asia.

### Expanding partnerships:

While many of these partnerships are still nascent, there are measures that will allow their expansion across three sequential levels.

- Increase mutual consultation: New Delhi and extra-regional powers must invest in creating institutional mechanisms dedicated to sharing assessments on South Asia. Under existing consultations, Afghanistan, Pakistan, or broader Asian strategic issues frequently overshadow Nepal or Sri Lanka.
- Specific bilateral dialogues on three specific regional vectors is required: Political and strategic issues, with a focus on China, counter-terrorism, and maritime security. Economic issues, with a focus on connectivity, trade, and investment initiatives. Developmental issues, with a focus on aid projects and other economic assistance initiatives.
- To increase the prospects for coordination, India and partners can identify bilateral areas for policy coordination across South Asia, agreeing to a division of labour that maximises each side’s advantage. In Bangladesh, for example, India has focused on political and capacity-building objectives, while Japan is concentrating its financial might in infrastructure projects.
- In order to contain China and advance concrete cooperation across South Asia, India and its extra-regional partners should aspire to integrate efforts and implement joint projects. This will require expanding bilateral dialogues to include third countries, on the model of the India-US-Afghanistan trilateral. Such partnerships could focus on a variety of specific sectors to strengthen third countries in the region, including joint disbursement, implementation and monitoring of development assistance; establishment of dedicated funds to facilitate infrastructure development or acquisition of military equipment; capacity-building training for administrative and security personnel; democracy assistance to strengthen good governance and the rule of law; and joint military exercises, focusing on humanitarian assistance and disaster relief operations.

**Challenges ahead:**

While India and its extra-regional partners develop efforts to consult, coordinate, and cooperate across South Asia, they will also have to prepare for a variety of challenges.

- Extra-regional partners will have to continue to recognise India's predominant role in the region and defer to its security concerns, whether real or imagined. For example, by allowing India to "take the lead" and consolidate its role as a "first responder" to regional crises in recent years (such as the Nepal earthquake), the US has earned much goodwill in New Delhi.
- As the region's small states play an increasingly sophisticated balancing game, seeking to play off India and its partners against China, closer consultation and coordination will be key.
- When it comes to the normative dimension of democracy and human rights, New Delhi and its like-minded friends will also face occasional tensions given their different priorities.

For India, the focus is naturally on the short-term, with economic and security interests incentivising the pragmatic engagement of any regime type in its neighbourhood. While the West's liberal interventionist impulse has receded, the US and European partners will, however, continue to privilege a value-based and long-term approach that emphasises pressure on authoritarian regimes. This last challenge is currently playing out in Myanmar, with clashing Indian and Western positions on the importance of the Rohingya refugee issue. Under rising international pressure, Naypyidaw is tilting back to China for support, further complicating India's connectivity plans across the Bay of Bengal. Similar balancing dynamics can be observed in Sri Lanka, Bangladesh, Nepal and the Maldives, which further highlight how critical India's global outreach efforts are to its quest to remain influential in its own region.

**Conclusion:**

China is making inroads into Asia at a much faster pace. India needs to act on time. While the present government's foreign policy is aligned with the need of the situation there is much more to be done. Above mentioned ways of expanding partnerships must thus be exploited.

**Connecting the dots:**

- China's inroads into South Asia since the mid-2000s have eroded India's traditional primacy in the region, from Afghanistan to Myanmar and also in the Indian Ocean. Discuss. Also elaborate on challenges India faces in managing the region and what new strategies must be adopted to position India in South Asia.

**TOPIC:****General Studies 2**

- *India and its neighborhood- relations.*

- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*
- *Important International institutions, agencies and fora- their structure, mandate.*

### Rohingya Issue- India caught in a difficult spot

#### **Background:**

The response by Myanmar against Rohingya Muslims in the nation to the 25 August terrorist attacks seems, by all accounts, excessive. In the past, India continued to engage neighbouring regimes and tried to influence their behaviour through quiet diplomacy rather than following the West's knee-jerk approach of public lecturing on alleged human rights violations.

#### **Why India did not criticize the conduct of Myanmar?**

- Myanmar helps India tackle insurgency threats in the latter's northeastern states.
- Myanmar is key to the success of India's Act East policy.
- A public condemnation of Myanmar will only push it closer to China. Myanmar is anyway dependent on Beijing's veto in the UN Security Council should the Rohingyas issue reach there.
- India is also aware of the possible role of Pakistan-based terror groups like Lashkar-e-Toiba in the 25 August terrorist attacks by ARSA. There have been some reports suggesting that both India and Bangladesh had apprised Myanmar of possible terror strikes coinciding with the release of the Kofi Annan-led Rakhine Advisory Commission report on fostering a reconciliation between Rohingyas and other ethnic groups in the western state of Myanmar.

#### **Modification in stand- Why?**

India has now decided to modify its stand and acknowledge the concerns related to the outflow of refugees. Burdened by the swarm of refugees Bangladesh finally decided to let its displeasure be known. And thus, India had to modify its stand because of following reasons:

- Like Myanmar, Bangladesh too is important to India's counter-insurgency efforts and Act East policy.
- The massive rush of refugees has triggered a domestic backlash by the opposition against the Sheikh Hasina government, which is perceived to lean towards India. An unhelpful Indian attitude would only deplete Hasina's position in Bangladesh and strengthen her rival Khaleda Zia, who is known for taking anti-India stands.
- There has been a history of Hasina's rivals—Zia's Bangladesh Nationalist Party and Jamaat-e-Islami—working with Pakistan's rogue and anti-India intelligence agency, the Inter Services Intelligence (ISI).

**India- Caught in a difficult spot:**

- India is trying to balance the contradictory interests of Myanmar and Bangladesh.
- A number of Rohingyas will also land up in Indian territory. Thus, fears radicalization of this group ensues.
- They may alter Indian demography.
- India has to do a tightrope walk.  
On the one hand, it has to keep Myanmar engaged in counter-terrorism while simultaneously working to contain the flow of refugees and then creating the ground conditions for repatriation of refugees already in Bangladesh and India. On the other, it has to keep Bangladesh reassured through the process and do so by making public statements. A perception of India's unhelpful attitude should not become a reason for Zia upstaging Hasina in the 2018 elections.

**Solution:**

The solution to the problem lies in Myanmar itself. While India cannot let its guard down when it comes to counter-terrorism cooperation with Myanmar, this has to be done by simultaneously staunching the outflow of refugees.

- The report by the Annan-led commission, which argues for a citizenship verification process—the Rohingyas have been stripped of citizenship under Myanmar's 1982 citizenship law—to increase the social and economic participation of the Rohingyas, may offer some useful suggestions.
- Bangladesh and India can indeed give shelter to some refugees, but there are clear constraints that both the countries face in the form of the resulting burden on their economies, alteration in the demography and potential impact on national security.

Further any decision on the matter must be taken keeping in mind following aspects.

**Legal aspect:**

- The Indian government, like any other in the world, is bound by customary international law to respect the principle of non-refoulement.  
No government, as per this law, can forcibly push back asylum-seekers to the country they have fled to escape violence, as it might endanger their very survival. Not being a signatory to the 1951 UN Refugee Convention and its 1967 Protocol is no excuse to abdicate India's responsibility to provide much-needed succour to people under duress and in urgent need of humanitarian assistance.
- Whether or not India chooses to ratify the 1951 convention, there are several Supreme Court verdicts which disallow the Indian government from arbitrarily and summarily deporting refugees from its territory.  
The courts in India have traditionally upheld the rights of refugees facing deportation or forced eviction in different contexts by taking recourse to what is called the "canon of construction" or a "shadow of refugee law". For example, the Right to Life under Article 21 of the Indian Constitution has been so

interpreted by the SC that it can be extended to anyone living in India irrespective of her nationality.

### **Moral aspect:**

On a moral plane, the Indian government can hardly hope to defend its stand given the fact that the Rohingya face an imminent threat to their lives in the wake of the ongoing “ethnic-cleansing” drives in the Rakhine State, Myanmar.

The flight of nearly 3,00,000 Rohingya to neighbouring Bangladesh is a testimony to the wretchedness of their condition. Various reports — by the Office of the UN High Commissioner for Human Rights, Amnesty International, Human Rights Watch etc — point to the Rohingya undergoing gross human rights violations at the hands of Myanmar’s armed forces in the name of counter-insurgency operations. These suggest a genocide. The preference for silence by Asia’s most experienced democracy in the wake of a fast deteriorating humanitarian crisis does not bode well for the future of human rights in the region. It might only embolden the Myanmar security forces to further intensify the crackdown on the hapless Rohingya.

### **Conclusion:**

It is time India rises to the occasion by transcending the politics of pragmatism and embraces the Rohingya refugees.

### **Connecting the dots:**

- Discuss the challenges being faced by India in the wake of refugee crisis from Myanmar. Indian needs to take a stand keeping the legal and more than that moral aspects in mind. Critically analyze.
- India is in a challenging situation when it comes to handling Rohingya refugees. On one hand welcoming them would raise questions in Myanmar and would be a threat for the country in multiple ways, on the other not accepting them would result into international backlash. What should be the way out? Discuss.

### **Also read: Protecting the Rohingyas in India**

<http://iasbaba.com/2017/09/iasbabas-daily-current-affairs-9th-sep-2017/>

### **TOPIC:**

#### ***General Studies 2***

- *India and its neighbourhood- relations.*
- *Bilateral, regional and global groupings and agreements involving India and/or affecting India’s interests*
- *Effect of policies and politics of developed and developing countries on India’s interests*

### **India-Japan ties: A new paradigm**



**The PM Abe's visit comes at a crucial time:**

- Japan has been unsure of the US commitment to its allies ever since Donald Trump started his presidential campaign.
- The ICBM (intercontinental ballistic missile) capability of North Korea has aggravated Tokyo's worries about the decoupling of the US-Japan alliance.
- It is not clear whether the Asean (Association of Southeast Asian Nations) will be able to hold its own in the face of increasing Chinese assertiveness in the region.
- Indo-Russian relations, a stabilizing factor in the past, are in flux. In this scenario, India and Japan are the only major forces of stability in the Indo-Pacific.

**Emerging Geopolitical trends:****Indo-Pacific emerging as new playground:**

The shift of the geopolitical centre of gravity from the Euro-Atlantic to the Indo-Pacific region. Most of the rivalries are being played out in the crowded geopolitical space of the Indo-Pacific, and Asian economies now account for more than half of global GDP and becoming larger in coming years.

**Rise of China:**

- The rise of China. China's rise is reflected in a more assertive China. According to President Xi Jinping's 'two guides' policy announced in February, China should guide 'the shaping of the new world order' and safeguarding 'international security'.
- Today's China is not just willing but eager to assume leadership and expects other countries to yield space.
- Its assertiveness in the East China Sea with Japan and in the South China Sea with its Association of Southeast Asian Nations (ASEAN) neighbours sends a signal that while multipolarity may be desirable in a global order, in Asia, China is the predominant power and must be treated as such.
- Even though China has been a beneficiary of the U.S.-led global order, it is impatient that it does not enjoy a position that it feels it deserves, especially in the Bretton Woods institutions. During the last five years, it has set about creating a new set of institutions (the Asian Infrastructure Investment Bank and the New Development Bank) and launched the Belt and Road Initiative (BRI) to create a new trading infrastructure that reflects China's centrality as the largest trading nation.
- The BRI is also complemented by a growing Chinese naval presence in the Indian Ocean. Beginning in 2009, the PLA Navy started rotating three ship task forces through the Indian Ocean as part of the anti-piracy task force off the Somalia coast. In addition to Gwadar, China is now converting the supply facility at Djibouti into a full-fledged military base.

**Recent developments accelerating the trends:**

- The outcome of the U.S. elections last year. By invoking 'America first' repeatedly, President Donald Trump has made it clear that the U.S. considers the burden of leading the global order too onerous.
- Recent nuclear and long-range missile tests by North Korea have added to South Korean and Japanese anxieties. Given the U.S. push for more sanctions that depend on China for implementation, most Japanese reluctantly admit that North Korea's nuclear and missile capability is unlikely to be dismantled any time soon.
- Another significant development was the Doklam stand-off between India and China that lasted from June to August. Differences with China in Doklam was preceded by the stapled visa issue for Indians belonging to Arunachal Pradesh and Jammu and Kashmir, growing incidents of incursions along the disputed boundary, blocking of India's bid to join the Nuclear Suppliers Group last year, ensuring that no language relating to Pakistan-based terrorist groups found mention in the BRICS summit in Goa and preventing the inclusion of Masood Azhar from being designated as a terrorist by the UN Security Council by exercising a veto.

#### **India-Japan ties:**

##### **A new strategic landscape:**

- The contours of a new relationship were defined during Mr. Abe's earlier tenure, in 2006-07, when annual summits were introduced, the relationship became a 'Special Strategic and Global Partnership', Japan was invited to join in the Malabar naval exercises and a Joint Declaration on Security Cooperation was concluded.
- A singular achievement was the conclusion of the agreement for Cooperation in the Peaceful Uses of Nuclear Energy in 2016. Under negotiation for five years, this was a sensitive issue for Japan given the widespread anti-nuclear sentiment and faith in the Nuclear Non-Proliferation Treaty.
- To deepen strategic understanding, the two sides initiated a 2+2 Dialogue involving the Foreign and Defence Ministries in 2010. A memorandum on enhancing defence and technology/security cooperation was signed and talks on acquiring the amphibious maritime surveillance ShinMaywa US-2i began in 2013.
- Trilateral dialogue involving both the U.S. and Japan and covering strategic issues was elevated to ministerial level in 2014.
- Japanese participation in the Malabar exercises, suspended because of Chinese protests, was restored in 2015.
- A new trilateral at the foreign secretary level has been initiated with Australia as the third country.
- India has also extended to Japan an offer denied to any other country, which is to assist in infrastructure development in the Northeast.
- The numbers on Japanese foreign direct investment (FDI) and overseas development assistance (ODA) to India have been climbing. FDI flows from Japan have almost tripled in last three years.

