EDITORIALS

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# Models

Rostow’s Model

Carl Marx

Model of persuasion:

the topic of “persuasion” is popular in the psychology, social science and marketing communities.

Perhaps scientists have something to learn here too.

Pascal, whom Nehru cited on reason, wrote on persuasion too.

He observed that the first step is to see the matter from the other person’s point of view and acknowledge the validity of their perception, and then bring in its limitations. “**People are generally better persuaded by the reasons which they have themselves discovered than by those which have come into the mind of others**.

# INTERNATIONAL AFFAIRS

## UN

## A chance of peace USA-North Korea

The visit by a South Korean delegation to Pyongyang and the subsequent North Korean offer to hold talks with the U.S. mark perhaps the most serious attempt in a decade to reduce tensions in the peninsula.

South Korean officials who met the North’s leader, Kim Jong-un, said Pyongyang is willing to denuclearise if the military threat to the North is eliminated and its security guaranteed

As Pyongyang continued its weapons programme, Washington kept up economic pressure with biting new sanctions.

But even in the face of tensions and repeated war rhetoric from both North Korea and the U.S., South Korean President Moon Jae-in kept open the diplomatic channels

This strategy appears to have yielded the current breakthrough.

The North first sent Kim Yo-jong, Mr. Kim’s influential sister, to the opening ceremony of the Winter Olympics in South Korea last month, which was followed by the meeting between the South Korean officials and Mr. Kim. Both Koreas have now agreed to hold a summit between Mr. Kim and Mr. Moon, while the North has promised to suspend nuclear and ballistic missile tests if talks with the U.S. are initiated

This is a marked shift from the aggressive foreign policy that Mr. Kim has pursued since he succeeded his father in 2011. It also signals that his militaristic foreign policy is linked to perceptions about the survival of his regime, something for which he may be willing to reach a diplomatic settlement with the U.S. Raising hopes further

Still, the path ahead will not be smooth, given the lack of trust between the U.S. and North Korea and the bitter experience of the past engagement. Even days after South Korea issued a statement about the North’s willingness to discuss denuclearisation and normalisation of ties with the U.S., Pyongyang is yet to confirm it. It could be waiting for a more concrete response from the U.S. Meanwhile, for Mr. Trump, who favours a muscular foreign policy and who even attacked his Secretary of State Rex Tillerson for pursuing talks with North Korea, Pyongyang’s offer poses both an opportunity and a challenge. He can embrace both if he is serious about defusing the nuclear tensions in the Korean peninsula. If a clear and realistic plan for negotiation comes directly from Pyongyang, the U.S. should enable a conducive environment for such talks by delaying the next military exercises with South Korea, scheduled to take place in April.

## India in Multipolar world

## Indo US

Pivot of Asia

what is it?

It Is the USA foreign and strategic policy with regard to Indo-pacific region.

Why ?

**Political:**

China’s territorial and maritime overtures in the Indian Ocean,

regional instability due to North Korea’s nuclear and missile tests, and

the salience of Asian economies in international trade and commerce has brought the region into prominence

With its withdrawal from the Trans-Pacific Partnership, the U.S. is looking for multilateral economic engagement with Asian economies

**Strategic interests:**

apart from building missile defence systems with Japan and South Korea to checkmate North Korea.

USA wants to align with quad to counter china’s rise

How?

America sees India as a ‘major defence partner’, and seeks to further expand defence cooperation between the two countries with particular emphasis on military purchases.

Indian Angle

Besides traditional security concerns like China and North Korea, the region faces non-traditional security threats such as piracy and terrorism

India’s neighbourhood is demonstrating changes under China’s influence. Chinese infrastructure and loan diplomacy have impacted India’s immediate neighbourhood.

There has been a constant Chinese strategic presence in the Indian Ocean Region (IOR).

At the multilateral level, India is checkmated by China on the issues of terrorism and membership of the Nuclear Suppliers Group.

China angle

China has invested significant capital to push ahead its ambitious Belt and Road Initiative (BRI)

It will not want to make region unstable

Steps by India

Over the last three years, India has worked to secure a major diplomatic engagement to secure its relations with its immediate neighbourhood as well as further its relations with ASEAN under the ‘Act East’ policy to counter China

Results

No tangible evidence of significant output of the engagement yet.

Trade with ASEAN at $76 billion, India ranks lower than not just the U.S. and China, but also South Korea, Japan and Australia.

The Regional Comprehensive Economic Partnership negotiations launched in 2012 have been held up, largely because of Indian concerns over unfettered access to Chinese goods

ASEAN resistance to movement of Indian services and labour.

Way forward

As no single country in the Indo-Pacific region can rise to the challenge posed by China and other security concerns, there needs to be a building of unity.

India can be **that ‘consensus builder’ in its neighbourhood** before moving ahead with its role as ‘net security provider’ in the region

## INDO CHINA

**Counter Influence of china in Asia**:

1. co-binding China in a bilateral/regional security complex:
   1. that is, view China as part of the solution to the region’s challenges (including terrorism, climate change, piracy, infrastructural/developmental needs) than as part of the problem, or the problem itself.
   2. Some efforts in this direction are already under way such as India-China joint anti-piracy missions in the Gulf of Aden. The two countries could consider initiating regular, structured consultations in this regard. In other words, enhancing security cooperation with China is a sure way of alleviating the persistent security dilemma between them.
   3. A mutual ‘complex interdependence’ in economic, security and other domains should be strengthened and front-loaded over zero-sum competition. Talk about security community and joint efforts than containing China.
2. India should cooperate with and trust China while at the same time keeping its (gun) power dry, for after all, in the anarchic international system that we inhabit, the role of military strength in guaranteeing national security cannot be underestimated.
3. the more China gets involved in Pakistan, the less it can afford to ignore terrorism within Pakistan. Around 30,000 Chinese nationals currently reside in Pakistan (and over 71,000 Chinese nationals visited Pakistan last year) and these numbers will only increase over time which will perforce motivate Beijing to ‘work with’ Islamabad on the terror question.

**Conclusion:**

India urgently needs to develop a clear vision for a stable regional security order and work out what role India would like China to play in that vision and how it can nudge China towards that. Keeping China out of the regional security order is not realistic, letting China dominate it is not desirable: smart-balancing China within such an order is indeed the optimal strategy.

## INDO ASEAN

The Association of Southeast Asian Nations (ASEAN) and India are celebrating 25 years of dialogue, 15 years of summit level meetings, and 5 years of strategic partnership.

The (ASEAN) comprises of Indonesia, Singapore, Philippines, Malaysia, Brunei, Thailand, Cambodia, Lao PDR, Myanmar and Vietnam. Formed in 1967 after Bangkok declaration

India’s focus on a strengthened and multi-faceted relationship with ASEAN is an outcome of the significant changes in the world’s political and economic scenario since the early 1990s and India’s own march towards economic liberalisation

**HIGHLIGHTS**

1. India’s relationship with ASEAN has improved to the extent that the regional grouping is now the anchor of India’s Act East policy.
2. India has 30 sectoral dialogue mechanisms and
3. seven ministerial level interactions with ASEAN, in fields such as external affairs, defense, connectivity, commerce, telecommunications, agriculture, energy, environmental issues, and tourism.
4. India also shares strong bilateral relations with each of the 10 ASEAN member countries.

**HISTORY**

The relationship between ASEAN and India has not always been close.

**Cold War era**

India throughout the Cold War was not in favor of involvement in regional organizations, preferring to focus on active participation in global organizations.

the geopolitics of the Cold War placed ASEAN and India in opposing ideological blocs.

The story of ASEAN-India relations throughout the Cold War can be appropriately summarized as missed opportunities due to political mistrust, economic inconsequentiality, and occasional military threats.

However, changes in the structural factors — like the fall of the Soviet Union, the rise of the parallel forces of globalizations and regionalization, the rise of the People’s Republic of China (PRC), the Asian Financial Crisis, and the 9/11 attacks — changed India’s perception regarding the value of regional organizations.

Worsening security conditions and isolation at the international level, alongside the rising balance of payment crisis which India faced in 1991, compelled New Delhi to move from its passive approach to active engagement with regional organizations.

**Post Reform Period LOOK EAST POLICY**

Prime Minister Narasimha Rao’s visit to select Southeast Asian countries marked the beginning of India’s Look East policy, with the ASEAN at the center.

In 1992, India became a dialogue partner across limited sectors in ASEAN;

it achieved the status of full dialogue partnership in 1995.

The next year, India was given the opportunity to appear in the ASEAN Post Ministerial Conference (PMC) and became a full member of the ASEAN Regional Forum (ARF).

Membership in ARF gave India the chance to share a high table with big powers like the United States, China, and Russia, alongside ASEAN, on security issues in the Indo-Pacific region.

Since then, ASEAN-India relations have continued to mature, apart from the brief period of 1997-2001, when events like India’s nuclear tests and the Asian Financial Crisis of 1997 saw a marginal dip in engagement.

In current scenario India's relationship with ASEAN is a key pillar of our foreign policy and the foundation of our Act East Policy.

Today the ASEAN and India annual summit is in its 25th year. ASEAN and India celebrated a “commemorative summit” in 2012 where relations were upgraded to a strategic partnership.

**Trade and security Partnership**

**Strong Trade relationship**

* Issues concerning economics, security, and connectivity have always been at the center of ASEAN-India relations.
* In the year 2016-17, ASEAN accounted for around 10.4 percent of India’s exports and 10.6 percent of India’s imports.
* Over the past 20 years, ASEAN’s portion of India’s total exports and imports is around 9.22 percent and 8.93 percent, respectively, which is a considerable chunk.
* India signed a free trade agreement in goods in 2009 and an FTA in services and investments in 2014 with ASEAN.
* Apart from this, India has a Comprehensive Economic Cooperation Agreement with various countries of the ASEAN region. This has resulted in concessional trade and a rise in investments;
* around 10 percent of the total FDI equity inflows to India comes from the ASEAN region.
* ASEAN is India's fourth largest trading partner; India is ASEAN's seventh
* Over 20% of India's outbound investments go to ASEAN. Led by Singapore, ASEAN is India's leading source of investments.

**SECURITY DIMENSION**

* On the security issues, inclusion in ARF (the first regionwide Asia-Pacific multilateral forum for official consultations on peace and security issues)was a major positive for India, which missed out on a permanent seat on the UN Security Council.
* Countries of the IOR have repeatedly suffered due to the rise in piracy, illegal migration, and trafficking of drugs, arms, and human on the trans-national level, as well as maritime terrorism.
* ARF allows India to discuss these issues, which are of immediate concern and can be only resolved on a multilateral level.
* Apart from the ARF, the ASEAN PMC and the ASEAN Defense Ministerial Meeting-Plus (ADMM-Plus) provide a platform for India and ASEAN to deliberate on the security issues concerning this region.
* Measures like the signing of a “Joint Declaration for Cooperation to Combat International Terrorism,” maritime exercises with the navies of ASEAN countries, information-sharing initiatives, and defense agreements with individual ASEAN countries have added a new dimension to ASEAN-India relations.

**Regional Connectivity**

* Connectivity is another important issue of convergence between ASEAN and India, with India working toward formalizing its transit agreements and establishing better connectivity infrastructure with this region through land, water, and air.
* India-Myanmar-Thailand Trilateral Highway.

**ASEAN-India Fund**,

To support implementation of the ASEAN-India Plans of Action, which envisage cooperation in a range of sectors in the political, economic and socio-cultural spheres for deepening and intensifying ASEAN-India cooperation.

**ASEAN-India S&T Development Fund (AISTDF)**

India announced the setting up of an ASEAN-India Science & Technology Development Fund to promote joint collaborative R&D research projects in Science & Technology.

This fund has been enhanced to US$5 million from 2016-17. Projects worth US$ 0.67 million are already under implementation and new projects are being identified.

**ASEAN-India Green Fund**

to support collaboration activities relating to environment and climate change. Some of the areas identified for collaboration under the Fund are climate change, energy efficiency, clean technologies, renewable energy, biodiversity conservation and environmental education

**Agriculture**

In Agriculture, we are cooperating with ASEAN by way of projects such as Exchange of Farmers, ASEAN-India Fellowships for Higher Agricultural Education in India and ASEAN, Exchange of Agriculture Scientists, Empowerment of Women through Cooperatives, Training Course on Organic Certification for Fruits and Vegetables etc.

**Delhi Dialogue:** India has an annual Track 1.5 event Delhi Dialogue, for discussing politico-security and economic issues between ASEAN and India. Since 2009, India has had nine editions of this event. The 9th edition of Delhi Dialogue was hosted by the MEA on 4-5 July 2017 in New Delhi.

**+ves from this years summit**

historic presence as chief guests at the Republic Day celebrations convey a clear message: India is important to ASEAN;

it is viewed as a benign power; and huge scope exists to develop cooperation with it

For Asean:

China’s economic progress is welcomed, with every ASEAN nation keen to derive optimal benefit from it. But Beijing’s assertive diplomacy, strategic postures and coercive action in the South China Sea have combined to sour the environment.

U.S. President Donald Trump, on the other hand, gives the impression that ASEAN’s priorities and concerns are unimportant.

This mix has impelled ASEAN states to expect and encourage India to enhance its role as a balancer in the region.

For India

ASEAN is of vital importance both for strategic and economic considerations

Declaration was devoted to political-security cooperation and socio-cultural exchanges also deal with economic issues others refer to connectivity and cooperation in narrowing the development gap.

Taken together, the measures, spelt out with precision, reveal the bold path the two sides have pledged to follow.

**Conclusion**

For India to be a regional power as it claims to be, continuing to enhance its relations with ASEAN in all spheres must be a priority. In this age of multilateral alignment, the geopolitics of the Indo-Pacific region will either be defined by India’s engagement and cooperation with ASEAN and the like minded countries, or by a rising China’s expansive unilateralism in the Indo-Pacific region.

More than two decades ago, India opened itself to the world with tectonic changes. And, with instincts honed over centuries, it turned naturally to the East. Thus began a new journey of India's reintegration with the East.

For India, most of our major partners and markets -- from ASEAN and East Asia to North America -- lie to the East. And, Southeast Asia and ASEAN, our neighbours by land and sea, have been the springboard of our Look East and, for the last three years, the **Act East Policy**.

## East Asia Summit

The East Asia Summit (EAS) is a meeting of 18 regional leaders for strategic dialogue and cooperation on the key political, security, and economic challenges facing the Indo-Pacific region

India, being a founding member of the East Asia Summit

The EAS comprises the ten member states of the Association of Southeast Asian Nations (ASEAN) ,Plus India,USA,Australia,China,JAPAN,Korea,Newzeeland.

The EAS’s 18 members represent around 55% of the world’s population and account for 55% of global GDP

The EAS is an ASEAN-centred forum; it can only be chaired by an ASEAN member

Major milestone for India -use of the terminology “Indo-Pacific,” many in India and outside see it as proof of India’s growing importance in the region.

Although most of the EAS nations have welcomed China’s Belt and Road Initiative (BRI), also known as the One Belt One Road (OBOR), some of them are anxious about Beijing’s growing influence on the region and see a kind of balancer in New Delhi

## IAEA

International Atomic Energy Agency:

Celebrating 60 years since 1957 formation

The Agency was set up as the world’s “Atoms for Peace” organization within the United Nations family

Headquartered in Vienna

The IAEA as an autonomous Organisation is not under direct control of the UN, but the IAEA does report to both the UN General Assembly and Security Council.

## India and Asean countries

Thailand:We are important regional partners linking South and Southeast Asia. We cooperate closely in the Asean, East Asia Summit and Bimstec (the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation), as also in the frameworks of Mekong Ganga Cooperation, Asia Cooperation Dialogue and Indian Ocean Rim Association.

Philippines:share our experience with the Philippines in universal ID cards, financial inclusion, making banking accessible to all, facilitating direct transfer of benefits, and in promoting cashless transactions. Making affordable medicines available to all is another priority area for the government of the Philippines that we are ready to contribute to.

Delhi declaration

ASEAN-led mechanisms, such as the ASEAN-India Summit, the East Asia Summit (EAS), the Post Ministerial Conference with India (PMC+1), the ASEAN Regional Forum (ARF), the ASEAN Defence Ministers’ Meeting (ADMM) Plus, and other ASEAN-India ministerial/sectoral mechanisms.

towards the realisation of the ASEAN Community Vision 2025.

## CPEC-an opportunity

when tomatoes were selling for Rs300 a kilo in Lahore, they were available at Indian Rs40 a kilo in Amritsar a mere 30 miles away. But a visceral Indo-phobia, shared by many of our influentials, stood in the way of consumers benefiting from the lower priced supply.”

Many Pakistani politicians want nothing to be imported from India, the enemy nation.

India joining renamed CPEC can be boon to south Asia.

Two Road blocks Road Blocks:

Pak-phobia in India

Blind Nationalism on Pakistan’s side

Result of Indo-china-pak hostility:

Despite being neighbours, India and Pakistan are among the least integrated nations in the world. Because of their unending mutual hostility,

South Asia too has become the least integrated region in the world.

The South Asian Association for Regional Cooperation (SAARC) is in a coma.

Sadly, the most populous region in the world has also remained home to the largest number of poor people in the world.

Examples

There are no direct flights between their capitals — New Delhi and Islamabad.

The frequency of Delhi-Lahore and Mumbai-Karachi flights have become minimal

the number of phone calls between Indian and Pakistani citizens (including calls between close relatives of divided families) is negligible, mostly out of fear of being questioned by their respective security agencies.

Status quo?

Those who are happy with this status quo have set responses. On the Indian side, it will be said that terror and trade cannot go together.

The Narendra Modi government has raised the bar higher — terror and talks cannot go together.

On the Pakistani side, resolution of the Kashmir issue has become a precondition for any substantial bilateral cooperation.

But is the status quo benefiting either country?

The answer is obvious,

except to those arrogant ultra-nationalists who think India now has a seat on the global high table and hence need not care for Pakistan,

and to those narrow-minded Pakistani patriots who think they need not care for India since they now have two protectors — China

ill-advised

General Bipin Rawat’s egregious remark last year about India being ready for a simultaneous two-and-a-half front war with Pakistan and China (the “half front” being our own alienated people in Kashmir) has helped solidify an impression that our two large neighbours can never be friendly towards India.

India’s foreign and defence policies proceed on this belief, South Asia is surely heading towards a future of intensified hostilities and conflicts.

Arms manufacturers and distant destabilisers will profit by this at the cost of common Indians and Pakistanis, who need employment, education, health care and food-and-environmental security.

These needs can be met only through regional cooperation, not regional rivalry.

Economics can unite?

can China become a part of the solution, rather than being perceived as a part of the India-Pakistan problem?

A three-way India-China-Pakistan cooperation is not only necessary but indeed possible, and Chinese President Xi Jinping’s Belt and Road Initiative (BRI) provides a practical framework for such partnership.

Issues with CPEC

on the myopic argument that the China-Pakistan Economic Corridor (CPEC), a flagship project under the BRI, violates India’s sovereignty since it passes through Pakistan-occupied Kashmir (PoK).

Not only does this argument hold no water but it also undermines India’s long-term development and security interests.

CPEC does not recognise PoK to be Pakistan’s sovereign territory. Article VI in the 1963 China-Pakistan boundary agreement clearly states in that “after the settlement of the Kashmir dispute between Pakistan and India, the sovereign authority concerned will reopen negotiations with the Government of the People’s Republic of China

Second, there is little possibility of India ever getting PoK, or Pakistan ever getting the Indian side of Kashmir, through war or by any other means.

Therefore, connectivity, cooperation and economic integration are the only realistic bases for any future India-Pakistan settlement of the Kashmir dispute.

Third, and most important, both China and Pakistan have stated that they are open to India joining CPEC. China has also expressed its readiness to rename CPEC suitably to both address India’s concerns

Already, Iran, Afghanistan and several Central Asian republics have agreed to join this ambitious regional connectivity project

Benefits to India joining CPEC

it would gain land access, through Pakistan, to Afghanistan, Iran, Central Asia and western China.

India’s gains due to Chabahar are modest, and nowhere comparable to those that would accrue by India having a direct land access to Afghanistan through Pakistan, courtesy a renamed CPEC.

is also indispensable for the success of two other mega projects that are critical for India’s energy security and accelerated economic growth — the Turkmenistan-Afghanistan-Pakistan-India (TAPI) and Iran-Pakistan-India gas pipelines

The proposed connectivity initiative, which would create strong new bonds of regional cooperation and interdependence, could also help resolve three long-standing geopolitical problems in the region, in which countless people have been killed — terrorism, Kashmir and Afghanistan.

Conclusion

If our leaders show vision, ambition and resolve, the CPEC-plus-India can be linked to the Bangladesh-China-India-Myanmar Corridor, thus creating a grand garland of connectivity and integration for the whole of South Asia.

If 1947 divided our subcontinent, here is an opportunity for India, Pakistan and all other countries in the region to come together and rise in shared progress and prosperity.

As Karl Marx would have said: peoples of South Asia and China, unite! You have nothing to lose but your chains; you have a bright new future to win

The Chinese dragon and the Indian elephant must not fight each other but dance with each other. If China and India are united, one plus one will not only include two, but also 11

## Neighborhood first policy

A perfect storm?

The first problem is that for various reasons other governments in the SAARC region are either not on ideal terms with New Delhi, or facing political headwinds

upcoming elections could turn the tables on India. In Sri Lanka, the recent local election results that have gone the way of the Mahinda Rajapaksa-backed party could be a portent of his future re-election.

In Afghanistan, Bhutan and Bangladesh, elections this year and the next could pose challenges for India

China interference

China in Nepal

The next problem is the impact of China’s unprecedented forays into each of these countries. Instead of telling the Nepal government to sort out issues with India, for example, as it had in the past, China opened up an array of alternative trade and connectivity options after the 2015 India-Nepal border blockade: from the highway to Lhasa, cross-border railway lines to the development of dry ports

Other

In Sri Lanka, Bangladesh, the Maldives and Pakistan, China holds strategic real estate, which could also be fortified militarily in the future.

At present, it means China has a stake in the internal politics of those countries.

China’s structural shift/China a new India

When China stepped in to negotiate a Rohingya refugee return agreement between Myanmar and Bangladesh,

or

host a meeting of Afghanistan and Pakistan’s foreign ministers to help calm tensions and bring both on board with the Belt and Road Initiative (BRI) connection between them,

or

offer to mediate between the Maldivian government and the opposition,

it wasn’t just breaking with its past policy of ignoring political dynamics in countries it invests in.

Beijing is now taking on a role New Delhi should have been in a better position to play, and

by refusing to play it Delhi is being shown up as unfeeling, partisan or, worse, ineffective in the bargain.

Indian inadequacy

The third issue is that the Modi government’s decision to use hard power tactics in the neighbourhood has had a boomerang effect

Theoretically, given its central location in South Asia and being the largest geographically and economically, India should be expected to hold greater sway over each of its neighbours

Pakistan

However, the “surgical strikes” on Pakistan of 2016 have been followed by a greater number of ceasefire violations and cross-border infiltration on the Line of Control.

Nepal

The 2015 Nepal blockade and a subsequent cut in Indian aid channelled through the government did not force the Nepali government to amend its constitution as intended, and

the subsequent merger of Mr. Oli’s Communist Party of Nepal (UML) with Prachanda’s CPN(Maoist) is seen as a reversal of India’s influence there.

Bangladesh

the Indian Army chief, General Bipin Rawat’s tough talking last week about immigration has drawn ire there,

Maldives

PM cancels visit

Maldive not attending MILAN

Way forward

India must focus its efforts to return to a more comfortable peace, and to “Making the Neighbourhood First Again”.

India’s most potent tool is its soft power

Its successes in Bhutan and Afghanistan, for example, have much more to do with its development assistance than its defence assistance.

the budget allocations for South Asia have seen an increase (of 6%) in 2018

Handeling China OBOR

instead of opposing every project by China in the region, the government must attempt a three-pronged approach.

1. where possible, India should collaborate with China in the manner it has over the Bangladesh-China-India-Myanmar (BCIM) Economic corridor.
2. Second, when it feels a project is a threat to its interests, India should make a counter-offer to the project, if necessary in collaboration with its Quadrilateral partners, Japan, the U.S. and Australia.
3. Third, India should coexist with projects that do not necessitate intervention, while formulating a set of South Asian principles for sustainable development assistance that can be used across the region.

