

Q.1 Is fake news the most potent threat to democracies today? Critically comment.

Approach - It expects you to write about fake news critically analyse whether fake news is the most potent threat to democracies today.

Introduction

Fake news is not a new phenomenon which is linked to the rise of social media, on the contrary from the times of ancient Greece, the governments and political actors have always invested in disinformation campaigns to build narratives of their choice. Fake news is news, stories or hoaxes created to deliberately misinform or deceive readers. Fake news, defined by the New York Times as “a made-up story with an intention to deceive”.

Body

The Supreme Court has recently asked the Centre to explain its “mechanism” against fake news and bigotry on air, and to create one if it did not already exist.

Fake news as the most potent threat to democracies today:

1. The emerging threat of fake news could have an unprecedented impact on election cycle, raising serious questions about the integrity of democratic elections, policy-making and our society at large.
2. People’s faith in social, print and electronic media reduces which could affect the benefits of these Media as well the spirit of democracy as media being the fourth estate of democracy. In its purest form, fake news is completely made up, manipulated to resemble credible journalism and attract maximum attention and, with it, advertising revenue.
3. Computational propaganda is the use of algorithms, automation, and human curation to purposefully distribute misleading information over social media networks. Computational propaganda involves learning from and mimicking real people so as to manipulate public opinion across a diverse range of platforms and device networks.
4. It affects social & communal harmony by spreading extremists’ ideologies especially in sensitive areas like radicalisation of youths, inciting violence and hatred among the communities, swinging public opinions etc.
5. In Sri Lanka, online rumours have led Buddhists to target Muslims; in Nigeria, inflammatory images on Facebook have led young Berom men to pursue Fulani Muslims.
6. In countries already suffering from ethnic tensions, misinformation can exasperate tensions and generate violence. In perhaps the most well-known case, Facebook was used in Myanmar to incite violence against the Rohingya.
7. 2018 Photos of Police Using Water Cannon made Viral amid the Ongoing Farmers' Protest. These were used to intensify farmer’s anger and create discontent against new laws.
8. New face of fake news as deep fakes – Disrupting Electioneering -A high-quality deep-fake can inject compelling false information that can cast a shadow of illegitimacy over the voting process and election results. Leaders

can also use them to increase populism and consolidate power. Deep-fakes can become a very effective tool to sow the seeds of polarisation, amplifying division in society, and suppressing dissent. Undermining Democracy - A deep-fake can also aid in altering the democratic discourse and undermine trust in institutions and impair diplomacy. False information about institutions, public policy, and politicians powered by a deep-fake can be exploited to spin the story and manipulate belief.

But at the same time, there are multiple other potent threats to democracies around the world today, some of which can be seen from the points below –

- **Polarization:** While some partisan polarization is healthy for democracy, one of the key drivers of democratic decay in new and established democracies is intense polarization, where political opponents begin to regard each other as existential enemies, allowing incumbents to justify abuses of democratic norms to restrain the opposition, and encouraging the opposition to use “any means necessary” to regain power.
- **Immigration and sustaining multi-ethnic democracies:** The challenge of sustaining multi-ethnic democracies is one of the most significant challenges facing democracies of all types today. The politics of redistribution has also been notoriously complicated by ethnic diversity, but the growing ethnic diversity of both new and old democracies, driven in part by immigration, have generated different forms of right-wing populist backlash and has exacerbated political polarization.
- **Globalization, economic inequality, and democratic discontent:** The threat economic inequality, often driven by global economic forces, poses to the survival and viability of democracy. Unequal economic resources diminishes the quality of democracy, through voting, institutional design, campaign spending, and media.
- **Populism:** In the past several years, there has been renewed attention to the upsurge of populist parties and movements from Latin America and North America to western and Eastern Europe. Many populist outsiders come to power speaking on behalf of “the people” but often doing so in ways that seem to challenge basic norms of liberal democracy.
- Further, existing institutions may be ill-suited for the challenges facing contemporary democracies.