- Other than the Mumbai-Ahmedabad high speed rail, many other high-profile projects like the Delhi-Mumbai Industrial Corridor (DMIC) and Mumbai Trans-harbour link project are under different stages of execution.

The two countries are exploring cooperation on infrastructure and human development projects beyond India.

- The Mumbai-Ahmedabad high speed rail corridor is more than symbolism, in demonstrating that high-cost Japanese technology is viable in developing countries and that India has the absorption capacity to master it. Completing it in five years is a management challenge but the bigger challenge will be to transfer the know-how of best practices to other sectors of the economy.
- Another major initiative is the recently launched Asia-Africa Growth Corridor to build connectivity for which Japan has committed \$30 billion and India \$10 billion. This adds a critical dimension to the 'global partnership' between the two countries. If pursued with an unwavering focus, the AAGC, has the potential to become a serious counterweight to China's BRI. Unlike BRI, the AAGC promises to evolve a consultative mechanism towards identification and implementation of projects.

#### Joint statement:

- Both the title of the joint statement, "**Toward a free, open and prosperous Indo-Pacific**", and substantive paragraphs on cooperation in the region, indicate a much closer alignment between India and Japan in countering China's influence in the South China Sea, its forays into the Indian Ocean, and investments in South Asia and Africa.
- The joint statement calls for a "rules-based order" in the Indo-Pacific region where "sovereignty and international law are respected, and differences resolved through dialogue, and where all countries, large or small, enjoy freedom of navigation and overflight, sustainable development, and a free, fair and open trade and investment system".
- The joint statement also took a swipe at China's OBOR initiative by calling for transparency in the development of connectivity and infrastructure development in the region, and reaffirmed the India-Japan project to connect Africa and Asia.
- The statement condemns North Korea, but for the first time, includes "the importance of holding accountable all parties" that helped that country develop its nuclear programme, which is not just an allusion to China, but also Pakistan.
- The joint statement also endorses the principles on which India decided to sit out the Chinese Belt and Road Initiative (BRI).

In a way, India and Japan show themselves to be an open and democratic bulwark against the malafide conduct of the Rawalpindi-Beijing-Pyongyang axis.

#### Way ahead:

It is imperative that India and Japan also look beyond their lofty geopolitical aims, at the more basic aspects of bilateral engagement.

- **Stronger economic times needed:** The strategic partnership needs stronger economic ties. Today, India-Japan trade languishes at around \$15 billion, a quarter of trade with

China while Japan-China trade is around \$300 billion. The trade numbers—below \$15 billion annually in the last two years—do not reflect the economic ties between the third and the fourth largest (on purchasing power parity terms) economies in the world. Long pending defence deals—especially the sale of US-2 amphibious aircraft to India—too haven't moved forward. While Japan is India's largest donor and the third largest provider of FDI, bilateral trade has steadily declined since 2013, and is down to \$13.61 billion in 2016-17 from \$14.51 billion the year before. The decision to finalise four new locations for special Japanese industrial townships may be only one way of addressing the difficulties businessmen face in India.

- Both New Delhi and Tokyo have to keep in mind that they have independent relations with China, with problems unique to their own bilateral histories. As they join hands, they cannot wish China away. Thus, the next step in the India-Japan partnership has to be constructive engagement with China.
- The two countries should work on strengthening security cooperation. If the emerging geopolitical environment helps Japan become a “normal” military power—it is currently restrained by its own Constitution—it will help New Delhi and Tokyo in evolving a robust security architecture in the Indo-Pacific.
- India needs to change its style of implementing projects abroad, most of which have been plagued by cost and time over-runs. Ensuring effective implementation and setting up mechanisms for delivery will align Mr. Modi's Act East policy with Mr. Abe's Free and Open Indo-Pacific Strategy. This alignment sets the stage for the reordering of the Asian strategic landscape.

Thus, it is time to get down to brass tacks and address some of the issues in order to facilitate closer ties between India and Japan, even as the two leaders and militaries forge closer bonds.

### **Conclusion:**

The emerging India-Japan alignment surely sets the stage for the reordering of the Asian strategic landscape. India and Japan are infusing bilateral ties with a sharper geopolitical agenda. Only time will tell if Japan can be new Russia or much more than that for India.

### **Connecting the dots:**

- Strengthening ties between India and Japan should be seen in the context of emerging geopolitical trends viz, rise of China and the shift of the geopolitical centre of gravity from the Euro-Atlantic to the Indo-Pacific region. Analyze.
- It is imperative that India and Japan look beyond their lofty geopolitical aims, at the more basic aspects of bilateral engagement. Critically analyze.

### **TOPIC**

#### ***General Studies 2:***

- ***India and its International relations.***

- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
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### India- Afghanistan ties

#### **Background:**

Afghanistan, counterterrorism and defence ties are expected to be the prime issues on the table during U.S. Defence Secretary James Mattis's visit to India next week. President Donald Trump announced the latest U.S. policy on Afghanistan on August 21.

#### **Mr. Trump's policy envisages:**

- more pressure on Pakistan.
- No early U.S. withdrawal from Afghanistan.
- Robust military action on counterterrorism.
- A greater role for India.

#### **Change in US's stance:**

It is for the first time that a U.S. President has been publicly so critical of Pakistan. In 2009, President Barack Obama had spoken of Pakistan's lack of action, but not so strongly and harshly as his successor. Sharp words on Pakistan have been said at different levels by earlier U.S. administrations too. They were also codified in the form of conditions in various assistance laws, including the Kerry-Lugar-Berman Bill. The U.S. strategy differs from the past in terms of addressing concerns regarding Pakistan's role in Afghanistan, particularly in view of a shift in Pakistan's strategic priority towards China.

#### **India-Afghanistan ties:**

Indo-Afghan relations are unique.

Just after Independence, on January 4, 1950, India signed a Treaty of Friendship with Afghanistan which also permitted opening of consulates in each other's country. More recently, in October 2011, India was the first country Afghanistan signed a strategic partnership agreement with.

- The basic tenets of India's aims, policy and approach towards Afghanistan in respect of bilateral and regional cooperation remain unchanged. India has always wanted a democratic, stable and strong Afghanistan able to decide its own future.
- India is in favour of a reconciliation process which has overall Afghan support and is based on internationally accepted redlines. India supports the Afghan quest for peace and reconciliation.
- India has a close strategic partnership with Afghanistan covering a broad spectrum of areas which include political, security, trade and economic cooperation as well as capacity development.

- India's assistance in the defence sector has been modest and based on specific requests by the government of Afghanistan.
- The cumulative level of committed Indian assistance to Afghanistan amounts to \$2 billion. New Delhi is always ready for more intensive bilateral relations. It has been at the forefront in respect of assistance for the reconstruction of Afghanistan and can be expected to do more in different sectors.

#### **Perception for India in Afghanistan:**

- Surveys conducted by various Afghan and foreign news agencies over the years show that the Afghan people ranked Indian assistance as the most suitable because of the positive role India played in the development programme of Afghanistan.
- Furthermore, India is considered as non-threatening with its democratic traditions upheld as a model.
- The Afghans also appreciate that India had never interfered in their internal affairs.

#### **What needs to be done?**

- Speedy augmentation, training and supply of equipment for the Afghan National Security Forces is important to enable Afghanistan to protect its interests and maintain peace in the country. The Afghans want more help, for instance, at present for their air force.
- India could assist Afghanistan in training as per their requirement and supplying much-needed spare parts and such equipment as is possible without deployment of Indian troops in Afghanistan.
- Asia is a region of energy and resources stretching from the Persian Gulf to the Caspian Sea and Central Asia to Siberia and Russia's Far East. The energy basket needs to be exploited for the benefit of Afghanistan and the surrounding region. The Turkmenistan-Afghanistan-Pakistan-India pipeline is one example.
- SAARC (South Asian Association for Regional Cooperation) and SCO (Shanghai Cooperation Organisation) should help in encouraging regional economic cooperation between Afghanistan and its neighbours.
- Expeditious action on completion of the Chabahar port will help in increasing Afghanistan's contacts with India and the outside world.

#### **Ensuring there is no outside interference:**

It is essential that there is no outside interference in Afghanistan.

- To enable this, the infrastructure of terrorism has to be dismantled.
- It is important to deny sanctuary and support to the Taliban's Quetta Shura and the Haqqani network, as terrorism and insurgency cannot end without action taken against them.
- For any effective counterterrorism policy, all major terrorist groups operating in the area should be considered a single group. President Trump has stated in his policy statement that "Pakistan gives safe haven to agents of chaos, violence and terror". The elimination of terror outfits will bring peace to Afghanistan.



- It is also imperative to redouble counter-narcotics efforts as Afghanistan remains the world's largest producer of opium accounting for 90% of the world's supply. Success in this field will have a positive effect on its neighbours.
- For regional security there must be closer involvement of regional powers in international efforts to ensure non-interference and a stable Afghanistan; this also requires involvement of the Central Asian Republics, which border Afghanistan. It is important for India to coordinate its efforts with those of Russia and Iran to ensure success.

### Conclusion:

The root cause of the Afghan problem has been clearly stated in President Trump's policy statement of August 21 and also mentioned in his address to the UN General Assembly on September 19. Now Afghanistan, and the region, await to see how it is implemented.

### Connecting the dots:

- India and Afghanistan share a unique relationship. Comment. Also, in the light of latest U.S. policy on Afghanistan, discuss why India needs to strengthen its role in Afghanistan and how it can be done.

### TOPIC

#### General studies 2:

- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*
- *Important International institutions, agencies and fora- their structure, mandate*

### Reforming United Nations

#### Background:

The Trump administration is leading a high-profile effort this year for UN reforms. In his remarks at a UN "Management, Security and Development" meeting convened by UN secretary general António Guterres, the US President said that "in recent years, the UN has not reached its full potential due to bureaucracy and mismanagement". Trump had also earlier accused the UN of causing problems than solving them. "When do you see the UN solving problems? They don't. They cause problems," he said. "So, if it lives up to the potential, it's a great thing. And if it doesn't, it's a waste of time and money." Reforming the UN is big on the Trump administration's agenda and this reforms agenda is largely based on two principles: sovereignty and accountability.

#### The principle of sovereignty:

In his main speech to the UN General Assembly, Trump underscored the centrality of sovereign states which worked for the betterment of their citizens. Trump's vision is anchored in his "America First" approach with national sovereignty as the main pillar of the internal system.

#### **The principle of accountability:**

The US is also keen that the management of the UN becomes more accountable and transparent as it remains the largest contributor to the UN budget, in-line with its position as the world's largest economy. It pays 25% of the UN's regular operating budget and over 28% of the separate peacekeeping budget. The Trump administration has been critical of the UN's overreliance on the US and wants a more equitable sharing of burden. It has been instrumental in the \$600-million cut to the UN peacekeeping budget this year.

#### **Challenge:**

The challenge remains of how to operationalize these reforms. The UN is structured in such a way that the decision-making process is distributed among a wide range of countries and constituencies with often competing and contradictory views and interests. Russia and China, for example, did not attend the UN meeting on reforms.

#### **India's stand:**

- India has suggested that the UN reforms need to be **"broad-based and all-encompassing"** and the changes should not be restricted to its secretariat only.
- India's permanent representative to the UN, Syed Akbaruddin, has made it clear that reforms cannot sidestep issues related to the governance of UN bodies.
- India has extended its support to Trump's efforts at UN reforms, saying it should include the expansion of the world body's permanent and non-permanent members to keep pace with the changed times.
- Since the end of the Cold War, India has been spearheading a move for reforms at the UN to make the world body more representative of the changing global realities while enhancing its credibility and effectiveness.
- New Delhi has been concerned about the post-Cold War international acceptance of the UN's questionable "right to intervene" where it believed it to be necessary, allowing the UN to act with little debate.

#### **India- Largest contributor to the UN peacekeeping operations:**

India remains one of the largest contributors to the UN peacekeeping operations, providing almost 200,000 troops in nearly 50 of the 71 peacekeeping missions mandated over the past six decades.

- The nature of the military operations increased both in number and complexity over an extremely short timescale.
- Additionally, the UN peacekeepers were deployed to environments in which the belligerent parties were not entirely on board with the deployment, thus seriously

threatening the safety of the troops under the UN flag. India has repeatedly underlined the dangers inherent in such a rapid transformation from traditional UN missions to these new operations.

### **Inadequate efforts towards reform:**

Since the cessation of the Cold War there have been attempts to reform the international legal system to reflect the rights of the individual over and above those of the state. But India, along with other largely non-Western nations, has remained sceptical of these attempts at reforms, believing that any such reforms would afford the privileged few with the means to intervene, the moral justification to do so. Therefore, the Trump administration's focus on "sovereignty" as the defining feature of UN reforms will be welcomed by New Delhi.

### **Conclusion:**

As India continues to expend its diplomatic capital on finding a seat at the UN Security Council, it will also have to articulate new ways of how the UN can be made more effective and efficient. There is a need to create a new balance between India's pursuit of its narrow national interest and its responsibility as a rising power to maintain global peace and stability.

### **Connecting the dots:**

- The UN reforms are long overdue. With India aspiring to be a regional power, its time the diplomatic capital is expended to see that the UN is made more efficient and effective. Discuss.

### **TOPIC**

#### ***General studies 2:***

- *Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.*
- *Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.*
- *Important International institutions, agencies and fora- their structure, mandate*

### **United Nation's Ineffectiveness**

#### **Background:**

The picture of the UN's ineffectiveness on each of the issues confronting the world today is grim.

The Secretary General António Guterres in his speech listed the world's seven biggest threats: nuclear peril, terrorism, unresolved conflicts and violations of international humanitarian law, climate change, growing inequality, cyber warfare and misuse of artificial

intelligence, and human mobility, or refugees. Each of these issues saw little movement at the UNGA.

### **Nuclear peril**

The UN's actions in response to North Korea's missiles and nuclear tests just amounted to another round of sanctions against the Kim Jong-un regime. Past history points to the slim chances of success of this tack. Since 1966, the UN Security Council has established 26 sanctions regimes, of which about half are still active. In some cases, the sanctions only squeezed the country's poor, as in Zimbabwe (Southern Rhodesia) and DPRK itself, while not changing its belligerent positions. In most cases, the misery was heightened by international military interventions, from Yugoslavia to Libya and Yemen. The truth is that sanctions do not work on rogue states; they only help isolate their populations from the world, which in turn tightens the regime's stranglehold on its people, and strengthens its resolve to disregard the UN.