This will all only be possible if India and China reset bilateral ties, which have seen a marked slide over the past few years.

It will also be impossible to renew the compact with the neighbours without reviving **the SAARC process**.

Indonesia, the biggest economy in the ASEAN, allowed smaller countries such as Singapore to take the lead, India too must take a back seat in decision-making, enabling others to build a more harmonious SAARC process.

Conclusion

The government’s challenge is to steer India towards a course where it is both feared and loved in appropriate measure, and away from a situation in which it is neither feared nor loved.

***“It is much safer to be feared than to be loved,” wrote Niccolo Machiavelli, “when one of the two must be wanting.”***

## Indo-Nepal rupture

Conflict

Political

India urged Kathmandu to accommodate the concerns of the people of the Tarai

Nepal did not listen to the advice.

Nepali members have pressed hard for regulation of the border and documenting entry and exit of each person

Eminent Persons Group (EPG). Nepal and India set up an EPG, of four members each, to relook at the entire gamut of relations - in particular the 1950 treaty.

It is now clear that the group would recommend an overhaul of the treaty.

Geopolitical realignment

China has stepped up economic investment and trade linkages.

But as Indian influence waned, it got involved in shaping politics

KP Oli himself had made a trip to the Nepal-China border right after his win, and has said he will deepen ties with the north to increase his leverage with the south.

Economic

Blockade by India

Ideological

particularly the hill dominated Kathmandu bureaucracy, media, civil society institutions -- is becoming more autonomous of Indian influence

The elites now go to the west for training; others have come up through the Nepali-speaking world. Their emotional investment in India is limited

Failure of India, Opportunity for China

Delhi tried to block his electoral alliance with the Maoists;

it tried to block their election victory; and

it tried to stop the announcement of the merger of the two communist parties.

It failed on all ends.

The China-Nepal romance

In 2016, Nepal’s PM KP Oli visited China. Both signed three dozen pacts, agreements and MOUs, including the Transit and Transport Agreement.

China has provided 3 billion Yuan for Nepal’s Reconstruction to be used in the jointly selected 25 major projects for 2016-2018 period.

In 2015/16, total exports to China stood at US$ 181 million. In contrast, import from China has been growing at the rate of 39% per year. It rose from US$ 421 million in fiscal year 2009/10 to US$ 1,247 million in 2015/16.

China has emerged as the largest source of foreign direct investment in Nepal.

Chinese investors have shown intent to spend over $8.3 billion in Nepal during the Nepal Investment Summit concluded in Kathmandu in March 2017.

In 2015/16, total exports to China stood at US$ 181 million.

In contrast, import from China has been growing at the rate of 39% per year. It rose from US$ 421 million in fiscal year 2009/10 to US$ 1,247 million in 2015/16.

China is the **2nd largest source of foreign tourist to Nepal**.

Over 100 thousands people visit Nepal annually.

Nepal is the founding member of the AIIB.

Nepal holds the observer status in the Shanghai Cooperation Organization.

## Non alignment 2.0

‘Nonalignment 2.0’ in the context of the new global situation, India’s growing importance and the rivalry between the U.S. and China

It reiterated that India needed to move quickly to extend its global role and influence. But the authors said India’s big challenge would be to aim at not just being powerful but to set new standards for what the powerful must do. India’s legitimacy in the world will come from its ability to stand for the highest human and universal values and at the global level,

The policy of “strategic autonomy” recommended that India should not take sides in the rivalry between China and the U.S.

For Prime Minister Narendra Modi too, NAM was nothing but a relic of the Nehruvian past and it did not form part of his vocabulary

It was no wonder, therefore, that India did not find it necessary to attend the NAM Summit in Venezuela in 2016.

India, which conceived and nursed the concept, was ready to cast it into the dustbin of history. We began a journey from the leadership of the super poor to become a super power.

Today’s scenario

As a close defence partner of the U.S. and a member of the “Quadrilateral”, India is right in the U.S. camp. As the baton of the orchestra passed into the hands of a wayward conductor, the new symphony in India-U.S. relations promised in 2016 has not quite materialised

Both China and Russia, which have been identified as adversaries in the U.S. world view, have their problems with India. Doklam and the Maldives have shown that China is in no mood for a compromise.

In fact, China has attributed the increase of its defence budget to the formation of the Quadrilateral, which is being seen as a direct threat to China.

How to revive it

An obvious way is to revive NAM by breathing new life into it and making it fit to deal with the new norm.

But it has baggage, which may be difficult to unload.

A movement conceived in the context of a bipolar world may not suit a tripolar world, which could become a multipolar world.

A partnership of near equals like IBSA (India, Brazil and South Africa) with similar interests without any ideological conflict is probably the best model to follow.

Something on the lines of the G-15 organised by India and like-minded countries some years ago could be put together with the objective of dealing with the kind of issues identified by Mr. Modi at Davos — climate change, terrorism and protectionism.

The members may have links with the U.S., China and Russia, but should be able to work together without the undue influence of the three

Conclusion

Given the present impasse in international relations with little leeway for game-changing initiatives, India will do well to move away from being a camp follower of one of the emerging poles to create our own fourth pole

## Asean

The 10-member Association of Southeast Asian Nations, ASEAN, is arguably the most durable and successful regional grouping in the developing world

Established in 1967 Formed initially by leaders of five member countries, the 1967 Bangkok Declaration, it has contributed greatly to regional harmony and prosperity

Similar History, culture and diversity of Asean nations allows them to work jointly for each others benefits

Similar economic rise contributed to setting up of regional grouping:

Four of them – Indonesia, Malaysia,Singapore, and Thailand – were classified by the World Bank (1993) as “miracle”

economies. Since the late 1980s, Cambodia, Lao PDR, and Viet Nam have successfully engineered a transition from planned to market economies with significantly increased growth rates and sharp reductions in poverty.

Diplomacy: The so-called “ASEAN Way” is enshrined in noninterference in others internal affairs and can be characterized by

lowest-common-denominator decision-making.

Future:

In the foreseeable future it is unlikely to adopt a common external trade regime, with completely free commerce among member states

The Asean Economic Community :

The AEC envisions ASEAN as a competitive economic region with a single market and

production base.

## ISIS vs old groups

What makes ISIS different from other jihadist groups is that it’s an insurgency as well as a proto-state at the same time. The way it operates is different from other organisations.

Al-Qaeda, the most powerful force in the global jihadist landscape till the rise of ISIS, is largely a hit-and-run outfit. Osama bin Laden didn’t create a state. Nor did he declare himself as the Caliph of the world’s Muslims.

They operated from caves and deserts and used asymmetric forces against those whom they deemed enemies.

Abu Bakr al-Baghdadi, on the other side, established a proto-state that at one point of time was as big as the United Kingdom, ruling over about 2 million people. ISIS used both asymmetric and conventional warfare tactics in the battlefield.

This unique positioning is the key reason ISIS managed to attract more foreign fighters than any other jihadist group

It doesn’t believe in nation states, but only in a perpetually expanding Caliphate. The territories which the Caliph has direct control over make up the core of the world system, according to ISIS.

Despite large-scale military setbacks at the core, ISIS still remains a global terrorist force. In Nigeria, Boko Haram, the jihadist group that controls parts of the country, has declared allegiance to ISIS.

In Libya, a branch of the Islamic State controlled Sirte, the assassinated former dictator Moammer Gaddafi’s home town, for months and has presence in other cities and the country’s deserts

In Afghanistan, ISIS members and sympathisers have already set up a wilayat called the Islamic State of Iraq and the Levant — Khorasan Province in the eastern Nangarhar province

It’s from Khorasan that ISIS is handling its South Asia operations, including in India, Pakistan and Bangladesh. ISIS hasn’t carried out any major terror attack in India, nor does the group have any organisational presence in the country. But it has lured dozens of Indians into its fold.

It’s evident from its actions that the ISIS leadership has seen South Asia as a fertile ground for the organisation.

The history of jihadist insurgency, high Muslim population and growing tensions between communities may all have prompted the group to focus on the region in its quest for expansion. Understandably, it chose Afghanistan, which has been at war with itself for decades, as its operation centre.

India has also been high on the group’s agenda. In the 13th issue of ISIS’s online English magazine Dabiq, Hafiz Saeed Khan, the Wali of Khorasan [who was later killed], said it won’t be long before Kashmir is run by the organisation

From across India dozens were attracted by ISIS. Some have gone from India to Khorasan, while some others travelled from the Gulf countries they were working in to Iraq and Syria to live under the Caliphate

Indian authorities have arrested several people who they say were part of ISIS cells from different parts of the country. But surprisingly, one of the most-affected States by this ISIS influence was India’s most socially advanced one.

All these developments, from establishing wilayats in Afghanistan and Libya to attracting youth from India and Pakistan, suggest that ISIS may have been weakened at its core but it’s far from defeated.

## Look West

India’s ‘Look West’ policy too is evolving rapidly.

potential Indian role in the West Asian peace process

India signed six agreements worth around $50 million with the Palestinian Authority

India’s robust engagements with the Arab Gulf states are a part of this dynamic

A landmark pact awarding a consortium of Indian oil companies a 10% stake in offshore oil concession will be the first Indian investment in the UAE’s upstream oil sector, transforming a traditional buyer-seller relationship into a long-term investor relationship with stakes in each other’s strategic sectors

Oman has been a long-standing partner of India in West Asia, where Indians constitute the largest expatriate community.

 With the Indian Ocean becoming a priority focus area for New Delhi, Oman’s significance is likely to grow. China’s expanding footprint in the Indian Ocean Region has alerted India to the possibility of strengthening security ties with littoral states. India is likely to step up its military presence in Oman. Naval cooperation has already been gaining momentum with Muscat giving berthing rights to Indian naval vessels to fight piracy in the Gulf of Aden. Regular naval exercises have now become the norm

Not only militarily but by enhancing cooperation in the field of health, tourism and peaceful uses of outer space

India’s engagement with West Asia should now focus on delivering on its commitments and strengthening its presence as an economic and security partner. This will be crucial as traditional powers such as the U.S. and Russia are jostling militarily, even as America’s stakes in the region decline by the day. China and India, as two emerging powers, are yet to articulate a clear road map for the region.

India’s recent agreements in IOR:

It seems that we are in the middle of a base race across the Indian Ocean. The latest move, reported on Tuesday, involves an agreement to give India access to naval facilities in Oman, close to the Strait of Hormuz. This may be the first step towards a greater Indian naval presence in the Persian Gulf.

Things are moving fast in the Indian Ocean. In January there were credible reports that China is sizing up a new naval and air base near Gwadar, in western Pakistan. If correct, this facility would join its recently opened naval and military base at Djibouti as part of a growing network of Chinese naval and air bases across the Indian Ocean. Further Chinese bases in the region should also be expected.

At the same time, there is a base race occurring in the Horn of Africa, driven by rivalry between the two emerging power blocs in the Middle East: Saudi Arabia–UAE–Egypt on one side; and Turkey–Iran–Qatar on the other. The Yemen civil war and other new proxy conflicts in the region are spawning, and are aggravated by, a series of new naval and air bases opened by those countries across the Horn of Africa, including in Djibouti, Sudan, Eritrea, and Somalia.

This is not only happening in the western Indian Ocean. Closer to home, we have seen China take control of Hambantota Port in Sri Lanka, although the Sri Lankans have retained control over security matters. Last week’s “self-coup” by President of the Maldives Abdulla Yameen, involving the closure of the country’s democratic institutions has left the country in turmoil. The coming power struggle has the potential to fuel Sino–Indian competition to secure bases in that microstate.

India, the biggest power among regional states, is responding with uncharacteristic vigour. Delhi has long aspired to control the narrow maritime chokepoints used by ships travelling to and from the Indian Ocean, including the Malacca Strait, the Strait of Hormuz, and the Mozambique Channel. This has involved building up its naval and air bases in the Andaman and Nicobar Islands, which sit at one end of the Malacca Strait.

India also has eyes on building a forward operating base at the other end of the Indian Ocean, on Assumption Island in the Seychelles, at the northern end of the Mozambique Channel. A new agreement on that base was finalised with the Seychelles in January.

India is also gaining access to bases operated by its strategic partners in the region. In 2017 it signed a logistics agreement with the United States that will facilitate use of US facilities throughout the region, including at Diego Garcia and the various US facilities in the Persian Gulf, by the Indian navy and air force. In November, India signed a deal with Singapore that will reportedly enhance existing Indian access to Changi naval base. In January, India also announced the finalisation of a logistics exchange agreement with France that will allow Indian access to French military facilities, including key bases at Djibouti on the Red Sea and at Réunion in the southern Indian Ocean.

India is also building strategic relationships and facilities near the Persian Gulf. After years of negotiation, India has finally secured a deal with Iran to modernise and expand the port of Chabahar, near the Strait of Hormuz. This would be the terminus of a new transport corridor linking the Indian Ocean with Central Asia and Russia.

In early February, India signed an agreement with Iran, Oman, Turkmenistan, and Uzbekistan for the transit of goods between the Persian Gulf and Central Asia. While the deal is essentially commercial, it has the potential to significantly enhance India’s access to and influence in Central Asia. Future military uses of Chabahar by India cannot be ruled out.

The latest agreement – for access, maintenance, and logistics of Indian naval vessels at the port of Duqm, in Oman, and the use by Indian aircraft of Omani airbases – was reportedly reached during this week’s visit to Oman by Indian Prime Minister Narendra Modi. Duqm makes a lot of sense for India. The port not only sits near the entrance of the Strait of Hormuz, within spitting distance of Gwadar, but also is a handy logistics point for an expanded Indian naval presence in the Arabian Sea.

The deal is reported to include arrangements to develop strategic oil storage facilities at Duqm. This may be of greater significance than the defence deal. In the event that the Strait of Hormuz is closed, these reserves would be available to Indian tankers. India’s Adani Group recently signed a memorandum of understanding to develop the port.

Oman, a masterful practitioner in the art of strategic balancing, has long cultivated a special security relationship with India. The Indian Air Force’s anti-piracy efforts are already supported by Oman and, according to some reports, India also operates a signals intelligence facility near Rad al Hadd, in north-east Oman.

Nevertheless, a naval facility in Oman would be an important step in India’s military reach into the Persian Gulf. The use of Duqm as part of India’s strategic oil reserve is more than just icing on the cake.

## South Asia

At the heart of South Asia’s poor integration is India-Pakistan rivalry, further complicated by China-Pakistan proximity and India-China hostility.

A new dimension has been added with souring(deteriorating) of Pakistan-Bangladesh relations and the India-China tug of war over Bangladesh.

Time has come to make a paradigm shift in South Asia’s regional integration strategy

**Caught in a tangle**

Today the big three of South Asia are caught up in a complex quagmire, both within and beyond the region.

The remaining five — i.e. Bhutan, Nepal, Maldives, Sri Lanka, and Afghanistan — are paying the price of regional disintegration caused by unresolved puzzles having roots in the China-IPB (CIPB) axis

If the big three can have a strategic partnership that also factors in China, the remaining five can effortlessly fit into positive regionalism with a win-win situation for all

IPB account for approximately 95% of South Asia’s GDP and population.

Along with China, they account for 18.5% of global GDP and 41% of global population.

South Asia’s intra-regional trade, currently 5% of total trade, can grow to $80 billion from the current $28 billion, the lion’s share being within IPB

India and pak

Pakistan and India have potential trade capacity of $20 billion compared to the current $3 billion

India and banglades

Underdeveloped transport and logistics services and bureaucratic procedures are deterring India-Bangladesh cross border trade, which can grow by 300%

The Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC)

It has a pivotal position in developing joint investment agreements but sluggish progress in infrastructural development has rendered the corridor nearly comatose(in state of coma).

China future potential of BRI

Due to its common borders with China and India, Myanmar’s significance also needs to be factored in.

Potential

India continues to be the natural choice for external investors including Chinese multinational enterprises like Alibaba and Xiaomi.

In 2016, foreign direct investment to Pakistan rose by 56%, largely due to Chinese investment in Belt and Road Initiative (BRI) infrastructure.

Although the China-Pakistan Economic Corridor (CPEC) is being developed as a bilateral initiative, if Indian sensitivities can be addressed, it can be a multilateral project, integrating India as well as other South Asian and Central Asian regions.

China has already pledged $38 billion to Bangladesh under the BRI.

Synergetic integration of the economic corridors with other BRI projects can accelerate inward investment into IPB.

Connectivity issue

Road

Due to cross-border barriers and lack of transport facilitation among IPB, freight movement is taking place along expensive routes, escalating investment cost.

Movement of trucks across the international frontier is confined by absence of cross-border agreements between India and Bangladesh and India and Pakistan.

China is injecting huge funds into physical infrastructure such as Pakistan’s Gwadar port project and $20 billion in various Indian industrial and infrastructural projects.

China has committed $1.4 billion for building Colombo Port City and is set to invest $1 billion more.

Rail

Rail connectivity is restricted due to technical problems of different gauges, track structures, signalling and so forth

Absence of a multilateral agreement has restricted the realisation of the railway potential.

The deep-pocketed Chinese can invest in land and rail infrastructure to develop both inter-regional connectivity and intra-regional connectivity

Waterways

Although India and Bangladesh have started exploring opportunities using **Ashuganj inland port**, regional inland waterways remain unexplored

Airways

Air cargo flights are encumbered by limited access to Indian airspace by Pakistan and vice-versa

Common issues

Energy

The supply-demand gap of power in IPB is estimated to be 18,707 MW.

To unravel the full potential, energy treaties based on renewable sources have become imperative.

China and India are shifting from fossil fuels to renewables.

With greater electricity generation and utilisation of domestic energy endowments, combined efforts of BCIM, CPEC and the proposed China-Nepal-India (CNI) Economic Corridor under BRI, can capitalise on regional energy potential.

Water shortage

By 2050, China, India, Pakistan and Bangladesh will experience water shortages.

The three largest trans-boundary river basins, Indus, Ganga and Brahmaputra, are all within CIPB.

This represents a huge potential for water-sharing and hydro power projects across the basins, **but political mistrust is an impediment**

The Zangmu hydroelectricity dam, situated in the middle reaches of the Brahmaputra, has raised concerns in India over downstream water supply.

This damming, along with that of the Ganga, could exacerbate Bangladesh’s downstream water scarcity.

While there exist bilateral river-water sharing treaties between India and Pakistan as well as India and Bangladesh,

China is absent except for a hydrological data-sharing collaboration.

China has expressed interest to pursue water- sharing treaties and the other three affected can come together in a collaborative framework.

This can boost the livelihoods of millions across the region

digital integration and potential

India and China are leading globally in terms of Internet and smartphone users, but Internet penetration for these four countries is below 55%, representing immense potential.

Bangladesh, Cambodia and China have signed a framework to strengthen digital regional trade.

China’s BRI initiative is projected to increase connectivity by developing digital infrastructure.

Between 2016 and 2020, international bandwidth is expected to grow at an average of 43.5% across CPEC and 46.3% across BCIM. Higher broadband connectivity and Internet access can boost regional e-commerce.

Digital connectivity can act as the gateway to a holistic transformation of the region via the CIPB conduit.

Tourism and edu tourism

IPB fail to attract sufficient tourists due to poor civil aviation connectivity, complex regulations and lack of visa liberalisation procedures.

Of China’s total outbound tourists, only 1% are to IPB.

Inadequate, expensive and mediocre travelling facilities against the backdrop of pickpockets, burglary, and sexual assaults have resulted in tourists lacking interest in the region.

Rooms that cost $400 a night in Delhi or Mumbai would cost hardly $100 in most parts of China.

China is unable to attract students from South Asia against the improved facilities provided by the U.S. and U.K.

Only 5% of outbound students of IPB go to China, compared to 22% to the U.S.

If these opportunities are tapped, it would enhance mobility of both tourists and students.

**Solving the jigsaw puzzle**

The CIPB axis is an open-ended chess game played out against cross-border conflicts.

A strategic collaboration that rises to the occasion, looking beyond historical animosity and misgivings, can unlock a new era of regionalism whose benefits far outweigh negatives.

Solving the jigsaw puzzle will need political statesmanship which will see friends and foes, living next to each other, knowing where to connect and when to disconnect

## India Pak

### Treaty that backfired? The Shimla Agreement

did not fully achieve any of India’s objectives

The Shimla Agreement of 1972 was expected to be a milestone in India-Pakistan relations,

for not only did it rend Pakistan asunder, but India also held 93,000 prisoners of war (POWs) who could constitute a major bargaining chip with Pakistan.

India had three primary objectives at Shimla.

First, a lasting solution to the Kashmir issue or, failing that, an agreement that would constrain Pakistan from involving third parties in discussions about the future of Kashmir.

Second, it was hoped that the Shimla Agreement would allow for a new beginning in relations with Pakistan based upon Pakistan’s acceptance of the new balance of power.

Third, it left open the possibility of achieving both these objectives without pushing Pakistan to the wall and creating a revanchist anti-India regime

There was a near-consensus among Indian policymakers that India must not pull a “Versailles” on Pakistan.

A humiliated Pakistan, it was argued, would inevitably turn revanchist.

This was the reason India did not force Pakistan to convert the ceasefire line in Kashmir into the international boundary when Pakistani President Zulfikar Ali Bhutto ruled out this option.

It accepted the term **Line of Control (LoC) instead,** thus delinking it from UN resolutions and highlighting that Kashmir was a purely bilateral affair.

India was inclined to return the POWs but was constrained from doing so because they had surrendered to the joint India-Bangladesh command and could not be returned without the latter’s concurrence.

Dhaka made it clear that it would not return the POWs until Islamabad recognised Bangladesh, thus delaying the POWs’ return until 1974.

However, despite its soft line on Kashmir and the POWs, India was unable to prevent the military from taking power in Islamabad in 1977 and executing Bhutto

General Zia-ul-Haq’s coup had a major bearing on India’s other objectives.

Zia’s strategy was to use the Afghan insurgency in the 1980s to acquire sophisticated arms from the U.S. and induce Washington to ignore Pakistan’s clandestine quest for nuclear weapons.

Pakistan’s acquisition of nuclear capability created a situation of deterrence negating India’s superiority in conventional power **and instated de facto military parity between the two countries**.

The 1999 Kargil War validated the success of deterrence when India desisted from taking the war into Pakistani territory.

Deterrence also provided the shield for the Pakistani military to take the “war” into Indian Kashmir through its proxies, the terrorist groups created and supported by the ISI.

Nuclear weapons prevented India from retaliating on Pakistani territory.

The Shimla Agreement did not fully achieve any of India’s objectives. If anything, it may have whetted the Pakistani military’s appetite to try to turn Kashmir into India’s Bangladesh

### Escalation to war

A little over two months into 2018, the violence on the Jammu and Kashmir (J&K) stretch of the India-Pakistan border has reached a new high: more than 633 ceasefire violations (CFVs) by Pakistan have been reported by New Delhi which have claimed the lives of 12 civilians and 10 soldiers

With the rising violence, casualties and upcoming elections in both countries, we may have a perfect recipe for escalation on our hands.

**Three strategies**

Ever since the ceasefire agreement (CFA) of 2003, New Delhi seems to have followed three broad strategies to deal with the violence on the J&K border

three approaches — ‘talks over bullets’,

‘talks and bullets’, and

‘disproportionate bombardment’

Another phase when this strategy was evident was following Prime Minister Narendra Modi’s visit to Lahore.

Thanks to the rapprochement achieved by his visit, the period from December 2015 to February 2016 hardly witnessed any CFVs, despite the Pathankot Air Force base attack in early January 2016

Years of CFA

The years immediately after the 2003 CFA witnessed a great deal of calm on the borders with CFVs dropping to a minimum even though infiltration into J&K and sporadic, minor terror attacks against India continued to take place.

There were no major terror attacks, and Kashmir was calm.

**‘talks over bullets’,**

Bilateral talks drastically reduced violence during that phase. This lasted roughly till 2008

The benefits of this strategy, adopted mostly by the previous United Progressive Alliance government and briefly by the incumbent National Democratic Alliance government, are evident.

**Engagement with Pakistan and quiet on the border are strongly correlated**

However, it tried the strategy of peace and talks several times in the past and failed to get a positive response from Pakistan.

This has led to a great deal of bitterness in India.

