

THE EDITORIAL

ISSUE 2.0



TALIBAN

Taliban attacks Afghanistan and history of occupation of war torn Afghanistan

BRICS

Role of BRICS (Brazil, Russia, India, China & South Africa) in the 21st Century.

CBDC

India DC Regulations and it's own CBDC

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Editor's Message

It brings me great pleasure to welcome you all to the second edition of the Official Debate Society of PICT's editorial. It's been an incredible experience and learning opportunity for me to be the Editor in Chief. I believe that this pursuit has taught me vital lessons and skills for which I will be eternally thankful.

The goal of starting the editorial was to inform, engage, and excite a wide range of readers by delivering current-events pieces. I believe that everyone should be well informed and knowledgeable about what is going on in our country and around the world. As a result, we are pleased to publish the second edition of "The Editorial."

The Taliban Attacks, Role of BRICS in 21 century and India's CBDC are among the topics covered in this edition of the editorial. We are all aware of these concerns, yet it is difficult to obtain information from many views on them. As a result, we have collected these articles for you in order to enlighten people about the propositions as well as the oppositions on every topic. The editorial will undoubtedly provide readers with insight and assist them in better understanding these concerns. After reading the articles, readers will be able to think sensibly because they will have learned both sides of the coin. It will assist readers in forming their own opinions and viewpoints.

I'd also like to express my gratitude to the entire editorial team for making this issue a huge success. From the beginning of the research until the end, the team members have worked tirelessly. Their help, reaction, and team spirit have really alleviated my load. This edition, I believe, has helped me improve my management skills even more. It's been a fantastic journey thus far. I expect the same level of excitement in all future endeavours. I'm looking forward to working on future editions.

Thank You.
Yash Patwardhan
(Editor in Chief)