### **Lacking guarantees:**

Libya did relinquish nuclear weapons but still NATO destroyed Libya anyway. This is a disincentive. The UN failed to censure NATO on violating its mandate only to the responsibility to protect (R2P) and not for regime change in Libya in 2011. To other countries that may enter talks, as Iran did, the imminent threat from the U.S. of walking out of the Joint Comprehensive Plan of Action (P5+1 agreement) would make them question the efficacy of the UN in guaranteeing any deal struck. Other decisions of the Trump administration in the U.S., to walk out of the climate change agreement as well as threaten to cancel its funding contributions to the UN, have also seen little comment from the world body, which further reduces the respect it is viewed with.

### **Lack of respect against sanctions:**

Nowhere is that lack of respect more obvious than regarding Myanmar, where the military junta faced sanctions for years. Despite inviting former UN Secretary General Kofi Annan to prepare a report on Rakhine state, post-democracy Myanmar has been able to carry out one of the region's most frightening massacres just days after the report was submitted. On the basis of satellite pictures, and eyewitness accounts, the UN Human Rights chief called military action a "textbook case of ethnic cleansing", as half a million Rohingya fled for their lives from Rakhine villages that were then burnt down, with landmines laid along the border to Bangladesh to prevent their return. The Security Council is short on ideas and late on action, and restoring more than a million stateless refugees to their homes seems a daunting task, even for a world-body that was set up expressly to ensure that such a displacement would "never again" be allowed to occur.

### **On issue of terrorism:**

A similar impotency has been imparted to the UN on the issue of terrorism. India's grievances are a symptom of the UN's powerlessness to enforce even the basic strictures against terrorists it sanctions, given that Hafiz Saeed and associates now plan to stand for public office in Pakistan, while others like Zakiur Rehman Lakhvi, who received bail despite UN financial sanctions, have simply disappeared. Meanwhile India struggles to convince China to allow the Security Council to sanction Masood Azhar, whose release in exchange for hostages in 1999 should have been proof enough of his perfidy.

**On cyber-attacks:**

The world is seeing an increasing number of cyber-attacks, especially from non-state actors. The UN must at least do more to act on attacks carried out by states, especially those that are permanent members of the Security Council. Both Russia and the U.S. have been known to use cyber warfare, but equally the use of new-age warfare — drones, robotic soldiers and remote killings — must see more regulation from the international community.

**Conclusion:**

What UN's first Secretary General, Trygve Lie said in 1952, "The United Nations will not work effectively if it is used merely as forum for destructive propaganda. Neither will it work if it is used only as a convenience when national interests are directly involved, and regarded with indifference, or bypassed or opposed, when the general world interest is paramount", still hold true.

**Connecting the dots:**

- The world is facing some of the biggest threats ranging from nuclear peril, terrorism, unresolved conflicts, climate change, growing inequality, cyber warfare, refugees etc. In this light it is the need of the hour that the United Nations brings changes in the way it governs. Critically analyze.

## SECURITY

### TOPIC:

#### *General Studies 3*

- *Government Budgeting.*
- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*

### First phase of reforms in armed forces

#### **In news:**

The Centre has approved major reforms for the Indian Army aimed at enhancing combat capabilities and rebalancing defence expenditure. This will be the first such exercise since Independence and will involve restructuring British era systems. Posts of 57,000 officers, soldiers and civilians will be restructured and the Army would have state of art regiments and better logistic support units after the overhaul. This phase of reforms, which concern only the army, will be completed by end-2019. There will be major changes to optimise signal establishments that handle the Army's communication networks, restructuring repair echelons, redeploying ordnance echelons, better utilisation of transport echelons and closure of military farms and Army postal establishments in peace locations.

#### **Benefits:**

- It will help improve operational efficiency.
- The idea is to improve the army's "teeth to tail" ratio, that is, increase the number of soldiers actually doing the fighting against those needed to support them to fight. For example, additional vacancies for commissioning officers in combat units like infantry, artillery, armour and mechanised infantry will be allotted to overcome these deficiencies. This way the 'teeth to tail' ratio (combat units to administrative +logistics ratio) would improve.
- Restructuring by the Indian Army is aimed at enhancing combat capability in a manner that the officers/JCOs/ORs will be used for improving operational preparedness and civilians will be redeployed in different wings of the Armed Forces for improving efficiency," a defence ministry statement said. The savings can be utilised for overcoming deficiencies in combat arms, especially for officer cadre.





Pic credit: <https://img.etimg.com/photo/60299381/gurung-fff.jpg>

### Background:

These reforms emanate from the recommendations of an expert committee headed by Lt General D.B. Shekatkar (retd), which was tasked to recommend measures for enhancing combat capability and rebalancing defence expenditure. The committee submitted its report in December last year, and its 188 recommendations have been studied and debated by the ministry and the defence services. The defence ministry has chosen 99 recommendations which pertain to the army, navy and air force — 65 of them, which are internal to the army, have been approved for implementation in this phase. It is believed that the other 34, which are internal to the air force and the navy, will also be implemented soon.

### Way ahead:

- The rest of the recommendations of the Shekatkar committee, which deal with higher defence management, defence ministry and other organisations, such as the DRDO, ordnance factories and DGQA must also be implemented. The ministry has been silent about these steps which would have far-reaching effects towards reforming and modernising the decision-making structure for national security. Also, following proposals from various committees needs to be implemented-

- Chief of Defence Staff should be created.
- Ensuring 2.5-3 per cent of GDP as defence expenditure,
- Political and bureaucratic consensus beyond the scope of the defence ministry but have not been debated so far. The recommendations of both the Arun Singh Committee, following the Kargil Review Commission, and of the Naresh Chandra Committee needs to see the light of the day.

### Conclusion:

The approval of the Union cabinet for the first phase of reforms in the armed forces is a welcome step. With a live threat from both China and Pakistan, defence reforms are an urgent need of the hour. The first steps with restructuring the army are important but they must be quickly followed by implementation of other recommendations, particularly those of higher defence management. Anything less will be another opportunity lost.

### Connecting the dots:

- The central government has already initiated army reforms based on recommendations of Shetkar committee. What are these reforms? Also explain how it must be quickly followed by implementation of other recommendations, particularly those of higher defence management.

### TOPIC

#### *General Studies 3:*

- *Security challenges and their management in border areas; linkages of organized crime with terrorism.*
- *Role of external state and non-state actors in creating challenges to internal security.*

### Jammu and Kashmir Issue: People's movement is the need of the hour

#### **Background:**

Kashmir is today at a crossroads. Al Qaeda has raised its head in Kashmir. Thankfully, the footprint is small but the ideology is vicious and it could find some resonance among an alienated and radicalised youth. The separatists seem to have no strategy other than calling for bandhs and have almost completely forfeited their appeal. Kashmir has also lost its international attention. The declaration of Hizbul Mujahideen as a foreign terrorist organisation has totally diluted the theme of the Kashmir problem as an internal struggle. Attempts by the separatists and Pakistan to internationalise the Kashmir problems find little hearing abroad.

#### **Cause of concern:**

There is a tragedy unfolding in front of our eyes. We must be clear that it is not only a section of the Kashmiri population which is getting radicalised, it is also a part of the

population of India. And the effects of this radicalisation cannot be geographically isolated, as Europe has learned at great cost.

### **People's movement is the need of the hour:**

Many changes in society have taken place through people's movements outside state intervention.

- The civil society of Jammu and Kashmir can take a leading role to stem the slide of its youth towards radicalisation.
- It could also perhaps provide the answer to the question which is invariably asked by the government: "With whom should we have a dialogue?"
- With the vast majority of Indians seeing the problem as merely one of terrorism and radicalisation, and therefore to be tackled with a primarily military bias, the local citizen of the state has to take direct responsibility to arrest the downward spiral.

### **Issues with civil society in J&K:**

For too long, civil society has been caught between the guns of security forces and the terrorists.

There are also sharp divisions between the three regions of the state which make the finding of a common solution difficult.

### **Successful examples:**

There are many successful examples of civil society movements.

- In 1984, the Naga Mothers' Association (NMA) was formed to fight the drug and alcohol menace in Nagaland. Subsequently, the NMA made "Shed No More Blood" its motto and took on the task of negotiating between various underground groups to check violence in the state.
- In Manipur, the Meira Paibi (women torchbearers) was formed in 1977. One of the largest grassroots movements in the world, its initial focus of fighting alcoholism and drug abuse has now expanded to countering human rights violations and the development of society at large.

These stories go to show that civil society can play an important role in conflict areas.

### **What needs to be done?**

- As a start, the representatives of the three regions should sit together and find a cohesive way forward. While Jammu, Kashmir and Ladakh may appear to have many differences, there are also many linkages. Disturbances in Kashmir also trouble Jammu. There is common ground which can be found for people who have lived together for centuries.
- **Reforming civil society:** There already are civil society groups in Jammu and Kashmir like the Association of Parents of Disappeared Persons and Jammu Kashmir Coalition of Civil Society. These groups have taken a very strident anti-government and anti-army stance, and now seem unable to move beyond this narrative. They should look to reform

themselves.

International examples: The civil rights movement in America, the Arab Spring and the Otpor organisation in Serbia succeeded because they also managed to attract the support of people in government and the security forces. National example: The Naga Mothers' Association and Meira Paeibis have a large measure of respect from the army because of their neutrality in dealing with violations, whether they are human rights or social evils.

- The civil society thus must shake off its past fears and emerge as a force.
- The armed and unarmed groups in the state must permit the emergence of a strong civil society movement.
- The political class must also play its part, and the first step must be backward. The Centre's current strategy seems to inhibit it from applying the healing touch. It must step back from this approach, as should the Opposition parties from exploiting the situation in Kashmir. Then all can step up to find genuine solutions.

### **Connecting the dots:**

- Kashmir is today at a crossroads. Al Qaeda has raised its head in Kashmir. The separatists seem to have no strategy other than calling for bandhs and have almost completely forfeited their appeal. The government's strategy doesn't seem to be working out. In such a scenario what is required is people's movement. Analyze.
- Civil society groups have played marvelous roles in bringing a change in society especially in conflict situations. We have both international and national examples for it. Discuss how civil society groups can help in solving the J&K crisis.

### **TOPIC**

#### ***General Studies 3:***

- *Security challenges and their management in border areas; linkages of organized crime with terrorism.*
- *Role of external state and non-state actors in creating challenges to internal security.*

#### ***General Studies 2:***

- *India and its neighbourhood- relations.*

### **Maintaining regional stability**

#### **Background:**

It has been one year since the special forces of the Indian Army carried out surgical strikes to destroy terror launchpads in Pakistan-occupied Kashmir on September 29, 2016. It is important to take stock at this point on how India-Pakistan bilateral relations and the regional security situation have evolved over the past year since the strikes.

#### **Turn of events:**

- Being critical at international forums- Showing no appetite for a bilateral rapprochement, the two acrimonious neighbors have limited their interactions to firing across the borders in Jammu and Kashmir and calling each other names in global forums. At the United Nations General Assembly a few days ago, for instance, External Affairs Minister Sushma Swaraj termed Pakistan a “pre-eminent exporter of terror” — to which Pakistan’s Permanent Representative to the UN, Maleeha Lodhi, responded: “India is the mother of terrorism” in South Asia.
- Future of SAARC in jeopardy- The future direction of the foremost regional forum, the South Asian Association for Regional Cooperation (SAARC), remains unclear after India dropped out of the 2016 Islamabad summit in the wake of the Uri terror attack. (The summit was eventually postponed.)
- Embattled regional stability- The regional security situation remains embattled, because of confused American policies in South Asia, continuing turmoil in Afghanistan, heightening India-China rivalry, and the India-Pakistan hostility.

### **Regional stability- Challenges:**

There are two sets of challenges that are more apparent today, one year after the surgical strikes.

- One, the India-Pakistan escalation ladder has become far more precarious today it has ever been in the past one and a half decades, i.e. since the ceasefire was agreed to in 2003.

The recurrent, and almost daily, occurrence of border battles between the two militaries in Jammu and Kashmir today have a worrying potential for escalation to higher levels. The border stand-offs often lead to, as is evident from the data from the past 15 years, military, political and diplomatic escalation as well as contribute to escalating an ongoing crisis.

The September 2016 operation has made ceasefire violations more worrisome in at least two ways: Pakistan has been retaliating ever since the surgical strikes by increasing the pressure on the frontlines; and Surgical strikes have reduced the critical distance between ceasefire violations and conventional escalation.

- The perils of preventive strikes are unpredictable. Preventive strikes in hyper-nationalist bilateral settings could defy our expectations and go out of control, with disastrous implications.

### **Have the surgical strikes helped the country’s overall national security environment?**

The Central government argues that surgical strikes have been a spectacular success. Has surgical strikes improved our national security in plain practical terms. The first obvious question to ask is whether the strategy of punishment has worked vis-à-vis Pakistan.

There are two reasons why the strategy of punishment may not have worked. For one,

- A strategy of punishment requires consistency and commitment. The momentum achieved by the surgical strikes was not followed up (despite several attacks thereafter),

nor was the government committed to its declared determination to respond firmly to terror strikes, thereby lacking in both consistency and commitment.

- Pakistan's responses thereafter of supporting insurgency in Kashmir, aiding infiltration across the border, and allegedly supporting attacks on the Indian army convoys and bases continued without much reaction from New Delhi

This has led to a visible lack of credibility on New Delhi's part which makes one wonder whether, bereft of domestic political uses, there was any strategic planning behind the September operation.

### **National security in peril:**

By all accounts, India's national security environment is fraught today.

- Terror attacks in Kashmir continue to break the calm. Launch pads and terrorist camps have increased since last year.
- Since the surgical strikes, at least 178 militants and 69 Army personnel have been killed. Forty-four army personnel were killed between January and September this year, compared to 38 last year between January and September (including those killed in the Uri Army base attack).