Failure of this strategy has been due to the periodic terror attacks carried out against India, infiltration into J&K and the rise of militancy in Kashmir, in all of which India sees significant contribution of the Pakistani establishment

While there are benefits of talks, they are neither consistent nor without political costs

the costs of ‘talks over bullets’ strategy, in New Delhi’s calculation, seem to outweigh the benefits.

Talks with bullets

The second strategy has been to engage in talks while proportionately responding to Pakistani provocations.

The period from 2010 to 2012 seems to fall in this category

Consider this: the two sides engaged each other in talks during this time and CFVs reduced significantly — India reported 70 violations in 2010, 62 in 2011 and 114 in 2012

The benefits of this game of proportionate response — ‘talks for talks and bullets for bullets’ — which went on without much fuss are clear:

very little risk of escalation, fewer casualties and limited destruction

However, this strategy comes with major political costs. Hardliners and the opposition in India criticised the Manmohan Singh government of being weak, in particular when the beheadings of Indian soldiers took place in 2013,

The political costs of not upping the ante against Pakistan seemed to outweigh its military benefits

disproportionate bombardment

disproportionate bombardment of the Pakistani side using high calibre weapons while not showing any desire for talks, negotiations or concessions, and shunning Pakistani suggestions thereof.

India’s reported rejection, in January, of a Pakistani proposal for a meeting between the two Directors General of Military Operations (DGMOs), saying it first wanted to see a drop in infiltration levels is a direct outcome of this strategy

The domestic component of this strategy also involves a great deal of politicisation of the Indian Army’s feats on or across the Line of Control, such as the surgical strikes against Pakistan in September 2016

Despite the rising terrorist attacks inside J&K and the increasing CFVs, there has been hardly any dialogue

The benefits of this disproportionate bombardment strategy are too obvious to miss.

Its domestic political utility is enormous given the surprisingly few questions being asked of the government about the rising civilian and military casualties.

creates a powerful political discourse laden with potential electoral benefits for the ruling dispensation

There are inherent costs associated with this strategy.

First, the disproportionate bombardment strategy could potentially escalate to worrying levels

Second, more killing and destruction would also steadily shrink the space available for negotiated outcomes with Pakistan.

Finally, the current media frenzy surrounding the border violence and the associated nationalist sentiments could become a worry for the government if and when it wishes to negotiate with Pakistan

Recent tit-for-tat harassment of each other’s envoys is a new low

this constitute technical violations of the Vienna Convention on Diplomatic Relations (1961) and the subsequent Vienna Convention on Consular Relations (1963), which clearly state that a diplomatic agent’s person, premises and property are inviolable and must be respected and protected by the “receiving state”

The fear is that as a next step in this spiral, India and Pakistan may even take stronger measures, including sending back diplomats or scaling down their missions

Conclusion

There is then a clear mismatch between the expectations and strategies of New Delhi and Islamabad/Rawalpindi. Whereas India is looking for an end to cross-border infiltration and Pakistani involvement in Kashmir in return for an end to shelling on the border,

Pakistan is desirous of a resolution of or meaningful talks on Kashmir in return for calm borders and cracking down on anti-India terror groups in Pakistan.

The two sides must therefore try and find a via media between these two differing sets of expectations if they wish to bring down the violence on the J&K border that is increasingly spiralling out of contro

## India-France

India-france

India-France Strategic Partnership

launched in 1998

enhanced cooperation in diverse fields covering civil nuclear, defence, space, counter-terrorism, education, research and development in science and technology, culture, urban development, climate change, trade and economics and people-to-people contacts.

Multipolar world

As a country that has prided itself on its ‘exceptionalism’, France has always been sympathetic to similar Indian claims based on its ancient civilisation.

This is why both countries were quick to voice support for global multi-polarity once the Cold War ended.

French discomfort with the U.S.’s unipolar moment in the 1990s was evident when it described it as a ‘hyperpower

Defence cooperation

Defence cooperation with France began in the 1950s when India acquired the Ouragan aircraft and continued with the Mystères, Jaguar (Anglo-French), Mirage 2000

Joint naval exercises, later christened Varuna, date back to 1983.

An agreement for building six Scorpène submarines in India with French help was signed in 2005

Joint exercises between the air forces and the armies were instituted in 2003 and 2011, respectively

Nuclear

nuclear field, an agreement was signed about a decade ago for building six EPR nuclear power reactors with a total capacity of 9.6 GW for which negotiations have been ongoing between the Nuclear Power Corporation of India (NPCIL) and Areva, and now EdF.

The agreement on the industrial way forward between NPCIL and EdF affirms that work at Jaitapur will commence before the end of 2018

Jaitapur worlds largest proposed nuclear plant

Space cooperation

Cooperation in the space sector has continued since the 1960s when France helped India set up the Sriharikota launch site, followed by liquid engine development and hosting of payloads.

Today, it is a relationship of near equals and the ‘vision statement’ refers to world class joint missions for space situational awareness, high resolution earth observation missions with applications in meteorology, oceanography and cartography.

GeoPolitics

After the Cold War, France decided that its preferred partner in the Indian Ocean Region would be India

It was the first P-5 country to support India’s claim for a permanent seat in an expanded and reformed UN Security Council

Partner in IOR

France has expressed concern about China’s growing presence in the Indian Ocean Region

It has long maintained bases in Reunion Islands and Djibouti and established one in Abu Dhabi in 2009

signing of MoUs regarding the provision of reciprocal logistics support to each other’s armed forces, exchange and reciprocal protection of classified information and developing shared space studies and assets for maritime awareness provide the basis on which to strengthen joint naval exercises

strengthening cooperation with France, particularly in the western Indian Ocean Region makes eminent strategic sense even as India develops its presence in Oman (Duqm) and Seychelles (Assumption Island).

Trade and Commerce

Trade has grown in recent years but at $10 billion is half of the trade with Germany.

The signing of nearly $16 billion worth of agreements at the business summit indicates that private sectors in both countries are beginning to take notice.

In the past, Indian companies saw the U.K. as the entry point for Europe; now with Brexit approaching

India should look at France as its entry point for Europe and Francophonie

The flagship programme of Smart Cities in which France is focussing on Chandigarh, Nagpur and Puducherry is taking shape as more than half the business agreements signed related to electric mobility, water supply, waste management and smart grids.

Education

The agreement on mutual recognition of academic degrees and the follow-on Knowledge Summit, where 14 MoUs between educational and scientific institutions were signed

Currently about 2,500 Indians go to France annually to pursue higher education

ISA

Climate change and renewable energy resources, particularly solar, soon emerged as a new plank, reflected in the multilateral initiative of the International Solar Alliance.

Conclusion

The Strategic Partnership has already created a solid foundation; other aspects have now received the much needed focus and with proper implementation, it can add to the growing strategic convergence that draws India and France together.

# POLITY

## Compensatory afforestation fund act

The fund’s growth over the past decade is a measure of the forest destruction under way in India.

It is also a potent indicator of the scale of resource appropriation from some of India’s most marginalised citizens, namely Adivasis and other communities, living in and around forests

 The CAF Act is a deeply flawed piece of legislation because it reduces their displacement, hardship and loss of livelihood and food sources to a monetary value — to be paid to the state

The Forest Rights Act (FRA) was enacted in 2006 to provide forest-dependent communities with resource rights via individual and community forest land titles.

It also recognised long-standing knowledge systems and community efforts in protection of forest resources by formally establishing the **authority of the gram sabha in forest stewardship.**

A decade on, the FRA remains grossly under-implemented, and its vision of devolving power to rural communities stonewalled.

**The CAF Act and draft rules institutionalise this stymieing by placing a huge fund at the unilateral disposal of the forest bureaucracy, giving it unchecked powers to undertake plantations on private and common property resources.**

**The rules provide for mere “consultation” with communities in the planning of compensatory afforestation: a clear step backward from the consent provisions in the FRA and the 2014 Land Acquisition, Rehabilitation and Resettlement Act.**

no meaningful safeguards against the forest bureaucracy implementing compensatory plantations on dense forests

a clear step backward from the consent provisions in the FRA and the 2014 Land Acquisition, Rehabilitation and Resettlement Act

Consultations are not stipulated for all afforestation projects, and need not even involve the affected gram sabhas.

This indicates a wilful blindness to conflicts under way across forested landscapes.

Example

Take the case of Rangamatia, a village of the PVTG (particularly vulnerable tribal group) Juang community in Keonjhar, north Odisha, which has been at loggerheads with the forest department since 2016. This is when the department unilaterally demarcated dense community-conserved forest in the village for a “compensatory afforestation” project, tied to forest clearance for an iron ore mine by the Tatas in the district

 An ongoing study of 2,479 compensatory afforestation projects across 10 States by forest rights groups has shown that over 70% were on existing forest land, including dense forests

 rights movements by Adivasi and forest-dwelling communities are marginal in our public discourse, except during momentous events like the recent Nashik-Mumbai march

it Instead, prepare the ground for a fresh chapter of the violent denial of rights and ecological damage.

## Surrogacy Bill

Three phase of surrogacy legislation in india

**Medico-liberal phase, late 1990s-2008**

Through its 2005 National Guidelines for **Accreditation, Supervision and Regulation of ART Clinics in India**,

the Indian Council for Medical Research (ICMR) set the terms for interactions between stakeholders in the ART industry, effectively shaping its political economy in the initial years. **Surrogacy had to be medically indicated.**

There could be **no pre-existing relationships between the gamete donors and the commissioning parents but commercial gestational surrogacy and the compensation of gamete donors were permissible.**

The birth certificate **had to be in the name of the commissioning parents**, which facilitated a market-mediated model of surrogacy.

The guidelines forbade the ART bank and clinic from facilitating monetary aspects of the surrogacy transaction and made no mention of agents, intermediaries or middlemen.

The guidelines were informed by a public health view of infertility, which was liberal in permitting the commodification of female reproductive labour for the market.

**The contested phase, 2008-2012**

Between 2008 and 2012, full-service clinics and agencies liaised between commissioning parents, gamete donors, surrogates and medical professionals to provide surrogacy services to hundreds of international and domestic commissioning parents.

Unlike in the West, where surrogates litigated to keep babies, surrogates in India had a collective action problem even in places like Anand where the sector assumed small industrial proportions;

they had limited access to state institutions. Due to the medically-mediated nature of the sector and surrogates’ own desire to access clinics for a repeat surrogacy, they were loathed to antagonise clinics or approach courts when their surrogacy agreements were violated.

Meanwhile, foreign commissioning parents were able to take babies out of India with relative ease. Embassies of various countries refined procedures for ascertaining parentage before issuing the necessary citizenship and travel documents. Problems, however, arose where the destination country banned surrogacy, recognised only the birth-mother as the legal mother, or where parents divorced after commissioning surrogacy. In the face of legislative inaction, Indian courts resolved complex cases such as Baby Manji and Jan Balaz on an ad hoc basis. The Law Commission of India in its Report 228 in August 2009 meanwhile recommended that parliament legalise altruistic surrogacy and prohibit commercial surrogacy.

As business boomed, the ICMR drafted the ART Bill based on its 2005 guidelines. The ART Bill 2008 reiterated that ART was available irrespective of marital status and introduced stringent requirements to ensure that foreign commissioning parents took babies home. The sample surrogacy agreement suggested that the surrogate be paid 75% of her remuneration at the time of the embryo transfer and remaining payments later.

The ART Bill 2010 had substantial inputs from clinics. It changed the definition of the term ‘couple’ to cover two persons living in India and having a sexual relationship that was legal in India. Surrogacy was available to all single persons, married couples and unmarried couples. The Bill imposed obligations on foreign commissioning parents to ensure there were no stateless babies. The model surrogacy agreement was modified so that the surrogate would be paid 75% of the remuneration only after delivery. For the first time, individual brokers and paid intermediaries obtaining gamete donors or surrogates could be punished.

**The contracting and normative phase, 2012-2017**

As the surrogacy sector grew, but no statute was forthcoming,

in 2012, the Ministry of Home Affairs deployed administrative procedures and **surrogacy visas to regulate the** sector.

Eligibility was restricted as only a foreign man and woman married for at least two years could commission surrogacy with an assurance that their country recognised surrogacy and that the child would be permitted entry as a biological child.

They needed exit visas, which were contingent on satisfaction of contractual obligations to the clinic and surrogate.

NRIs and PIOs did not need a medical visa but were subject to all the other conditions applicable to foreign commissioning parents.

After years of working in the shadows, fertility clinics finally found assurance in state regulation of the sector.

Legislative fine-tuning however continued: a 2013 version of the ART Bill restricted the number of surrogacies, required a genetic link between one commissioning parent and the child and increased insurance protection for the child and surrogate. The ART Bill 2014 confirmed earlier restrictions by explicitly excluding LGBT commissioning parents. It also excluded foreign commissioning parents. The restrictions applicable to foreigners under the 2012 circulars were now applicable to NRIs, OCIs, PIOs and foreigners married to an Indian citizen. Compensation rates differed for domestic and foreign commissioning parents. The surrogate could have only one live surrogate baby. The surrogate had increased insurance protections, her life was to be prioritised over that of the baby and her compensation was due irrespective of the birth outcome. Where she died or became disabled, the ART clinic was presumed to be negligent.

Even as the central government refined its proposed Bill, a 2015 public interest petition in the Supreme Court by Jayasree Wad praying for the prohibition of commercial surrogacy resulted in an unexpected ban on commercial surrogacy and the import of embryos by foreign commissioning parents effectuated through circulars from the ICMR, the Ministry of Commerce, and the Ministry of Home Affairs. A new Surrogacy (Regulation) Bill, 2016 (SRB), meant to reflect the ‘ethos of the Indian people’, sought to ban commercial surrogacy altogether and only permit altruistic surrogacy performed by a close relative of the commissioning couple; only medical expenses and insurance costs were reimbursable. Commissioning parents had to be Indian citizens (OCIs and PIOs were excluded) and married for at least 5 years with a medical indication of infertility. “Social” surrogacy was impermissible.

The Bill penalised various aspects of commercial surrogacy. Offences were cognisable, non-bailable and non-compoundable with stringent punishments. The Bill required the commissioning parents to obtain a certificate of essentiality (requiring, in turn, a certificate of infertility from a district medical board) as well as an eligibility certificate from the appropriate authority satisfying certain conditions. National and state surrogacy boards would oversee clinics, appropriate authorities and ensure implementation of the law.

The Standing Committee’s report: A proto-socialist model?

The Bill was introduced in parliament in November 2016 and was referred to a Standing Committee, which in its report in August 2017, reversed every key feature of the SRB. Extraordinarily, it stated that imposing altruism on women was a paternalistic form of exploitation and that the ‘real’ exploitation that surrogates suffered arose from the lack of proper regulation of the surrogacy sector and from the poor and even lower-paying alternatives they had to commercial surrogacy. It instead proposed a model whereby women’s reproductive labour would be compensated at a rate fixed by the state taking into consideration numerous factors. Only gestational surrogacy would be permitted; the surrogate need not be related to the commissioning parents and would be empaneled. The surrogate was to receive extensive counseling to ensure informed consent; she was entitled to substantial insurance cover.

The committee liberalised the eligibility criteria for commissioning parents extending the surrogacy option to live-in couples, divorced women, widows, NRIs, PIOs and OCIs but not other foreign nationals. Also, one year of proven infertility was sufficient to avail of surrogacy. Instead of a parentage order, the committee proposed a comprehensive, legally binding agreement between the commissioning parents, the surrogate and the clinic, to be registered with the state.

Counteracting the SRB’s carceral approach, the committee called for punishments to be proportionate to the nature of the infraction, always keeping in mind the best interests of the child born through surrogacy. Finally, it suggested that an independent agency with quasi-judicial powers resolve disputes between parties and that the ART Bill be passed prior to the SRB.

Proposed laws over the past 15 years have gone from being highly favourable to fertility clinics (and less so to surrogates) to protecting surrogates and punishing clinics. Over this time, categories of who could avail of commercial surrogacy progressively narrowed, excluding gay, lesbian and transgender individuals and couples in 2012, then foreigners, including even those of Indian origin in 2015. The 2016 SRB went a step further to prohibit commercial surrogacy altogether and replace it with a familial model of altruistic surrogacy.

The Standing Committee’s compensated surrogacy model meanwhile liberalises access to surrogacy and provides for compensation for the surrogate under the watchful eyes of the state. The state will set the compensation levels and even empanel surrogates. The regulator’s imagination has thus traversed from a medico-liberal model in 2005 to a socially conservative prohibitionist model in 2016 to a proto-socialist model in 2017 placing faith in turn in the market, family and the state, respectively, to protect the interests of surrogates and children born out of surrogacy.

**Empowering surrogates**

As parliamentarians reconvene, they must take on board the recommendations of the Standing Committee and its strong support for women’s right to be ‘reasonably and adequately compensated’ for their reproductive labour. Ultimately, the best safeguards against exploitation remain in the hands of surrogates themselves and the SRB must mandate their rights to self-organisation so as to improve their bargaining power, rather than rely either on the market, family or state.

Moreover, as the Standing Committee’s report illustrates, there are deep differences even within the government on how surrogacy should be regulated. The Ministry for Women and Child Development supports commercial surrogacy and expanded access to surrogacy. Parliamentarians also need to fundamentally rethink the Bill in light of the Supreme Court’s pronouncements (Puttaswamy vs Union of India) in August 2017 on the right to privacy that “the sanctity of marriage, the liberty of procreation, the choice of a family life and the dignity of being are matters which concern every individual irrespective of social strata or economic well being. The pursuit of happiness is founded upon autonomy and dignity. Both are essential attributes of privacy which makes no distinction between the birthmarks of individuals” (majority, para. 157).

This has implications for who can be a surrogate, who can commission surrogacy and several aspects of how surrogacy can be conducted. In negotiating these issues India is not alone. In countries like Israel and South Africa that allow for commercial and altruistic surrogacy respectively, similar constitutional questions have arisen in the search for reproductive equity and the recognition of women’s reproductive labour.

## Challenge to secularism

We are increasingly told what is right and what is wrong, and we are being told this by the government and a range of organisations that claim status and authority and who, when questioned, answer by being violent.

So, you have assassinations of people who question their views and you have the lynching of people who are suspected of acting against their diktat.

Some people today who represent the majority are suggesting the need for a debate on secularism, which forms a part of the Preamble of the Constitution

Secularism is not something external to our lives that we can do away with as and when we choose.

It is an attitude towards other people.

Normally it is regarded as a good attitude.

So, if people are questioning secularism, you have to ask what is wrong with their attitude to other people in questioning something which is essentially a positive feature of interaction?

At one level, secularism requires the coexistence of religions. It also requires the equal status of all religions.

And this upsets those whose religion has supposedly superior status or has aspects that have privileges and advantages, like a majority religion.

But secularism also goes beyond religions and envisages a society of citizens, all of whom have equal rights.

Therefore, it cannot support a Hindu Rashtra where Hindus have a primary and privileged citizenship.

Citizenship has to be based on equal rights.

Myths are something we have always believed in.

The only difference is that as you acquire more and more knowledge, you begin to differentiate between mythology and knowledge.

Mythology is also a form of knowledge in its own way but it is different from the kind of knowledge that we discuss.

## Dravid Nadu

The Tamil demand for Dravida Nadu is not new

At a press conference last week, when Dravida Munnetra Kazhagam working president M.K. Stalin was asked what he thought of the southern States combining to form “Dravida Nadu,” he replied, “If this happens, it is welcome and it will happen I believe.” Given the brouhaha around his remark, it deserves to be properly contextualised historically and in the backdrop of Tamil politics of recent years.

Historically, the Tamil demand for a separate State is not new.

The idea **of Dravida Nadu, named for the ethnicity of its original inhabitants**, initially gathered momentum with the support of the Justice Party led by Periyar E.V. Ramasamy.

Spurred by events such as the introduction of Hindi in Tamil Nadu schools in 1937, during the early- to mid-20th century, the Tamil political leadership was gripped by fear that under the rule of the Congress Party, Brahminism as a socially dominant force, Hindi, as an official language, and north Indian cultural mores would be afforded hegemonic status, relegating Tamil ethnic sentiment to a secondary position.

Consequently, from around 1938, Periyar gave voice to the demand for Dravida Nadu and it continued to find articulation in various forms via his successors at the head of the Dravidian movement, including DMK Chief Ministers C.N. Annadurai and M. Karunanidhi.

This went on until October 1963, when the Government of India, helmed by Prime Minister Jawaharlal Nehru, enacted the **16th Amendment to the Constitution, effectively outlawing what it considered to be secessionist slogans by those seeking to occupy public office.**

Fast forward to the late 20th century, and the era of coalition governments saw regional parties come into their own, including Dravidian parties of Tamil Nadu that at times grabbed hefty seat numbers in the Lok Sabha. The very need for a “Dravida Nadu” appeared to evaporate.

However, everything changed with the arrival of the BJP government in 2014, followed by the death of sitting Chief Minister Jayalalithaa of the All India Anna Dravida Munnetra Kazhagam in 2016, and the stepping back from active politics of the DMK supremo, Mr. Karunanidhi, owing to ill health.

This leadership vacuum engendered the implosion of the AIADMK and the BJP appears to have sensed the blood in the water.

The BJP certainly seems to have drawn up clear battle lines. After its recent dramatic victory in Tripura, the toppling of the Lenin statue in Belonia was followed in quick succession by multiple incidents of vandalism against statues of Periyar across Tamil Nadu, as if to put Dravidianism itself on notice.

**spectre of north Indian dominance in Tamil Nadu, prompting the call for Dravida Nadu.**

## Death penalty to Rape

The amendments to the Indian Penal Code passed by Rajasthan and Madhya Pradesh introducing the death penalty as a possible punishment for the rape of a girl below the age of 12 years is a perfect example of lawmaking that is as thick on rhetoric as it is thin on empirical evidence.

Though child sexual violence is one of the relatively better documented areas in criminal justice, little of that research is reflected in the imagination and passing of these amendments

What is the purpose of these amendments?

there is the belief that harsher punishments will deter people from committing child rape;

second, justice for child survivors demands that the law provide for the death penalty; and

third, our abhorrence for the crime makes the perpetrator ‘deserving’ of the death penalty

The various justifications

The deterrence argument is attractive because it appeals to our intuition that fear of the harshest punishment will prevent individuals from committing child rape

But social, economic, cultural, psychological and other factors in each of our lives interact in far more complex ways than just that simple equation.

In 2012, the National Research Council of the National Academy of Sciences in the U.S. published a comprehensive analysis of deterrence studies and came to the conclusion that it is impossible to determine whether the death penalty is a deterrent or not

The abhorrence associated with the crime and perpetrators of such crimes drives the sentiment that such individuals ‘deserve’ the death penalty.

Other ways

By diverting resources to the death penalty, we are taking away from developing strategies like risk assessment and management, cognitive behavioural treatment and community protection measures that have proven to have far greater preventive potential

Issues with current

Child rights groups have often expressed grave concerns over the manner in which investigations and criminal prosecutions take place under the Protection of Children from Sexual Offences Act, 2012, and **low conviction rates.**

The lack of specialised investigators, prosecutors, judges, mental health professionals, doctors, forensic experts and social workers working on cases of child rape specifically has been repeatedly cited as the need of the hour.

Massive under reporting

Research on child sexual violence in India shows that a large proportion of perpetrators are family members or those close to or known to the family. This results in massive underreporting of such crimes.

This concern will only intensify with the death penalty because we are effectively asking the child’s family to risk sending a family member or a known person to the gallows

Arbitrariness in imposing death sentences has been explicitly discussed in judgments of the Supreme Court and also led the Law Commission to recommend the gradual abolition of the death penalty in its 262nd report

This concern about arbitrariness is only bound to worsen when judges are asked to pick instances of child rape where the death sentence is to be imposed based on the ‘rarest of rare’ standard. It is mind-boggling to imagine the manner in which judges will attempt to apply the requirements of that standard to balance aggravating and mitigating circumstances

In essence, we will be asking judges to decide why certain instances of child rape are worse than others.

The Death Penalty India Report of 2016 found that a very large proportion of death row prisoners (over 75%) are extremely poor and belong to marginalised groups with barely any meaningful access to legal representation. Thus the weakest sections of society bear the burden of the death penalty.

Conclusion

The death penalty for child rape is a counterproductive diversion that helps the government present the illusion that it is serious about child rape.