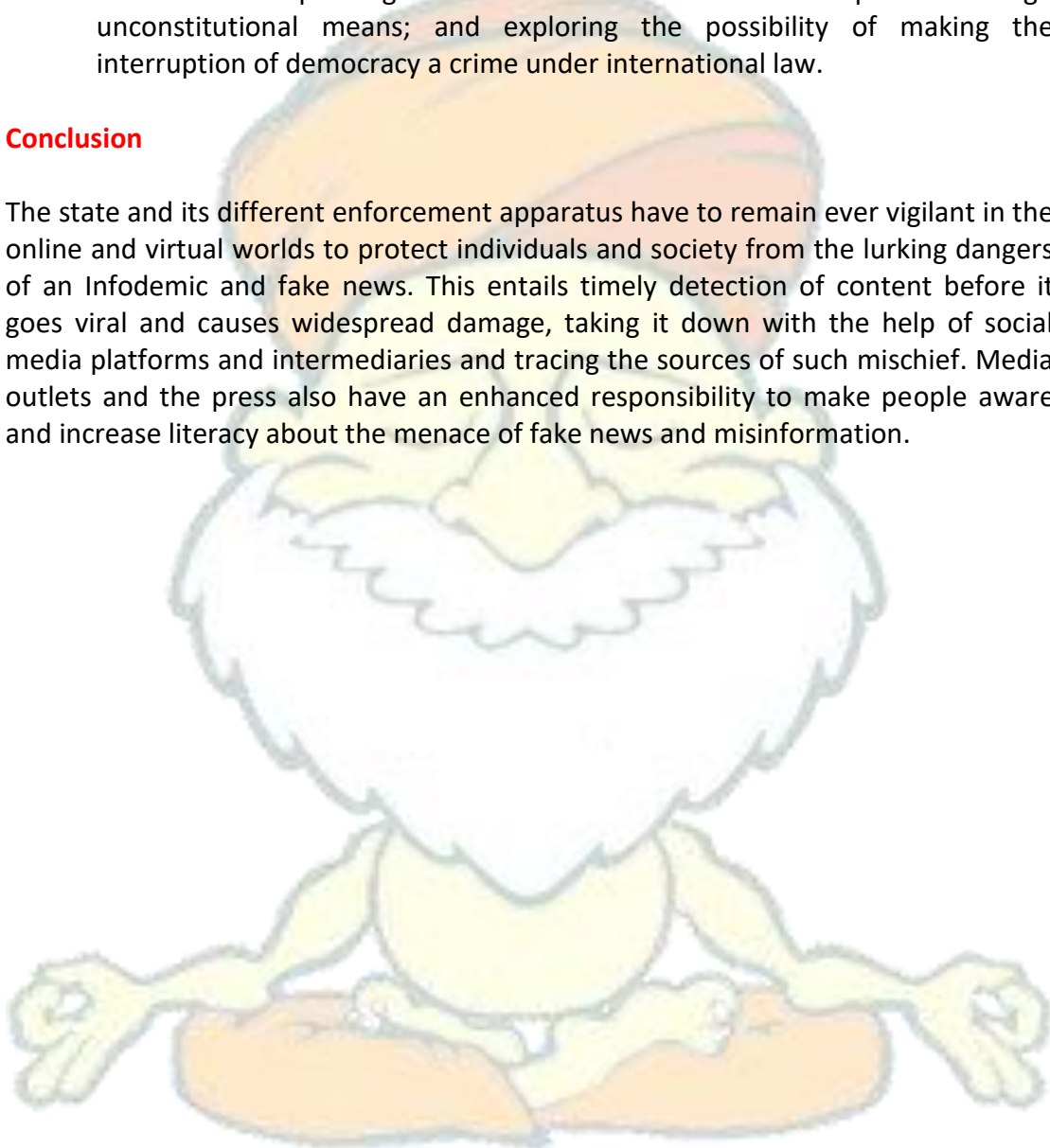
Way forward –

- Increasing development assistance to new democracies, especially where there is popular frustration about the lack of economic benefits deriving from the establishment of a democracy.
- Government should have independent agency such as FactCresendo and Boomlivo to verify the data being circulated in social and other media. The agency should be tasked with presenting real facts and figures.
- Developing “democracy erosion” indicators for international financial and trade institutions to target their assistance and stem the erosion.