Surgical strikes may have been a tactical victory for New Delhi, but its strategic value is far from settled.

### **Conclusion:**

With two hostile neighbours on either side, terror attacks against India on the rise, and the South Asian neighbourhood unsure of India's leadership any more, New Delhi has a lot to be concerned about the continuation of its pivotal position in the region and the nature of its future engagement with it. The events since September last year have further contributed to South Asia's regional 'insecurity complex'. For a country that has traditionally been the regional stabiliser, New Delhi must avoid aggression and self-imposed regional exclusion.

### **Connecting the dots:**

- A year after the surgical strikes across the Line of Control, India must recover its role as a regional stabiliser. Critically analyze.



## ENVIRONMENT

### TOPIC:

#### General Studies 3

- Conservation, Environmental pollution and degradation, environmental impact assessment
- Government Budgeting – issues

### Subsuming of environment related cesses under GST

#### Background:

The Goods and Services Tax subsumed a variety of existing Central and State levies. Among them were three environment-related cesses: the high-profile Swachh Bharat Cess and Clean Energy Cess levied on all taxable services since 2015 and on coal since 2010, and the historical Water Cess chargeable since 1977 on water consumption by industry and local authorities.

#### What are the subsumed cesses?

GST subsumed several central & state cesses levies under it. Environment cesses subsumed- Water Cess, Clean Energy Cess and Swachh Bharat Cess.

- **Water Cess** was levied on water consumption by industry and local authorities. It was used to augment the resources of the Central and State pollution control boards to address water pollution.
- **Clean Energy Cess**, a kind of carbon tax was levied on coal produced in India or imported coal at the rate of Rs. 400/tonne in 2016, to finance clean environment initiatives.
- **Swachh Bharat Cess** was levied on all taxable services, to be used for financing Swachh Bharat initiative.

#### Difference between tax and cess:

- Unlike a tax, a cess is levied to raise funds for a specific purpose.
- The proceeds are first credited to the Consolidated Fund of India, and the Centre may, after due appropriation by Parliament, utilise such sums of money for purposes designated under the cess.
- While in principle a cess is to be levied till the time the Government gets enough money for the specified purpose, several cesses, by virtue of their broad-based objectives, have continued for years and have become an important source of revenue.

#### Issue:

##### Loss to state pollution control boards:

The water cess was introduced under the Water (Prevention and Control of Pollution) Cess Act 1977 to augment resources of the Central and State pollution control boards for the

prevention and control of water pollution. The water cess is the second most important source of revenue for State pollution control boards after consent fees. The loss of this revenue will be a huge setback for boards which already suffer from poor technical capacity and autonomy. Even if the loss is made good through budgetary allocation, its routing will play a critical role. The channelling of money through State budgets will make the boards even more vulnerable to the discretion of State governments, which have a dismal track record of empowering the pollution watchdogs.

#### **Abolition of Swachh Bharat Cess:**

The Centre collected Rs. 12,500 crore in 2016-17 through the Swachh Bharat Cess for the Swachh Bharat Abhiyaan (SBA) which aims to make India open-defecation free by 2019 and improve the appalling state of waste management in the country. Though the SBA was included as a CSR activity in 2014 under Schedule VII of the Companies Act 2013, it is clear the programme will require significant public expenditure to meet its 2019 target. It will be interesting to see whether its budgetary allocations are maintained after the abolition of the cess.

#### **Abolition of cess levied on coal:**

The clean energy cess levied on coal at the rate of Rs. 400/tonne in 2016 (progressively increased from Rs. 50/tonnes in 2010) amounted to a staggering Rs. 28,500 crore in 2016-17. Touted as a tax on carbon, it met almost 50 per cent of the budget of the ministry of new and renewable energy for 2016-17. This, despite the fact that less than half of the cess collected since 2010-11 was credited to the National Clean Energy and Environment Fund, created to disburse the cess revenue. And, despite the fact that MNRE is only one of the beneficiaries (along with the ministries of water resources, river development and Ganga rejuvenation; environment, forests and climate change; and drinking water and sanitation) of the fund. The abolition of the cess when the Government is projecting itself as a global leader in clean energy seems both symbolically and financially ill-timed. The coal cess will continue at the same rate under the Goods and Services Tax (Compensation to States) Act 2017, but will now contribute to the GST compensation fund, a corpus meant for compensating States for revenue losses arising from the shift to the new indirect tax regime.

#### **Way ahead:**

- The Budget 2018-19 should adequately compensate ministries for the loss of revenue.
- But the fact that these cesses were summarily and unceremoniously abolished in the wake of a new tax regime shows that environmental issues are still not part of the mainstream policy discourse. The Government should have used this opportunity to reflect on the changes required to encourage efficiency in resource use, prevention of pollution and management of waste. After all, the Water Cess, while an important

source of revenue for the pollution control boards, was effective neither as resource-tax that incentivised judicious use of the scarce resource, nor as a pollution tax despite higher rates for more polluting uses and rebates for installation of pollution control equipment.

- It is time for a Green Tax Council, at par with the GST Council, to design and implement environmental fiscal reform in India.

### Connecting the dots:

- The Goods and Services Tax subsumed a variety of existing Central and State levies. Among them were three environment-related cesses. What would be the implication of such step on environmental regulation. Discuss.

### TOPIC:

#### *General Studies 2*

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

#### *General Studies 3*

- *Conservation, Environmental pollution and degradation, environmental impact assessment.*

### Rethinking on river-linking project

#### **Background:**

Is the proposed interlinking of rivers a bold and ambitious engineering project that will resolve the country's water woes or is it an ill-conceived plan built on obsolete ideas that will devastate the country's riverine ecosystems? Expert opinion on the matter remains as sharply divided as ever.

#### **River-linking project:**

The sheer scale and scope of the project: 30 river linkages and more than 3,000 storage structures spread across a 15,000km canal network that will transfer 174 trillion litres of water every year, and will cost a total of Rs5.6 trillion. This puts the river-linking project on a par with some of the most daring feats of engineering attempted in the history of mankind. It is a reimagining of the entire aquatic ecosystem of a country as large and diverse as India.

#### **Basic idea:**

Connect the Himalayan and peninsular rivers via a network of canals so that excess water from one channel can be diverted to another which has inadequate flow.

#### **Proponents:**

- It will irrigate about 87 million acres of farmland, control floods, and generate 34 GW of hydroelectric power. These are tantalizing prospects: India's rain-fed farms are forever hostage to the vagaries of nature, so much so that even one bad monsoon has a direct and debilitating economic impact.
- At the same time, simultaneous floods and droughts in different parts of the country continue to wreak havoc, destroying the lives and livelihoods of millions.
- India also desperately needs clean energy to fuel its development processes, and if river water can be leveraged and redirected to serve these purposes, that's an option worth exploring.

**Critics:**

- The project is built on bad science and an outdated understanding of water systems and water management. Specifically, the concept of surplus and deficit river basins—which is at the core of the river-linking project—is contested. A new study by researchers at the Indian Institutes of Technology in Mumbai and Chennai, analysing weather data over 103 years (from 1901 to 2004), has found that rainfall has decreased over the years by more than 10% even in river basins that once had a surplus, such as those of the Mahanadi and the Godavari.
- The project seems to view the river as a unidimensional water pipeline when it is, in fact, an entire ecosystem—and any changes to its natural course will have an impact on all the flora and fauna, the wetlands and the floodplains that are intricately linked to the river system.
- The long-term environmental impact of such a project is a major concern. For example, one of the reasons why the Ken-Betwa link, which is now receiving priority attention, has been stuck for several years is because it requires environmental clearance for diverting 5,500 hectares from the Panna National Park, a tiger reserve.
- Less than positive experience other countries have had with such projects—be it the Soviet regime's decision to divert the Amu Darya and the Syr Darya, which fed the Aral Sea, to irrigate the desert, or the Australian government's experiments in its Murray Darling basin.
- Political challenges as well. Water transfer and water sharing are sensitive subjects that have already spawned century-long disputes. Moreover, water is a state subject in India, and even though the Centre is empowered to bring an inter-state river under its control to serve the national interest, it has effectively never done so owing to enormous resistance from the states.

**Way ahead:**

Given the concerns and the massive investment required, perhaps the government would do well to consider other interventions, both on the supply side and the demand side, such as conservation of water resources and more efficient irrigation and agricultural practices, etc., to deal with India's looming water crisis.

**Connecting the dots:**

- Given the concerns and the massive investment required for river-linking project, the government should consider other interventions like conservation of water resources, more efficient irrigation and agricultural practices, etc., to deal with India's looming water crisis. Analyze

**Also read: Interlinking of rivers: Challenges**

<http://iasbaba.com/2015/07/iasbabas-daily-current-affairs-14th-july-2015/>

**TOPIC****General Studies 2:**

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

**General Studies 3:**

- *Conservation, Environmental pollution and degradation, environmental impact assessment.*
- *Water Pollution, Wastewater management.*

**Water management: Reinventing organisations****Background:**

A category IV hurricane Harvey that struck Texas in the US cause 50 fatalities, whereas a lesser intensity rainfall and floods cause nearly 500 fatalities and affect 10 million people in north India. Floods wreak havoc again this year in Bihar and UP impacting the life of the common man.

**Issues:**

- Floods remain destructive despite the fact that a maze of embankments have been built with considerable investment since decades as defence against floods by multitude of water organisations across India.
- Lakes in Bengaluru catch fire with amazing consistency as rivers run as toxic streams across Indian cities and towns.
- Mumbai, Hyderabad, Chennai and Ahmedabad, drown season after season.
- Farmers commit suicide as rain fails coupled with poor efficiency of canal irrigation. Concomitantly, groundwater levels have plummeted to alarming levels.
- Hundreds of crores of rupees have been committed across India since independence for structural intervention as flood defence or defence against droughts.
- The engineering structures have not been worthy of the investment. International example: The Netherlands and Germany have constructed embankments or dykes as a defence against floods, but when these countries discovered that the

investment on structural interventions as a defence against floods isn't worthy, they changed the very concept of management of floods with a novelty namely, "Room for Rivers" or "Living with Floods". Similarly in the US, as and when dams end their utility, they have been decommissioned, barrier removed to enable river flow smoothly.

### **Reasons behind chaos in the water sector:**

India's chaos in the water sector is primarily due to the prevalence of status quo with its outdated and dogmatic water institutions and organisations leading to outdated ideas and methods. The institutions and organisations from where the ideas originate remain the same since independence. Whether it is management of floods or droughts, the engineers in these organisations cannot think beyond the perspective of engineering solutions.

### **Constitutional position:**

- The Constitutional mandate over jurisdiction of Centre and States over water i.e. Entry 17 and Entry 56 that is outdated, creates confusion and lacks clarity, as it is inspired by pre-Independence era, Government of India Act, 1935.
- The Constitutional position is blind to the 21st century concepts such as "Integrated Water Resources Management", "Environment flows", "Conjunctive use", "Basin management", "Groundwater", "Water markets", "Water footprint" and "Virtual water trade".

### **Multitude of organisations:**

- A multitude of water organisations and institutions in India has been a bane of the water sector.
- About 23 organisations and ministries deal with water resources at the union government alone. Similar counterparts exist at State, district and village levels with overlapping jurisdictions.
- Primary issues such as pollution control, ground water management, policy and planning, environment concerns, rural and urban water supply have been torn between multiple organisations, institutions, ministries, norms and guidelines.

Paradoxically, these organisations rarely co-ordinate or integrate between themselves to solve a water problem.

### **Irrelevant organisations:**

Many water organisations in India have become irrelevant in 21st century due to the decades-old mandate of "build" or scientism of dam-building activities that includes barrages, dykes and canals, which were relevant in the 1950s and 1960s. These are irrelevant today.

### **Untrained manpower:**

- Engineers, dominating water organisations in India, aren't trained to recognise the inter-disciplinary nature of water resources.



- In many State water resources departments, most engineers aren't from specialisations of hydrology or hydraulics at all, which explains why India's water sector lacks innovation.

An example: Central Water Engineering Services, the only organised water service cadre of union government isn't composed of technocrats who opted water resources as a career choice but composed of the rejects who aspired for railways or roads or buildings or even civil services as their career choice.

These flaws have caused stagnation of ideas in water governance and management thus leading to a water crisis of monstrous proportions as witnessed in the form of floods, droughts and pollution across India, every now and then.

### **New challenges:**

The 21st century faces daunting challenges that were unknown 70 years ago, like:

- Population explosion.
- Change in consumption pattern.
- Rise in demand for water for agriculture, industry and environment.
- Plummeting groundwater levels.
- Climate change.
- Water conflicts, silting dams.
- Closed basins.
- Deteriorating quality of freshwater.
- Water conflicts threatening the federal structure of the country.

The above challenges demand fresh ideas and solutions beyond engineering ones.

### **The challenges of the future:**

- Ageing of dams
- Permanent loss of live storage, basin closure etc.
- Climate variability, water conflicts, etc.

### **Way ahead:**

The above mentioned issues cannot be overcome with a business-as-usual approach or with the same archaic ideas of structural intervention.

- The water crisis as demonstrated by the floods and water scarcity, and the futility of current methods demands governments to urgently revamp water institutions and organisations to liberate the water sector from 20th century dogma.
- We need to generate fresh ideas and innovations through a multi-disciplinary workforce to overcome the daunting challenges to the water sector.
- Reinvent the entire organisational structure, institutions and constitutional status for water organisations and institutions at union, State and local level at the earliest.

### **Conclusion:**

The impact of a worsening water crisis on the nation's economy, society and the environment is acute. Unsuspecting citizens face worsening health crises due to consumption of contaminated water, thereby destroying their hard earned savings. It is time we reinvent organisations and generate new ideas so as to save India from water crisis.

### **Connecting the dots:**

- Archaic water governance and management has led to a water crisis of monstrous proportions as witnessed in the form of floods, droughts and pollution across India, every now and then. Critically analyze.
- Discuss the challenges being faced when it comes to managing water crisis like floods year after year in India. Also elaborate what needs to be done at both organisational and constitutional level to solve the issue.