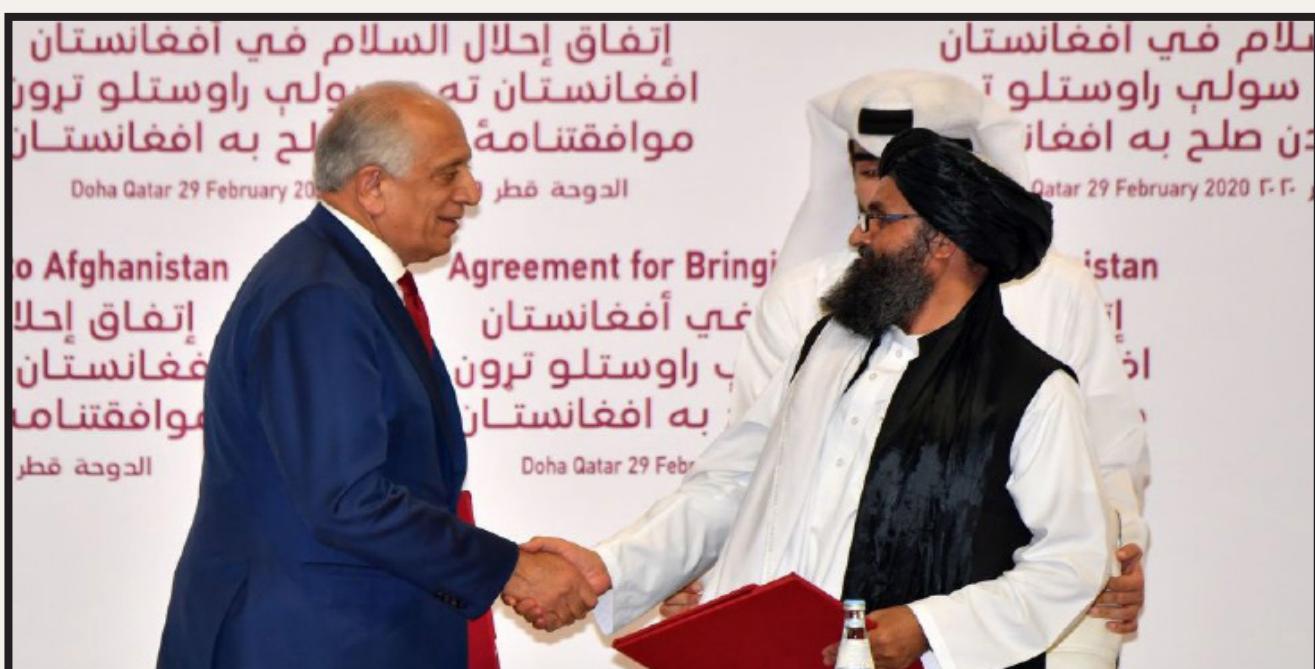
Taliban and the Afghan war

Introduction:

On August 15, 2021, while we all were celebrating the 75th memorable occasion of Indian independence with zest and enthusiasm, our fellow neighbors in Afghanistan experienced their doom. The Taliban, a radical organization, swarmed the streets of Kabul. The then-president of Afghanistan, Ashraf Ghani, fled to Kazakhstan. The mighty American army that sought to 'make things right and end terrorism' in Afghanistan was on its way back home. The helpless, innocent Afghans were left in dire straits. It didn't come as a surprise as Afghanistan had it all coming for a long time. The story of Afghanistan is a spine-tingling example of how extremism and avarice of any sort destroy a nation. Let us take a deeper dive into this.

The Great Game:

The Anglo-Russian power struggle which continued for the seizure of Afghanistan is known as 'The Great Game'. Emir Dost Mohammed Khan (1793–1863) gained control in Kabul in 1826 and founded (c. 1837) the Barakzai dynasty. The British were concerned because of Russia's influence in Central Asia and decided to invade Afghanistan. This resulted in 3 Anglo-Afghan wars. The British lost in the first war. In the second war, a British diplomat was accepted by Emir Shir Ali, and the British retained effective control over Kabul. To keep Russia at bay, the British provided annual subsidies and modern weapons to the Afghan rulers. One of them, Abdul Rahman Khan(1881-1901) created a powerful army. Hence he was known as the 'Iron Man' or 'Unifactor of Afghanistan'. In the 3rd war, this control was lost by the British with the Treaty of Rawalpindi on 19th August 1919, which is celebrated as Afghan Independence Day.

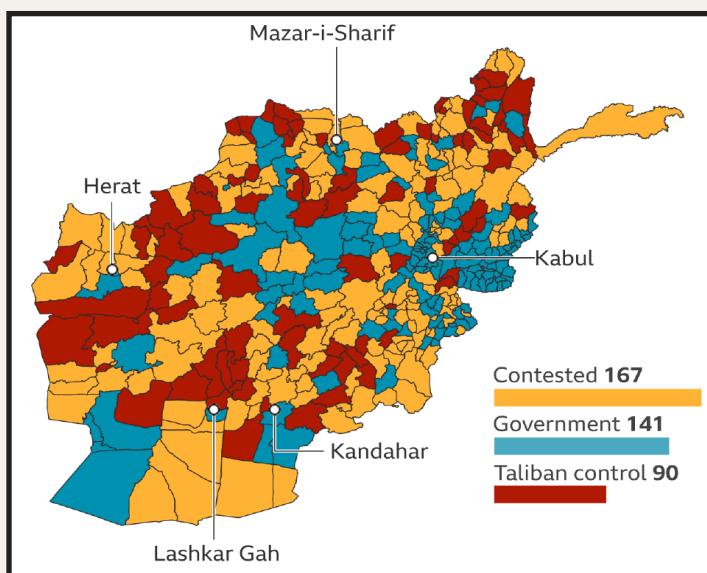


Post-independence reforms:

Habibullah, the son of Abdul Rahman Khan was a liberalizer and introduced various reforms. It included adopting a modern education system. His son Amanullah defeated Britain in the Third Anglo-Afghan War and, in 1919, independence was declared by the king. He undertook land reforms, regularised the taxes, extended education, and gave the country its first Constitution. He was rightly titled the 'Reform King'.