- Social media websites should be made accountable of such activities so that it becomes their responsibility to have better control over the spread of fake news.
- The artificial intelligence technologies, particularly machine learning and natural language processing, might be leveraged to combat the fake news problem.
- Spurring regional organizations to adopt “democracy clauses” that would bar the membership of governments that have come to power through unconstitutional means; and exploring the possibility of making the interruption of democracy a crime under international law.

Conclusion

The state and its different enforcement apparatus have to remain ever vigilant in the online and virtual worlds to protect individuals and society from the lurking dangers of an Infodemic and fake news. This entails timely detection of content before it goes viral and causes widespread damage, taking it down with the help of social media platforms and intermediaries and tracing the sources of such mischief. Media outlets and the press also have an enhanced responsibility to make people aware and increase literacy about the menace of fake news and misinformation.



Q.2 What role do social media platforms play in elections nowadays? Has it affected the democratic discourse? Examine.

Approach - It expects students to write about social media and its role of social media platforms in election also highlight how it is affecting the democratic discourse.

Introduction

Social media is computer-based technology that facilitates the sharing of ideas, thoughts, and information through the building of virtual networks and communities. By design, social media is internet-based and gives users quick electronic communication of content.

Body

The 2008 Presidential election in the United States is widely seen as the first time social media played a big part in politics. Candidate Barack Obama used of platforms such as Facebook helped him emerge as a winner.

Role of social media platforms in elections:

- **Quick interactions:** One of the positive effects that social media has on politics is the opportunity for voters to interact more easily with candidates and elected officials. Traditionally, if you wanted to meet a politician or candidate, you'd have to attend a live event. Not everyone is able to do this. With modern technology, it's now possible to attend virtual events where you can participate in live streaming events and interact with politicians and candidates.
- **Constant and continuous news:** One of the ways that social media has transformed politics is the sheer speed at which news, poll results and rumours are shared. Whereas in the pre-internet days, people had to wait for the next newspaper or TV news show to get the latest information, online news is a 24/7 phenomenon. While you can access news on many websites at any hour, most people spend more time on sites such as Facebook and Twitter than they do on serious news or political websites.
- **Fake news:** Political campaigns are now influenced by every story, whether true or not, that gets spread around social media. It's getting more and more difficult to separate actual news from fake news online. Social media makes this distinction especially confusing. The constant stream of memes, links and rumors about political leaders and candidates is a mixture of truth, lies, satire and speculation.
- **Confirmation Bias:** One of the hidden forces that operates on social media is confirmation bias. This is especially powerful when it comes to controversial topics, including politics. If you're like most people, the majority of your friends and followers on social media probably share your outlook.
- **First time voters:** As per different survey first time voter in Lok Sabha 2019 election were influenced by political messages on social media. Half of 15

crore first time voter received the messages from political leaders in India on social media.

- Inlusiveness: Social media has made Indian politics more inclusive by allowing citizens, who were traditionally excluded from politics due to geography and demography, to gain direct entry into the political process.
- Opportunity to influence female audiences: Last but not the least, with the increase in female internet penetration, it becomes an active source of influence and education for the female voters which constitute close to 49% of potential voters. There are increasing expectations that more campaign staffers actively use Twitter and Facebook to promote the campaign and engage voters.