### **TOPIC**

#### ***General Studies 2:***

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*

#### ***General Studies 3:***

- *Conservation, Environmental pollution and degradation, environmental impact assessment.*

### **Rethinking on Interlinking of rivers- Part II**

#### **Background:**

Interlinking of rivers is a very expensive proposal. It has huge adverse environmental impacts on land, forests, biodiversity, rivers and the livelihood of millions of people. It is a socially disruptive proposition. It will not only add to climate change impact (destruction of forests means destruction of carbon sinks, and reservoirs in tropical climate are known sources of methane and carbon dioxide), but will also reduce our capacity to adapt to climate change.

#### **Issues with the Ken-Betwa link:**

The link will facilitate export of water from drought-prone Bundelkhand to the upper Betwa basin, as the detailed project report (DPR) makes clear.

- The Ken-Betwa link's hydrology is not known, so there is no way to check if the claim of Ken river being surplus is valid.
- There has been no credible environmental impact assessment of the link and no public hearings in canal and downstream affected areas. The link's environmental management plan is still being prepared.

- The Ken-Betwa link threatens about 200 sq. km of the Panna tiger reserve, and with it the Ken river and large parts of Bundelkhand. Yet, it does not have an environment clearance, a final forest clearance, and its wildlife clearance is being scrutinized by the Central-empowered committee appointed by the Supreme Court.

#### Issues:

The government justifies the river interlinking project by saying that it will provide irrigation, water supply, hydropower and flood control. However, each of this thought of benefits may not be actually achieved.

#### Providing irrigation:

Most of India's water benefits, including irrigation, come from groundwater. In fact, in the past two-and-a-half decades, the net national irrigated area from big dams has decreased by about 1.5 million hectares from a peak of 17.79 million ha in 1991-92, according to government data.

But in the same period, India's total irrigated area has gone up—primarily due to groundwater.

Groundwater is our water lifeline and whether we like it or not, whether we want it or not, groundwater is going to remain our water lifeline for decades to come. However, our current use of groundwater is not sustainable. The focus of our water resources development should be on how the groundwater lifeline can be sustained.

Interlinking of rivers entails a large number of dams that will lead to destruction of rivers, forests, wetlands and local water bodies, which are major groundwater recharge mechanisms.

Thus, river interlinking project is likely to create more problems than benefits.

#### Hydropower:

As far as hydropower is concerned, it is clear that large hydropower projects are no longer a viable option in India. The power minister has repeatedly said in Parliament over the last two years that hydropower projects of over 11,000MW are stuck due to lack of finances and questions over viability.

The chief minister of Himachal Pradesh has stated that private developers are exiting the sector as they consider the projects to be non-viable.

The situation in Sikkim and Arunachal Pradesh is similar.

It costs over Rs10 crore to produce one megawatt of hydropower, which in turn produces less than four million units of electricity. This means the per unit cost of power from such projects is in excess of Rs8 per unit, when there are no takers for power that costs even Rs3 per unit.

#### Flood control:

While theoretically, a large reservoir can help moderate floods in the downstream areas, our experience on the ground is different. For example, heads of government, state officials, and the Comptroller and Auditor General have on numerous occasions pointed out that big dams such as the Ranganadi dam, the Damodar dams, the Farakka and Bansagar dams, and the Hirakud dam have brought avoidable flood disasters to Assam, West Bengal, Bihar and Odisha, respectively.

- When some rivers are flooded it is assumed that the excess of water can easily be transferred to deficit basin. But when the Brahmaputra is in floods, so is the Ganga and all the rivers through which the water needs to be transferred, including the Subarnarekha, the Mahanadi, the Godavari, the Krishna, the Pennar, and so on. So, these transitory rivers won't be in a position to accept the excess water to pass on to deficit basins.

#### Seeing groundwater aquifer as storage option:

- The other problem with the river interlinking project is that of storing large quantities of waters. Most of the sites suitable for the big reservoirs are in Nepal, Bhutan and in the North-East—and each one has made clear their opposition to big storage reservoirs.
- If we can store water during the monsoon, we can make it available in the post monsoon months. The water resources establishment sees big dams as the only storage option. We instead need to focus on the the groundwater aquifer which is the biggest, cheapest, most benign, possibly fastest and most decentralized storage option for India.

#### Connecting the dots:

- What India needs is not interlinking of rivers but something else to achieve water, agriculture and livelihood security. Critically analyze.

**Also Read: Re-Thinking on River-Linking Project**  
<http://iasbaba.com/2017/09/iasbabas-daily-current-affairs-8th-sep-2017/>

#### TOPIC

#### General Studies 3:

- *Conservation, environmental pollution and degradation, environmental impact assessment*

#### Keeping our planet safe for future

#### Background:

The population of vertebrate species on Earth in the wild saw a dramatic fall of about 30% between 1970 and 2006, with the worst effects being in the tropics and in freshwater ecosystems.

Destruction of species' habitats by pollutants and land-use change are obliterating flora and fauna at unprecedented rates. The ecological footprint of humanity — the natural habitats,

such as water and land, transformed or destroyed as a result of human activity — far exceeds the biological capacity of the earth.

**Planetary boundaries:**

In an attempt to understand the natural world, its relationships with human societies and limits, in 2009, Johan Rockström and others from the Stockholm Environment Institute described elements of the biophysical world that link us together. Often regarded as a “safe operating space for humanity”, these planetary boundaries include loss of biodiversity, land-use change, changes to nitrogen and phosphorus cycles, ocean acidification, atmospheric aerosols loading, ozone depletion, chemical production, freshwater use and, of course, climate change.

In the course of 12,000 or so years after the last ice age, the Holocene epoch has offered a stable climate, a period of grace for humanity to grow and to flourish, with settlements, agriculture and, more recently, economic and population expansion. This epoch has since given way to the Anthropocene, the exact beginnings of which are debated, but which has led to over-reliance on fossil fuels, industrial agriculture, pollution in water, soils and air, loss of species and so on, which are devastating for many life forms and connected ecosystems throughout the planet.

**Biophysical considerations:**

Many of these conditions respond in a non-linear manner to changes. This means, for instance, that ecosystems that are stressed by their exposure to pollutants may not recover once the pollutants are removed. Or, some systems may collapse precipitously under conditions referred to as thresholds.

**What does crossing ecological threshold mean?**

- When ecological thresholds or tipping points are crossed, significant large-scale changes may occur, such as breakdown of glaciers in Greenland and the Antarctica, the dieback of rainforests in the Amazon, or failure of the Indian monsoons.
- Since these boundaries interact with one another and cause changes across scales, crossing a threshold in one domain can speed up or undermine processes in another subsystem. For instance, greenhouse gas (GHG) emissions increase ocean acidification, land-use change often increases GHG emissions, and increasing nitrogen and phosphorus deplete species biodiversity and freshwater resources and increase warming from climate change.

**Boundaries and limits:**

We are already at critical levels of concern for climate change, fresh water, species biodiversity and changes to nitrogen and phosphorus cycles, which are reaching tipping points.

For example, GHG emissions have led to average atmospheric carbon dioxide concentrations being about 410 ppm. This is well above the 350 ppm level considered a

'safe' limit, and the earth is already about a degree Celsius warmer than average pre-industrial temperatures.

### **"Carrying capacity" and "limits to growth":**

One may regard planetary boundaries as support systems for life on Earth or view them as expressing "carrying capacity" and defining "limits to growth". The thesis was published nearly half a century ago by the Club of Rome as a book in 1972. It described the situation we would find ourselves in with exponential population and economic growth. The "limits to growth" argument provided a lens through which to view the changing world of the 21st century. It also offered the idea of thinking about a system as a whole — systems thinking — not just as separate parts and feedback mechanisms as valuable processes in considering long-term change.

### **The idea of sustainability:**

The idea of sustainability has been embedded in the human imagination for a very long time and is expressed through our ideas of nature, society, economy, environment and future generations.

It became formally a part of international agreements and discourse when it was recognised at the Earth Summit of 1992 in Rio de Janeiro. This system view and the recognition of interlinkages among the social, environmental, and economic pillars of sustainability, and between biophysical planetary boundaries and social conditions, are essential to have a chance of keeping the world safe for future generations.

### **Conclusion:**

In thinking about the planetary limits, researchers and policymakers should reflect on multiple systems and the linkages among them. Step-by-step or transformative changes must be considered to keep the planet safe for the future.

### **Connecting the dots:**

- The ecological footprint of humanity far exceeds the biological capacity of the earth. Discuss. Also define the terms ecological footprint and biological capacity of earth. What changes are required to keep our planet safe for the future.

## ECONOMY

### TOPIC:

#### General Studies 3

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*
- *Inclusive growth and issues arising from it.*

#### A new industrial policy is in process

##### Background:

The government is preparing a new industrial policy, according to the department of industrial policy and promotion (DIPP), “to enable industry to play its role as the engine of growth and to shoulder the responsibility of adding more value and jobs”. This policy will replace the United Progressive Alliance’s national manufacturing policy which was expected to generate 100 million additional jobs by 2022.

##### What went wrong with the previous plan?

DIPP will be adopting a consultative approach. The previous plan was also developed consultatively. There were 26 working groups representing all stakeholders, who gathered data, debated issues, and developed strategies to achieve the goals. It would be very worthwhile to understand why the goals could not be reached and incorporate those insights into the new policy.

- **“A whole of government” approach** is required: A major problem was with the implementation of the previous plan. Job creation along with industrial growth requires aligned action on many fronts: infrastructure, skills, finance for small enterprises, a supportive trade policy, etc. It requires “a whole of government” approach. Partial solutions will not work. No matter how good the plan may have been, the absence of coordination among ministries and cooperation among stakeholders stalled implementation.
- **Changing the old mindset:** A greater challenge will be to change old theories in the minds of policymakers, and industry leaders too, about jobs/livelihoods, enterprises, and productivity.

The traditional concept of a good job/livelihood is full-time employment, preferably with a large organization, with assurance of continuity of employment and social security benefits. A dominant view of an enterprise that creates jobs is a large factory with hundreds of workers in assembly lines. Or, a large BPO (business process outsourcing) centre with hundreds of workers behind computer screens. So, if we want more jobs in the economy, we imagine we must have more such, large-scale, “organized” enterprises whereas the greater creators of jobs and livelihoods are enterprises that are much smaller, and seemingly unorganized (from the point-of-view of those with a fixed view of what an organization should be). However, there are many other ways of earning



livelihoods. For example: by owning a small enterprise—a small workshop, or street stall; as a member of a cooperative enterprise co-owned by many producers; driving one's own car as a taxi with Ola or Uber, etc.

### **Small (and informal) enterprises can create more jobs and livelihoods than large ones:**

The vice-chairman of NITI Aayog once said, "India does not have an unemployment problem; it has an underemployment problem". The problem is low productivity. In India, two workers do what one worker could do, which also means lower wages for both. Thus, enterprises should take measures to remove their extra workers. This will increase productivity—measured as output per worker, and it will increase the wages of the workers who remain with the enterprise. But what about the workers who are no longer employed by the enterprise? Here in comes the role of small enterprises.

- The small enterprises will continue to provide "underemployment" to the masses seeking jobs, who are not being employed by large enterprises that invest in automation, reduce employees, and thus substantially improve productivity per employee.
- For small enterprises, the solution for improving their competitiveness is to improve the skills of their owners for managing their workers and improving utilization of their materials and machines.

Productivity is a measure of how much output is produced per unit of input. The most common measurement of productivity is output per worker. But there can be other measures of the productivity of an economy.

### **Way ahead:**

- If the purpose of economic growth, from the point of view of citizens, is the production of more jobs and livelihoods, and if the scarce resource is capital, the more productive economy will be the one that produces more jobs per unit of capital invested. Contrary to the drive for more "scale", the economy should be one with a greater proportion of small enterprises that use more labour and less capital and have a higher "total factor productivity".
- Formation of strong clusters and networks of small enterprises, using technology, can enable them to acquire greater scale to obtain access to markets and resources. The policy should be to make clusters and networks more organized and formal rather than the individual enterprises.
- Faster implementation is key.
- Old theories need to be set aside and fresh solutions applied.
- Small enterprises have great difficulty in obtaining resources—finance, space to operate, skilled workers, etc.—and in dealing with the regulatory framework too. According to some economists, India has too many "informal" enterprises. They must be brought into the formal system, which means they must comply with the requirements of formality (which include compliance with regulations) so that they can obtain the benefits of incorporation into the formal system.

- At the same time, some economists are advocating that small enterprises should be relieved of compliance with all regulations (which implies greater informality) so that they have flexibility to grow.

As Einstein said, you cannot solve an intractable problem with the same theories that created the problem.

### Connecting the dots:

- The government is preparing a new industrial policy, “to enable industry to play its role as the engine of growth and to shoulder the responsibility of adding more value and jobs”. This policy will replace the National manufacturing policy. Before moving forward we need to introspect what went wrong with the NMP. Discuss.
- A general mindset when it comes to job creation is to establish large enterprises. As the large enterprises are suffering from problem of underemployment and also moving towards automation, it's the small enterprises which can help achieve the job targets for India. Analyse.

### TOPIC

#### *General Studies 2:*

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes; mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.*

#### *General studies 3:*

- *Major crops cropping patterns in various parts of the country, different types of irrigation and irrigation systems storage, transport and marketing of agricultural produce and issues and related constraints; e-technology in the aid of farmers.*

### Enhancing farm income on a sustained basis

#### **Background:**

Farm income is the excess of income from the sale of farmer's produce over his expenditure incurred on producing the same. It can thus be enhanced through: Maximisation of revenue; minimisation of costs of inputs, electricity, water, mechanisation, interest rates and logistics; and development of alternative sources of income.

#### **Enhancing farm income through:**

##### **Maximisation of revenue:**

- **Crop selection** : The farmer is an excellent economist, most of the time. However, in India, sometimes there is a mismatch between the crop produced and the demand for

the same. This leads to surplus production, without a direct linkage to the market. In situations like these, there is usually a fall in prices, leading to distress sale by the farmer and subsequent farm losses. Every crop's price is a function of global demand, supply, inventory levels, currency rates, trade flows, freight rates, interest rates, governmental policies and local politics.