Nadir Khan after being assassinated by a student in 1933 was succeeded by his 13-year old son Mohammed Zahir Khan. He tried to develop a constitutional monarchy under the 'New Democracy' which lasted from 1964 to 1973. Intellectuals gained respect, and women started to participate actively in the workplace and the Government during this period.

In 1973, Mohammed Daoud Khan staged a coup proclaiming Afghanistan a republic and himself as the President. The Cold War rivals, the USSR and the US poured finances into the country (\$2.52 billion and \$533 million respectively). Daoud advocated women's rights. Kabul was flooded with students and was the dome of Islamic and political ideologies. Women and men studied together under the guidance of foreign teachers.



Soviet Influence and the origins of terror:

In 1956, Soviet Premier Nikita Khrushchev agreed to help Afghanistan, and the two countries became close allies. Meanwhile, Mohammed Daoud Khan's reforms allowed women to attend university and enter the workforce. In 1965, Babrak Karmal and Nur Mohammad Taraki secretly formed The Afghan Communist Party. With Khan overthrowing the last king, Mohammed Zahir Shah in 1973, the Republic of Afghanistan was established with firm ties

to the USSR. He proposed a new constitution and started eliminating his rivals. However, In 1978, Khan was killed in a communist coup and Nur Mohammad Taraki took control of the country as president. Proclaiming independence from Soviet influence, Taraki signed a friendship treaty with the Soviet Union but began a rivalry with Hafizullah Amin, another influential communist leader. At the same time, conservative Islamic and ethnic leaders



who objected to social changes introduced by Khan began an armed revolt in the countryside. The guerrilla movement Mujahadeen was created to battle the Soviet-backed government.

In 1979, the political situation in Afghanistan reached a tipping point. Adolph Dubs, the American Ambassador to Afghanistan, was killed in Kabul. This prompted the United States to cut off assistance to Afghanistan. Taraki was killed on Sept. 14 in a confrontation with Amin supporters. Finally, on Dec. 24, the USSR invaded Afghanistan to bolster the faltering communist regime. Amin and many of his followers were executed. Deputy Prime Minister Babrak Karmal became prime minister. By early 1980, the Mujahideen rebels had united against Soviet invaders and the USSR-backed Afghan Army. Millions of Afghans fled to neighbouring Pakistan and Iran to avoid war. In 1984, Osama bin Laden arrived in Afghanistan to aid anti-Soviet fighters. The Mujahideen received arms from the United States, Britain, and China via Pakistan, a move that the US would have to pay for dearly in the future.

Osama Bin Laden and 15 other Islamists formed the group al-Qaeda to engage in a war with the Soviets and the US, which, for them were major obstacles to establishing a nation solely governed by Islam. In 1989, the US, Pakistan, Afghanistan, and the Soviet Union signed peace accords in Geneva guaranteeing Afghan independence and the withdrawal of 100,000 Soviet troops. With Soviet presence in the nation waning, the Mujahideen and other rebel groups stormed the capital of Kabul led by the legendary guerilla leader Ahmad Shah Masood. During these tumultuous times, the Taliban first rose to power in Afghanistan in 1995 after years of civil war. The Afghans, exhausted by these devastating years of war, accepted the Taliban's power for upholding Islamic values. The Taliban curtailed the education and employment of women. However, the US refused to accept their authority.

Inhuman acts of violence and cruelty committed by the Taliban and terrorist organizations like al-Qaeda came to the notice of the globe. The United States demanded the extradition of bin Laden for bombing various embassies in Africa but the Taliban declined, leading to the imposition of sanctions restricting Afghanistan's trade and economic development.

US invasion and Taliban resurgence:

September 9 2001 is the origin of the war in Afghanistan. On this day, Ahmed Shah Masoud, the leader of the northern alliance, was assassinated. Two days later, the World Trade Center and the Pentagon in the United States were attacked by al-Qaeda terrorists as suicide bombers hijacked commercial airplanes and crashed them, resulting in the loss of thousands of lives. This brought America into Afghanistan. By October 7, 2001, President George W Bush sent in the American forces to bomb al-Qaeda hideouts and Taliban strongholds. Operation Enduring Freedom began with most of the Taliban strongholds falling to US forces and northern alliance warlords and airstrikes became a norm for the next few months. Within two months, Taliban leaders had to surrender the group's final Afghan territory, the province of Zabul. This resulted in the Taliban fleeing to Pakistan. Osama Bin Laden fled to a cave complex and stayed there for 15-20 days before escaping to Pakistan.

