

1. Examine the factors behind the rising prices of onions in India. What are the usual interventions that the government makes to tackle sudden spikes in food commodities? Examine.

Introduction

The fluctuation of prices of onions is a yearly phenomenon in India which hovers around Rs.100/kg in peaks and falls to even Rs.1/kg in times of oversupply. The issue as per the experts is due to the mismanagement of surplus than the shortage of supply.

Body

Factors Behind increasing price of onions:

- Supply shortage: the following happened creating shortage in onions supply.
 - Fresh onions are available from the month of January to May. The rest of the time is supplied from Rabi onions which comes from few states and mismanagement in stocks create supply problem.
 - Delayed arrival of monsoon and in turn delayed sowing of early kharif crop which create shortage/delay in supply.
 - Significant rains at the time of harvest of Andhra Pradesh and Karnataka crop in August/September which results in crop loss.
 - Import of the onions were delayed due to delay in tender and also due to supply shortage from other countries.
- Government intervention were inadequate. A timely and flexible measures as per the demand and supply is needed which were not taken like
 - Government did not increase stocks in spite of warning signs of supply shortage.
 - The export restrictions were not imposed in time.
 - Price stabilization fund (of around Rs.500 crore) is found to be inadequate to arrest the rising price by effective market intervention.
- Policy inconsistency: in terms of stock limits and export restrictions has resulted in limited players in the industry which creates the procurement and distribution problems increasing the prices.
- Inadequate storage, transportation facilities and improper distribution system.
- Cartelization: by the middle man creating artificial shortage in supply.
- High prices in addition to fear of even higher prices is leading consumers also to buy more than needed and hoard.

Government measures to address the issue of sudden spike in food commodities prices:

- Market intervention:

- Central agencies like Nafed and the National Cooperative Consumers' Federation of India selling from the buffer stocks.
- Increasing supply through government designated markets like Rythu Bazaars of Andhra Pradesh, Mother dairy of Delhi etc.,
- Boosting domestic supply:
 - Government ban exports or place limits in the quantity of exports to increase the supply in domestic markets.
 - It imposes minimum export price (MEP) to check unrestricted exports.
 - Restrictions on stock limits on hoarding by the traders and middleman.
- Imports: the government imports the food commodity in question to increase the supply as also being done recently to check onion prices.
- Long term measures:
 - Reducing storage losses which accounts around 30% on average through constructions of cold storages, modern technology warehouses etc.,
 - Schemes like Operation greens with the target to stabilise the supply of tomato, onion and potato crops (TOP crops) in India, as well as to ensure their availability around the country, year-round without price volatility.
 - Agricultural market reforms like APLM act, formation of NAM etc.,
 - Contract farming guidelines and streamlining to strengthen the distribution system.

Conclusion

Arresting the food prices fluctuations is prerogative not only for the consumers, but also is vital to ensure remunerative price for the producers(farmers) as sudden spike is usually ends up in massive price crash. Structural changes through reforms in transportation, market and storage is needed to address the issue.

2. With regards to India's unique position with respect to its demography, examine the significance of skilling the young population. What measures have been taken by the government in this direction? Examine.

Introduction

According to the National Policy for Skill Development and Entrepreneurship, more than 54 per cent of India's population is below 25 years of age and 62 per cent of India's population is aged between 15 and 59 years. This demographic dividend is expected to last for the next 25 years.

With most of the developed world experiencing an aging population, India has the opportunity to supply skilled labour globally and become the world's skill capital. However, the demographic advantage might turn into a demographic disaster if the

skills sets of both new entrants and the existing workforce do not match industry requirements.

Body

Significance of skilling the young population

- **Employability** - India's workforce is young and growing fast: 250 million people will enter the labour market by 2025. However, the India Skill Report 2018 states that only 47 per cent of those coming out of higher educational institutions are employable.
- **Entrepreneurship** - India is extremely competitive in terms of labour and production costs, and has a successful culture of entrepreneurship. Skill enhancement is important to sustain this culture.
- **Growth of the economy** - As highlighted in the IMF's World Economic Outlook, India is already among the fastest growing major economies in the world. Foreign direct investment (FDI) has surged in the last few years as a result, which implies that investors share my optimism. India's young workforce only adds to the attraction.
- **Global competitiveness** - With globalization, innovation and digitalization driving global competition and exorbitant consumer expectations, goods and services will have to constantly evolve to remain relevant, as will the skills required to deliver them.
- **Sustainable development** - Imparting skill sets for greener transformation will generate employment opportunities and strengthen our resolve to conserve and preserve the priceless environment.
- **Balanced regional growth** - For instance, there is need for skill development at the grassroots to meet the challenges of hospitality and tourism industry in order to better harness India's tourism potential.