Way ahead:

- With a view of assessing the same, a National Crop Planning Bureau can be set up, with a mandate to develop understanding and competencies on each of India's major crops. This will ensure that the farmer does not overproduce a wrong crop at the cost of foregoing profits on another crop.

Further, we need to ensure that India creates global competency in a few crops. India's agri-infrastructure is geared towards procurement, storage and movement of wheat and rice.

Planners need to identify a few more crops – corn, soyabean, potatoes, tomatoes and onions for example, where such competencies can be developed.

- **Yield maximisation** : While India's population has gone up significantly, it is to the farmer's credit that crop production has largely kept pace with the growing population. Each crop has a research centre in India, which works on testing multiple varieties of seeds. Hence, a critical component of maximisation of farmer revenue is continued research and development of higher yielding seeds. The seed replacement rate also needs to improve in India, so as to ensure continuous enhancement of yield levels. Further, State governments need to regularly deliver updated package of practices through their extension wings. Mechanisation, which is improving in India, with the emergence of pay-as-you-use custom-hiring models, will also increase the yields by a fair degree.
- **Collective farming and bargaining** : The bane of Indian agriculture has been our fragmented land holdings. As the per capita land holding is low, it is very difficult to secure benefits of mechanisation – as well as aggregation. The mandi system of India, in spite of its pitfalls, has done a tremendous job of aggregating and consolidating farm produce.

- Way ahead:

Now, the next step in this journey is to either form FPOs (Farmer Producer Organisations/ Companies) or to form farm co-operatives (FCs). These FCs and FPOs can be directly linked to the processor, exporter or retailer. This will help in a higher proportion of the revenue going to the farmer.

#### Minimisation of costs:

- **Inputs** : Cost of inputs can be minimised by ensuring zero tax on all participants of the value chain of manufacturing the input so as to have a low end-cost of finished product, ensuring early release of subsidies to the companies or the farmers so that any built-in interest cost can be offset, continued priority sector lending rate benefits, ensuring adequate availability during peak season to avoid black marketing, and a rationalised

subsidy calculation mechanism which negates net-back dilution on account of freight charges.

- **Electricity and water:** State energy development authorities under the Ministry of Renewable Energy should ensure that all farms shift to solar irrigation pumps, provided by the government under the National Solar Mission.
- **Mechanisation:** The revolution which we are seeing in urban areas on account of taxi hiring companies like Uber and Ola, needs to be taken to the farm level as well. The effort needs to be scaled up to provide other mechanised farm implements such as rotavator, cultivator, seed drill, leveller, harrow, tiller, combine harvester, soil sensors, moisture reader, precision agriculture tools, at a fraction of their cost.
- **Interest rates:** Interest rates on loans to farmers need to continue being the lowest.
- **Logistics:** An unseen component of the overall crop economics is the cost of logistics of marketing the produce. It is here that some of the benefits of having an FPO/FC can begin to percolate. The cost of transporting higher volumes leads to lower per tonne cost of transportation.

#### **Alternate sources of income:**

- **Dairy and livestock:** India needs to significantly increase its milk production to meet a 50 per cent increase in projected demand in the next five years. The government should establish formal breeding centres and subsequent sale of such cows and buffaloes to the farmers. It falls upon the government to bring some of the best technologies from Israel, as the private sector will never be making such investments.  
In addition to the breeding centres, formal cow hostels, with the best milking technologies from Israel should be established.
- **Financial literacy:** There is a need to take financial literacy through trusted sources like the LIC to the villages, so that the larger population of the country also becomes a prime participant in economic growth – and gets the benefits thereof to a fair degree by investing into Mutual Funds through FPOs.
- **Crop insurance:** The current models of crop insurance are factored basis rainfall, temperature and crop loss. However, a more robust model should take into account losses on account of pest attacks, quality deterioration. One of the ways can be by having formal tools of income measurement (mandi receipts) and insuring loss for shortfalls in such incomes.
- **Job insurance:** There are newer insurance products which insure jobs. The overall family income of a rural household also has a component of a non-farm job income from the informal economy (drivers, office boys, mechanics, salesmen, cleaners). This employment needs to be formalised and job losses prevented through social security programmes.
- **Population control:** The root cause of all of India's farm woes are small land holdings, a consequence of our expanding population. A start needs to be made for a one-child programme, which can halve India's population from the current 1.20 billion to 500

million by 2100. This will ensure that there is a surplus of production, higher land holdings and far higher farm incomes.

### Conclusion:

A plan to double farm incomes needs to be implemented by all State governments, irrespective of their political affiliations, so as to ensure that India becomes a fully developed country in the next 50 years. The above delineated steps can go a long way in helping achieving the goal.

### Connecting the dots:

- Discuss various ways to enhance farm income on a sustained basis.

### TOPIC:

#### *General Studies 3*

- *Issues related to direct and indirect farm subsidies and minimum support prices*
- *Major crops cropping patterns in various parts of the country*

### Solving the problem of pulses in India

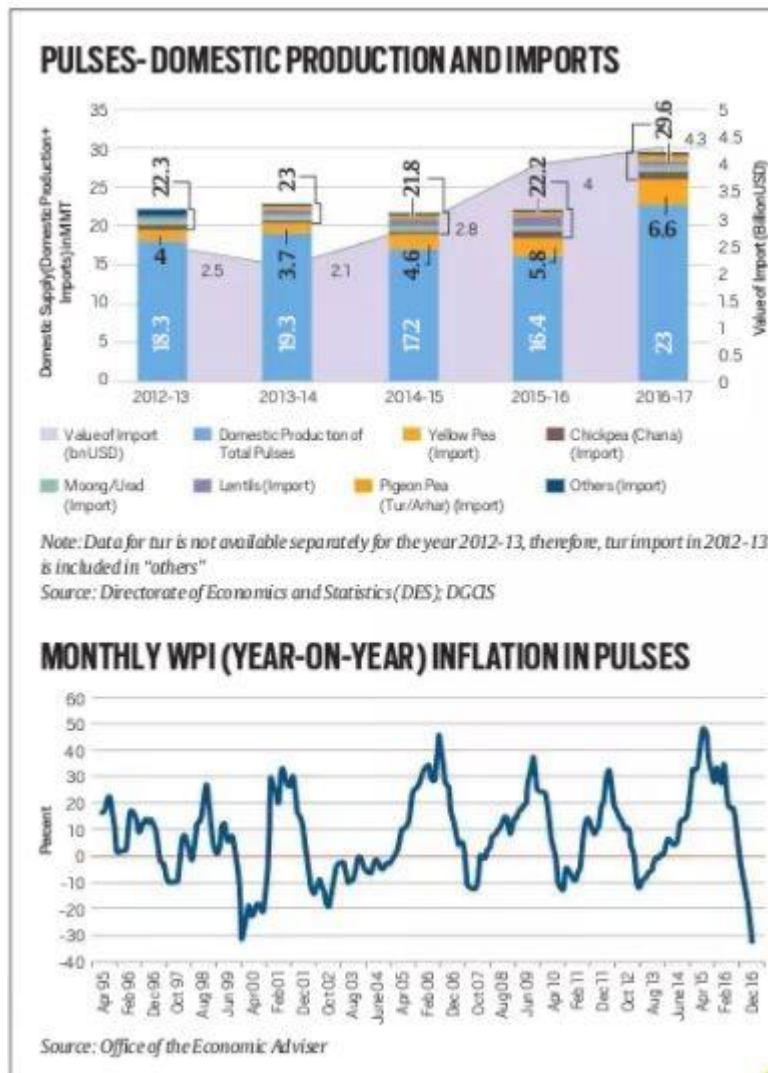
#### **Background:**

Pulses are an interesting and unique commodity group in the Indian agri-food space. The country ranks first not only in their production and consumption, but also their import. Domestic absorption in recent years (2012-13 to 2015-16) has hovered between 21 million metric tonnes (MMT) and 23 MMT, while domestic production has ranged from 16.4 MMT to 19.3 MMT.

#### **An anomaly- Highest domestic production coincides with highest imports:**

In 2016-17, India witnessed its highest ever domestic production of pulses — a staggering 22.95 MMT. The production of kharif pulses increased by nearly 70 per cent in 2016-2017 over that of the previous year and the total production of pulses increased by about 40 per cent.

Normally, in a year of such bumper production, imports would be expected to fall significantly and one would assume India to have become self-sufficient in pulses. However, the reality was very different. India imported a record 6.6 MMT of pulses, valued at nearly \$4.3 billion at zero import duty. As a result, domestic supply of pulses in 2016-17 shot up to 29.6 MMT, way above the typical supply of 22-23 MMT. The glut in domestic supplies caused wholesale prices to crash, despite a bold and first-of-its-kind effort by the government to procure around 1.6 MMT of pulses. The MSP price did not even cover the projected cost of production, Rs 5,700 per quintal.



Pic credits: <http://images.indianexpress.com/2017/09/graph.jpg>

#### Solution to the problem:

- The landed price of imported pulses should not be below the MSP of domestic pulses, else the MSP is irrelevant. The case of yellow peas- it constituted the largest share (3.2 MMT) of total pulses imported in 2016-17. Its landed price was around Rs 2,550 per quintal, while the MSP for chickpea was Rs 3,500 per quintal. This should have called for a 30-40 per cent import duty on yellow pea. Without such a duty, the imports of the yellow pea hit the Indian farmers adversely.
- For our farmers to have a level-playing field, exports of all pulses must be opened up without any quantity or minimum export price (MEP) restrictions. Export restrictions betray anti-farmer policies. (exports of pulses been banned for over 10 years)
- Pulses should be de-listed from the Agricultural Produce Market Committee (APMC) Act so that farmers can sell freely to whosoever they like, enabling a better realisation for the agriculturalists and a compression of the pulses value-chain.
- The relevance of the Essential Commodities Act (ECA), especially the provision that imposes stocking limits, must be critically evaluated and the act should be amended drastically. Unless private players are reassured that no ad-hoc stocking limits will be



imposed, there will be no investments in building storage and efficient value-chains. Prices, consequently, will crash during harvest time, hitting farmers adversely.

- It is crucial to give the farmer right incentives — at least some reasonable margin above the cost of production. The MSP for moong for the kharif marketing season 2017-18 fails farmers on this count.
- Futures trading should also be allowed for all types of pulses so that planting and selling decisions of farmers are based on a futuristic rather than a backward-looking price information.

### Conclusion:

As things are, we may either witness a decline in production of kharif pulses or another price crash in following years. That may spur another round of farm loan waivers. The pulse problem thus needs to be solved. With the above mentioned policy changes, and a fairly reasonable buffer stock in place, the government can surely manage the pulses sector better.

### Connecting the dots:

- Pulses are an interesting and unique commodity group in the Indian agri-food space. The country ranks first not only in their production and consumption, but also, their import. Discuss the reasons behind lack of self-sufficiency when it come to pulses and what should be the solution to the problem.

### TOPIC

#### *General Studies 3:*

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*
- *Inclusive growth and issues arising from it.*

### Inclusive growth: Indispensable to reach India's full economic potential

#### **Background:**

Today, India is in the midst of an equally monumental struggle in economic liberalization. An economic future of broadly shared prosperity and vanishing poverty for more than 1.2 billion people is within grasp. To get there, however, calls for advancing inclusive growth.

#### **Good economic performance:**

India's economic performance in recent years has been outstanding in relation to both its own historical record and the global economy. Between 2010 and 2016, for example, annual real gross domestic product (GDP) growth in India averaged 6.7% despite a relatively weak post-crisis global economy that averaged only 2.7% annual gains.



**Deficiencies in economy remains:**

There is a growing recognition that many deficiencies in the economy remain deep-seated and if not effectively addressed could undermine future growth.

- **Employment growth:**

Despite strong economic growth in the last decade, job growth averaged only approximately 2% a year in the formal sector. Such growth is basically flat when adjusted for the growing population.

In the coming decades, some 12-15 million Indians will enter the labour force each year, and if the current job [growth trends persist](#), fewer than half of them will be able to secure formal employment of any kind.

For those who fail to find formal employment, their only option is to work in the informal economy.

- Informal sector:

It is estimated that about 80% of [India's labour force](#) works in the informal economy. Jobs in the informal economy are typically insecure, with neither employment contracts nor regular pay, and very often workers are engaged on a day-to-day basis. The working conditions in the informal economy therefore resemble a low-productivity trap.

Employers have no incentives to invest in training workers who are seen as transient and interchangeable or to invest in better tools and equipment for them. Without some assurance of future income, workers find it difficult to plan for the long term, let alone find the means to invest in learning new skills. The informal economy thus embodies the exact opposite of inclusive growth: workers are effectively excluded from accessing many of the resources they need to make themselves more productive and thereby improve their life chances.

- **Low-productivity:**

At the most basic level, economic growth results from labour force growth and productivity growth of workers. With 80% of the labour force stuck in low-productivity activities in informal employment, it is not surprising that the Indian economy is performing far below its true potential.

**Way ahead:** Advancing inclusive growth is important in India today.

**Reducing the size of informal economy:**

- For the Indian economy to reach its growth potential, ways and means must be found to move workers from informal to formal employment. Ultimately, the economy can reach its full potential only when the hundreds of millions of Indian workers can escape the trap of low productivity.

Reducing the size of the informal economy is pivotal to inclusive growth.

- It allows India to reach its growth potential and deliver broadly shared prosperity for the vast majority.
- Sustaining a real GDP growth rate of 7% each year until 2040 will quintuple per capita GDP to \$28,000 on a purchasing power parity basis.

- By 2040, India will also reach its maximum share of the working-age population. This will help endow the youth bulge with meaningful, well-compensated and rewarding formal employment in a society where prosperity is broadly shared and absolute poverty has become a thing of the past.

**Convergence of recent reforms:** Recent reform initiatives are preparing the ground for greater inclusion.

- The biometric-based unique identification system, Aadhaar, now ensures that the poor are no longer invisible and, therefore, more empowered.
- A bank account for every adult now ensures universal access to financial services, at least in principle. When combined with Aadhaar, such access will accelerate financial inclusion.
- The shock of demonetisation and the introduction of the new national goods and services tax will gradually expand India's tax base and eliminate incentives for businesses to operate in the shadow of the formal economy.