A new government led by US-backed Hamid Karzai as the President was elected in 2004. However, around the same time, the Taliban began enjoying a resurgence. The coming years saw a spate of suicide bombings and raids on international troops, leading to the US having to commit a greater military presence in the country. In May 2011 Osama Bin Laden was killed by US Navy SEALs in Abbottabad, close to Pakistan's Military Acad

emy. Meanwhile, the Taliban remained resilient and the Afghan government was unable to exert control over the country. The insurgency became stronger than ever and the war showed no signs of ending. Reconciliation talks began between the Afghan government and the Taliban, and soon, in 2018, talks were held between the Taliban and the US which focussed on the withdrawal of US troops from Afghanistan. A deal with the United States was signed in late February 2020. In exchange for a full withdrawal of U.S. troops over a 14-month period, the Taliban agreed to end its attacks on U.S. forces and prevent al-Qaeda, ISIS, and their affiliates from operating in Afghanistan. As the US departure became imminent, the Taliban rapidly started taking over the country. By mid-August 2021, Afghanistan was once again under Taliban rule.

The United States suffered countless losses in the Afghanistan War and the financial costs incurred have been estimated to be more than a trillion dollars. On the brighter side, many reforms were brought into the country – development projects were undertaken, women were educated and empowered, and human rights were propagated. The foundations of a modern society were starting to take shape – only to be thrown into disarray by the country's new ultra-conservative and oppressive regime. While the country has been ridden

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Role of BRICS in the 21st Century



Intro and Short Description:

On 30th November 2001, Goldman Sachs Global Economics Department released an analysis of the World Economy. This paper had centered its research around four countries that- although not the most dominant, were on the path to becoming the world's leading and emerging market economies. Grouping these four countries into a single identity, Goldman Sachs coined the renowned acronym BRIC, which stands for Brazil, Russia, India, and China. Finally, on 16th June 2009, the first official BRIC summit took place in Yekaterinburg, Russia, where elected leaders of the four nations formally declared membership of the BRIC economic bloc. South Africa joined in 2010 and gave the organization a presence on the African Continent. This association became a medium to promote peace, security, development, and cooperation, contributing to a more equitable and ethical world.

The BRICS nations combined are the most populous state with almost 3.2 billion people, constituting 41.5% of the global population (based on world data bank 2019). Together its economy in 2018 was 20.5 trillion USD, at par with the USA and the EU. They account for 23% of world GDP and 40% of gold and hard currency reserves. The member nations are home to the largest growing economies (perhaps an exception of South Africa ranked 43rd as of 2020) and are expected to emerge as future powers at a global level. All the numbers surrounding BRICS are impressive as the nature of the group represents a sizable portion of the world population. Jim O'Neill, the writer of Goldman Sachs' analysis "BRICs and Beyond" claimed that by 2050, the 'BRICS' countries would dominate the World Economy.

The need for BRICS:

Almost all of the large international organizations worldwide have been created by western economies which allows western nations to exert their influence by backing each other up in economic and diplomatic confrontations- especially the G7 countries. BRICS became a platform where member nations could come together and cooperate to design their own framework, one which isn't heavily influenced by western nations and that complements the needs of their developing economies.

Proposition:

BRICS nations have shown their willingness to cooperate on a wide range of concerns since their first formal summit in April 2011. They have addressed issues revolving around the need for a new global reserve currency that is not dominated by the US dollar. They have also discussed the establishment of a new global financial institution similar to the IMF (International Monetary Fund) and the World Bank.