Measures taken by the government in skilling the young population

- A dedicated Ministry of Skill Development and Entrepreneurship (MSDE) was set up in 2014 to implement the National Skill Development Mission, which envisions skilling at scale with speed and standards.
- On July 15, 2015, on the first ever World Youth Skills Day, Skill India scheme was launched.
- To improve the relevance and quality of courses offered by industrial training institutes (ITIs), polytechnics and private training providers, sector skill

councils (SSCs) have been involved in curriculum up-gradation/preparation, and in the assessment and certification process. Courses are being aligned to the National Skills Qualifications Framework (NSQF).

- Recognition of prior learning (RPL) has been introduced to ensure certification of and bridge training for the existing work force.
- 40.5 lakh candidates have been trained under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), and 74 lakh candidates under fee based training programmes run by National Skill Development Corporation (NSDC).
- A 'Skill Loan' initiative is launched in which loans from Rs 5,000-1.5 lakhs will be available to whom who seek to attend skill development programmes, over the next five years. The idea is to remove financial constraints as a hindrance to accessing skill training programmes.
- Deen Dayal Upadhyaya – Grameen Kaushal Yojana. The Ministry of Rural Development implements DDU-GKY to drive the national agenda for inclusive growth, by developing skills and productive capacity of the rural youth from poor families.

Conclusion

It is estimated that 75 per cent of the new job opportunities to be created in India will be skill-based. In a country where more than 90 per cent of workforce is in the informal sector, the task is immense. For harnessing the demographic advantage that it enjoys, India needs to build the capacity and infrastructure for skilling/reskilling/up-skilling existing and new entrants to the labour force

3. What are the current bottlenecks in India's higher education sector that act as severe impediments to the potential that Indian universities possess. What measures has the government taken to address those impediments? Discuss.

Introduction

India's higher education GER (calculated for the age group, 18-23 years) increased from 11.5 per cent in 2005-06 to 25.2 per cent in 2016-17. However, we lag behind the world average of 33 per cent and that of comparable economies, such as Brazil (46 per cent), Russia (78 per cent) and China (30 per cent). Korea has a higher education GER of over 93 per cent.

Body

Bottlenecks in India's higher education sector that act as severe impediments to the potential that Indian universities possess

- Outdated and multiple regulatory mechanisms limit innovation and progressive change.

- Outdated curriculum results in a mismatch between education and job market requirements, dampens students' creativity and hampers the development of their analytical abilities.
- Quality assurance or accreditation mechanisms are inadequate.
- There is no policy framework for participation of foreign universities in higher education.
- There is no overarching funding body to promote and encourage research and innovation.
- Public funding in the sector remains inadequate.
- There are a large number of faculty posts lying vacant, for example in central universities, nearly 33 per cent of teacher posts were vacant in March 2018; faculty training is inadequate.

Measures taken by the government to address those impediments

Recognizing the need to improve access, equity and excellence in higher education in the country, the government has taken significant steps, including the following:

- Implementation and continuation of the centrally sponsored scheme, **Rashtriya Uchchatar Shiksha Abhiyan (RUSA)** - This scheme seeks to improve access, equity and quality in state higher education institutions through a reforms-based approach and links funding to performance.
- **National assessment and accreditation reforms** - While making accreditation of higher education institutions mandatory, the reforms move away from an intrusive system to a more enabling, mixed method of assessment and accreditation. The process of accreditation has been fast-tracked and made more transparent. The emphasis is more on self-assessment, data capture, validation by third party evaluation and objective peer review.
- **Regulations for graded autonomy to universities and autonomous colleges** - A three tiered graded autonomy regulatory system has been initiated, with the categorization of institutions as per their accreditation score by the National Assessment and Accreditation Council (NAAC) or other empanelled accreditation agencies, or by their presence in reputed world rankings. Category I and Category II universities will have significant autonomy.
- SWAYAM MOOCs portal (Study Webs of Active learning for Young Aspiring Minds) is an indigenous MOOCs portal that provides high quality education - anyone, anytime, anywhere at no cost- has been made operational.
- **Pandit Madan Mohan Malviya National Mission on Teachers and Teaching** scheme has been launched to address the issues of supply of qualified

teachers, attracting talent into teaching profession, raising the quality teaching in schools and colleges.