Much greater gains will be realized when the different reforms begin to converge to bring more people into the mainstream economy altogether. What is needed is to sustain the push for more reforms, not fewer.

**Conclusion:**

After 70 years of independence, what India needs to do next is clear: democratize productivity through inclusive growth to finally reach its full economic potential.

**Connecting the dots:**

- Despite good economic performance in recent years, many economic deficiencies especially large informal sector and poor job growth remains. In this perspective how inclusive growth is required so that India could reach its full economic potential.

**TOPIC:**

***General Studies 3***

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment*
- *Inclusive growth and issues arising from it*

**Adopting service-based model in tax administration**

**Background:**

While tax administration has seen some paradigm shifts both in the domain of direct and indirect taxes, the taxpayer still seems to be wanting for greater certainty and fairness in the levy, assessment and collection of taxes. This is where an internationally recognised concept such as taxpayer rights holds well even in the Indian context.

**Ensuring trust between tax collector and taxpayer:**

The Central government has development strategies in the form of campaigns like 'Make in India' and 'Startup India'. The recent introduction of the Goods and Services Tax (GST), which is the most significant overhaul of the taxation system in India ever, aims to achieve a unified market across the nation for the first time. The intent is to transform India into a manufacturing, investment and research and development hub and consequentially, there would also be an increase in revenue generation. In the light of such economic aspirations, a fair balance between taxpayer rights and obligations will only ensure a higher degree of trust between the tax collector and taxpayer, thus leading to a higher tax yield.

**Tax disputes:**

India has seen key tax disputes ever since a similar growth-oriented road map was adopted by the government in the early 1990s.

- For instance, in order to attract investments, the government signed Double Taxation Avoidance Agreements (DTAAs) with states like Singapore and Cyprus on similar treaty terms as the India-Mauritius DTAA signed in 1983. These agreements proved to be detrimental in the long run for India. Multiple disputes relating to capital gains surfaced due to exploitation of legal loopholes in these DTAAs.
- Another example is of 'transfer pricing' mechanism (the rules and methods for pricing transactions between enterprises under common ownership or control), where there was little clarity with respect to international transactions between associated enterprises before April 2001. Even after the introduction of a dedicated transfer pricing segment in the Income Tax Act, the chaos could not be curtailed as the determination of arm's length price (the price of such international transactions in open market conditions) would almost always be a contentious exercise.
- After the debacle the government had to face when it lost to Vodafone on a capital gains dispute in the Supreme Court, retrospective amendments were made to the Income Tax Act to supersede the adverse judgment of the Supreme Court in 2012, which were not limited in effect to only Vodafone but several such disputes relating to taxation of capital gains and deemed income of numerous MNCs having their interest or investments in India, directly or indirectly.

**Issues with recently introduced reforms:**

- The GAAR provisions have been made effective in India from April 1, 2017, and they can be considered as the latest chapter on the mismatch between taxpayer rights and obligations. Some major concerns with respect to taxpayer rights are left grossly unaddressed. A major example is the revocation of 'presumption of innocence' of the taxpayers. It is now a burden ab initio on these business entities to prove that their tax mitigation techniques do not qualify as 'impermissible avoidance arrangements'. This goes against the fundamental principle of 'innocent unless proven guilty'.
- With dual GST, the path ahead is not simple. For example, the GST Network will process billions of invoices every month, with its concomitant economic and fiscal impacts of technical glitches and other such situations. These snags will impact traders with

genuine transactions, as the processing of their tax collections, input tax credit claims and tax refunds might get affected. A precedent is the GST in Malaysia which was implemented in 2015: cash crunch woes due to the delayed refunds were among the prominent grievances of the trading community.

### **Service-based strategies:**

The government has adopted a constructive approach, aiming to improve tax administration and as a result ensuring better tax compliance. The recommendations of the Tax Administration Reform Committee, submitted to the Finance Ministry in 2014, tried to reintroduce a fair balance between the rights and obligations of taxpayers. Several of these recommendations, such as improvement in taxpayers' service, enhanced use of information and communication technology, exchange of information with other agencies, expansion of tax base, compliance management, etc. have either been accepted or implemented to ensure a better relation between the taxpayer and the tax collector.

### **Shift towards service-based strategies:**

Tax administrators in India have for long implemented enforcement-based strategies and it is only in recent years that there has been a shift in stance to service-based strategies.

- Introduction of a citizen's charter in both direct and indirect tax statutes of India. It helps in enforcing existing rights.
- India has also renegotiated the much-abused provisions in some of its DTAA's, namely with Switzerland, Mauritius, Cyprus and Singapore. Capital gains-related issues and exchange of information on taxation matters have been better addressed in these amended agreements.

### **Conclusion:**

Taking everything into account, there is more awareness on taxpayers' obligations and rights. While attempts are there to increase the rights and to provide better service for genuine taxpayers, the taxpayers who deliberately abuse tax provisions should not expect much leniency. A quest for balance between the rights and obligations of a taxpayer must be achieved. Shifting tax administration from an enforcement to a service-based model will lead to higher yields

### **Connecting the dots:**

- With major reforms in tax administration like GST and GAAR in process its time India shifts towards a service-based model in tax administration. What benefits such a shift will yield. Discuss.

### **TOPIC**

#### ***General Studies 3:***

- ***Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.***

- *Inclusive growth and issues arising from it.*
- *Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.*

### Structural reforms and not fiscal stimulus is what Indian economy requires

#### **Background:**

The government of India is working on a plan to revive the economy after growth slipped to a modest rate of 5.7% in the first quarter of the current fiscal compared with 7.9% in the same quarter last year. Media reports suggest that it is mulling a fiscal stimulus to boost growth, which could increase the fiscal deficit. The idea is that in the absence of sufficient investment demand from the private sector, higher government expenditure will help boost gross domestic product (GDP) growth.

#### **Providing fiscal stimulus- Not a good option:**

There are sound economic reasons why the government should adhere to its fiscal commitments.

- The deceleration in growth is partly being explained by the lingering impact of demonetisation and destocking before the implementation of the goods and services tax (GST).

The impact will peter out and output affected by these events doesn't need fiscal support.

Opening the fiscal tap at the moment would mean that crucial reforms in areas such as improving the ease of doing business might get postponed.

- There is no guarantee that expanding the deficit will take India to a higher sustainable growth path. In fact, the economy already has a fair amount of fiscal support with the combined fiscal deficit running in excess of 6% of GDP. Expanding the deficit by another half a percentage point, for instance, is unlikely to change things materially on the ground. Furthermore, the government has exhausted over 90% of the estimated fiscal deficit for the year in the first four months, but it has not resulted in the desired level of growth. All this shows that increasing government spending may not be sufficient to boost growth in a sustainable manner.
- Expanding the deficit can complicate policy choices for the Reserve Bank of India (RBI). It can affect RBI's target of keeping inflation around 4% on a durable basis.
- If the government decides to expand the deficit in the current year, a reversal will be unlikely in the next fiscal, as it will end close to the general election. This means that the deficit will remain elevated for a considerable period and would affect investor sentiment.

It is in India's own interest to keep its house in order and minimize risk from external shocks.

#### **Interventions that go beyond stimulus are required:**

Economic growth has slowed considerably and the economy needs policy intervention that goes beyond running a bigger deficit. What the economy needs is deeper and broader structural reforms that will help attain sustainable higher growth in the medium to long run.

- Proper implementation of big-ticket reforms like GST and the bankruptcy code.
- Factor markets such as for land and labour, and public sector banks need immediate attention.
- On the fiscal front, government should address all the issues in the functioning of GST. If revenue gets affected because of operational issues, fiscal management will become extremely difficult. Higher tax revenue from GST will help push public expenditure.
- The government should also aggressively pursue disinvestment and privatization, which will help augment resources.

### Conclusion:

Irrespective of the slowdown, the Indian economy needs higher public investment, but it need not come at the cost of fiscal discipline.

### Connecting the dots:

- The India economy is not performing well as suggested by GDP growth data. In this light the government is planning to provide fiscal stimulus. Discuss the rationale behind. Also, critically analyze how the need of the hour is structural reforms and not fiscal stimulus.

### TOPIC

#### *General Studies 3:*

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.*
- *Inclusive growth and issues arising from it.*
- *Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth.*

### Framing of A New Industrial Policy

#### **Background:**

A new industrial policy is being framed by the government.

#### **Changed outlook:**

- Until the 1980s, industrial policy was driven by the theory that the Government must closely manage the flow of investments into selected industrial sectors to nurture their development.
- Dissatisfaction with this approach, primarily because it stifled entrepreneurship, made the Government change its approach from the 1990s towards a free market approach with the expectation that market forces would cause industrial growth to accelerate. However, that did not happen. India's manufacturing sector, which should have been a

principal driver of industrial growth and creator of jobs, languished at 16 per cent of the economy. While the services sector grew, overall job growth did not keep pace with the growth of the population.

- The underlying approach to industrial growth in India until the 1990s was top-down planning, of attempting to manage the inputs-outputs of the economy through licenses to produce and allocations of resources.
- After the reforms of the 1990s, the paradigm shifted to the other extreme, of 'leaving it to the market', and hoping that freedoms to invest and produce would result in the growth of more jobs and livelihoods. However, the bureaucracy continued to tie up enterprises in knots.

### **Comparison with China:**

By 2009, Chinese capital goods' production capacity was about 50 times as large as India's and India was importing machinery, power generation equipment, and other capital goods in increasing quantities from China. India's industrial sector had become much smaller than China's and lost its depth too.

### **Process of industrialization:**

The process of a country's industrialization is a process of enterprises in that country acquiring capabilities to produce more complex products that they could not produce before.

- Workers learn skills they did not have before.
- Managers of enterprises learn to apply technologies and manage processes that they could not before.
- Government policymakers and implementers learn how to create conditions for industrialization.

### **Framing of new industrial policy:**

#### **What needs to be done?**

- The development of enterprises and the development of skills of workers cannot be put into separate, disconnected policy silos. Case study-The skills provided to people must fit the jobs they do. Therefore, successful programmes to develop skills cannot be managed within a ministry dedicated to labour or skills. This approach, wherein industrial training institutes were under the labour ministry (and may now be moved to the skills ministry) resulted in the mismatch between the output of the skills programmes and requirements of industry, and trainees finding that they could not get jobs.

Less than 20 per cent of the millions trained by this government's (and the previous one's) drive to skill millions have found jobs. On the other hand, enterprises complain to the industrial development department that they cannot grow because they do not have people with the requisite skills. Therefore, policies for developing skills must mesh with policies to stimulate growth of enterprises.

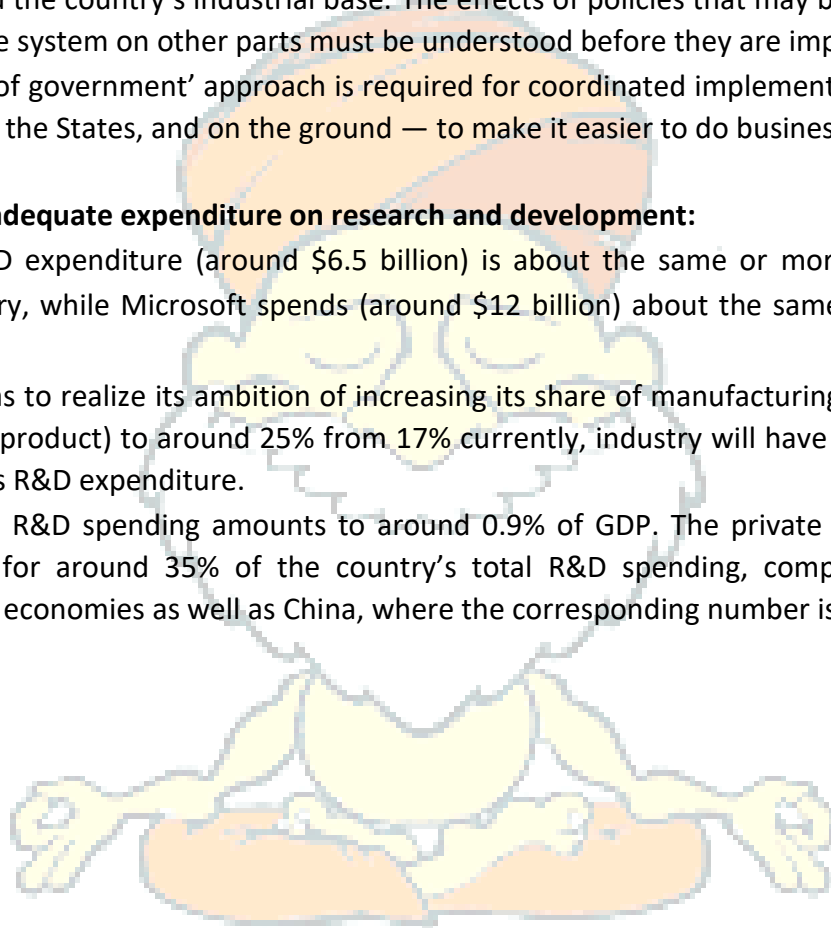


- A 'systems view' is required to connect many parts of the system and many policies — for investment promotion, trade regulation, enterprise regulation, labour policies, etc — to enable the economy to deliver the results citizens want from growth, namely better jobs and livelihoods. Case study- Improvements to one part of the system can have unintended consequences on other parts. Making it easier for one sector to produce by reducing duties on its inputs creates inverted duty structures which can hurt the growth of the input sector. This has resulted in the weakening of India's machinery sector, for example, and weakened the country's industrial base. The effects of policies that may be good for one part of the system on other parts must be understood before they are implemented.
- A 'whole of government' approach is required for coordinated implementation — at the Centre, in the States, and on the ground — to make it easier to do business in India.

**Industry's inadequate expenditure on research and development:**

Huawei's R&D expenditure (around \$6.5 billion) is about the same or more than that of Indian industry, while Microsoft spends (around \$12 billion) about the same as the Indian government.