Governments are looking for the easy way out on an issue that requires sustained planning, engagement, and investment of resources.

The measures required for protecting children from sexual violence and providing survivors with justice require governments to take steps that are very different from steps meant to convey our abhorrence

We are dangerously close to hate colouring our judgment on what is required to protect our children

## Political business nexus

a 2017 paper circulated by the National Bureau of Economic Research, titled “All the President’s Friends: Political Access and Firm Value”, tries to offer some empirical evidence.

The authors, Jeffrey Brown and Jiekun Huang, studied data on visitors to the White House from 2009 to 2015 and found in the database the names of several corporate executives from S&P 1500 companies.

It was found that stock prices indeed showed abnormal returns just around the time when their company executives visited the White House. This, the authors argue, is likely because these companies received political favours after meeting the President’s staff. In fact, they say, the companies received relief from stringent regulations just after meeting White House officials.

executives belonging to companies that contributed heavily to former U.S. President Barack Obama’s election campaign were more likely to be granted access to the White House during his tenure

stocks of companies that did well after receiving favours under the Obama presidency began to underperform the stocks of similar companies after the surprise election victory of Donald Trump in November 2016.

## SUPREME COURT

Jallikatu:

What must the Supreme Court do when a community’s right to cultural freedom comes into conflict with values of animal welfare?

Constitution imposed no binding obligation on the state to protect animal welfare

preventing animal cruelty falls in the concurrent list

Under FD article 51 A:

to protect and improve the natural environment including forests, lakes, rivers and wild life, and to have compassion for living creatures

Land Acquisition Issue

Several previous governments had made attempts to amend the Land Acquisition Act, 1894, but none had met with much success and the Act continued as an instrument of state oppression and forced displacement.

Milestone achieved Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act was passed in September 2013

The law provided for greatly enhanced compensation, consent of those whose land was sought to be acquired, and detailed rehabilitation and resettlement provisions (including employment, land for land, and other beneficial schemes).

In other words, it changed the relationship between the state and the individual by empowering the latter against the former.

It also included a retrospective clause.

Section 24 of the new Act provided that under certain circumstances, acquired land could be returned to affected families

the Supreme Court, in Indore Development Authority v. Shailendra (February 2018), has effectively implemented the provisions of the lapsed ordinance with regard to the retrospective clause

Supreme Court gets ready to decide on the fate of this Section in a law that has positively impacted the lives of several farmers/ land owners,

Jusrisdiction isuues:

The first category would comprise of those for whom the land acquisition award had been made less than five years prior to the coming into force of the new law (before January 1, 2014 and after January 1, 2009). In such cases, the new law would not apply; the proceedings would continue under the old law.

The second would be where the award had not been made (on the date of the new law coming into force) but the acquisition proceedings had been initiated.

In such cases, the land owners would be entitled to enhanced compensation and all other rehabilitation and resettlement benefits as provided under the new law, but the acquisition process would continue under the 1894 Act.

The third category would comprise of the cases of those for whom the land acquisition award had been made five years (or more) prior to the new law coming into force and where either compensation had not been paid or there had been no physical possession of the land. It was reasoned that five years was enough time for the acquiring authority to resolve all disputes, failing which it made no sense to hold on to the land

The question is simple: If a land owner has refused compensation, should that land be forcibly acquired by the government in the name of ‘development’?

## Lingayats issue

Although the exact numbers are not known, Lingayats constitute almost 20 percent of Karnataka’s population.

In the 12th century, social reformer Basavanna introduced the Lingayat community, distancing themselves from Veerashaivas who followed the vedas and supported the caste system.

The new Lingayat community, instead of temple worship and casteism, were taught to worship Shiva with great rigour, and give up the ritualistic brahmin practices.

Yeddyurappa, although a Lingayat leader, has been seen performing Vedic Yagas.The progressive nature of the new community attracted many followers from across the society. Following the death of Basavanna, over centuries, the two communities –Veerashaiva and Lingayat – merged again riding on the common thread that both worshiped Shiva, notwithstanding differences.

In the 21st century, the terms Lingayat and Veerashaiva have been used synonymously.

Although there is a movement to get religious status for the Lingayat community, Yeddyurappa is believer of the idea that both communities are same and a part of the Hindu religion.

## Election Reforms

**Electoral reforms in the hands of politicians is a classic example of a “fox guarding the henhouse”.**

Tag Teams?

While there are many policies that both major parties disagree with each other on, they form a remarkable tag team when it comes to electoral reforms

Role of SC?

Unsurprisingly, the Supreme Court, over the last few decades, has readily stepped in to introduce electoral reforms.

However, most of these interventions are directed at candidates, and rarely at the parties.

The Supreme Court’s recent decision on information disclosure (Lok Prahari v. Union of India) paves a way for future constitutional interventions in India’s party funding regime, including the scheme of electoral bonds.

Antecedents?

In 2002, the Supreme Court, in a landmark decision in Association for Democratic Reforms v. Union of India (ADR), mandated the disclosure of information relating to criminal antecedents, educational qualification, and personal assets of a candidate contesting elections

Now, the court has extended the disclosure obligation to further include information relating to sources of income of candidates and their “associates”, and government contracts where candidates or their associates have direct or indirect interests

Right of voters?

The principled basis of the court’s decision is that voters’ **right to know about their candidate is an extension of their freedom of expression**;

voters cannot be said to have freely expressed themselves (by voting) without having appropriate information about the candidates.

They should have the opportunity of receiving relevant information “to make an appropriate choice of his representative in the Legislature

Next step party funds?

Big question From where it comes from?

If there is one piece of information that a voter is most deprived of in India, it is that about party funding.

While the scheme of electoral bonds has received much attention,

another significant facilitator of opacity is an obscure,

**yet significant provision of the Representation of the People Act, 1951: Section 29C(1)(a)**.

The provision exempts political parties from disclosing the source of any contribution below ₹20,000.

This gives political parties a convenient loophole to hide their funding sources by breaking contributions into smaller sums, even ₹19,999 each.

As a result, a vast majority of donations to political parties come from sources unknown to voters.

E Bonds:

The new scheme of **electoral bonds takes away even the facade of disclosure requirements that used to exist in earlier law.**

There was a CII (Confederation of Indian Industry) report of 2015 which said that donors want anonymity for two reasons: one, other parties would make a beeline for their donations, and two, fear of political reprisal from those not getting the donation. The real reason probably was that they don’t want the quid pro quo to get known.

**Finally, the donors’ desire for transparency has got preference over citizens’ desire for transparency and the people’s right to know, which is more important in a democracy and critical for the fairness of elections.**

**there is one good thing about electoral bonds: cash transactions will not happen as people will have to buy bonds through the bank.**

Cap removal

removal of the 7.5% cap (based on profits over three years) on corporate donations

The cap existed for a good reason — that the companies should not start influencing political processes. Now companies can exist just to run India’s politics. That is what crony capitalism is, and now it has been legalised. Billionaire-run companies will run Indian politics.

Funding Solution

The solution lies in having a National Electoral Fund, where companies can donate without indicating preference for any political party and thereby avoiding the reprisal they claim to fear. The fund can be distributed transparently on the basis of actual performance.

example: for every vote cast in favour of a candidate, ₹100 can be given. If 55 crore people cast their votes, the National Electoral Fund distributes ₹5,500 crore among parties/ candidates.

**Do voter requires funding information?**

Is the information about party funding relevant for a voter in choosing a candidate?

**Upholding the constitutionality of disclosure requirements** for funding sources in Buckley v. Valeo, the U.S. Supreme Court held, “**The sources of a candidate’s financial support also alert the voter to the interests to which a candidate is most likely to be responsive.**”

Therefore, it is essential for voters to know the funding sources of their candidates.

Other rationale?

Parties in India play at least two crucial roles in the election of candidates, namely financial support to candidates, and, more importantly, setting the agenda

However, even if one assumes that parties do not fund their candidates,

there is another rationale for disclosure of party-funding sources.

Parties occupy a special space in India when it comes to agenda setting.

By virtue of a **strong anti-defection law in India,** all elected legislators are bound by their party agenda. If an elected legislator refuses to toe the party line, she can be disqualified.

the Supreme Court, upholding the anti-defection amendment, noted:

“A person who gets elected as a candidate set up by a political party is so elected on the basis of the programme of that political party.”

Parties cannot lay claim to the representation of a candidate, and at the same time argue that **information about party funding is not relevant for voters.**

**In short, you cannot have your cake and eat it too.**

**Simultaneous elections**

Reasons

Money in elections is the fountainhead of all corruption. If you are always in election mode, you are always in corruption mode.

Secondly, communalism and casteism are at a peak during elections. Hateful, divisive politics is the consequence of frequent elections.

Against

let’s not forget that India is a federal country. Regional parties have an increasingly important role to play. If they feel threatened by the proposal, they are bound to oppose it, making consensus impossible.

The arguments in favour of staggered elections are equally strong.

People love elections as the vote is the only power they have.

Secondly, election time provides work opportunities to lakhs of youth.

young girl from Chhattisgarh: “Jab jab chunav aata hai, garib ke pet mein pulav aata hai (Whenever the elections come, the poor get some food).”

Thus, in a way, frequent elections are good for the economy as the money goes from the rich to the poor.

national and local issues don’t get mixed up.

FPTP

FPTP was the best system for its simplicity.

PR systems but dismissed them as not being practical for India

In 2014 even with the third largest vote share of 20%, one party (the Bahujan Samaj Party) got zero seats. This is not democracy.

It is time to have a national debate on this. We could look at the German model where they have a mixed system — half PR and half FPTP.

Appointment of EC

We should have a collegium to appoint the CEC.

They are appointed by the government of the day with no consultation with the Opposition

When we can have a collegium system for the CVC (Central Vigilance Commissioner) and the CIC (Central Information Commissioner), which are not even constitutional bodies, why can’t we have one for the most critical constitutional body, the EC

The most powerful electoral body in the world has the most defective system of appointment.

**Conclusion**

**As a matter of policy, one may argue that strict transparency norms may not always be desirable. However, as a matter of legal principle, the court’s recent judgment in Lok Prahari, read along with our constitutional structure, strikes a blow against the provisions discouraging transparency in party funding. If the court’s jurisprudence is consistently applied, the scheme of electoral bonds could be declared unconstitutional.**

## India Police state

Arrest, interrogate, oppose bail, and incarcerate – this is current state of criminal jurisprudence in India. Who is interested in clinical investigation and conviction? The Central Bureau of Investigation (CBI), whom the redoubtable former Chief Justice of India R.M. Lodha had once [described](https://in.reuters.com/article/cbi-supreme-court-parrot-coal/a-caged-parrot-supreme-court-describes-cbi-idINDEE94901W20130510) as a “caged parrot”? Or,  the Enforcement Directorate (ED), whom the former central vigilance commissioner (CVC) N. Vittal had once [called](http://www.frontline.in/static/html/fl2725/stories/20101217272501200.htm) the most corrupt department in the country?

Consider a hypothetical situation. The CBI/ED arrests a person, but fails to coerce him to make any self-incriminatory statement. Before the magistrate, the CBI/ED argues that the accused is not cooperating. Custody gets extended. Custody gets further extended on the next date when the CBI/ED argues that “new facts have come to light”. And the bail versus jail match continues.

The pattern is common in most cases of arrest. Is India becoming a police state? Pre-trial custody is no substitute for punishment. What happens if long pre-trial jail ends with an acquittal? Can any accountability be fixed on the prosecution? And what about dispelling the perception that arrest and opposing bail is becoming a large-scale flourishing industry? This is the single most important reason behind the clogging of our criminal courts and jails.

Article 20 (3) of the constitution stipulates that “no person accused of any offence shall be compelled to be a witness against himself”.  In 1973, a constitution bench, made up of five judges of the Supreme Court (SC) in [Ramanlal Bhogilal (R.B.) Shah versus D.K. Guha](https://indiankanoon.org/doc/829715/) held that an accused had the right to silence if the answers tend to incriminate him. Mark the words “tend to incriminate”, which have wide amplitude. Who decides whether his answer would “tend” to incriminate him? The accused himself. So an accused enjoys full freedom not to answer the CBI/ED’s question, if in his opinion, his answer would incriminate him, or even “tend” to incriminate him.

In the 1973 case, R.B. Shah, the general manager of a bank, was arrested by the ED. Although the first information report (FIR) did not name him, the SC held that he was a person accused of an offence which was the subject matter of investigation. Shah’s writ petition filed before the SC was allowed. The SC declared him to be a person accused of an offence within the ambit of Article 20 (3). In fact, the then learned additional solicitor general Fali S. Nariman had objected to the benefit of Article 20 (3) being extended to Shah since he was not named as an accused in the FIR. But the SC overruled this objection and held that Shah was an accused by virtue of his arrest and the grounds of arrest having been informed to him.

It may be noted that informing a person of the grounds of arrest is a constitutional requirement (Article 22 (1)). Therefore, in my view, every arrested person, on being informed  about the ground of his or her arrest becomes a person “accused of an offence” under Article 20 (3).

I am perhaps giving a new interpretation which may well generate a debate. But this interpretation is fortified directly by the R.B. Shah judgment and Article 22 (1). The jurisprudential concept is sound: let the ED prove its case by hard evidence rather than expecting an accused to prove the ED’s case by making self-incriminatory statements.

Consequently, custodial interrogation – seeking to extract a self-incriminatory statement from an accused person – is illegal and amounts to capricious misuse of state authority. This illegal short-cut seeks to make up for shoddy investigation. Unless the accused is an alleged terrorist, or the case pertains to preventive detention, or there is  danger of evidence tampering, custodial interrogation should be prohibited. And if the accused seeks protection under Article 20 (3) in custody, then there is little the CBI/ED can do. A person who is already in custody has nothing more to lose. The accused can answer questions of general knowledge or about other cases, but not on the subject matter of investigation in which he has been made an accused person.

Four decades ago Justice V.R. Krishna Iyer, one of the greatest judges of the Supreme Court, had ruled: “Bail is the rule, and jail, the exception”.

In February 2018, similarly, a Supreme Court bench comprising Justices Madan B. Lokur and Deepak Gupta expressed disappointment that judges appear to have lost sight of two cardinal principles: bail is the rule, and jail the exception; a person is innocent till found guilty. The [court expressed anguish](https://www.news18.com/news/india/make-bail-a-rule-and-jail-an-exception-sc-asks-judges-to-show-humane-attitude-compassion-1652623.html): “This does not do any good to our criminal jurisprudence or to our society”.

On December 10, 1948, 48 countries, including India, came together to sign the Universal Declaration of Human Rights. Article 3 stipulates that everyone has a right to life, liberty and security of a person. Article 5 stipulates that no one shall be subjected to torture or to cruel inhuman or degrading treatment or punishment. Article 9 stipulates that no one shall be subjected to arbitrary arrest and detention. Article 11(1) stipulates that anyone charged with a penal offence has the right to be presumed innocent until proved guilty.

These concepts have found eloquent expression in India’s constitution. Even judicial pronouncements in India have emphatically upheld these rights. Yet, the state disregards these rights with impunity and gets away with it. The law declared by the Supreme Court is often not followed by the subordinate judiciary. Even the superior judiciary at times folds its hands and does not take cognisance of law declared by itself.

The situation is tragic and needs to be corrected by the judiciary itself.

Recentlr passed The UPCOCA gives the police such powers as have not been granted by any law in the state till now.

## Rule of law Index

The rule of law has rightly been argued to be part of the basic structure of the Indian Constitution.

It is an unqualified human good.

The World Justice Project Index takes into account 44 indicators in 113 countries, and

India’s rank in 2017-18 was a dismal 62.

Denmark topped the list.

In fact, our criminal justice system ranks even lower, at 66.

Nepal is ahead of us on this.

Police encounters, which have become a common phenomenon, do contribute to our low rank on ‘rule of law’ index

**Increased arbitrariness**

Rule of law is the fundamental principle of governance of any civilised liberal democracy.

It is the anti-thesis of arbitrariness.

Yet, the Uttar Pradesh government looks somewhat determined to disregard the first principles of the criminal justice system. Police encounters have become routine in U.P., and in December, Chief Minister Yogi Adityanath introduced in the State Assembly the Uttar Pradesh Control of Organised Crime Bill, 2017 on the pattern of the regressive Maharashtra Control of Organised Crime Act (MCOCA).

Such legislation does not promote the rule of law, but is itself a kind of violence, though a legitimate one with due authority of law.

**Such laws are basically examples of “rule by law” as law itself negates human rights** and permits deviations from due processes. Authoritarian regimes, such as of Hitler, too govern through “rule by law” and oppose “rule of law”.

**Up taking the lead**

It seems that lately the U.P. police has assumed the role of both investigator and judge, and at times it successfully delivers instant justice. U.P. is fast becoming known for its police encounters

The National Human Rights Commission (NHRC) has issued notices on encounter deaths to the U.P. government

The fundamental premise of the rule of law is that every human being, including the worst criminal, is entitled to basic human rights and due process.

Encounter killings generally take place with the prior consent or in full knowledge of the top authority.

Mr. Adityanath should not be alone blamed for the encounter culture. Such deaths have been taken place in States across India, and the excesses in Punjab in the 1980s and 1990s, for instance, are well recorded.

These encounters demonstrate the government’s resolve to adopt ‘the rule by gun’ in preference to ‘the rule of law’.

We must recall what the Supreme Court said in the Salwa Judum case (2011): “The primordial value is that it is the responsibility of every organ of the State to function within the four corners of constitutional responsibility. That is the ultimate rule of law.”

# SOCIAL ISSUES

## Undertrials languishing in jails

In a country where undertrial prisoners make up majority of the already overcrowded jails, a recent decision of the Delhi High Court has set in motion a reform that is preventing many of the undertrials languishing unnecessarily in jails.

issue of over 300 undertrials, who despite being granted bail by courts were languishing in capital’s jails due to their inability to furnish bail bonds and surety bonds.

Most of these undertrial prisoners were either unable to furnish bond amount or give sufficient surety — a person who takes responsibility for another’s performance of an undertaking such as appearing in courts

Out of the 4,19,623 inmates in various jails across India, 2,82,076 or 67.2% were undertrials

Solution

Pilot project in delhi

that a mechanism is being developed by the computer team of the Delhi District Courts to share the bail orders and the release warrants with the Delhi Police and jail authorities

1. Data Sharing between various organs
   1. Under the system, as and when any FIR is registered and the date regarding complainant, accused, offence and other details are captured, it will be shared with the court system as well as with the jail authorities. Similarly, as and when any accused is sent to judicial custody, information in this regard will be shared with the jail authorities and Delhi Police on a real-time
2. Efforts are also being made to create an alert in the National Prisons Information Portal (NPIP) regarding the list of inmates who was granted bail but has been in jail due to being unable to furnish the surety pro

The High Court has noted that it will also be the responsibility of prison authorities to promptly bring any instance of a prisoner being unable to secure release from prison despite an order of bail having been passed in his favour to the notice of the trial courts as well as the concerned Secretary of the District Legal Services

## Sex ratio

It has to do with culture and mentality not with indicators

Vietnam example

a female life expectancy of 85 years (India’s is 70 years);

a maternal mortality ratio of 54 (India’s is 174);

of women of reproductive age being anaemic (24% compared to India’s 51%);

of seats in Parliament occupied by women (27% compared to India’s 12%);

of females above 15 being literate (91% compared to India’s 59%);

of women having experienced domestic violence in the last year (9% compared to India’s 24%);

of women believing that men have a right to beat their wives for one of five (usually petty) reasons (28% compared to India’s 47%).

But still India and Vietnam have similar SRB hovering around 111 i.e (the number of males born for every 100 females)

For perspective, in countries that do not actively prevent the birth of female babies, the SRB hovers between 106 to 108.

If it crosses this range, it strongly suggests that there is sex determination followed by sex-selective abortion taking place.

Why?

There is a lot of writing about how the patriarchy, patriliny and male dominance in Asia outdo the patriarchy, patriliny and male dominance in the rest of the world and make families think that it is imperative that they have sons; that daughters are dispensable if a choice has to be made.

In the past, female neglect and to some extent female infanticide were expressions of this mindset — now we have less guilt-inducing and less visibly callous ways of satisfying it.

**But culture is not immutable**. This obsession for male children can be diluted with more practical policies to increase the substitutability of sons and daughters as well as the ability to manage with neither.

Example to follow

This is best evidenced in the recent and rapid return in South Korea of the SRB(sex ratio at birth) from a peak of 116.5 in 1990 to a more ‘normal’ 107 today.

Broader access to old age security,

better prosecution of violators of laws against sex determination and sex-selective abortions,

better enforced equal inheritance laws, and

‘cultural’ inducements such as allowing parents to choose either maternal or paternal surnames for their children

seem to have all contributed not only to improving the status of daughters but also to lowering the value of sons.

In turn, these measures have made women and families more indifferent to the sex of their children.

## Farmer Protests

From shortage to plenty

Historically, agricultural distress in India has been linked to truant monsoons, input shortages and lacklustre yields which frequently put growers on the road to penury.

In recent years though, it is surplus output and unremunerative prices that have decimated farm incomes more often.

For an extended period from 1998-99 to 2009-10, India’s rice output stayed stuck at 85 million tonnes to 95 million tonnes, with drought years such as 2002 and 2004 seeing sharp downward blips.

But after climbing to 105 million tonnes in 2011-12, India’s rice production has stayed well above the 100 million-tonne mark for the last six years, even scaling110 million tonnes in 2016-17.

The wheat story is similar. From a yearly average of about 75 million tonnes in the decade to 2010-11, wheat output leapfrogged to average 94 million tonnes in the last six years.

From an annual average of 14 million tonnes in the decade to 2010-11, it has averaged 18 lakh tonnes in the last six years. India harvested a record pulses crop of 23 million tonnes in 2017, matching the official demand estimate, thus dampening once-high market prices for a range of dals.

This script of galloping surpluses dampening prices has played out in commercial crops such as sugarcane and tea too.

In the last fifteen years, India has doubled its potato output, trebled its tomato harvest and managed a fourfold increase in onion output. But poor storage facilities and State laws that keep farmers bound to their local mandis, have exposed farmers to wild swings in prices

It is noteworthy that agricultural output has held up at relatively high levels in recent years, despite erratic monsoons.

MSP

Market prices for many crops have tended to plunge and stay below their official MSPs for extended periods

No guarauntee of State procurement.

State-level procurement operations are even more adhoc, lacking both direction and funding. Therefore, while a farmer may plant mustard, grapes or onions in any given year based on the MSP promise, there’s really no guarantee that he will get that price when he visits the mandi.

Reforms

Practice of ‘**Price Deficiency Payments**’ in place of MSPs to compensate farmers for price-related losses.

It plans to replace input subsidies with direct cash transfers.

It has kick-started a national electronic market for produce and

is nudging States to repeal their APMC Acts, which prevent farmers from selling in markets of their choice.

Still some bad policy measure

On export duties

Heads I win, tails you lose’ situation. If market prices of crops hit rock-bottom, the government is helpless to rescue them. But if prices soar, the government prevents them from making hay by clamping down

Farmer protest

Recurrent farmers’ agitations in the last few years across the nation lead us to ask: why have we come to this pass, that only extreme distress and street protests alert us to the deep and chronic problems of agriculture?

Not all agitations have been peaceful or successful.

Last year, in Haryana and Rajasthan they tried to block highways which led to traffic chaos. In Madhya Pradesh, in Mandsaur district, the protest turned violent, led to police firing and deaths of farmers.

The electoral outcome in Gujarat too was a wake-up call (if any was needed) to the ruling party to pay attention to rural and agrarian distress.

Govt Policy

It is not as if governments of the day have not paid attention.

Over the years and decades, there have been numerous committees, reports and commissions with extensively researched policy recommendations.

Yet farming is a story of recurring distress.

This implies that the recommendations are not working and need a paradigm change,

Swaminathan report

The most comprehensive recent blueprint for reforms and rehabilitation of the farm sector is the report of the National Commission on Farmers, chaired by M.S. Swaminathan.

That report is already over 10 years old.

Several of its ideas are yet to be implemented.

For instance, decentralising public procurement of food grain to the lowest level possible, and

setting up of grain banks at the district level.

What is the priority?

The “farm problem” of India is a huge mountain, but it is surmountable.