Social media affecting democratic discourses:

- The rise of polarising and divisive content has been a defining moment of modern politics, which is fed by fake news propagation through social media channels.
- Social media has enabled a style of populist politics, which on the negative side allows hate speech and extreme speech to thrive in digital spaces that are unregulated, particularly in regional languages.
- Freedom of speech does not grant the right to deceive. Freedom of speech provides that political advertising should not be strictly regulated. But freedom of speech is meant to ensure protection of diversity of opinion and the individual's right to express in a reasonable manner. Lies, deception and treachery are not covered under freedom of speech to influence voting behaviour. Manipulated content is incongruous with freedom of speech.
- The big problem with social networks is their business model. This business model has led to a "winner-takes-all" industry structure, creating natural monopolies and centralising the once-decentralised democratic internet.
- Online advertising allows, especially on social networks, personalised targeting based on multiple attributes that wasn't possible at the same level before. For example CambridgeAnalytica misuse of data for profiling, micro-targeting etc. These platforms make it possible to go from manufacturing consent to manipulating consent. A person is continuously fed with information to vote for a particular party.

Conclusion

Social media has changed the way people think, write and react but political pundits believe it has also influence the way people vote. Most of the political parties are aware of the pulse and the impulse of the public on social media timelines, which is why more and more politician are realising the importance of social media as an electoral tool.

3. Why is data privacy regarded sacrosanct in the 21st century? Examine from the point of view of security.

Approach:

It expects students to write about - in introduction define data privacy or give any recent example of breach of data privacy - in main body part write reasons for data privacy is important in 21st century from security point of view.

Introduction:

Data privacy, also called information privacy, is the aspect of information technology (IT) that deals with the ability an organization or individual has to determine what data in a computer system can be shared with third parties.

Body:

India has recently banned 118 additional Chinese apps. As per reports, this ban comes under Section 69A of the Information Technology Act and is due to the illegal data collection practices followed by these apps. These apps were found to be collecting extensive information about their users without taking explicit permission. Collected information included but not limited to – data from users' clipboard, their GPS locations, and vital network related information such as IP, local IP, MAC addresses, WIFI access point names, etc. Some of the apps were even found setting up local proxy servers on users' devices to transcode media without permission.