1. Establishment of ‘New Development Bank’(NDB):

The NDB became a reality in 2014 with its headquarters based in Shanghai, China. With an initial starting capital of 50 Billion USD, the NDB’s primary objectives are to fund infrastructure and other development projects. They also set up the Contingent Reserve Arrangement (CRA) which is the framework intended to protect nations against global liquidity pressures. Most emerging economies go through periods of instability as they experience rapid economic liberalization. The CRA provides stability by offering liquidity and precautionary instruments. As of March 2020, the NDB has already invested in 30 projects with loans totaling up to 8 billion USD.

2. New world leaders:

Cooperation among the BRICS has set an example of a new type of international relations. Amidst the current global economic crisis, countries of the world are looking up to their members as the new locomotives for global economic growth. BRICS trade and investment with low-income countries have served as a major support system. Their combined purchasing power of around 40 trillion USD makes them ideal for trade and foreign investment.

Opposition:

1. Uneven Economic Growth:

Ever since its creation, China and India have grown dramatically leaving the others behind. According to the IMF, their collective share in the Global Economy has gone from 12% to 27% since 2001 whereas Brazil, Russia, and South Africa have lost ground, dropping from 7% to 6% in the same period. Their global share in the GDP is almost back to where it was 20 years before at the time of formation.

2. Political Disparities:

The BRICS nations, as a multilateral grouping, are essentially different and this fact must be taken into account. The five countries represent largely differing political systems.

1. China is a one-party state.

2. Russia’s governance is highly centralized.

3. Brazil, India, and South Africa are democracies. Unlike other economic associations, BRICS does not seek to set up any common political or security architecture. But a difference in political opinion causes many setbacks in forming a consensus and formulating common policies. Some economists argue that the group itself has a limited purpose partnership in which political barriers will always limit the partnership’s full economic potential.

3. Acceptance of South Africa:

The acceptance of SA into BRIC was puzzling in itself instead of more populist and faster-emerging economies in Africa such as Nigeria, Ethiopia, and Egypt, which were perhaps better suited to assume the responsibility of being the organization’s presence in the African continent.

Conclusion:

Over the past decade, the combined BRICS GDP has grown 179% and the total trade of the member nations has risen 94%. From 2008 to 2019, the world's average growth rate was around 1%, but that of BRICS nations was about 8%. Brazil, Russia, and India have already caught up with the smallest G7 economies and China overtook Japan to become the second-largest economy in the world. All things considered, and given the relatively short lifespan of the organization, their achievements are quite impressive.

Today, BRICS is an organization for discussing common problems and aiming to improve their positions in the existing global economic system. Nobel Prize laureate Michael Spence predicts the BRICS will soon replace the US and Europe as the key engines of the world economy. And with an estimated 300 Billion dollars of Foreign Direct Investment, the BRICS certainly have no intentions of slowing down.



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India DC Regulations and it's own CBDC

Introduction to CBDC:

Central Bank Digital Currency (CBDC) is a virtual type of government-issued currency that is not backed by any physical asset. It is an electronic type of absolute currency issued and controlled by the nation's financial authority or central bank. It is transferable one-to-one with fiat currency, with the exception that it has a different form than private digital currencies like Bitcoin and Ether. It's essentially the same as having your money digital, although the value remains the same.



Advantages:

CBDC can enhance financial inclusion and make economic and fiscal policy execution easier. Wholesale CBDCs computerise the process between banks, and retail CBDCs build a clear and direct connection between consumers and central banks, ensuring transaction transparency and removing the need for costly infrastructure. They can also reduce the time and effort required for other government functions, such as profit distribution, and tax calculation and collection. CBDC lowers the risk of third-party involvement. The central bank is responsible for any remaining risk in the system. CBDCs can deter illegal activities since they are stored digitally and do not require serial numbers to be traced. A central bank can easily monitor money across its jurisdiction thanks to cryptography and a public record, prohibiting criminal conduct and CBDC transactions.