The biggest priority is to reduce the workforce which depends on agriculture for its livelihood.

There is considerable underemployment and low productivity but farmers are unable to exit to other livelihood options.

**points to the urgency of accelerating industrial growth and improving the ease of doing business**

**Prejudice**

we also need to acknowledge that the farm sector has been shackled for far too long.

Farming is to be treated as a business and has to be viable on its own terms.

Historically, farm prices were kept suppressed to keep industrial wages low. T

This meant monopoly procurement laws and the intermediation through the Agriculture Produce Market Committees (APMC).

Over the years the policy framework is increasingly complex and a patchwork quilt of mutually compensating measures. Thus, we have ended up with all the shackles which remain intact.

* The APMC is not discontinued.
* Monopoly procurement continues.
* There is little progress in direct link between farmer and buyer.
* Foreign direct investment in farm to fork chain is very restricted.
* Half the farmers don’t have access to formal credit, since most of them don’t own the land that they till.
* Contract farming remains virtually banned.
* Land leasing is not possible (but done informally).
* Moneylenders are taboo, even though they might be in the best position to address credit needs, albeit with proper regulation.

New measures/old measures

farmer’s plight is full of woe, exposed to risks from prices, demand, weather, pests and whims of policy and regulation.

Loan wave

It’s no surprise that crisis is chronic, and loan waivers become imperative, more for moral and ethical reasons, than economic.

Loan waivers punish those who worked hard and repaid, and the cash anyway goes to banks, not to farmers.

Banks don’t issue fresh loans out of their own risk aversion.

Hence, loan waivers are a bad economic idea but often a political compulsion.

Msp

The same is true of rewarding farmers with 50% more minimum support price (MSP), no matter what the cost.

This paradigm of cost plus pricing is bad economics.

Sugarcane grows cheaper in Uttar Pradesh in the Gangetic plains than in drought-prone Maharashtra.

But with an assured cost plus MSP, there is little incentive to **diversify crops to suit weather and cost conditions**

Some positive steps

* Neem-coated fertilizer has reduced leakage, and
* direct benefit transfer to the farmer-buyer will reduce subsidy further.
* Soil cards ensure appropriate matching of inputs to soil conditions.
* Giving tax holiday to the farmer producer companies is also the right fiscal incentive.
* The government’s aim to double farm income in the next four years is a near impossible feat, but signals the right intention..

Possible way forward

* The big agenda is to unshackle agriculture to make it a truly commercial market-based enterprise;
* to create opportunities outside farming for large scale exit of the workforce;
* to connect farmers to the value chain of farm to fork, including agribusiness;
* to remove restrictions on movement and exports of farm produce and let them tap into international market,
* to also allow easier land transfers including leasing;
* to encourage crop diversification and
* land consolidation that reverses fragmentation.

## SC declares khap actions illegal

Many crimes committed in the name of defending the honour of a caste, clan or family may have their origin in India’s abominable caste system, but there are other contributing factors as well. Entrenched social prejudices, feudal structures and patriarchal attitudes are behind what are referred to as ‘honour killings’.

While these cannot be eradicated overnight through law or judicial diktat, it is inevitable that a stern law and order approach is adopted as the first step towards curbing groups that seek to enforce such medieval notions of ‘honour’ through murder or the threat of murder, or ostracization

It is not the first time that the apex court has voiced its strong disapproval of khaps, or village assemblies that assume the authority to discipline what they deem behaviour that offends their notions of honour.

Previous judgments have made it clear that the life choices of individual adults, especially with regard to love and marriage, do not brook any sort of interference from any quarter.

In the latest judgment, a three-judge Bench headed by Chief Justice Dipak Misra has located the problem as one that violates the liberty and dignity of individuals, and something that requires preventive, remedial and punitive measures.

The High Courts of Punjab and Haryana and Madras have laid down guidelines to the police on creating special cells and 24-hour helplines to provide assistance and protection to young couples.

The Supreme Court has now gone a step further and asked the police to establish **safe-houses for couples under threat**.

The direction asking **police officers to try and persuade khaps to desist from making illegal decisions** may appear soft.

But in the same breath, the court has also **empowered the police to prohibit such gatherings and effect preventive arrests**.

videograph the proceedings of such assemblies

government should not remain content with asking the States to implement these norms. It should expedite its own efforts to bring in a comprehensive law to curb killings in the name of honour and to prohibit interference in the matrimonial choices of individuals.

## Human rights Erosion

World Justice Report Ranked india 62 out of 113 countries

the World Justice Project released its Rule of Law Index 2017-18 report.

India’s rank was 62, better than China, Pakistan, Myanmar and Bangladesh; Denmark occupied the top spot

8 areas considered including FR’s

**The survey found that 71 out of the 113 countries have dropped in score**

This report, along with others such as the Amnesty International Annual Report 2017-18, indicates the serious erosion of international human rights law in recent times

Story across the world

Even a cursory glance at the world is worrying. In Turkey and China, the assault on civil liberties and freedoms has intensified.

There is increasing hostility towards civil society organisations and hardening of attitudes towards minorities in Poland and Hungary.

The human rights of refugees are routinely negated, including in Australia and the U.S.

The rise of majoritarian attitudes, hate speech and hate crimes is a growing concern, including in India.

Mass atrocities (genocide, war crimes, and crimes against humanity) are or have been committed in Iraq, Myanmar, Central African Republic, and Burundi.

70 years of Human rights

The Second World War and the horrors of the Holocaust were the impetus for the adoption of the Universal Declaration of Human Rights (UDHR), which celebrates its 70th anniversary this year.

The ideals of justice, equality, and human rights for all, enshrined in the UDHR and other international treaties, are the building blocks of international human rights law.

Increase of intolerance

An environment in which rights are minimised or discarded provides fertile ground for a more concerted assault on rights.

Allowing hate speech to flourish is one example.

Examples of reducing UN impact

The Philippines, for instance, imposed conditions on the UN Special Rapporteur who was to investigate the alleged extrajudicial killings of suspected drug dealers since President Rodrigo Duterte took office.

In Myanmar, the UN Special Rapporteur who was to investigate the claims of persecution against the Rohingya was denied all access to the country.

The UN system may not be perfect, but it helps sustain international human rights law, and there must be greater engagement with such institutions.

Conclusion

The gradual erosion of rights can result in a landslide unless efforts are made to halt and reverse this process.

While not a panacea, effective engagement **with international human rights law** is necessary in an era where rights are increasingly being stifled in many countries

## Diluting SC/ST act

India has over 180 million Dalits.

A crime is committed against a Dalit every 15 minutes.

Six Dalit women are raped every day.

Over the last 10 years (2007-2017), there has been a 66% growth in crime against Dalits.

Further, data from the National Crime Records Bureau show that the rape of Dalit women has doubled in the last 10 years.

The figures represent only a tip of the iceberg since most Dalits do not register cases for fear of retaliation by higher castes. Even if a case reaches court, the most likely outcome is acquittal due to caste biases at every stage.

Still Supreme Court based its recent judgment that sought to protect public servants and private citizens from arbitrary arrests under the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989.

Why dilute it?

diluted the stringent provision of denial of anticipatory bail in the SC/ST Act

Rationale behind no bail

In the Statement of Objects and Reasons of the Prevention of Atrocities Act, Parliament had clearly noted that when Dalits assert their rights, vested interests try to terrorise them.

Accordingly, keeping in view the special nature of crimes against Dalits, anticipatory bail had been excluded

Constitutionality of this exclusion had been upheld by a five-judge bench of the apex court in Kartar Singh.

Decline in conviction Rate?

data from NCRB do not seem to support this contention. In fact, the share of false cases under the SC/ST Act has declined over time (2009-2015).

The conviction rate too has in fact improved — from 23.8% in 2013 to 28.8% in 2014.

Why it dropped in 2015 after the Bharatiya Janata Party came to power has to be probed.

Other angle of low conviction?

Moreover, low conviction rates show poor investigation and incompetence of prosecution.

Witnesses routinely turn hostile in such cases.

We have low conviction rates in terror crimes as well, but will the court similarly dilute stringent provisions of terror laws?

Bail a FR?

The Supreme Court had clearly said that anticipatory bail provision for the first time was introduced in 1973 **and it is merely a limited statutory right** and **not part of right to life and personal liberty under Article 21**.

Wrong signal

You cannot take decision based on few false cases

The high court rightly noted that in spite of possibility of misuse of the SC/ST Act, its penal provisions cannot be faulted as it would send the wrong signals to the downtrodden.

Provisions??

Section 22 of the SC/ST Act already protects public servants from prosecution if they acted in ‘good faith’. But

now even a First Information Report is not to be registered without preliminary inquiry.

even after the registration of FIR, the accused cannot be arrested without written approval of the appointing authority.

No FIR can be registered against anybody without permission of the senior superintendent of police.

Conclusion

The judgment will have a chilling effect on the already underreported crimes against Dalits.

The government must go for a review.

Why protests

Think of its desperation, how it has lost confidence in the ability of Indian democracy and now the judiciary to give it justice, how the promises of the Constitution have been blatantly and vulgarly betrayed, and how it has been subjected to repeated indignities, reiterated insults and bodily harm by citizens of this great Republic. Worse, its own leaders have let it down.

In January 2016 the death of Rohith Vemula, in July 2016 the public attacks on Dalits in Una, and earlier this year attacks on celebrations of the historic Bhima-Koregaon battle in Maharashtra showed up in great detail the flaws of our body politic.

How many more indignities does the community have to suffer? How long will non-Dalits be indifferent to this suffering? It is time to reflect.

What reservations has achieved yet

For instance, we see the making of an educated and professionally qualified Dalit middle class.

A Dalit movement has succeeded in prising open worlds that for long had been closed to the community.

Activists have seized the right to voice through collective action, and now influence and even shape, public debates.

Today, Dalits write their own histories and biographies.

A vibrant literary movement denounces the ostracism of an entire community from mainstream society, and chronicles the nerve-racking experience of being treated as an outcaste.

Challenging prevailing literary conventions, rewriting the script of literary and poetic production, inserting the community into critical narratives of the Indian nation,

English translations of Dalit literary works, for example Omprakash Valmiki’s Joothan (2003), Narendra Jadhav’s Untouchables (2005), and Baby Kamble’s The Prisons We Broke (2009), have expanded the canon of post-colonial literature and aesthetics in Indian and western universities.

**Discrimination prevails**

Yet caste-based discrimination persists in significant areas of social interaction. In short, the one vital good that the justice project tries to secure — respect/self-respect — continues to elude attempts at repair of historical injustice.

The impact of disrespect upon the Dalit community cannot be underestimated. Disrespect reinforces other injustices confronted by the community in everyday life.

And it disrupts social relationships based on the reciprocal obligation to see each other as equal and as worthy of dignity.

Disrespect demoralises and diminishes human beings and erodes their confidence to participate in the multiple transactions of society with a degree of assurance.

Despite historical struggles against rank discrimination in words, verse, and collective action, despite acceptance of historical wrongs by the leaders of the freedom struggle, despite the mobilisation of the Dalit community, and despite affirmative action, caste-based discrimination continues to relentlessly stalk the political biography of independent India.

Till today what caste we belong to continues to profile social relations, codify inequalities, govern access to opportunities and propel multiple atrocities. The project of justice remains unrealised.

## CASTE,Reservation etc

Caste neutral Names:

Abolition of caste titles

The necessity to drop caste titles is strengthened because of the practice of discriminating persons on the basis of their names without knowing anything about their character, ability or intelligence. The demand that such discriminatory caste titles and religion-markers are abolished will appeal to all those in favour of unity and equality.

In the contemporary Indian context, research by Sukhdeo Thorat and Paul Atwell in 2007 revealed the extent of name-based caste discrimination prevalent in the urban labour market.

It is a common argument against reservations that caste-based discrimination is a thing of the past.

But Thorat and Atwell’s study showed that caste titles as names are undoubtedly markers of privilege and therefore continue to be inherently discriminatory.

By removing such caste titles from names, caste differences may not vanish, but the outward propagation of such differences will start to blur.

The need to do away with caste titles has never been greater. Yet it might not even suffice to have an initial or name derived from the father alone: gender equality dictates that names of mothers must be used too. Only thus might we hope that names would ultimately tend towards being caste-neutral, religion-agnostic and gender-equal

## WOMEN ISSUES

**Women Security in cities:**

1. **Mobile Apps:**Himmat’ app, all women patrol van, ‘shishtachar’ programme of the Delhi police; ‘Hawkeye’ mobile app and ‘Bharosa’ programme of the Hyderabad police; ‘Suraksha’ app of the Bengaluru police and Power Angels of Uttar Pradesh police.
2. 33% reservation for women in police, installation of CCTV cameras, deployment of women in police stations, prevention of cybercrime, infrastructure issues, mapping of dark spots and crime-prone locations and much-needed involvement of educational institutions.
3. A comprehensive ‘**safe city’** plan for women will soon be kicked off in eight cities where a robust emergency response system and police-verified public transport will come into place.

Rapes

National Crime Records Bureau (ministry of home affairs )data, 2016 saw 19,765 cases of child rape being registered in India - a rise of 82% from 2015 when 10,854 cases were recorded.

Rape cases shot up in 2016 by 12.4%

UP and Madhya Pradesh reported highest number of rape case in the country

Increase of incidence of rape

Strict laws?

Death penalty introduced in MP aged 12 or below

**Women achievements**

Matunga station in Mumbai is the first station in the country which is run by all woman staff

Maoist infested Dantewada in Chattisgarh, are becoming self reliant by driving e-rickshaws

## Education

#### School fees:

Regulating school fees is one of the most significant legal and political challenges policymakers in India face.

The issue of fee regulation finds itself at the intersection of constitutionally protected freedoms enjoyed by private schools and the need for making quality education affordable and accessible.

Over the years, the issue of skyrocketing tuition fees has confronted parents.

Adding to their burden is the annual and steep hike in tuition fees along with additional costs such as fees for transport, extra-curricular activities and sports.

Every academic year sees the media reporting instances of unhappy parents expressing their anger against what they perceive to be unjust hikes

The managements of such schools claim that these hikes are reasonable and justified as the costs of maintaining a fully functional private school with quality teaching and world-class infrastructure are quite steep

In this context, balancing the autonomy of private schools and their public welfare function becomes a contentious issue.

Sc verdicts

So can private schools arbitrarily hike fees?

In T.M.A. Pai Foundation v. State of Karnataka (2002), the Supreme Court held that regulatory measures imposed on unaided private educational institutions must, in general, ensure the maintenance of proper academic standards, atmosphere and infrastructure and the prevention of mal-administration by the school management

Subsequently, in Islamic Academy of Education and Anr. v. State of Karnataka and Ors (2003), a Constitution Bench of the Supreme Court held that these institutions have the autonomy to generate “surplus” which must be used for their betterment and growth

While private schools are ‘entitled to a reasonable surplus for development of education and expansion of the institution, there has to be a balance between autonomy of such institutions and the measures taken to prevent commercialisation of education’.

Weak law

In order to prevent private schools from charging unreasonably high fees and to prevent misuse of funds, several State governments have either enacted fee regulation laws or are in the process of framing them

States such as Tamil Nadu follow the fee fixation model whereby a government committee is empowered to verify and approve fee structures proposed by private schools.

Karnataka is for a formula that caps fees for schools by way of framing rules under its school education legislation.

Maharashtra has a weakly enforced legislation to regulate fees and has multiple government bodies to approve school fees. Recently, the Maharashtra government’s decision to cap proposed fee hikes at 15% was widely criticised by schools.

A recent order of the Gujarat High Court upholding the validity of the Gujarat Self Financed Schools (Regulation of Fees) Act, 2017 is now being reconsidered by the Supreme Court.

The court has directed the government to not take any coercive steps against schools in the interim period.

Holding the mirror

There is a larger irritant which is entrenched in the way private schools operate.

In 2010, the Comptroller and Auditor General slammed 25 well-known private schools in Delhi for arbitrary fee hikes.

According to the report, money was being collected from parents under false heads, while at the same time, teachers were being underpaid, and accounts misrepresented.

Accounting standards

The new wave of fee regulation laws being debated and enforced in States has the potential to address the problems Indian parents face.

However, there is still a lack of jurisprudential clarity on what private schools can or cannot do, how much “surplus” they can make, or what “commercialisation” actually means.

In order to make these laws more effective, the solution would be to address the disease of financial mismanagement and misreporting, and not the symptoms.

In Modern School v. Union of India (2004), the Supreme Court recommended accounting standards for private schools.

Further,

measures such as regular government supervised audits, generating capacity in State-level Departments of Education, regular inspections, and stricter sanctions for fraudulent reporting could be considered. Legislative and executive efforts must weigh in on all of the above.

#### Primary Education:

Rabindranath Tagore lines “The imposing tower of misery which today rests on the heart of India has its sole foundation in the absence of education.” This is as true today as it was nearly 90 years back

It is government schools that should be the drivers of change by becoming the first, not the last, choice of parents to send their children to.

While India highlights its ever-improving literacy levels, educationally it is a terrible under-performer, too embarrassed to participate in the OECD’s Programme for International Student Assessment tests covering reading and computational skills for 15-year-olds.

**Issues**

A majority of those in each class in India have educational attainments much lower than the one they are in.

Data from the Ministry of Human Resource Development show that only half of all students who enter primary school make it to the upper primary level and less than half that — around 25 million — get into the 9-12 class cycle.

The number of secondary schools is less than 150,000 for a country of 1.3 billion, and even this comes down to just 100,000 at the higher secondary level.

While there are around five million primary school teachers, at the secondary level the number is just 1.5 million.

**Solutions**

teacher training institutions, of which the District Institutes of Education and Training constitute an important part, speedily re-jigged to turn out world-class teachers, of the kind that will encourage children to stay on in, not drop out of, school.

go in for a radical overhaul of our educational infrastructure with the help of countries that have an amazing record in providing quality school education — Finland, for instance.

**Conclusion**

If only India had begun revamping school education at the start of economic liberalization, it would by now have had the world’s largest pool of well-educated and highly trained workers.

Fortunately, India continues to have the largest number of young people anywhere.

By ensuring they get a world-class education over the next few decades, India can yield it’s demographic dividend and will be well on its way towards becoming a developed nation sooner than expected.

#### National Testing Agency

National Testing Agency (NTA) a Society registered **under the Indian Societies Registration Act, 1860**, and as **an autonomous and self-sustained** premier testing organization to conduct entrance examinations for higher educational institutions.

**Background:**

In view of the need to have a specialized body in India like the most advanced countries, the Finance Minister in the Budget speech of 2017-18 had announced setting up of a National Testing Agency (NTA) as an autonomous and self-sustained premier testing organization to conduct all entrance examinations for higher educational institutions.

**Features:**

1. The NTA would initially conduct those entrance examinations which are currently being conducted by the CBSE.
2. Other examinations will be taken up gradually after NTA is fully geared up.
3. The entrance examinations will be conducted in online mode at least twice a year, thereby giving adequate opportunity to candidates to bring out their best.
4. In order to serve the requirements of the rural students, it would locate the centres at sub-district/district level and as far as possible would undertake hands-on training to the students.

**Constitution:**

1. NTA will be chaired by an eminent educationist appointed by MHRD.
2. The CEO will be the Director General to be appointed by the Government.
3. There will be a Board of Governors comprising members from user institutions.
4. The Director General will be assisted by 9 verticals headed by academicians/ experts.

**Finances**:

NTA will be given a one-time grant of Rs.25 crore from the Government of India to start its operation in the first year. Thereafter, it will be financially self-sustainable.

**Impact:**

1. Establishment of NTA will benefit about 40 lakh students appearing in various entrance examinations.
2. It will relieve CBSE, AICTE and other agencies from responsibility of conducting these entrance examinations,
3. and also bring in high reliability, standardized difficulty level for assessing the aptitude, intelligence and problem solving abilities of the students.

#### Education surveys

**Annual Status of Education Report(ASER)**

Annual Status of Education Report (ASER), India's largest NGO-run annual survey, has been conducted by **Pratham**(NGO) since 2005 to evaluate the relevance and impact of its programs.

Released in same school year

The ASER 2017 “beyond basics” assessment framework explores how youth cope with everyday tasks that involve literacy and numeracy.

This year survey is different from the usual survey:

it concentrates on the 14-18 age group, **population in rural area**

the usual ASER surveys which are carried out in all rural districts of the country, this year the exercise was done only in one or two districts per State

**Highlights:**

**Ability**

ASER 2017 indicates that a large proportion of 14-18 year olds can at least read simple texts. Their math levels are quite poor and do not show improvement with age

25% of this age group still cannot read basic text fluently in their own language.

English: (53%) 14-year olds could read a simple sentence of English;

60% in 18 year

Similar 40% in 18 year old

Math : Only 43% are able to do division correctly

The proportion of youth who have not acquired basic math skills by age 14 is the same as that of (an) 18-year (old)

These data show that substantial numbers of young people who have completed 8 years of schooling have difficulty applying their literacy and numeracy skills to real world situations

**Awareness:**

24% in the 14-18 age group could not count currency correctly.

56% could add weights correctly in kilograms as they were asked to add weights.

76% could recognize a map of India and 64% could name the capital of India.

79% could name the state they lived in,

42% could locate it on a map.

**Activity**

About 86% of youth still in formal education either school or college

At age 14, the percentage of youth not enrolled is 5%.

By age 18, this figure increases to 30%

With age increases the drop out rate? why?

Only 5% of youth are taking some type of vocational training or other courses

the government is putting a lot of energy into promoting vocational skilling as an alternative to formal schooling

a large proportion of youth who are not studying have joined the labor force

The correlation between socio-economic characteristics and drop out rates,

youth who have dropped out come from more disadvantaged backgrounds

a large proportion of youth also cited "lack of interest" as a reason for leaving school.

27% children in Std VIII are unable to read a Std II level text and 57% are unable to do simple division that is taught in Std IV.

Reason: it is easy to blame teachers are to blame, RTE is also to blame with it’s automatic retention policy upto grade 8

There is no mechanism within our school system to effectively address the needs of children who have fallen behind apart from private tutors which not everyone can afford

Learning deficiet

In the 14-18 age group are working (42%)(either at farm or household chores), regardless of whether they are enrolled in formal education or not

Drop out/Enrollment

More for females than males.

enrolment gap between males and females in the formal education system increases with age.

There is hardly any difference between boys and girls enrolment at age 14.

But by the time they turn 18, the drop out rate is 32% for females and 28% for males.

Private vs government

student enrollment in government schools across 20 Indian states fell by 13 million, while private schools acquired 17.5 million new students

**Aspirations**

males aiming to join the army or police or becoming engineers and females showing preference for teaching or nursing careers

only 5.3% of those between 14-18 years of age turn to vocational training,

74% aspire for a bachelor’s degree

only 1.2% of youth are willing **to work in agriculture** and that very few young people want to follow their parents’ dreary professions

Learning deficits seen in elementary school in previous years seem to carry forward as young people go from being adolescents to young adults.

**RTE ImPACT**

The Right of Children to Free and Compulsory Education (RTE) Act, 2009 guarantees elementary schooling

to all children in the age group of 6-14 years.

When the RTE came into effect in 2010, the percentage of out of school children in the age group of 6-14 was only 3.4%. But, the percentage of out of school children in the age group of 11-14 years was 5.2%

By 2016,

the percentage of 6-14 years out of school children had come down to 3.1% and that of 11-14 years to

4.6%, with high out of school states like Bihar showing great progress in improving retention in school

However, transition rates to secondary schools remain low. In 2016, the percentage of 15-16 year olds who were out of school was 15.3% compared to 16.1% in 2010

**Impact:**

this 14-18 years age group are ready to enter the workforce and thus has a direct bearing on the economy; The families depend more on this young cohort for doing work.

Indian education is impacting the country’s competitiveness to become a global powerhouse

On India’s rank when the rigorous Program for International Student Assessment (PISA) will be conducted by OECD in 2021.Last time in 2009 India was ranked second last in 74 countries

The data is also used for benchmarking, and policy framing for future

**PISA**

The Programme for International Student Assessment (PISA) is **a triennial international survey** which aims to evaluate education systems worldwide by testing the **skills and** **knowledge of 15-year-old students**

**OECD conducts it**

**Countries volunteer to participate in PISA.**

Students who participate in PISA are randomly chosen from among all the 15-year-olds enrolled in grade 7 or higher in the selected schools

they are asked to interpret texts, solve mathematics problems or explain a phenomenon scientifically, using their knowledge and reasoning skills

It’s about showing whether school systems are becoming more – or less – effective in preparing their students for further study or for work.