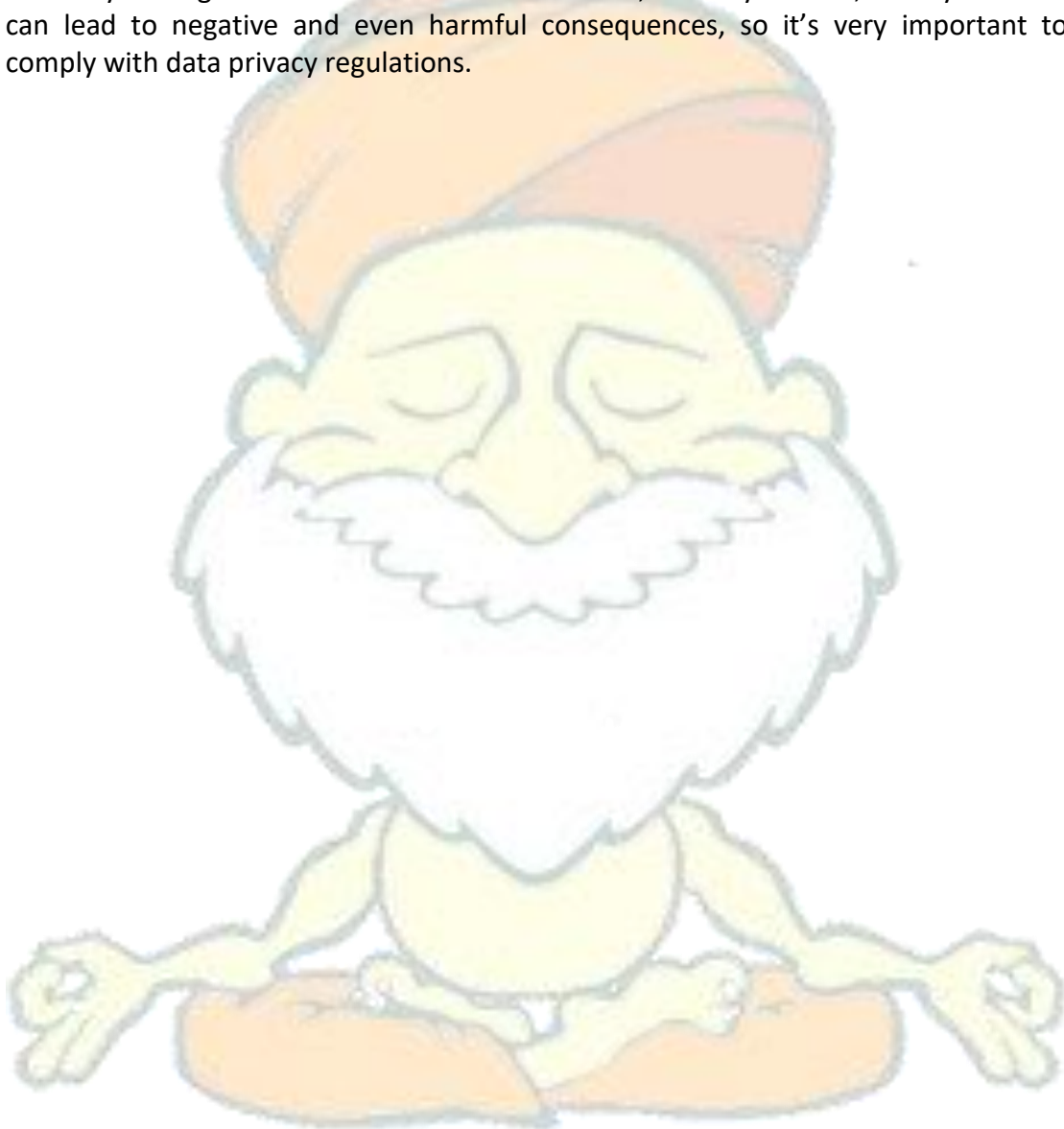
Data privacy regarded as sacrosanct in 21st century due to:

- When data that should be kept private gets in the wrong hands, bad things can happen.
- A data breach at a government agency can, for example, put top secret information in the hands of an enemy state.
- A breach at a corporation can put proprietary data in the hands of a competitor.
- A breach at a school could put students' Personally identifiable information (PII) in the hands of criminals who could commit identity theft.
- A breach at a hospital or doctor's office can put Protected Health Information in the hands of those who might misuse it.
- Economic threats such as frauds, attack on banking communication infrastructure, acquisition of critical data such as customer's credit/debit card data, Financial theft to destabilize the economy
- Information warfare
- Destabilizing critical infrastructure like Nuclear power plants, power grids, Dams, Share Market operations through cyber attacks. g. Stuxnet's alleged involvement in destabilizing Iran's Nuclear programme.
- Data theft through social media applications, infringement of privacy
- Penetrating value chain of production of communications network infrastructure and spying through this penetration

- Theft of critical medical history data of a nation's citizens
- Data alteration and data destruction on the website and impairing its operations
- Intellectual property right infringement through digital piracy

Conclusion:

People all over the world have been concerned about data privacy for a while now, and they have good reasons for it. Data breaches, security threats, and cybercrime can lead to negative and even harmful consequences, so it's very important to comply with data privacy regulations.



4. Should betting be legalised in India? Discuss its pros and cons.

Approach:

It expects aspirant to write about - in introduction define betting or write recent examples of betting - in main body part give view on betting legalisation, write advantages and disadvantage of betting legalisations.

Introduction:

Betting is the wagering of money or something of value on an event with an uncertain outcome, with the primary intent of winning money or material goods.