To summarise the points:

- Simplifies the implementation of monetary policy and government functions
- Eliminates third-party risk
- Calibrates privacy features
- Allows the inclusion of the unbanked
- Prevents illicit activity

Disadvantages:

1. CBDCs do not solve the centralisation problem. The investment is still under the control of a central body, which also has the right to make transactions. As a result, it continues to exert influence over the data levers that govern interactions between citizens and banks.
2. The administrator would be responsible for collecting and disseminating digital identifications; therefore, users would have to give up some privacy. This might lead to privacy concerns comparable to those faced by IT giants and internet service providers (ISPs). Criminals might, for example, hack into systems and exploit data, or central banks could prohibit citizens from transacting with one another.
3. CBDCs are a dark hole in terms of legal and regulatory difficulties. What function will these currencies play, and who will control them? Should they be controlled across borders, given their benefits in cross-border transfers? Experiments on CBDCs are still going on, and the results might be long-term.
4. Because of the mobility of these systems, a powerful CBDC issued by a foreign government may end up replacing the currency of a weaker country. A digital US dollar might be used to replace a smaller country's money or a failing state's currency.

To summarise the points:

- * Doesn't solve the problem of centralisation
- * Users may have to give up some degree of privacy
- * Legal and regulatory issues are a concern
- * Could substitute a weaker country's currency

Conclusion:

CBDC is acting as a new payment technology that may soon be accessible in several nations throughout the world, and events like COVID-19 may help to accelerate this process. Central banks may benefit and learn from one another by exchanging best practices, techniques, and technology, therefore contributing to the financial system's most sophisticated payment platform. Central banks should continue to engage in CBDC pilot projects with intermediaries, financial institutions, and governments, and think about CBDC's future role in the digital economy.

What is Digital Currency?

Digital currency is a form of currency that is available only in digital or electronic forms. It is also appertained to as digital money, e-money, or cybergold.

Digital currencies have no physical properties and are only available in digital form. Computers or electronic wallets connected to the internet or specified networks are used to conduct digital currency deals and online transactions.

Physical currencies, on the other hand, like bills and formed coins, are palpable, meaning they've distinct physical properties. Only when their holders have physical possession of these currencies, transactions can be made successful using these currencies.

Legal Status of Cryptocurrencies in India

Cryptocurrencies aren't illegal in India. Anybody can buy, vend, and trade cryptocurrencies. Still, India presently doesn't have a nonsupervisory framework to govern the functioning of cryptocurrencies as of now.

The government is still exploring the uses of distributed ledger technology especially in financial services and supervising the regulation of virtual currencies.

The Future of Digital Currency in India?

By looking at the sheer volume of interest, it's apparent that request stations are aligned with the belief that digital currencies are the way of the future. Still, the Indian government has failed to release a nonsupervisory frame or establish a clear accreditation.

It's worth noting that nations that have regulated cryptocurrencies, such as the United States, Singapore, and others, have gone through several stages, whereas India is just getting started. The government doesn't want to be left behind in the new era of booming technology, thus it plans to accept the advantages that blockchain technology provides. "The time has come to influence its operations while at the same time strengthening the digital structure," Reserve Bank of India (RBI) Governor Shaktikanta

Das had said in February while publicizing that RBI is working on its digital currency. The Indian government is keeping a close eye on the crypto market and enabling citizens to experiment with blockchain and cryptocurrencies. The government has stated that it is not going to shut down all the alternatives but is taking care to prevent anything that might cause exploitation. Maybe a new regulatory framework for cryptocurrencies will emerge.

RBI and digital currency

RBI had said that central banks are exploring DLT (Distributed Ledger Technology) for operation in perfecting financial market structure and considering it as an implicit technological result in enforcing central bank digital currency (CBDC). Sources indicated that the government is open to supporting a central bank-backed digital currency. "An edict currency cannot have the kind of volatility and fluctuations you see in Bitcoin and other cryptocurrencies. We have an open mind. We're veritably open to a digital currency, the RBI is working on that," the official said.

RBI had expressed concern over other cryptocurrencies and has issued several warnings against dealing in cryptocurrencies claiming it to pose a threat to financial stability. In April 2018, RBI banned banks and other regulated realities from supporting crypto deals after digital currencies were used for fraud. In March 2020, the Supreme Court struck down the ban as unconstitutional; the reason being that cryptocurrency, though limited, wasn't illegal in India.