- **Global Initiative of Academic Networks (GIAN)** is an initiative launched on 30th November 2015 to garner best international knowledge and experience into the country's higher education so as to enable Indian students & faculty to interact with best academic and industry experts from across the world
- Government has embarked on building 20 Institutions of higher learning - 10 public and 10 private institutions as "**Institutions of Eminence**" (IoE), so that they are related among the global best institutions.
- **IMPRINT India** is an effort to direct research in the premier institutions into areas of social relevance. 10 such domains have been identified which could substantially impact the living standards of the rural areas.
- **Smart India Hackathon initiative** is to promote innovation in the students by encouraging out of the box solutions for common problems faced by the society at large.

Conclusion

Our goal to be a world power, the **resolving and restructuring of higher education** is must, then only we will be able to harness the human potential and resources of nation to the fullest and channelize it for the growth of the nation.

Education is the basis of human establishment and hence should be treated with profound seriousness. Maintaining the education standards will satiate the concerns of youth which is looking for opportunities within the nation. Not only economic fronts but education fronts should be dealt prudently in order to usher as a powerful nation in coming years.

4. Government can only be an enabler of change in a sector. Do you agree? In this light, critically evaluate the turn that India' public policy discourse has taken over the last few years.

Introduction

In its seventh decade of independence, India stands on the cusp of major change: a transformation that could lead to unprecedented economic growth paired with radical improvements in the nation's public policy discourse. To support progress in such an endeavour, the government is incorporating multiple changes for better digital infrastructure, acting as an enabler in the various sectors.

Body

- The government is playing the role of an enabler to create an environment that will provide for transparent, non-predatory and fair pricing for different sectors to increase their revenue.
- This is being achieved by refraining from changing the rules and adhering to contractual obligations such as those of long-term off take agreements, apart from holding mutual consultations in a transparent manner for any changes in the contracts.
- Consistency and continuity in government policies with proper regulation can create a predictable market for industries, who then can build large projects. This results from efforts of government to act as an enabler for businesses rather than stifle the energy of growing industries.
- Recently, India was ranked 63rd position in World Bank's Ease of Doing Business 2020 report which is a great improvement from earlier ranking which has helped in improving performance in many sectors and is a result of consistent efforts since the past few years.
- An additional benefit of improving ease of doing business in India could take the form of greater confidence in India on the part of multinational companies, which would translate into larger flows of foreign direct investment and know-how into India, two essential ingredients for growth and innovation.
- The private sector has a major opportunity to help India improve its performance in each industry. Companies that can craft solutions to support such performance improvement can reap benefits including entry into new markets, increased revenues, and a much stronger market position than that of their competitors.
- The Indian policy framework today is to empower the states more and to decentralize decision making for funding, so we will see dynamic and vibrant states almost competing with each other for resources and being much more open to investment.

The fundamental regulatory or policy transformations over the past few years under the current government include:

1. The passage of the goods-and-services tax, which is going to create an integrated market in India for the first time. It's a value-added tax regime, which is going to dramatically reduce all of the inefficiencies and barriers within the internal market.
2. Next is the financial infrastructure, i.e., the Jan-Dhan Yojana, which has enabled 100 million-plus bank accounts enabled by mobile phones. The provision of benefits transfer directly to people's bank accounts, using their mobile phone and the Aadhaar is a unique platform—there is no other country in the world that has this scale of mobile-driven bank accounts with the ability to transfer money and services directly to the beneficiary without all of the leakages that have plagued the sector for many, many years.