Body:

The Law Commission has recommended that gambling and betting on sports, including cricket, be allowed as regulated activities taxable under the direct and indirect tax regimes and used as a source for attracting foreign direct investment (FDI). The commission's report, "Legal Framework: Gambling and Sports Betting including Cricket in India", recommends a number of changes in the law for regulating betting and generating tax revenues from it

Advantages of legalising betting:

- **Curb black money and terror financing:** The reasons to look at legalising and regulating gambling are several. First, gambling is already operating in a spread out and operating in a huge way. Despite devoting several legal measure and covert actions, legal enforcement authorities are not able to curb it. Gambling and betting is mostly done very secretly and which is handled in a delicate manner. It is mostly headed underworld and strong syndicates who use the unaccounted money earned from gambling activities for nefarious activities. These activities could include terror financing. So legalising the activity will not only help curtail an important source of black money and stop funds flowing to terror agencies.
- **Huge Revenues:** Estimates about the size of the gambling market in India vary according to various private and government agencies. According to KPMG report, the size could be around \$ 50- \$60 billion, while other, more recent, studies from financial institution peg the value even to higher numbers. Even a normal estimate suggests with just 15 per cent GST, the government could earn tens of thousands of crores by legalising sports betting. If online gambling and casinos are also permitted in a strong restrictive way, the estimated tax revenue very huge to both state and central government. These can be used to fund health and other constructive projects of the government.
- **Employment opportunities:** Apart from revenue generation, legalizing the gambling will surely create huge employment. Globally, wherever gambling is regulated, it has created a massive opportunity for employment generation. In India it could create direct and indirect jobs for around 25-40 lakh. How ? U.S.

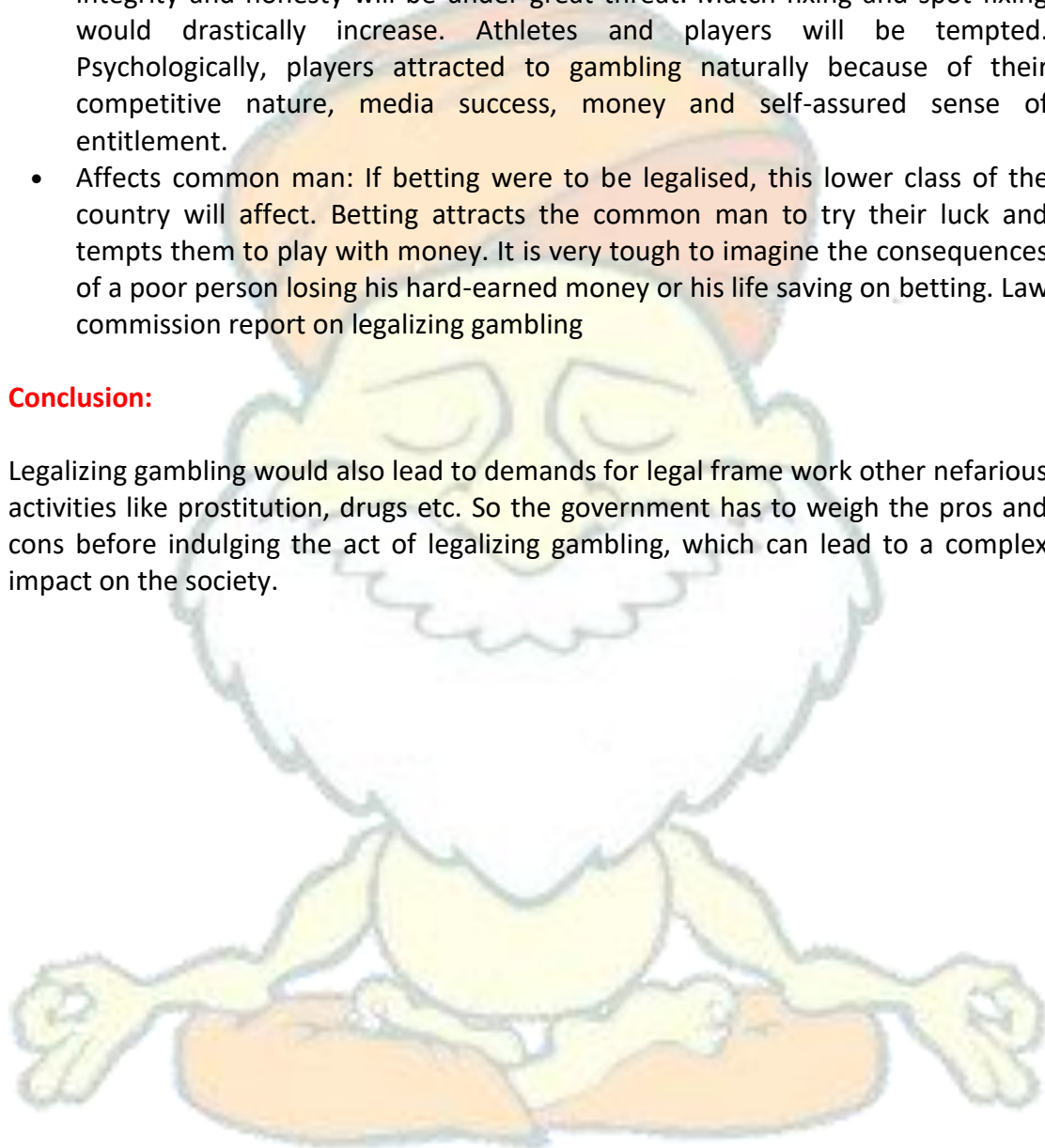
employs over 2.5 lakh people in the gambling industry, while over 1 lakh individuals are employed in the U.K.