It’s about learning whether 15-year-olds are acquiring the social and emotional skills they’ll need to thrive like knowing how to work and communicate with others. And it’s about taking the results of the assessment,

**NAS National achievement Survey**

The National Achievement Survey (NAS) is the largest ever national assessment survey in the country and is amongst the largest in the world, was conducted throughout the country today

Ministry of Human Resource Development conducts it

It is conducted for the Classes 3, 5 and 8 in government and government aided schools

Based on competency test developed by NCERT and added under RTE act

Conducted by third parties and monitored by ministerial observers.

**Highlights**

**Impact:**

The findings of the survey, will also help in understanding the efficiency of the education system.

NAS results will help guide education policy, planning and implementation at national, state, district and classroom levels for improving learning levels of children and bringing about qualitative improvements

This year is historic because the children who are today in Class VIII are the first cohort to benefit from the Right to Education Act, which came into effect in April 2010. With almost all these children not only enrolling in school but completing at least eight years in the education system, we are in an excellent position to think seriously about what eight years of schooling should entail and what it should enable children to do

## Social Empowerment

### Tribals:

### Minority Communities:

#### Hunar Haat:

Hunar Haats have become a successful mission to provide employment and income generation opportunities with platforms for marketing the products of **master artisans, craftsmen and culinary experts** belonging to the **minority communities.**

**Implemented by:**

Ministry of Minority Affairs under USTTAD (Upgrading the Skills & Training in Traditional Arts/Crafts for Development) scheme

**Benefits:**

1. a platform to master artisans and craftsmen to display their rich heritage and skill.
2. these exhibitions bring both domestic and international markets to the artisans and craftsmen, empowering them with various resources.
3. crafts people in thousands are involved in the production of handicrafts on show and for sale in these Mega events/ exhibitions which keeps them employed for several months in a row.
4. for the first time products made by inmates of Delhi’s Tihar Jail are also being showcased and sold which gives them a sense of self-dependency and appreciation

### Child Labour:

Child Welfare Committees: underthe Juvenile Justice (Care & Protection of Children) Act, 2015 and read with rule-15 of the Juvenile Justice (Care & Protection of Children) Model Rules, 2016, the State Government **constitutes Child Welfare Committees in districts** time to time**, for exercising the powers & to discharge duties, conferred on such committees in relation to Children in Need of Care & Protection under this Act and Rule.**

the Committee shall have the authority to dispose of cases for the care, protection, treatment, development and rehabilitation of the children in need of care and protection, as well as to provide for their basic needs and protection.

following functions,

1. taking cognizance of and receiving the children produced before it;
2. conducting inquiry on all issues relating to and affecting the safety and well being of the children under this Act;
3. directing the Child Welfare Officers or probation officers or **District Child Protection Unit** or non-governmental organisations to conduct social investigation and submit a report before the Committee;
4. conducting inquiry for declaring fit persons for care of children in need of care and protection;
5. directing placement of a child in foster care;
6. ensuring care, protection, appropriate rehabilitation or restoration of children in need of care and protection, based on the child’s individual care plan and passing necessary directions to parents or guardians or fit persons or children’s homes or fit facility in this regard;
7. selecting registered institution for placement of each child requiring institutional support, based on the child’s age, gender, disability and needs and keeping in mind the available capacity of the institution;
8. conducting at least two inspection visits per month of residential facilities for children in need of care and protection and recommending action for improvement in quality of services to the District Child Protection Unit and the State Government;
9. certifying the execution of the surrender deed by the parents and ensuring that they are given time to reconsider their decision as well as making all efforts to keep the family together;
10. ensuring that all efforts are made for restoration of abandoned or lost children to their families following due process, as may be prescribed;
11. declaration of orphan, abandoned and surrendered child as legally free for adoption after due inquiry;
12. taking suo motu cognizance of cases and reaching out to children in need of care and protection, who are not produced before the Committee, provided that such decision is taken by at least three members;
13. taking action for rehabilitation of sexually abused children who are reported as children in need of care and protection to the Committee by Special Juvenile Police Unit or local police, as the case may be, under the Protection of Children from Sexual Offences Act, 2012;
14. dealing with cases referred by the Board under sub-section (2) of section 17;
15. co-ordinate with the police, labour department and other agencies involved in the care and protection of children with support of the District Child Protection Unit or the State Government;
16. in case of a complaint of abuse of a child in any child care institution, the Committee shall conduct an inquiry and give directions to the police or the District Child Protection Unit or labour department or childline services, as the case may be;
17. accessing appropriate legal services for children;
18. such other functions and responsibilities, as may be prescribed;

According to the Juvenile Justice Act, in case of direct state-to-state transfer, the CWC, if satisfied after an inquiry that it is in the “best interest” of the child, can order his or her transfer after due consultation with the CWC of the child’s home district as soon as possible. Through such transfers, parents and children can be made aware of benefits that they can avail of various schemes put in place to prevent child labour,

For instance, the Labour Department in Bihar immediately gives Rs 3,000 to any child rescued. The Bihar government also has a scheme where Rs 25,000 are put in a fixed deposit in the name of the child. The interest of this deposit can be used for the child’s education. If the children are transferred in coordination with the local district authorities, the parents can be made aware of these benefits to ensure the child is not sent back as child labour again

children, especially those below the age of 14 years, may be returned to child labour if they are not given access to benefits after being rescued.

in case of Bihar in Patna. We are in the process of forming **a centralised databank of children who were rescued to make monitoring easy.** If they are sent back to their remote districts directly or to their parents, monitoring becomes difficult and increases chances of them being re-trafficked,

## Media and Journalism

Press Responsibility:

**Historical importance**

* when the struggle to gain independence from the British began gathering momentum, the press became an important vehicle to inspire the people and voice their aspirations.
* several newspapers and journals, particularly the vernacular ones, played a crusading role in the freedom movement.
* The press was the main source of propaganda for the freedom fighters even as the British rulers tried to suppress it at every conceivable opportunity
* the nationalist role played by the newspapers and journals contributed in no small measure to influencing and moulding the public opinion during the freedom struggle.
* In fact, the press during those times was the main instrument of bringing together people from different backgrounds to fight for the noble cause of attaining independence.

**Importance in democracy**

* following Independence, the press in India continued to play the role of watchdog and held a mirror to people’s problems and their aspirations.
* It remained one of the main pillars in protecting and strengthening democracy in the country.
* Watergate scandal in the USA was a memorable example of how a free and fearless press can cause the downfall even a powerful President
* In India too, we have had an instance in which a Chief Minister had to resign after the press highlighted a scandal relating to cement industry,

These examples just to highlight the **crusading role a free press** can play in a democracy.

**Journalism in Modern Times:**

* it appears that the core values which guided journalism in the past are not being observed.
* News is being increasingly coloured with views which are consistent with the line taken by the management of the news organization
* providing disproportionate coverage to issues, organizations or personalities, while relegating hard news to single columns or fillers or
* giving prominence to a non-issue that creates more tensions among people are some of the dangerous trends that have crept into the newsrooms of both the print and electronic media.
* Commercial interests alone should not become the motive for running a newspaper or news

**Recalibration and Introspection needed**

* the haste to beat your rivals or competitors should not lead to inaccurate reportage.
* Balance needs to be struck between societal obligations and business endeavors.
* Present-day journalists should return to the core values of accuracy, fairness, objectivity, news worthiness and independence
* In these days of sting operations, under-cover journalism and rapid expansion of social media platforms, there is a need to bring all media organizations under a single watchdog body with a new nomenclature
* Prescribing a minimum educational qualification for aspiring journalists. This is absolutely necessary to ensure that the standards and ethics of journalism are maintained and not compromised.

**Conclusion**:

Journalism is a noble profession and all of you as flag-bearers of this vocation must ensure that people are correctly informed and not become captive receivers of biased and partisan information.

## Socian security

**Atal Pension Yojana (APY)** is a Government of India's Old Age Pension Scheme being implemented through all Banks

the First Ever Guaranteed Pension Product to the people of the country.

Small Finance Banks and Payment Banks to offer Atal Pension Yojana; To provide a boost to the outreach of subscribers under APY

Payments Banks and Small Finance Banks are a New Model of banks conceptualized by the Reserve Bank of India (RBI). 11 Payment Banks and 10 Small Finance Banks have received license from Reserve Bank of India to start banking operations in India

Pension Fund Regulatory and Development Authority (PFRDA) handles pensions in india

# ECONOMICS

## Patents and promoting innovation

Seeking full disclosure on how patents are working locally through **Form 27 will help promote innovation**

## Skilling India

Salvaging the Indian demographic dividend must be a key part of India’s growth story.

In 2016, the Government of India formed the **Sharada Prasad Committee** to rationalise the Sector Skill Councils (SSCs), which are employer bodies mostly promoted by the Federation of Indian Chambers of Commerce and Industry, the Confederation of Indian Industry and other industry associations, and improve ‘Skill India’.

The committee submitted its report in 2016.

Now over a year later, it may be prudent to look at the reforms it suggested and action taken in the vocational education/training (VET) system.

Two goals in ‘Skill India’ are,

to meet employers’ needs of skills and.

to prepare workers (young and old) for a decent livelihood.

Recommendations of committee were

**Streaming for students**

It suggests concrete steps to ensure a mindset change, such as having a separate stream for vocational education (in secondary education), creating vocational schools and vocational colleges for upward mobility, and having a Central university to award degrees and diplomas.

streaming would mean that the **‘diploma disease’**, which is resulting in **growing tertiary enrolment along with rising unemployment among the educated, would be stemmed(restricted).**

China, for instance, has such a separate stream after nine years of compulsory schooling, and half the students choose VET at the senior secondary level (after class nine).

**Issue/solution with current vocation system**

Private vocational training providers (VTPs) that mushroomed as private industrial training institutes (ITIs) and National Skill Development Corporation (NSDC)-financed short-term training providers are no substitute for **industry-employer engagement with each pillar of the VET ecosystem**:

secondary schools;

ITIs, public and private;

NSDC-funded VTPs; ministries that train, and firms that conduct enterprise-based training.

**Regulation**

to do what is right when no one is watching you, because, as in other industries, the regulator has displayed a limited capacity to regulate

Issue

recent parliamentary report on private ITIs has exposed yet another scam — the Quality Council of India’s approval for thousands of private ITIs.

If the number of private ITIs has grown from under 2,000 to over 11,000 in five years, it points to a **colossal failure** of regulation, accompanied by a lack of quality training on offer at such ITIs.

There is a huge ethics and accountability issue if there is no credible assessment board and when there are too many **sector skill councils**, each trying to maximise their business.

SSC’s

Sharada Prasad Committee had recommended that the number of SSCs should correspond to the National Industrial (Activity) Classification (which has 21 economic activities across the entire economy)

Just reduced to 39 from 40

Example

Australia has only 6

**A global alignment**

The second recurring theme is the realisation of human potential.

This means aligning the courses to international requirements, ensuring a basic foundation in the 3Rs, and life-long learning.

It implies **national standards for an in-demand skill set with national/global mobility that translates into better jobs.**

Issues

Short duration courses (with no real skills) that provide low pay for suboptimal jobs cannot be called national standards. Hence the current national standards have to drastically improve.

What we have instead are nearly 10,000 standards, produced mostly by consultants.

There cannot be thousands of standards (compressed into 2,000 qualification packs/job roles), and “delivered” to trainees in a matter of a few months.

This is not what the National Skills Qualification Framework (NSQF) had recommended.

Solution

The focus **should be in strengthening reading, writing and arithmetic skills**.

No skill development can succeed if most of the workforce lacks the foundation to pick up skills in a fast-changing world.

Vocational training must by definition be for a minimum of a year, which includes internship (without which certification is not possible).

**Short-term training should be confined to recognising prior learning of informally trained workers who are already working**.

Examples

we should have no more than 450 courses — Germany has only 340 courses — in accordance with the National Classification of Occupations 2015 (which itself was based on the International Standard Classification of Occupations). Such trainees will be a national asset

**Solution to VET System**

**Unification**

The first policy step should be towards a unification of the entire VET system. What we have today are fragmented pillars. Each of the five pillars does what it wants to, with no synergy.

Skill India’ can have an impact only when all of them work together and learn from each other.

SSCs, which are supposedly industry representatives, should be engaging themselves with each pillar of the system, and not just NSDC-funded VTPs

The NSDC, which was envisioned as a public-private partnership, receives 99% of its funding from government, but its flagship scheme has a less than 12% record of placement for trainees.

**employer ownership, responsibility**

second step is to enhance employer ownership, responsibility and their ‘skin in the game’.

Media reports often highlight the corporate sector lamenting about “unemployable youth”.

The private sector places the onus on the government, treating it as a welfare responsibility, while the government looks to the private sector since it is the end consumer of skills.

The result is that only 36% of India’s organised sector firms conduct in-firm training (mostly large ones, which are also the only ones that take on apprentices under a Government of India Act).

**Reimbursement policy**

committee’s recommendation of a reimbursable industry contribution model (applicable only to the organised sector) should solve the perennial problem of poaching while providing a common level field.

It could ensure reimbursements for those companies undertaking training while rewarding industry for sharing and undertaking skilling until everyone in the company is skilled.

This will lay the foundation for making at least our organised workforce 100% skilled.

NSQF framework has seen little adoption in private sector. And, more than two-thirds of courses developed have not trained even one student so far.

**Data gathering by sector**

Does the government, which is not generating much employment in the public sector, really know what industry’s skill requirements are in the private sector?

Private employers do know this but there has been no serious effort by them to gather data.

So the government needs to confine itself to roles it is capable of performing and **not involving itself through multiple ministries in activities in which it has no comparative advantage**

**surveys by NSSO**

One such role is to have surveys, once every five years, through the National Sample Survey Office, to collect data on skill providers and skill gaps by sector.

Such data can guide evidence-based policy-making, as against the current approach of shooting in the dark.

**Conclusion**

**India can surely become the world’s skill capital but not with what it is doing right now. The reforms suggested by the committee can be a good starting point for we cannot let another generation lose its dreams**

## Inequality

In recent years, there has been a lot of discussion on increasing inequality within several countries of the world, including India

It is true that rising inequality has adverse economic and social consequences

the poverty ratio is equally important as the Gini coefficient in analysing issues relating to growth and distribution.

Measure used for it:

The Gini coefficient or other measures of inequality are being used to examine trends in inequality.

Current trends

**Consumption inequality**

Generally the Gini coefficient, which lies between 0 and 1, is used for measuring inequality

|  |  |  |
| --- | --- | --- |
| **Year** | **GINI-RURAL** | **GINI Urban** |
| 1983-84 | 0.304 | 0.344 |
| 1993-94 | 0.268 | 0.344 |
| 2004-05 | 0.304 | 0.376 |
| 2011-12 | 0.311 | 0.390 |

**The Gini coefficient of consumption expenditure for rural areas**

declined marginally between 1983-84 to 1993-94

it recorded a marginal rise during the high growth period of 2004-05 and 2011-12

**The Gini coefficient of consumption expenditure for urban areas**

In the case of urban areas, it stayed the same from 1983-84 to 1993-94

it increased modestly from 2004-05 to 2011-12

A study shows that **inequality in rural areas declined** while **it increased in urban areas in the post-reform period**, particularly in the high growth period

Why in urban area?

Underestimated

One view is that inequality in consumption may be an under-estimate as National Sample Survey (NSS) data **may not be capturing the consumption of the rich adequately**

The difference between the **consumption expenditure** according to the National Sample Survey Office (NSSO) and **national income could be partly due to this factor.**

Normally, According to the C.Rangrajan committee, these two estimates of consumption (National Accounts Statistics, or NAS, and household survey based) do not match in any country, and India is no exception

Issue:

What is alarming in India is that the difference between NAS (national accounts statistics, urban household survey) and NSS is widening over time.

For example, the difference was less than 10% in the late 1970s; it rose to almost 50% in 2009-10.

Some adjustments made in the report reduced the difference from 45.8% to **32.5%.**

But still the differences are high.

Income Inequality

Income and wealth inequalities are much higher than consumption inequality

Income inequality

2011-12 GINI🡪0.55

Wealth inequality

2011-12 GINI🡪0.76(very high)

thus,

income Gini was about 20 points higher than consumption Gini

wealth Gini was nearly almost 40 points higher than consumption Gini.

In some other countries, such differences **are no more than 5-10 points**

Thus, inequality in income and wealth is much higher than that of consumption

Reasons for this high deviations

The data base for computing income inequality is not as solid as the base for consumption expenditure

NSSO surveys have been studied for long and have gone through critical analysis

Using income tax data for computing income distribution has many problems. **In India, only 3-5% of people come under the income tax net**

Poverty Ratio

Human beings need a certain minimum consumption of food and non-food items to survive.

However, the perception regarding what constitutes poverty varies over time and across countries

Generally the approach is to look at it in terms of certain minimum consumption expenditure on food and non-food items

Any household failing to meet this level of consumption expenditure can be treated as a poor household

|  |  |  |  |
| --- | --- | --- | --- |
| Years | Rate of decline per annum | %age poverty | Number of persons BPL |
| 1984-1994 | 0.8 | NA | 320 million |
| 1993-2005 | 0.75 | 45% | NA |
| 2005-2012 | 2.2 | 21.9% | NA |

poverty based on NSS Consumer Expenditure data for the period 1983 to 2011-12

pre-reform period

overall poverty declined marginally during 1983 to 1993-94.

The rate of decline in poverty was 0.8 percentage points per annum

Post reform period

the first sub-period 1993-94 to 2004-05

recorded a decline of 0.75 percentage points per annum

the second sub-period 2004-05 to 2011-2012

recorded a decline of 2.2 percentage points per annum

This was the period of highest economic growth since Independence.

It is the fastest decline of poverty compared to earlier periods.

overall poverty as defined by the **Tendulkar Committee** declined faster from 45.3% in 1993-94 to 21.9% in 2011-12 – an annual decline of 1.3 percentage points

Conclusion

First, as the World Bank Study (2016) mentioned above shows, poverty declined by 1.36 percentage points per annum post-1991 compared to 0.44 percentage points per annum prior to 1991

This study shows that among other things, **urban growth is the most important contributor to the rapid reduction in poverty even in rural areas in the post-1991 period.**

The second conclusion is that within the post-reform period, **poverty declined faster in the 2000s than in the 1990**

**Cutoff line**

On the cut-off line for determining poverty ratio, there are controversies.

Some people think that the Tendulkar poverty level is low and needs to be raised.

As far as reduction in the poverty ratio is concerned, it holds good even if we raise the poverty cut-off to 1.5 times the Tendulkar cut-off.

The annexure to Chapter 2 of the Twelfth Five Year Plan gives details of reduction in the poverty ratio for different levels of poverty cut-off.

**Growth and distribution**

The trends in poverty show that the pace of reduction was much higher in the post-reform period particularly during high growth period.

The impact of higher growth on poverty reduction can also be seen from the decile-wise growth in per capita consumption expenditure.

 A comparison of the growth rate of per capita consumption (in real terms) during the periods 1993-94 to 2004-05 and 2004-05 to 2011-12 shows that the average growth of per capita consumption of the top five deciles is more than that of the bottom five deciles

However, the ratio of the average growth rates of the two periods is higher for the bottom five deciles as compared to the top five. It implies that the expansion of consumption of the lower deciles of the population was more than the upper deciles.

**Conclusion**

To conclude, there has been lot of discussion in recent years on inequality.

There is no doubt that inequality in itself has several undesirable consequences.

It was **Simon Kuznets who had argued in a famous paper in 1955** that in the early period of economic growth distribution of income tends to worsen, and that only after reaching a certain level of economic development an improvement in the distribution of income occurs.

In this context, measuring inequality is not the same as measuring the changes in level of poverty.

Even if the Gini coefficient remains the same or picks up, the poverty ratio can be declining.

This has been true of India.

The decline in poverty is much higher particularly in the period 2004-05 to 2011-12 in spite of rise in inequality.

Thus the changes of the poverty ratio is an equally important indicator to monitor.

**Decline in poverty has no co-relation with GINI index.**

**Rise in inequality can happen even when poverty is declining.**

## RCEP

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.

For most RCEP members notably developed countries, 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.

Newzeland and Australia

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

**Rising** pressures

For a country with a large number of sensitive agricultural crops and labour-intensive industry sectors, bending to such demands is a near impossibility.

What is especially giving Indian industry sleepless nights is the thought of unhindered flow of goods from China with which it already has a annual trade deficit of over $50 billion.

A Free Trade Agreement (FTA) with no duties on most products could increase the deficit significantly.

Why it entered

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.

However, it had no clue that it would be 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.

Other ways

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

**One-sided deals**

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.

In Goods

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

Goods issue from china

Diary and wheat from Australia and newzeland

In investment

In services

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.

**Why fear exit?**

With the clock continuing to tick, 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

Not sign it

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.

## Protectionist Global Trade/Trade war

After USA and EU row

Now china put 25% trade tariif on over 100 goods from USA in a reactionary measure

World leaders did well to avoid protectionist trade policies in the aftermath of the Great Recession of 2008.

After all, they had learned their lessons from the **global trade war of the 1930s** which deepened and prolonged the Great Depression, or so it was thought.

America has announced that it would soon impose tariffs on the import of steel and aluminium into the U.S. for an indefinite period of time.

The European Union, one of the largest trading partners of the U.S., has since vowed to return the favour through retaliatory measures targeting American exporters.

The EU is expected to come out with a list of over 100 items imported from the U.S. that will be subject to scrutiny.

Justification

He likened his country’s trade deficit to a loss that would be set right by simply stopping trade with the rest of the world.

International trade, like trade within the boundaries of any country, however, is not a zero-sum game.

So the trade deficit does not represent a country’s loss either, but merely the flip side of a capital account surplus

This is not to deny that there are definitely some losers — for example, the U.S. manufacturing industry which lost out to competition from countries such as China due to increasing globalisation.

But throwing free trade out of the window would only make Americans and everyone else poorer.

A challenge at the WTO.

A concern for the European Union would be to deal with the fallout from the U.S. levy on the bloc’s bloated steel industry.

**.**

Instead of retaliating with more tariffs, which could cause the current dispute to spiral into a full-fledged global trade war, the

U.S.’s trading partners must try to achieve peace through negotiations

Post the establishment of the World Trade Organization (WTO), in recent times, people are questioning globalisation and different definitions of globalisation are emerging.

India must face the challenge and convert it to an opportunity.

New updates

A major global trade war in the 1930s had disastrous results as it deepened the Great Depression.

Yet the European Union (EU) has vowed to hit back by imposing retaliatory tariffs on the import of American goods.

Some argue that such knee-jerk reaction from the EU may only increase the burden on European businesses and their consumers

Mr. Trump, however, hopes to protect American manufacturers who have failed to keep up with global competition through the means of restrictive tariffs.

Naturally, this will affect consumers across the world, which includes ordinary Americans, who will no longer be able to enjoy the full benefits of free trade across borders.

Further, the tariffs imposed by Mr. Trump may also fail to address America’s trade deficit with the rest of the world as long as Americans prefer foreign goods while foreigners prefer American assets.

Unfortunately, except for special interest groups who can influence the trade policy of their respective governments, there are likely to be no winners as a result of a global trade war.

In fact, ordinary consumers of all countries are likely to lose as a result of any trade war between countries.

The World Trade Organization this week warned that Mr. Trump’s trade war could lead the world into another recession

## NPA DATA

Gross NPAs of Indian banks, after staying below the ₹1 lakh-crore mark between FY06 and FY11, began to gallop from FY12. Jumping to ₹1.4 lakh crore in March 2012, gross NPAs proceeded to rise almost sixfold over the next five years to ₹7.9 lakh crore by March 2017

The picture is equally dire if one considers gross NPAs as a proportion of total loans.

After hovering below 3% till March 2012, it soared to 10.2% by September 2017, data from RBI’s financial stability reports show.