- If India has to realize its ambition of increasing its share of manufacturing in GDP (gross domestic product) to around 25% from 17% currently, industry will have to significantly step up its R&D expenditure.
- Currently, R&D spending amounts to around 0.9% of GDP. The private sector in India accounts for around 35% of the country's total R&D spending, compared to many advanced economies as well as China, where the corresponding number is around 70%.



## Top 2,500 global R&D spenders

Indian industry still has a long way to go

Rank	Sector	Total no. of companies	No. of Indian companies	No. of Chinese companies
1	Pharmaceuticals & biotechnology	316	8	21
2	Automobiles & parts	155	6	28
3	Technology hardware & equipment	316	0	37
4	Software & computer services	275	5	32
5	Electronic & electrical equipment	229	0	39
6	Industrial engineering	199	1	30
7	Chemicals	133	0	10
8	Aerospace & defence	56	0	6
9	General industrials	96	0	15
10	Oil & gas	49	1	6
	<b>Total no. of companies (top 10 sectors)</b>	<b>1,824</b>	<b>21</b>	<b>224</b>
	<b>Total (2,500 firms)</b>	<b>2,500</b>	<b>26</b>	<b>301</b>

Source: Naushad Forbes, "India's National Innovation System: Transformed Or Half Formed", chapter in Rakesh Mohan's book, "India Transformed: 25 Years Of Economic Reforms"; EU Industrial R&D Investment Scoreboard (2015); CTIER.

This will need to be addressed by the new industrial policy, else it risks remaining a structural headwind that will continue to weigh on India's productivity growth going forward.

- The new industrial policy should aim to push for technological deepening in sectors where Indian companies are globally competitive and also provide a road map to enable industry to diversify across sectors. Healthcare is one sector where there is significant potential to increase both public and private R&D expenditure. Focusing on healthcare equipment and services for example, where India has no R&D presence, would assist in technological deepening within the healthcare sector—and also in providing affordable and accessible healthcare through “frugal” medical devices.

### Conclusion:

Making of the industrial policy should be a consultative process and it should be well coordinated across various ministries and backed by strong research. The framing of the new industrial policy should be seen as an opportunity to chart a meaningful path for industry's role in India's development.

### Connecting the dots:

- The new industrial policy being framed must focus on a holistic approach towards handling the issues being faced by manufacturing sector in India. Discuss.

**TOPIC****General Studies 3:**

- *Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment*
- *Inclusive growth and issues arising from it*

**Making GST good and simple****Background:**

The GST was India's second tryst with destiny and introduced with the great hope that it would help India achieve economic greatness. But with each passing week, the new complex tax system is getting increasingly difficult to implement. The GST came in the wake of extensive collateral damage inflicted by demonetisation. The consequence has been a serious setback to several sectors of the economy.

**Not-to-do list:**

If the GST has to be made "good and simple" it is suggested that the following "not-to-do list" be adopted, at least in the short term.

- **E-way bills-** The implementation of e-way bills should be postponed for at least a year. The existing electronic system is woefully inadequate and in case of an issue with the system it will be disastrous if every movement of goods requires access to a portal for generation of an e-way bill. Further, most transport operators have only a few trucks and it will be cruel to inflict this torturous system on them when the Centre and states are ill prepared.
- **Monthly returns-** The proposed system of filing GSTR-1, GSTR-2 and GSTR-3 — three returns per month — proved to be unworkable and necessitated the GSTR-3B return which is a monthly summary. This monthly return should be continued for a year till the electronic infrastructure is improved. It is also worth reconsidering the need to file 36 monthly returns per year per state.
- **Matching of invoices-** This system does not exist anywhere in the world and there is not a single logical reason why this should be implemented in India. It will place an intolerable burden on the electronic infrastructure and entail huge compliance costs for the small and medium sectors.
- **Exports-** No sector has been dealt with a more crippling blow than the export sector. Under the earlier system, non excise exporters, merchant exporters and service exporters could simply export goods and services. In the GST regime, an exporter has to execute a letter of undertaking subject to eligibility or a bond with bank guarantee just to export. The government promised instant refunds but this has not happened. Merchant exporters who could earlier procure goods without tax are required to pay the GST which is a cash outflow.

Serious glitches in the electronic system have adversely affected the refund system resulting in serious working capital pressure on exporters. Unless the earlier system is restored, Indian exports will be seriously affected.

**To-Do list:** Following steps can help make the GST business-friendly and more in tune with Indian ground realities.

- One cannot wish away the large unorganised sector and it is not practical to bludgeon them into becoming instantly tax-compliant by digitisation. A small hosiery shop in Mumbai cannot purchase banians or socks from Tirupur. And traders in places like Delhi and Goa will be unable to avail the scheme because most products have to be brought from other states. It is necessary to seriously consider a flat-tax GST rate of, say, 10 per cent, on all businesses with a turnover of upto Rs 2 crore regardless of the product or service. The GST paid thereon should also be eligible for input credit. Such a reduction will be a terrific boost to the growth of goods and services, while eliminating huge paper work and electronic overload.
- Stop making changes in procedure and adding new requirements- Seven amendments to the CGST rules in a span of less than three months and multiple amendments to notifications have only increased the confusion. The FAQs, published at great cost, must be binding on the Centre and the states as they ensure pan-India certainty.
- The multiple rates of taxation and an elaborate classification system are bound to lead to classification disputes. It is imperative that classification is shrunk to three or four categories with not more than three applicable rates. A lower rate of GST will stimulate demand and spur economic growth because high taxes are always counter-productive. Indeed, a major part of the revenue of the states is from petroleum products and excise duty on alcohol. The collection of sales tax on various other goods is substantially less. Therefore, having a maximum GST of 18 per cent will result in substantially more revenue than the present complex system of higher rates of taxes.
- The proposed system of shared administration will also lead to serious difficulties. It is better that the states are given exclusive jurisdiction to deal with assesseees upto a turnover of Rs 10 crore or even Rs 25 crore so that the Centre can only deal with assesseees with higher revenue.

### **Conclusion:**

The present GST system faces many challenges in its implementation. It is dangerous to proceed with the hope that things will eventually settle down. Immediate steps are necessary to ensure that India's second tryst with destiny does not become a tryst with disaster.

### **Connecting the dots:**

- The GST introduction is surely a transformative and revolutionary change. However, various issues remains to be resolved. Discuss in detail the problems being faced in its implementation and how it can be resolved.



## SCIENCE AND TECHNOLOGY

### TOPIC

#### General Studies 3:

- *Science and Technology- developments and their applications and effects in everyday life Achievements of Indians in science & technology; indigenization of technology and developing new technology.*

#### Artificial Intelligence can be transformative: But only with right public policy

##### Background:

Automation, a product of recent advances in Artificial Intelligence (AI), has been recognised as a harbinger of a different era of socio-economic relations. Studies by Deloitte in UK and McKinsey in the US are estimating that currently demonstrated technologies will kill from a third to a half of all jobs within a decade. In this scenario, what should be India's national policy towards AI?

##### Indian labour will face a deep crisis in the wake of AI:

Over 90 per cent of the Indian workforce is organised informally and is vulnerable to sweeping economic upheavals.

- As AI proliferates, the contractual/gig economy will expand, amplifying precarity and triggering a downward spiral in wages.
- Construction and manufacturing labour, already atomised and benighted by the contractual system, will not be able to collectively bargain against an industry when it starts adopting 3-D printing technology.
- Farm labour, already in peril due to pricing, will suffer due to the glut of imported cheap food produced by automated farming and the agricultural robotics industry being conceived in East Asia. Vehicle assembly line production is already being replaced by robots.
- In IT, hiring has decreased by more than 40 per cent in the last year with sharper cuts predicted. Large parts of the IT sector are dependent on outsourcing and those jobs are at risk. Job creation figures in the non-farm formal sectors have fallen by half from 2011 to 2016.

##### How AI can be transformative?

##### Transforming agriculture:

Automation presents an interesting opportunity as a means to transform agriculture. It is easier to allot land to a smaller farming population (only 10 per cent farmers in India own land), and teach them how to use automated machines to get higher, more consistent yields in conjunction with other improved farming practises. But freeing of agricultural labour should be done only after launching a national industrial and infrastructure-centric public works programme, augmented with automated machinery

and processes, for the benefit of rural communities, which will absorb the freed agriculture labour.

### **Improving productivity:**

Technologies like 3-D printing, earlier mentioned as a peril for construction workers, could become a catalyst for getting the sort of productivity needed for such ambitious projects.

### **Transforming distribution and management:**

- AI would open doors to consider alternate ownership models. Machine learning processes can be used for enhancing logistics and operations.
- Better distribution and management will help in following ways: It allows worker run co-operatives to become efficient enough to compete against traditional corporate structures, allowing the government to incentivise such formations, in turn increasing worker prosperity. AI-based cooperatives can be the bedrock of a more just economy. It necessitates creating governmental agencies to use AI, under public oversight, to run PSUs better.

### **Structures of governance could be strengthened and improved:**

- Statistical analysis can be used to detect malpractices, fraud, and corruption. Already, AI is being used to combat propaganda and spurious news.
- Computational linguistics can be used to preserve the vast cultural heritage of our marginalised peoples, and AI could be a boon for understaffed but vital agencies.

### **Way ahead:**

The impoverished conditions of India present an opportunity for the government to consider public works (works needed to raise living standards) distinct from jobs (work which the market will provide) as a means to ensure employment.

- The government must invest heavily in large infrastructure and development projects, and liberally use automation to free up sections of the workforce to work on them.
- Simultaneously, the government must encourage horizontal cooperatives based around AI to ensure knowledge-worker controlled decentralised progress in AI on the ground.

### **Conclusion:**

AI like every other productive force in the past, is a tool. It will affect social relations depending on who wields it and how. An enlightened education policy that recognises the paramountcy of quality education in an age of automation is called for. In a future economy dominated by AI, education must be free, universal, and of high quality. AI, in the hands of a visionary Indian government, instead of being an implacable foe of labour, can become its stalwart defender. It can unite the goals of development and public prosperity.

### **Connecting the dots:**



- AI, in the hands of a visionary Indian government, instead of being an implacable foe of labour, can become its stalwart defender. It can unite the goals of development and public prosperity. Discuss.
- Automation driven by AI is a major threat to Indian labour workforce as it is majorly unorganized. Discuss how to tackle this challenge.



## HEALTH

### TOPIC

#### General Studies 2:

- *Government policies and interventions for development in various sectors and issues arising out of their design and implementation.*
- *Issues relating to development and management of Social Sector/Services relating to Health*

#### Ascertaining quality healthcare

##### **Background:**

The death of children in the recent Gorakhpur tragedy has drawn significant attention towards the state of public health institutions in Uttar Pradesh (UP). An analysis shows that within the state, the public health infrastructure is far worse than Gorakhpur in most districts. The disease in the public health system of UP is much worse than symptoms like Gorakhpur reveal.

##### **Misallocation of resources- Case Study:**

In terms of CHCs, UP has a suspicious surplus of 190% CHCs compared to what is required. The data shows that most of these CHCs were constructed in 2014 and 2015. These CHCs have a severe shortage of human resources and basic infrastructure. Less than half these CHCs have a functioning X-ray machine. Fundamentally, this suggests gross misallocation of resources and wastage of public funds.

##### **Shortage of human resource and basic infrastructure:**

There is a drastic shortage of human resources and basic infrastructure required to run public health institutions effectively.

- The data from the government's Rural Health Statistics—2016 shows that there is an overall 84% shortage of specialists, 77% shortage of lab technicians and 89% shortage of radiographers in the CHCs of UP.
- There are similar shortages in SCs and PHCs in the state as well.
- Almost 91% of the PHCs do not have a lady doctor on duty and 60% do not have a functional operation theatre.
- Many of the PHCs and CHCs do not have regular supply of drugs for common ailments.
- High incidence of diseases like diarrhoea raises concern about the ability of the public health institutions to treat common ailments such as diarrhoea.

##### **Lowest ranking states:**

UP, Bihar, and Jharkhand are the lowest ranked states in terms of overall quantity and quality of public health infrastructure in India. The worst performing districts of

Chhattisgarh, which is ranked second among the 21 big states, are comparable to the best performing districts of UP, Bihar and Jharkhand. This disparity across states might have several underlying causes but it also reflects systematic neglect of public health in some states.

UP's per capita public spending on healthcare in 2015-16 was less than half of Chhattisgarh's. Moreover, within UP, some districts such as Kushinagar have hardly any rural health facilities at all. Citizens probably need to travel to nearby districts for most basic healthcare.

### **Top ranking states:**

In the overall ranking, the top 5 states are Jammu and Kashmir, Chhattisgarh, Gujarat, Karnataka and Rajasthan, while the worst six states are Bihar, Jharkhand, UP, West Bengal, Odisha and Haryana. While Gujarat has relatively lesser quantity of public health infrastructure than Kerala, it has significantly higher quality as measured by availability of doctors, nurses, supply of drugs, etc. This makes the overall condition of public health infrastructure of Gujarat superior to Kerala.

Similarly, Delhi has more public health infrastructure than most states, but the relative quality is poorer than several large states.

### **Governance reforms:**

The long-term quality of local public health infrastructure will be fundamentally determined by the governance reforms that we introduce in this sector.

- Health being a state subject offers great opportunities for experimentation.
- Some states have chosen to empower their medical officers. These states, for example Kerala, have given greater authority for decision-making to their medical officers and also, therefore, hold them more accountable. In many parts of India, however, most local decisions are routed through the district magistrate's office. This is inefficient and undesirable for sustained improvement of public health institutions in these states. There are several such examples of good governance and best practices available within the country and that could be adopted by the states that are struggling with the knotty problem of poor public health systems.

### **Conclusion:**

While there has been a massive drive to expand the quantity of public health infrastructure in India, particularly in rural areas, the focus must urgently shift to staffing of doctors, nurses, technicians, availability and maintenance of equipment and supply of drugs.

### **Connecting the dots:**

- Several examples of good governance and best practices are available within the country in public health systems. These could be adopted by the states that are struggling with the problem of poor public health systems. Discuss.

- The Gorakhpur tragedy reveals how grim the situation is when it comes to public health systems in India. Analyze.