Disadvantages of legalising betting:

- Spoils the integrity: Integrity is a core component in any activity, but in sports and games is crucial to its success. It serves the basis for the enjoyment of participants and spectators. But if the gambling and betting are legalized, integrity and honesty will be under great threat. Match fixing and spot fixing would drastically increase. Athletes and players will be tempted. Psychologically, players attracted to gambling naturally because of their competitive nature, media success, money and self-assured sense of entitlement.
- Affects common man: If betting were to be legalised, this lower class of the country will affect. Betting attracts the common man to try their luck and tempts them to play with money. It is very tough to imagine the consequences of a poor person losing his hard-earned money or his life saving on betting. Law commission report on legalizing gambling

Conclusion:

Legalizing gambling would also lead to demands for legal frame work other nefarious activities like prostitution, drugs etc. So the government has to weigh the pros and cons before indulging the act of legalizing gambling, which can lead to a complex impact on the society.



5. What are the current legal and institutional frameworks for the prevention of money laundering in India? Discuss.

Approach:

As the directive here is discuss it is necessary to cover various angles of the topic. In the introduction explain the meaning of money laundering. In the main body part explain the legal and institutional frameworks for the prevention of money laundering in India.

Introduction:

Money laundering is concealing or disguising the identity of illegally obtained funds so that they appear to have originated from legitimate sources. According to the IMF, global Money Laundering is estimated between 2 to 5% of World GDP.

Body:

Money laundering involves three steps i.e. placement, layering and integration. Placement puts the "dirty money" into the legitimate financial system. Layering conceals the source of the money through a series of transactions and bookkeeping tricks. In the case of integration, the now-laundered money is withdrawn from the legitimate account to be used for criminal activities.

Current legal and institutional frameworks for the prevention of money laundering in India:

Legal Framework:

In India, the specific legislation dealing with money laundering is the Prevention of Money-Laundering Act(PMLA), 2002. The law was enacted to combat money laundering in India and has three main objectives which are as below:

- To prevent and control money laundering.
- To provide for confiscation and seizure of property obtained from laundered money.
- To deal with any other issue connected with money-laundering in India.
- Under the PMLA Act, the Enforcement Directorate is empowered to conduct a Money Laundering investigation.
- Apart from the provisions of PMLA, there are other specialised provisions such as RBI/SEBI/IRDA anti-money laundering regulations.