3. The launch of Digital India by the Prime Minister Narendra Modi, with the objective of connecting rural areas with high-speed Internet networks and improving digital literacy, the digital revolution has already started happening in India. This vision of the digital India programme presented by the central government has resulted in inclusive growth in areas of electronic services, products, manufacturing, and job opportunities.
4. India took a bold and innovative step in creating Invest India, a one stop shop to promote foreign direct investment, which has helped streamline some administrative enablers. However, as the 2018 Global Competition Review shows, other countries are following suit and easing the regulatory framework for domestic investors
5. Platforms like UPI-integration and products like the BHIM app is a commendable step as each sector - be it education, healthcare, infrastructure and more - benefits from being associated with a rising digital economy, which helps the overall economy of India to benefit from the digital revolution.

The country also saw improvement in public sector performance and e-governance structure. The introduction of a new insolvency law has helped make the legal system more efficient at settling disputes, which no doubt will be viewed positively by both foreign and domestic investors. Improved monetary policy framework and easing access to finance conditions has also delivered a strong performance on the SME financing indicator, where India ranks 16th.

Conclusion

Despite unfavorable global economic conditions, policy-makers in India must continue to put a premium on prudent macroeconomic management, including maintaining fiscal and monetary discipline. Furthermore, policies that have helped improve its competitiveness must be maintained. This includes reforms that will help inject further dynamism into the administrative apparatus.

5. Identification of beneficiaries for government schemes has always been a tricky issue in India. Comment. Do you think 'exclusion' works far better as a criteria for identification than 'inclusion'? Critically examine.

Introduction

Government schemes aim at welfare of people via distribution of benefits. However, most times the benefits do not reach the intended beneficiaries rendering the schemes ineffective.

Body

Identification of beneficiaries for government schemes is tricky

Most of the government initiatives depend on either land records — which are often patchy — or on a dated database based on 2011 numbers: the Socio-Economic Caste

Census (SECC). The SECC is being used in central schemes such as the Ayushman Bharat and Pradhan Mantri Awas Yojana to identify beneficiaries.

A district-wise comparison with data from the last census conducted in 2011 and numbers from the more recent National Family Health Survey (NFHS 2015-16) suggest that while there are some common patterns in all three databases, there are considerable differences when it comes to identification of the most backward districts.

SECC, in principle, remains a targeted approach for welfare delivery mechanism. There are various problems attached with targeted mechanism, some of which are enlisted as follows:

- Targeted programs create tensions between those who are excluded—some of whom may be among the poor but “missed” by targeting schemes—and the beneficiaries.
- Many scholars have pointed out the tendency of politicians to abuse targeted programs by converting them into instruments of patronage.
- Additionally, most of the benefits meant for end-up being elite captured. As, Amartya Sen points out, “benefits that go only to the poor often end up being poor benefits.”

The other challenge in using the SECC database is that it is already eight years old in an economy which is transforming fast, and where some people have climbed up the income ladder while others have fallen down.

- This means that a SECC-type exercise needs to be repeated at frequent intervals to ensure that it matches current reality. But the more the database is mined for such use, the greater the chances of reporting biases creeping in, as people learn how to game the database to remain within the ‘right’ cutoff limits.

‘Exclusion’ works far better as a criteria for identification than ‘inclusion’

There is evidence that, because of the burdens placed on state administrations, universal benefits are sometimes cheaper than targeting.

- Sewa-INBI took up two types of villages in Madhya Pradesh for their pilot, one was a normal Indian village while the second was only inhabited by tribals.
- In each case, a set of ‘control’ villages was identified where no UBI was given while the other set got a UBI for 12 to 17 months. Over 6,000 people got the UBI of Rs. 200 per adult and Rs. 100 per child; after a year, this was raised to Rs. 300 and Rs. 150—respectively—in the normal villages. In the tribal villages, the sum was kept at Rs. 300 and Rs. 150 in the 12-month period.
 - In this experiment, it was found that, on many parameters, conditions of inhabitant of UBI controlled villages improved.

- However, there are many problems associated with universal targeting, like
 - Conspicuous spending: Households, especially male members, may spend this additional income on wasteful activities.
 - Moral hazard (reduction in labour supply): A minimum guaranteed income might make people lazy and opt out of the labour market.
 - Gender disparity induced by cash: Gender norms may regulate the sharing of UBI within a household – men are likely to exercise control over spending of the UBI. This may not always be the case with other in-kind transfers.

Conclusion

In current times, the last mile delivery of services is being taken up in a vigorous manner through tools like Sevottam Model, Social Audit etc. Need is to further strengthen the existing measures to ensure a smooth delivery of benefits and improve governance in the country.