**In effect, for every ₹100 in loans advanced by Indian banks over the years, ₹10 is already in default.**

**Indian banks recognise a loan as an NPA if its interest or principal repayments are overdue for more than 90 days.**

**Profits?**

As soon as a bank recognises a loan as an NPA, RBI rules require it to set aside a percentage of its current profits towards the likely loss, ranging from 15% to 100% of the loan amount.

Therefore, as banks’ NPAs soared in the last five years, bad loan provisions rose in tandem.

This has directly dented their reported profits.

Aggregate net profits of Indian banks have slumped from about ₹91,000 crore in FY13 to ₹43,900 crore by FY17.

That there is still a profit, is thanks to private sector banks. Public sector banks in aggregate,have reported losses since FY16

Basel III norms require banks to maintain a minimum 9% of owned capital to its total assets (CRAR)

RBI’s FSR reports, which keep a close watch on the capital adequacy ratios of Indian banks, have shown that Indian banks have consistently maintained a CRAR above regulatory norms in the last four years. Though private sector banks (16%) were far more comfortably placed than public sector ones (12.2%), none of the banks fell short of 9% in March 2017.

**What happened?**

Basically, after indiscriminate lending during the boom times of 2003 to 2010, banks found that many large corporates couldn’t service their loans. They entered into restructuring deals to extend their repayment timelines, and managed to keep these loans out of their official NPA accounting, with RBI looking the other way**.**

**In effect, for every ₹100 worth of disclosed NPAs, banks had provided for losses of just ₹44.**

RBI decreed that banks would have to take more proactive steps to report large corporate loans overdue for less than 90 days and abruptly discontinued older schemes to restructure corporate loans.

So, given that this spring-cleaning has been on for three years now, when can we expect Indian banks to emerge squeaky clean from this exercise? There’s a long way to go.

As the Economic Survey noted, resurrecting Indian banks requires four Rs — recognition, resolution, recapitalisation and reforms.

We’re still not done with the first one — ‘Recognition’.

One can presume that the first R is over and done with when the key indicators of bad loan stock — the stressed advances ratio, gross NPA ratio and the net NPA ratio — stop escalating.

Future hope?

The gross NPA ratio has risen by 1 percentage point to 10.2%, but the pace of increase is far slower than the 4-percentage point spike last year. Net NPAs have also just inched up from 5.4% to 5.7% over 2016-17

Yes, depositors can take comfort from the fact that the capital adequacy problem has been addressed by the Centre’s mega recapitalisation package for public sector banks. Investors in bank stocks though, must brace for more pain

The rating agencies are optimistic that the stock of NPAs may not grow rapidly from here. Crisil expects the stock of gross NPAs for Indian banks to stand at 10.5% by March 2018 and stressed assets to top out at 14%.

## BANKING fraud

Indian banking system is already reeling under the pressure of growing NPAs, or non-performing assets (less politely known as loans that are not going to be repaid), which will touch nearly ₹10 lakh crore by March this year.

**After PNB Now ICICi fraud**

**allegations related to a $500 million loan to Videocon Group, whose controlling shareholder had co-founded a separate company with the spouse of ICICI’s CEO Chanda Kochhar**

Opacity in Banking

In 2011-12, the Central Information Commission (CIC) considered appeals from applicants concerning bank regulatory functions after they had been denied information, under the Right to Information (RTI) Act, by the Reserve Bank of India (RBI) and the National Bank for Agriculture and Rural Development (NABARD)

The denial of information was on the ground that disclosure would prejudicially affect the economic interests of the state by causing loss of public faith in some banks, and that it had been received from the banks concerned in a fiduciary capacity and could not be disclosed to third parties.

Overruling this, the CIC ordered the disclosure of a good deal of information. However, its decisions were stayed by High Courts.

In landmark judgement in 2015,

The Supreme Court also rejected the ground of information disclosure hurting the economic interest of the country and observed, “RBI’s argument that if people, who are sovereign, are made aware of the irregularities being committed by the banks then the country’s economic security would be endangered, is not only absurd but is equally misconceived and baseless.”

The CIC has also directed disclosure of in respect of **wilful defaulters and absconders**, overriding the ground of the fiduciary relationship of banks with their customers, which is one of the grounds for denial of information under the RTI Act.

Once a fraud on a financial institution has been established or a borrower declared a wilful defaulter or absconds, complete transparency concerning the amount involved as well as the factors and persons responsible for the loss become a matter of larger public interest.

Institutions that take the responsibility of managing public funds have to be answerable to the people. The argument that information concerning such matters is the exclusive preserve of those in the government and regulatory bodies, and that people do not have the ability to comprehend and appraise it smacks of elitism

Informed decision better

It could not be anyone’s case that the confidence of people in financial institutions should be sustained by hiding information concerning their wrongdoings.

On the contrary, people ought to have all the information, good or bad, concerning such institutions so that they can make informed decisions about dealing with them

Above all, well-informed people can discharge the role of a watchdog far more effectively than all the regulatory bodies put together.

Opacity deprives them of that role.

Cockroach theory:

This refers to the observation that companies that report unexpected bad news to their Investors may report even more negative news in the future. It is generally used to warn investors about the likelihood of bigger problems emanating from companies that are not transparent in their reporting to investors.

**The theory is named after the common observation that the presence of a single cockroach in the kitchen likely suggests that there may be more hidden in the same area. Many investors might refrain from investing in companies that have reported bad news as they expect worse to follow.**

This does not include the ₹6 lakh crore already written-off.

**This has already caused a slowdown in disbursal of bank credit, in turn affecting productive investment.**

It is now clear that the scams are fundamentally and overwhelmingly a failure of regulation.

What has been revealed so far could be only the tip of the iceberg. The sheer ease with which fraudulent practices have been carried out and the length of time over which they continued suggest that the rot is much deeper.

At the level of the bank, it is impossible to believe that only a handful of employees (the current fall guys) have been implicated. Senior management and auditors did not track these problematic transactions for years. The Reserve Bank of India (RBI) did not monitor banks properly and created opacity with new financial instruments.

**LOU**

the letter of undertaking (LoU). This is a bank guarantee that enables a bank’s customer to raise short-term credit from another Indian bank’s foreign branch

It was created by the RBI as an additional incentive to importers who could then avail of cheaper credit abroad, even though import credits already exist.

RBI Ban on LoUs — used in trade finance — was hurting genuine importers as their borrowing costs had increased.

**Commercial bank lending is massively skewed**:

according to the RBI, in March 2016,

11,643 borrowers accounted for 38% of all bank loans;

large corporate borrowers had the overwhelming share (84%) of bad loans.

Just 12 large outstanding NPA accounted for as much as ₹250,000 crore

A Political Nexus?

Finance is one of the many ways in which concessions and advantages are distributed.

Some favoured companies are not declared wilful defaulters even when the government’s own investigating agencies find that they are diverting funds.

Those declared as wilful defaulters are neither punished nor prevented from leaving the country

Privatization the answer?

Many analysts within and outside government have responded to these scams by pointing the finger at public sector banks, claiming that they are more vulnerable to influence peddling and crony capitalism.

The current mess has also become an excuse to demand the privatisation of state-held banks.

This completely misses the point since privatisation would actually make things much worse for Indian banking.

Main source of issue?

The key issue is one of poor regulation, and not ownership.

Indeed, the reason why the current scam has not led to a widespread run on the PNB and other banks is precisely because of the sovereign guarantee that, despite everything, still generates trust in the public banking system.

Private are not so pure?

Private profit orientation generates incentives for managements to exploit loopholes in the rules and engage in risky behaviour, as examples by U.S. and European bank behaviour leading to the great financial crisis of 2008-09 show.

The bailouts they then require tend to be even more expensive for the public exchequer because bank runs have to be prevented

In India, in the decade before the nationalisation of banks in 1969, **there was an average of more than 35 private bank failures every year.**

After the liberalising reforms of the 1990s, the collapse of the private Global Trust Bank and Centurion Bank (among others) resulted in mergers, with the losses being borne by public sector banks.

Private banks such as Axis and ICICI also face large NPAs, often with the same companies that are defaulting on public banks.

Kotak Mahindra Bank and several others have been found guilty of providing unsecured loans and ever-greening, practices that the PNB is now accused of.

In fact, because of the opacity of banking practices, public banks are actually easier to regulate

Methods to control it?

One, pay civil servants well. “If public sector wages are too low, employees may find themselves under pressure to supplement their incomes in ‘unofficial’ ways,”.

Two, create transparency and openness in government spending.

Three, cut red tape (based on the high correlation between the incidence of corruption and the extent of bureaucratic red tape).

Four, replace regressive and distorting subsidies with targeted cash transfers.

Five, establish international conventions to control cross-border corruption.

Six, deploy smart technology to deliver more e-governance.

In fact, there is considerable evidence to suggest that corruption or corrupt behaviour is more a state of mind than anything else. In 2010, Ghana, in a bid to reduce endemic corruption on its highways, decided to double the wages of its traffic policemen.

In 2015, a couple of American researchers, using data from more than 2,000 long haul trips in the region, collected by the United States Agency for International Development, found that rather than reducing corruption, the salary policy significantly increased collection as well as the value of bribes by the police, and the amounts given by truck drivers to policemen in total.

A comparison with other Ghana government servants found that in total, better-paid policemen were taking just as many bribes as their poorer paid counterparts in other departments. Corruption in neighbouring Burkina Faso, which paid its employees less than Ghana, was no different in scale and intensity. Similarly, in South America, studies on employee behaviour in public hospitals found that wage levels had little to do with corruption — the better paid and the worse paid were equally corrupt,

Yes, private banks report fewer frauds than PSBs but they also account for a much smaller share of the business. (PSBs have around 70% market share.) Relative to scale, their fraud and NPA levels are not significantly different from PSBs.

Neither is privatisation a panacea. Most bank failures in India have been in the cooperative space, or private banks. True, the Reserve Bank of India has not allowed PSBs to fail, forcing mergers in some cases, but here too, the number of such forced mergers is lesser compared to private bank or cooperative bank failures.

Conclusion

Recovering from this will require stricter adherence to sound banking rules and more transparency and accountability from both public and private players.

But most of all, these would apply to the regulators themselves and the government that frames all this.

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## Bank Privatisaion

**Now ICICI issue**

**allegations related to a $500 million loan to Videocon Group, whose controlling shareholder had co-founded a separate company with the spouse of ICICI’s CEO Chanda Kochhar**

Credit Suisse’s ‘House of Debt’ reports record in painstaking detail the genesis of bad loan problems at Indian banks. The analysis makes it clear that the present NPA woes of PSBs can be traced directly to the investing excesses of some of India’s top private industrial houses during boom times.

Who created NPAs?

In the post-crisis years from FY07 to FY12, Credit Suisse notes, ten of India’s largest (private) corporate groups were on a debt-fuelled expansion binge. As the who’s who of India Inc (Reliance ADAG, Vedanta, Essar, Jaypee and Lanco to name a few) invested in mega projects in power, metals and infrastructure, believing that high GDP growth rates would sustain, they took on a five-fold expansion in their aggregate debt from ₹1 lakh crore to ₹5.5 lakh crore. Some also made expensive overseas acquisitions.

It was only after the RBI started tightening screws on banks in FY14 that the true magnitude of the problem came to light

But if the banks are guilty of poor judgement in funding these projects, private promoters are equally culpable for letting their ambitions get the better of prudence and taking on excessive financial risk

public sector companies in the very same sectors — power, metals and infrastructure — did not indulge in the same excesses as their private peers, during the boom times. NTPC, Coal India, NMDC, Nalco or NBCC for instance emerged from the downturn with much stronger balance sheets than their private rivals. Clearly, private sector ownership doesn’t automatically guarantee good governance.

What about the cases of deliberate oversight, where PSB bosses gave in to political pressure or possibly even accepted quid pro quo to lend to the risky corporate groups? Well, they do exist. Even RBI officials informally admit that phone calls from political bosses played a big role in lending decisions by PSBs.

PSBs were not alone in extending credit to India’s riskier corporate groups. In the last few quarters, private sector banks lending to industry such as Axis Bank, Yes Bank, RBL Bank and ICICI Bank have revealed rising slippages from their legacy loans.

RBI data shows that that 9.3 per cent of the industry loan book for private sector banks was stressed by March 2017, as opposed to 28.8 per cent for PSBs. Thus, the difference between the lending decisions of private corporate banks and PSBs is one of degree, rather than kind.

PSB reforms must not begin and end with privatisation.

Solution:

First, the key to tackling existing stressed loans lies in forcing the owners of the distressed corporates to sell their assets and de-leverage. The process is already underway under the new Bankruptcy Code.

Two, the screws on India Inc’s governance structures need to be tightened, to ensure greater checks and balances against mis-allocation of capital, borrowings and diversion of funds. This is a work-in-progress.

Three, Indian banks need access to early warning systems on imminent default with tighter accounting norms on NPA recognition. Concerted efforts by SEBI, RBI and the Bankruptcy Board are laying the foundations of this change

given the public disquiet around bail-in provisions and NPAs, this is a bad time for the Government to moot privatisation of PSBs.

But it can certainly distance itself from their top-level appointments and operations by vesting its equity stakes in a holding company, and allowing the Bank Boards Bureau to take independent decisions.

It is unfortunate that the Bureau has so far remained a toothless tiger.

The Banks Board Bureau, an autonomous body under the aegis of Department of Financial Services, was set up in 2016 to help the government in selection of top executives of PSBs and enforce a code of conduct and ethics for managerial personnel

BBB was completely marginalised in the appointment of all the top-level executives including the head of Punjab National Bank. One BBB member, H N Sinor, even resigned after the board was bypassed when the government changed the top management of Bank of India and PNB

## AGRICULTURE

### Bt Cotton PinkBollworm

### Even though Bollgard 2, or BG-2, Monsanto’s second generation insecticidal technology for cotton, was supposed to protect crops against the pink bollworm, the pest has grown resistant to the toxins produced by this trait.

### As a result, farmers now spend more on pesticides to control infestations.

### This, along with the high cost of Bt seeds, is driving farmers to indigence.

### Both BG, which has a single bacterial gene called CryA1C, and BG-2, which has CryA1C and Cry2AB2, are designed to protect against pink bollworm

### BG began failing against the pest in 2009, while BG-2 began failing in 2014.

### Endemic to India

### Interestingly, none of the other 14 Bt cotton-growing countries have seen this resistance. China still successfully controls pink bollworm with first-generation Bt cotton.

### The U.S. and Australia are moving on to third-generation BG-3 without having faced this problem

### Research

### researchers broadly agree on the reason: the pink bollworm grew resistant because India restricted itself to cultivating long-duration hybrids since the introduction of Bt cotton in 2002.

### Hybrids are crosses between two crops that often see higher yields than their parents, in a genetic phenomenon called heterosis.

### All other Bt cotton-growing countries mainly grow open-pollinated cotton varieties rather than hybrids

### India is the only country whose intellectual property laws have never prevented its farmers from either saving or selling seeds

### Without such protections, several seed companies in India prefer hybrids because unlike open-pollinated varieties, hybrids lose their genetic stability when their seeds are replanted.

### This compels farmers to repurchase seeds each year, protecting corporate revenues

### From 2002 to 2011, the area under cotton hybrids rose from 2% in north India and 40% elsewhere to 96% across the country

### Not only are hybrids expensive, they are also bigger and bushier, forcing farmers to cultivate them at low densities — 11,000 to 16,000 crops per acre.

### This is suboptimal — countries like the U.S. and Brazil plant cotton at 80,000 to 100,000 per acre

### introduction of the Bt gene into only one parent of Indian hybrids, as is the practice, is itself a problem.

### The resulting hybrids are hemizygous, which means that they express only one copy of the Bt gene.

### So, they produce cotton bolls that have some seeds toxic to the pink bollworm and some that are not.

### This can be contrasted with the homozygous seeds of open-pollinated varieties in the U.S., China or Australia, which have 100% toxic seeds.

### Long duration sowing issue

### The pest does its most damage in the latter half of the cotton-growing season and does not consume any other crop that grows then. So, the long duration of Indian cotton crops, between 160 and 300 days, allows this pest to thrive and evolve resistance more quickly than it can for short-duration crops.

### Contrast this with other cotton-growing countries which strictly terminate the crop within 160 days

### Solution

### Move to short duration varieties

### This is where Monsanto’s first-generation Bollgard comes in. Seed companies cannot develop open-pollinated varieties with BG-2, but they can with BG, since Monsanto didn’t patent BG in India

### Issue with solution

### If India cultivates both BG and BG-2, simultaneously, that can accelerate resistance among pests, studies predict

### India erred by not clamping down on long-duration crops when Bt cotton was first introduced.

### AGRI BUDGET 2018

MSP Issue:

There are two pertinent issues here.

One is to estimate the cost of production of commodities not covered under the scheme and their procurement procedures, if undertaken.

Two, the production cost, as calculated by **the Commission for Agricultural Costs and Prices, is based on three different methods, termed as A2, A2+FL, and C2**.

A2 covers all paid-out expenses, including in cash and in kind, namely, cost on account of seeds, chemicals, hired labour, irrigation, fertilizers and fuel.

A2+FL covers actual paid cost and unpaid family labour.

C2 includes all actual expenses in cash and kind incurred in production and rent paid for leased land, imputed value of family labour plus interest paid.

In the last few years, the government has been giving MSP above 50% based on cost A2+FL, which is to be continued as per this Budget.

But farmers, for many years, have been demanding that the raise in MSP be based on C2 instead.

Also, little attention has been paid towards altering the ongoing ‘high input cost and low output price’ regime

Relative quick options than MSP:

The States can implement the ‘price deficiency payment scheme’ (difference between MSP and price received) as has been started in Haryana for some vegetables, and the Bhavantar Bhugtan Yojana in Madhya Pradesh for select oilseeds.

These schemes can also encourage small holders, including tenants, who constitute at least 86% of farmers, to sell in the regulated markets

Marketing issue:

The second measure is to develop and upgrade the existing 22,000 rural haats into Gramin Agricultural Markets.

A corpus of ₹2,000 crore has been allocated in the name of the Agri-Market Infrastructure Fund for developing and upgrading marketing infrastructure.

Despite the promising appearance, the real challenges are to ascertain the priority of the respective States towards it and ways to accelerate its pace.

The latter can be taken forward through public-private partnership, which has worked successfully in other sectors.

Under market reforms, it will also be important to link production centres with marketing through agri-value chains, which would require farmers to aggregate, form self-help groups, or farmer producer organisations.

The hard truth is that farmers, especially small landholders in less developed States, sell their produce mainly through village traders or government-run Primary Agricultural Credit Societies (for wheat and paddy at MSP) and often get exploited.

Operation Green

Another interrelated initiative is the launching of ‘Operation Green’ with an outlay of ₹500 crore to address the challenge of price volatility of perishable commodities.

This again makes it necessary for State governments to bring various programmes under one roof, perhaps within the **Agricultural Produce and Livestock Market Committee 2017**, to help farmers

Institutional credit?

The third important step is to increase institutional credit from ₹10 lakh crore in 2017-18 to ₹11 lakh crore in 2018-19.

The share of agricultural credit in gross domestic product in agriculture and allied activities has increased from 10% in 1999-2000 to 41% in 2015-16.

The actual flow has considerably exceeded the target.

Therefore, targeting of the announced allocation to the poorer farmers and tenants in each State will go a long way in improving their purchasing power and augmenting investment, which is currently low.

Irrigation not touched?

A hike in MSP should be supplemented with irrigation, and reduction in fertilizer cost.

Close to 52% of net sown area (73.2 million hectares out of 141.4 million hectares) is still unirrigated and rainfed, in addition to the recurrence of floods and droughts due to climate change.

Despite its presence in **the Economic Survey 2017-18**, the subject has not received due attention in this Budget

The plan is to take up 96 districts deprived of irrigation with an allocation of ₹2,600 crore under the Prime **Minister Krishi Sinchayee Yojana — Har Khet ko Pani.**

The Centre will work with the State governments to enable **farmers to install solar water pumps to irrigate field**s.

At the same time**, the Minor Irrigation Census 2013-14, published in 2017,** warns of a tremendous increase in deep tube wells to more than 2.6 million in 2013-14, from 1.45 million in 2006-07, and the resultant decline in the ground water table.

It is ironic that the government aims to install more tube wells while being worried about depleting groundwater.

A location-specific policy for irrigation with the identification of suitability of medium-major irrigation projects and/or minor or micro irrigation facilities is required to protect farmers from the adverse impacts of climate change.

It must be supplemented with timely completion of pending canal irrigation projects, and strengthening of the National Agricultural Insurance Scheme by an increase in compensation and timely advice on weather.

Technological interventions that update farmers about sowing and harvesting time and extension services can help prevent misfortunes.

Agri R&D

investment in agricultural research and development (Ag R&D).

This is a serious concern in view of the low annual rate of growth in agriculture in the last four years.

More drought and pest-resistant crops are needed, along with better irrigation technology.

Farmers also require interventions in the seed sector to raise production and diversify to alternate crops to induce higher growth.

The most disquieting aspect is that India spends almost ₹6,500 crore on Ag R&D, **which is not even 0.4 % of GDP from agriculture** and allied activities.

Dividends from Ag R&D are much higher in the less developed eastern and rainfed States and hence receive adequate funds.

Conclusion

The long-term measures to increase their income and trigger agricultural growth, as reflected in the Budget, remain to accelerate investments in irrigation, infrastructure, improved extension services and institutions fully backed by a competitive marketing system

### DOUBLE FARM INCOME BY 2022

**FOCUS :**

Focus should also be on proper processing techniques, traffic, and market expansion to make agriculture profitable.

**INITIATIVES TAKEN:**

1. **Peri-Urban Agriculture**:
   1. small and large-scale agricultural production will be done in and around the cities.
   2. can help in climate change adaptation through diversification of food resources for the urban population.
   3. Due to rapid urbanization in the past years, demand for vegetables, fruits and flowers is constantly increasing in these areas. Peri-Urban Agriculture can contribute to price stabilization through the development of important local food production centres of the diversified food system. This will reduce the burden on transport, and help in reducing greenhouse gas emissions from cold storages.
   4. a system that will supply food to cities from 100 to 200 km. This will help in creating attractive employment option and prevent the conversion of agricultural land near urban areas into cities and towns.
2. **Pradhan Mantri Kisan SAMPADA Yojana:**
3. **PMFBY:Pm fasl bima yojana:**
4. **Integrated Development of Horticulture** (MIDH):
   1. helped in production and productivity, post-harvest management and marketing by providing assistance in the production of quality seeds, protected agriculture, vegetable and organic farming.
5. **Rashtriya Gokul Mission:**
   1. to conserve and develop indigenous breeds in a focused and scientific manner.
   2. two National Kamdhenu Breeding Centres in Chintaldevi district Nellore, Andhra Pradesh, and Itarsi, district Hoshangabad, MP, with the funds of Rs.50 crore are being established for the preservation and promotion of domestic bovines in scientific way
   3. Gokul Grams.total 18 and 2 Newly setup in Haryana.being established for the preservation and promotion of domestic bovines in scientific way
6. **White Revolution Mission:**
   1. DIDF Fund: Dairy Processing and Infrastructure Development Fund) with an outlay of Rs 10,881
7. **Blue Revolution:**
   1. focuses on the enhancement of fish production and productivity through inland and marine fisheries.
   2. Deep Sea Fishing under the umbrella of Blue Revolution.
8. **Honey Revolution:**
   1. The National Bee Board has given 205% more financial assistance in the last three years. The number of bee colonies increased from 20 lakh to 30 lakh. There has been 20.54% increase in the production of honey. The center-funded scheme of national beekeeping and honey mission is also being prepared.
9. **Paramparagat Krishi Vikas Yojana (PKVY)**,
   1. the government is promoting organic farming in the country. Under this scheme, farmers are encouraged to form groups for organic farming.
10. **Promotion of City Compost**
    1. the Government is providing market development assistance of Rs.1500 per metric tonne.
11. **SOIL HEALTH CARD SCHEME**:
    1. **Features**:
       1. SHC informs farmers about nutrients status of the soils along with the recommendation on appropriate dosage of nutrients to improve soil health and fertility.
       2. A farm will get the soil card once in every 2 years so that nutrients deficiency can be regularly detected and improved.
       3. The imbalanced use of fertilizers damages the fields and reduces production.
       4. a uniform approach to collect samples and test them in the laboratory, covering all the land in the country.
       5. National Portal of the Soil Health Card (online portal)
       6. Card is prepared in 14 local languages
    2. **Soil Health Card mobile App** : **Geotagging** benefit field-level workers as it will automatically capture GIS coordinates while registering sample details at the time of sample collection in the field and indicate the location from where the sample has been collected.
    3. SHC portal has been linked to the Integrated Fertilizer Management System (iFMS) and distribution of fertilizers has started in 16 districts on the basis Soil Health Card recommendation as a pilot scheme .
12. **SEED HUB:**

Initiative for the establishment of 150 Seed Hubs for pulses, ensuring timely availability of sufficient quantity of quality seeds.