Advantages:

1. They have quick transaction and transfer times. Because digital currencies often operate within the same network and perform transfers without the use of intermediaries, the time required for digital currency transfers is exceptionally short. Electronic transactions based on digital currencies also require record-keeping and transparency in transactions.
2. Funds transfer between two parties will be easy without the need for a third party like credit/debit cards or banks. Simpler international payments.
3. It is a cheaper alternative compared to other online transactions.
4. Payments are safe and secured.
5. Funds transfers are completed with minimal processing fees.
6. Fraud protection: Cryptocurrency offers an unprecedented level of anonymity.

Disadvantages:

1. The volatility of prices: First, the prices are relatively unpredictable, which means that your investment can go both ways. In other words, with the price that changes every day, there's no telling what your investment will be worth in a week or indeed hereafter.
2. The lack of trust: Eventually, one of the reasons that stand in the way of cryptocurrencies getting the respect they deserve is the fact that almost all of them are still start-ups. This substantially goes beyond Bitcoin, seeing as how it's the largest name in the game and, thus, has the most solid structure. Still, Bitcoin isn't the only cryptocurrency out there.
3. Susceptibility to hacking: Their digital provenance makes digital currencies susceptible to hacking. Hackers can steal digital currencies from online holdalls or change the protocol for digital currencies, making them unworkable.
4. They can be unpredictable/volatile in value: Digital currencies used for trading can have wild price swings. For example, the decentralized nature of cryptocurrencies has resulted in an extravagance of thinly capitalized digital currencies whose prices are prone to unforeseen changes grounded on investor vagrancies.

DC regulations:

The undisputable fact is that Crypto is limited and buying or dealing with crypto is not illegal. The government of India had plans to introduce a nonsupervisory bill in the congress named 'The Cryptocurrency and Regulation of Official Digital Currency Bill 2021.' Still, this couldn't be done as the conversations with a lot of stakeholders weren't complete.

'The Cryptocurrency and Regulation of Official Digital Currency Bill 2021' was aimed toward banning all private digital currency and putting forth a regulated way during which a cryptocurrency is frequently introduced officially. This will beget a lot of cryptocurrencies to follow the sanctioned pathway set by the act to come legal in India if the act is passed.

Conclusion

With the Indian Economy experiencing a slowdown after the second wave of the Novel Coronavirus, it is a lucrative time to feature this uplifting factor of cryptocurrency in the market. This move could nurture the growth of multiple new start-ups supporting blockchain and many more Indian Intermediary platforms. However, with the financial organizations also introducing their cryptocurrency, the elimination of intermediaries may happen as banks and financial institutions involve themselves in cryptocurrency directly.

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Editor's Message

Dear Readers and Contributors of The Editorial.

We are excited to present our second edition of The Editorial' - The Magazine of PICT DEBSOC. The foremost purpose of the Editorial is to publish articles about current incidents taking place in our country and across the globe. Articles are intended to be succinct reports of research works, theoretical ideas, policies, or program recommendations that would be useful in practice. The magazine focuses on an authentic source for facts and provides a forum for those interested in strengthening their administrative knowledge.

I appreciate the efforts and contribution of my colleagues for this edition.

I am grateful to the Editor-in-Chief, for their constant support since the very beginning. I sincerely thank the research team for conducting a detailed survey and outline of every article.

I am grateful to the content team members who strived hard to create every article with utmost precision. I thank our copyholders for their wonderful inputs and contribution. I thank the entire Design Team for enhancing all articles and making them presentable.

Finally, as every process has its steps and procedures, our Editorial and so this edition has travelled a long journey. It has left us with astonishing memories and has given all our contributors wide exposure. I am grateful to our authorities for helping and guiding us during the entire process.

We hope that reading the second edition of the Editorial would be a worthwhile experience for our readers, and would prove to be a valuable resource.

Thank You!

Shalaka Alkute

(Executive Officer - The Editorial)



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