Foreign Exchange Management Act,1999 (FEMA) also deals with the issue of money laundering in an alternative way.

- It is a set of regulations that empowers the Reserve Bank of India to pass regulations and enables the Government of India to pass rules relating to foreign exchange in tune with the foreign trade policy of India.
- It gives powers to the Central Government to regulate the flow of payments to and from a person situated outside the country.

- All financial transactions concerning foreign securities or exchange cannot be carried out without the approval of FEMA. All transactions must be carried out through "Authorised Persons".

The Benami Transactions (Prohibition) Act, 1988:

- Benami transactions refer to those transactions in which the real beneficiary of the transaction and the person in whose name the transaction is made are different, specifically transactions relating to properties. The property is held by one person while the payment for purchasing the property is made by another.
- By doing so, public revenue is defrauded and the real owner is hidden. Benami property could include assets of any kind including legal documents, rights, assets, intangible assets, tangible assets, movable property or immovable property.

Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015:

- Black Money Act, 2015 is an Act of the Parliament of India. It aims to curb black money, or undisclosed foreign assets and income and imposes tax and penalty on such income.
- The Act has been passed by both the Houses of the Parliament. The Act has received the assent of the President of India on 26 May 2015.
- The goal of this law is to bring back the income and assets held abroad back to the country. As a result, only an Indian resident gets the opportunity to declare undisclosed assets.
- The government gives a time frame when someone can disclose assets. If the resident holding undisclosed assets declare the assets in the given time frame they are not subject to prosecution.

Institutional Framework:

1.Enforcement Directorate: Directorate of Enforcement is a specialized financial investigation agency under the Department of Revenue, Ministry of Finance, Government of India.

- In 1956, an 'Enforcement Unit' was formed, in Department of Economic Affairs, for handling Exchange Control Laws violations under Foreign Exchange Regulation Act, 1947.
- In the year 1957, this Unit was renamed as 'Enforcement Directorate'.
- ED enforces Foreign Exchange Management Act,1999 (FEMA) and Prevention of Money Laundering Act, 2002 (PMLA).

2.Financial Intelligence Unit India (FIU-IND) :It was set up by the Government of India in 2004 as the central national agency responsible for receiving, processing, analyzing and disseminating information relating to suspect financial transactions.

- FIU-IND is also responsible for coordinating and strengthening efforts of national and international intelligence, investigation and enforcement agencies in pursuing the global efforts against money laundering and related crimes.
- FIU-IND is an independent body reporting directly to the Economic Intelligence Council (EIC) headed by the Finance Minister.

3. Reserve Bank of India (RBI) and Securities and Exchange board of India(SEBI):

- Reserve Bank of India (RBI) is India's central bank. It controls the monetary policy concerning the national currency, the Indian rupee. The basic functions of the RBI are the issuance of currency, to sustain monetary stability in India, to operate the currency, and maintain the country's credit system.
- It aims to regulate the issue of Bank Notes and keeping of reserves to secure monetary stability in India and generally to operate the currency and credit system of the country to its advantage.
- In an attempt to curb money laundering it can take corrective actions too. For instance, in 2013, the then RBI governor D Subbarao took corrective steps to check money laundering in India and strengthen in India.
- SEBI also issued guidelines in the past to curb money laundering through capital market in India.

Conclusion:

Black money in India, accounts for around 40% of India's GDP. Hence, it poses a serious threat not only to the India's financial system and governance but also to the global financial system and governance. Governments in various countries today have come up with different legislations to deal with this menace. However, more needs to be done in this regard so that India can truly realise its dream to be a \$5 trillion economy by 2025.