1. **Other Measures**:
   1. Improve productivity through provision of timely and quality inputs and services
   2. Reducing cost of production through rational utilisation of inputs like irrigation water, fertilizers and soil health management
   3. Remunerative prices to producers
   4. Increase in cropping intensity through irrigation development and improving water use efficiency by promoting micro-irrigation
   5. Integrated Farming System (IFS) based on agro-climatic regional planning
   6. Skill development of farmers
   7. Promotion of Farmer Producers Organizations (FPOs) for better inputs services and aggregation of output
   8. Moving people from agriculture to non-agriculture
2. **Farm Mechanisation**:
   1. labour cost is the largest component in cost of cultivation, followed by land cost, capital cost and other inputs like fertilisers, seeds, insecticides etc.
   2. Nonavailability of labour during peak agriculture operations and high labour cost, especially during sowing and harvesting are major drivers of farm mechanization
   3. high cost of farm machinery and small farm size are the biggest hurdles in the way of adopting large scale farm mechanization.
   4. the Commission has recommended in its earlier reports that farm mechanization should be promoted extensively among small and marginal farmers through **Custom Hiring Centres (CHC)**.
   5. It will help in reducing labour costs and increase productivity.
   6. Examples:Karnataka has established CHCs called ‘Krishi Yantradhare Centres’ on Public Private Partnership (PPP) model and are managed by NGOs, farmer’s organizations and charitable trusts. In Madhya Pradesh, the state is implementing the Scheme called ‘Yanthradoot’, where 200 villages are selected every year and use of farm machinery is demonstrated for promoting the use of farm implements on custom hiring basis

### The Food Processing industry

The Food Processing industry is a sunrise sector and is vital to India’s development, primarily due to the linkages and synergies it promotes between the two pillars of our economy - industry and agriculture.

The sector in India includes fruit and vegetables; spices; meat and poultry; milk and milk products, alcoholic beverages, fisheries, grain processing and other consumer product groups such as confectionery, chocolates, cocoa products, soya-based products, mineral water and high-protein foods.

**OVERVIEW OF THE FOOD PROCESSING SECTOR IN INDIA**

1. India has evolved from a food-scarce to a food-surplus nation during the last decade.
2. the ever-growing trade in the production of food commodities indicates that the industry is on track in terms of growth and profitability.
3. India’s USD 600 Billion food processing industry is expected to grow three-fold by 2020.
4. India currently ranks second in terms of global food production, next only to China.
5. India leads in the production of milk, bananas, mangoes, guavas, papayas, ginger and buffalo meat.

However, in order to realise the maximum potential of the sector, a rising concern of wastage needs a dire attention.

Hence, the development of the sector in the country will further strengthen the link between agriculture and manufacturing by using modern food processing technologies and cold storage techniques.

**GROWTH DRIVERS**

1. **Large Consumer Base :**
   1. The growth in the sector can be **expected to be driven by the food and grocery market**, Which currently ranks sixth in the world and contributes approximately 70 % to the total retail sales.
   2. India’s strong 1.2 billion consumer base provides a well-established domestic market for the food processing industry in India.
   3. As the consumers in the country are becoming more health- conscious, the demand for nutritious food is growing proportionately.
   4. In addition, rising number of working women and nuclear families is resulting in high demand for ready-to- eat and frozen food.
   5. Thus, overall India’s food value chain is poised to create multiple opportunities for investment and employment in storage infrastructure, farming, retail and quality control.
2. **Abundance of Raw Material**:
   1. India is endowed with a strong raw material base to stimulate the growth of food processing industry.
   2. The country is first in terms of milk production with production close to 146 155.5 million MT in FY 2015-166 and second in terms of fruits and vegetables in the world with production of 256 million MT.
   3. It is also the largest producer of spices with 6.9 million tonnes spices produced in the year 2015-16.
   4. The country is third in egg production, fifth in meat production and second in fish production in the world. The steady supply of raw materials and availability of cold storage infrastructure will complement the growth in sub-segments like dairy, horticulture, plantation, animal husbandry and fisheries.
3. India’s diverse agro-climatic zones allows the country to produce a variety of crops.

**GOVERNMENT SUPPORT**

Under the Make in India initiative, the Government plans to stimulate growth in the Food Processing sector through the creation of a strong infrastructure, reduction of food wastage and promotion of Ease of Doing Business (EODB) measures.

1. **‘Scheme For Agro-Marine produce Processing and Development of Agro-clusters’ (SAMPADA)** 
   1. will provide a renewed thrust to the sector with the budget allocation of USD 923 Million.
2. **FDI in trading and e-commerce of food products** is allowed up to 100% through Ggovernment approval route.
   1. The 100% FDI policy through automatic route in the sector for manufacturing in India has resulted in inflows of USD 1.7 Billion during April 2014 to December 2016 and USD 263.71 million from April - June 2017.
   2. With such an increased government support, food business giants such as Kelloggs, Ferrero and BSA International are all set to expand their footprint in India.
   3. To spur the growth in the e-retailing segment of the sector, the government has allowed 100% Foreign Direct Investment (FDI) for Food Processing in e-commerce through government approval route for products manufactured/produced in India.
   4. The move will open new avenues of growth in food retailing and boost the income of the farmers.12 13 India’s geographical proximity to food importing regions such as Singapore, Middle East, Thailand, Europe, Korea and Malaysia will further boost exports in the future.
3. **Integrated Cold Chain and Value Addition Infrastructure scheme under MoFPI**
   1. aims to build strong cold storage infrastructure for dairy, fish and horticultural industry.
   2. The Ministry of Food Processing is presently assisting 135 integrated cold chain projects.
   3. 97 have already achieved completion and commenced commercial operation.15 In the Budget 2017- 18,
4. **Dairy Processing and Infrastructure Development Fund**
   1. worth USD 1.3 Billion was proposed in addition to the already allocated National Bank for Agriculture and Rural Development (NABARD’s) Food Processing Fund worth USD 307 Million.
   2. This is expected to give an impetus to Food Parks and processing units.
5. **The Mega Food Parks**
   1. have been at the forefront of setting up Food Processing clusters across the country.
   2. Nine Mega Food Parks, namely Patanjali Food and Herbal Park (Haridwar, Srini Food Park (Chittoor) and North East Mega Food Park (Nalbari), among others, are functional so far and several more are in the pipeline.
6. **The Electronic National Agriculture Market (E-NAM)**
   1. has integrated 417 markets from 13 states for efficient sale and distribution of food products and raw materials.
   2. The service aims to create a unified national market for agricultural produce with 585 regulated mandis to be integrated with the portal by March 2018.19
7. **The Ease Of Doing Business (EODB)** measures implemented by the government such as
   1. single window clearance for customs,
   2. single window investor facilitation cell,
   3. simplification of application forms,
   4. online system of food licensing and registration are landmark moves.
8. **World Food India (WFI)**
   1. to facilitate partnerships between Indian and international business units and investors.
   2. WFI, to be held in New Delhi from November 3-5, 2017, is said to be the largest gathering of investors, manufacturers, producers and policy makers from the global food ecosystem.
   3. The event will showcase the government’s new initiatives on the policy, regulatory and projects fronts.
   4. opportunities to conduct Business – to – Government (B2G) and Business to Business (B2B) meetings with key government stakeholders and potential business partners.

**Conclusion**

1. The Food Processing industry is critical to India’s growth and the government is focused on providing adequate impetus to the sector.
2. A well-developed Food Processing sector will help facilitate crop diversification and generate employment opportunities.
3. The introduction of modern processing techniques for food will result in improved shelf-life of the agricultural produce and ensure steady revenue to farmers. With the correct set of policy implementations and support,
4. The industry can grow by leaps and bounds, taking India to a new position of strength and prosperity in the global economy.

## Technology and economy

Dynamic nature of the Indian economy and availability of technology tools has impacted the functioning of all the Departments including the nature of Tax Administration.

released two IT tools of the Customs Department i.e. ICETRAK, and ICETAB, developed by the CBEC to provide an easy way for trade to track their consignments and for providing other important information and updates

### Solar target 2022

In the pre-GST regime, we had zero tax on solar panels. Now it is 5%

Proposed import duty hike upto 70% will hurt the progress

The problem in India is that uncertainty surrounding tariffs coupled with a large target means that the road ahead to 2022 will be a tough one.

India imports 90% of panels from china

Short term benefits only?

Two large solar energy markets, India and the United States, have either imposed or are contemplating the imposition of safeguards duty on solar panels.

Trade remedies are attractive because they create tangible short-term benefits such as job creation, reduction in trade deficit, and higher local tax collection.

Long term consequences

higher tariffs and make solar power less attractive for the already financially strained and RE-sceptical utilities.

The more than 40% spike in solar electricity prices would be accompanied by diplomatic tensions that follow the implementation of such measures, encouraging other major economies to retaliate with their own protectionist measure

WTO

it is vital that India remains compliant with the global trade regime.

Previous measures (for example, the domestic content requirement or DCR scheme) to assuage the concerns of the domestic solar manufacturers were challenged and overturned at the World Trade Organisation (WTO).

The DCR scheme did not impose any restrictions on imported sources and only sought to secure an assured market for domestically manufactured panels.

Other countries opposed the scheme as it discriminated against foreign solar cell suppliers.

New Policy 2017

A draft policy (2017) aimed at promoting domestic solar manufacturing through a proposed 12,000 MW DCR component may evoke similar opposition at the WTO

CEEW analysis suggests that backing this programme could generate only 31,200 jobs as against one million full-time job opportunities had India followed through in achieving its solar and wind energy targets of 160 GW

Inter ministry issue

India’s solar sector is currently caught in inter-ministerial cross-fire.

The severity of the issue is evident in the power given to both the Ministry of Finance (MoF) and the Ministry of Commerce and Industry (MoCI) to implement trade remedies (safeguard duties and anti-dumping duties or ADD, respectively).

Further, the Ministry of New and Renewable Energy (MNRE) has been grappling with issues posed by the MoF regarding the re-classification of solar panels as electrical motors (the current classification is photosensitive semiconductor devices), imposing additional duties and cesses on importers.

Conclusion

In supporting the domestic manufacturing industry, the government may be backing a horse which may not run for long.

Instead, the government could tilt its green manufacturing mix in favour of nascent industries of the future such as energy storage, electric vehicles, and IT solutions for grid integration.

### BIG Discoveries small origins:

he Economic Survey, released ahead of the Budget, carries an entire chapter on transforming science and technology in India.

It calls for doubling research and development expenditure from its current level of about ₹1 lakh crore, amounting to 0.8% of the gross domestic product (GDP).

if instantly doubled through a miraculous diktat, it would still lag behind China, Israel, Japan and the U.S., each spending more than 2% of their GDP on research. For long, attaining the 2% GDP level had remained elusive for Indian science, but this is only a part of the story.

The other critical part, diminishing funds for exploratory small-scale science research, escapes attention in the din of the debate based on comparative GDP figures.

Seminal innovations often result from the efforts of scientists working alone or in small groups with a tight budget rather than in well-funded mega projects.

In 2012, the discovery of Higgs boson (‘God particle’ in popular media) at CERN, the European Organisation for Nuclear Research in Geneva, hit the world’s headlines. With $1 billion annual expenditure, CERN’s work is big science by any yardstick. Yet, Higgs boson had its humble origins in seminal theoretical works of several scientists, including Peter Higgs, working independently. Even the $100 billion enterprise Google began as an innovative mathematical idea of Larry Page and Sergey Brin, funded by modest grants from the National Science Foundation (NSF), at Stanford University.

Today, the global market for Raman spectrometers is about $1.2 billion. In 1928, C.V. Raman spent about ₹200 on his laboratory-built spectrometer that heralded the era of Raman spectroscopy as an analytical tool and also brought to India its first science Nobel prize.

Through the 1960s, Vikram Sarabhai was experimenting with simple sounding rockets that ultimately grew into the Indian Space Research Organisation of today

Time and again, small science projects have demonstrated the potential to emerge as **harbingers(works/forerunner)** of technological changes. Debates based on gross budget figures and GDP benchmarks miss the fact that over the years, funding for smaller, as opposed to large-scale big ticket, projects are dwindling.

Of the ₹27,910 crore allotted to science ministries, ₹900 crore, or 3.22%, is earmarked for basic science projects to be disbursed as competitive research grants by the statutory body, Science and Engineering Research Board (SERB). In comparison, the apex body for medical research in the U.S., the National Institutes of Health, alone disbursed $25 billion as research grants in 2017, representing 36% of the country’s non-defence science budget.

In India, as elsewhere, a significant fraction of the science budget goes to mission-oriented projects in the areas of defence, space, nuclear and environmental sciences. The mission-oriented work in these areas need not be diluted to favour small research grants. The operational missions are important but so is the research ecosystem that provides human resources and feeds the innovation pipelines connected to these missions.

Throttling smaller-scale research is akin to cutting off the innovation pipelines. Enhanced competitive research grants for the Indian Institutes of Technology, the Indian Institutes of Science Education and Research, and universities will help address the needs of a larger pool of scientific talent outside national labs and bring in returns by way of publications, patents and innovations that can meet immediate needs.

Remarkably, the Economic Survey too has flagged this issue and recommends that India “gradually move to have a greater share of an investigator-driven model for funding science research”. It also talks of the “need to expand with more resources and creative governance structures”. Nearly every big science venture of today began as a budding small idea yesterday. It is imperative to incentivise the small ideas as some of them might ultimately scale up to join the big league

# Science and Tech

## Defence expenditure insue

LOW LOW LOW LOW LOW LOW LOW Defence Budget allocation !!! Is it real or hoax!!!

Reality check

What is the reality?

As usual, it lies somewhere between the two extremes.

According to a recent report by Stockholm International Peace Research Institute,

India was the largest arms importer in the last five years, accounting for 12% of global imports.

The Indian defence budget has now overtaken that of the U.K. to become the fifth largest in the world.

I am worried about it ☹ ☹:’(

Despite this,

as the Vice-Chief of Army Staff pointed out to Parliament’s standing committee on defence, the current capital allocation is insufficient even to cater for “committed liabilities”, which is payments for equipment under contractual obligation

Also, 68% of the Army’s equipment is under the ‘vintage’ category and the situation is unlikely to improve in the near future.

Equally worrying is the adverse impact on infrastructure development and strategic roads where there is a severe shortage of funds

An insufficient defence budget impacts not only modernisation but also the current operational readiness of the force.

Reduction in revenue allocation means cutting down on training requirements and routine replacement of items like surveillance and protective equipment

Why we need defence budget????

The strategic environment in Asia is well known.

Asia is developing into a multipolar system, with Russia, China, India and the U.S. jockeying for greater influence.

It is a reality that conventional state-on-state conflict is on the decline, particularly between nuclear nations.

However, one region where such a possibility exists is South Asia.

India faces not only a long-term strategic challenge from China but also the continuing efforts by Pakistan to somehow maintain a semblance of military balance with India by keeping the Indian Army tied down in Kashmir, and developing a credible nuclear force.

India’s dilemma is neatly summed up in the U.S.’s National Intelligence Council report, ‘Global Trends: The Paradox of Progress’,

“Geopolitically, [South Asia’s] greatest hope is India’s ability to use its economic and human potential to drive regional trade and development.

At the same time, Afghanistan’s uncertain prospects, extremism and violence in Pakistan, and

the ever-present risk of war between India and Pakistan probably represent the greatest challenge to unlocking the region’s potential.”

Can India, India ranked at 131 in the 2016 Human Development Report, and with 55.3% of the population living under “multidimensional poverty”, afford a higher defence budget?

Conversely, can a weakened military support India’s ambition to achieving great power status?

Japan, despite being the second largest economy at one time, was never considered a great power because of its limited military capability

The government and the military need to quickly come together and be on the same page. Currently, there does not seem to be a coherent or common assessment, and one example of this is the debate on the two-front war.

Two front war Really ???

The service chiefs have constantly reminded the government that a two-front war is a real possibility and of the need to prepare for it.

It is quite obvious that the government does not take this too seriously, as evidenced from budgetary allocations and glib statements that the forces are ‘reasonably and sufficiently equipped’

The first step to resolve this contradiction is for the government to order a comprehensive strategic review of the future threats to India

A long-term capability development plan can then be prepared by the military and approved by the government. This will form the basis for the defence budget.

The annual bickering over the mismatch between what the military demands and the actual allocations made will be avoided

We are actually a Garib nation

The military also must understand the realities of India’s finances and look to reconstruct itself. Military capability is not all about money.

Military effectiveness (is) the outcome of the resources provided to the military and its capability to transform these resources into effective warfighting capability

The military must stop talking in terms of numbers, of squadrons, ships and divisions, and focus on capability.

Save some money

There is a crying need to move towards greater integration among the three services and with the Ministry of Defence (MoD).

The luxury of each service running its own training, administrative and logistics system is no longer affordable

Bureaucracy

The MoD, staffed entirely by civilians, seems oblivious to defence requirements and follows a procurement process which appears completely broken.

An internal report prepared late last year by Minister of State for Defence Subhash Bhamre pointed out that only 8-10% of 144 proposed deals in the last three financial years fructified within the stipulated time period.

Conclusion

Civil-military differences over defence budgets are an inevitable part of any democracy.

However, these differences can be minimised if there is a common understanding of the contours of a national security strategy, and of the genuine requirements of the military for putting this strategy into effect.

On its part, the military must focus on capability for future warfighting, not mere numbers.

## Economics of science tech

As per data provided by the UNESCO Institute for Statistics, India invests about 0.8% of its GDP on research and development,

supports 156 researchers per million of population

China are 2%, and 1,113, respectively. China’s investment is now comparable to any developed country, with Germany standing at 2.9% and 4,363 researchers and the U.S. at 2.8% and 4,231

In 2000, China had invested only about 0.9% of its GDP on research and development, but this was steadily ramped up and in 2010 stood at 1.71%. India invested 0.74% in 2000, and increased this to 0.82% in 2010.

China took it up to 2.1% in 2016, in India it came down to 0.63% in 2015.

The Raman effect, discovered by C.V. Raman, the only Indian Nobel Laureate in Physics, is a widely used tool of analysis in chemistry and physics

It was discovered on February 28, 1928 with relatively meagre resources available in the labs set up by Raman.

**The discovery’s frugal spirit is very much** part of the mental makeup of Indian scientists today, as evinced by Michio Kaku’s Tweet.

However, today, while there is theoretical and even experimental work that can be done by small groups with a low budget, many pressing problems in science demand larger investments, including resources, funding and human capital.

The Indian Space Research Organisation has quietly and efficiently carried out large projects, but such projects have not been exactly welcomed in basic sciences

Bigger projects involve coordination of the work of several hundred people and international collaborations; they need physical space and funding.

They challenge the mindset of doing science in isolation, within labs, and as unnoticed by society as possible

Canada made this transition in the late 1980s with its first big investment in science — the Sudbury Neutrino Observatory. Since then, it has not looked back

Even to tackle climate change and its anticipated fallout, manage food, energy and growth requirements of a rising population and cope with health hazards, we need critical and creative thinking that can only evolve parallel to investment in basic sciences research

Nobel prizes and international acclaim are just one, largely secondary, aspect. To develop a meaningful and scientific handle over impending crises, India needs to invest more widely and deeply in scientific enterprise

## HEALTH

### **Gamification is beginning to play a big role in fitness programmes**

An increase in man hours should contribute to productivity

How can a company achieve this? Obviously, by investing in wellness. However, considering the pollution levels and stressful lifestyles in metros, achieving wellness goals is a tall order.

Over the last two decades, many companies have set up in-house gyms or offered their employees membership with fitness centres. Office canteens have been moving away from junk food, replacing it with healthier alternatives. Companies are also more generous with their annual health packages for employees.

Despite such commendable efforts, the workforce at most of these companies is still not high on the wellness quotient.

Customisation of wellness programmes seems to be the answer. There are companies that have tried this out successfully.

Today, the technology kit to drive customised wellness packages is ready. Apps make up a key component of the kit.

There are apps that can be connected to wearables and used to track a person’s activities. These apps not only present a detailed health report of this person, but also recommend possible actions to counter the risk factors for certain diseases.

There are apps that gamify the entire process, thereby ensuring total involvement of the participants. Users get to compete as individuals and groups, receive rewards and display their achievements on social media.

Even at its best, technology is however just an aid. Wellness programmes, even the technologically superior ones, will succeed only if they begin at the top. The leadership should lose no opportunity to emphasise the need for workforce wellness, and encourage actions from line managers that lead to it

### **India Global pharmacy Hub:**

India is rightly acclaimed to be the pharmacy of the world, with its huge private sector capacity for producing branded and unbranded generic drugs

Reasons

after India opted for process patenting over product patenting in 1970. This changed to a product patent regime in 2005,

providing sufficient time for growth of the generic drug industry in the private sector

Private only

However, this period has also seen the decline and near disappearance of public sector capacity for

manufacture of drugs and vaccines.

Public sector needed

Public sector capacity for manufacture of essential drugs and vaccines is very much needed to ensure that our population is not denied access to drugs that the Indian private sector is unable to produce or supply at affordable cost

These include drugs where compulsory licences may need to be issued by the government for patent protected drugs or even off-patent drugs which are commercially unattractive to private manufacturers

TRIPS

Compulsory licensing (CL) is a mechanism permitted by the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement to enable countries to issue licences to domestic drug manufacturers to produce and market affordable generic versions of life-saving drugs needed for meeting serious public health challenges that are of extreme urgency

This allows countries to overcome patent restrictions to assure availability of such drugs when the situation demands

Drugs effective against multi-drug resistant tuberculosis and anti-cancer drugs are clear examples of such a need, which should be addressed through compulsory licensing

The World Health Organisation (WHO) has now invited expressions of interest from drug manufacturers to produce generic versions of two effective but expensive anti-tubercular drugs, bedaquiline and delamanid.

Not New to india

India has used the CL route previously to permit two Indian companies, Natco and Cipla, to produce a potent anti-cancer drug nexavar

This enabled a 32-fold reduction in the cost of the drug.

However, extensive litigation followed with action initiated by Bayer, the multi-national manufacturer of the patented version

This appears to have dampened the appetite of private drug manufacturers to avail of the CL route for the manufacture of generic versions of the new anti-tubercular drugs.

Public sector can help

If the domestic private sector drug manufacturers are not ready to apply for CL, for whatever reason, public sector capacity to seek and utilise such licences becomes indispensable.

With the acquisition of Indian drug companies by foreign manufacturers, or ‘strategic alliances’ which place shackles on the Indian partners, public sector capacity for manufacturing life saving drugs under a CL is the much needed fall-back option

Similarly, drugs for neglected tropical diseases are of little interest to the commercially driven private drug industry.

**Active pharmaceutical ingredients (APIs),** which are needed for drug manufacture (formulation), are now mostly imported from China.

This makes India highly vulnerable to disruptions in supply and cost escalations in import.

National security demands that we develop both public and private sector capacity within the country, with suitable government support and incentives, to ensure uninterrupted and inexpensive availability of APIs.

**The High Level Expert Group Report on Universal Health Coverage for India (2011)** clearly articulated the need for strengthening public sector units (PSUs) which have drug manufacturing capability.

A report of the **UN High Level Panel Access to Medicines (2016**) called upon countries to safeguard and fully utilise the rights conferred by the TRIPS flexibilities as confirmed by the Doha Declaration of the WTO.

Conclusion

India should take the lead in ensuring universal access to affordable drugs through such measures. investment in public sector capacity is essential to ensure that the country can exercise that leadership even on occasions when the private pharmaceutical sector does not fully align with that objective

### **ANTIBIOTIC RESISTANCE:**

PROBLEM CAUSES:

the power to purchase antibiotics still remains in the hands of the consumer

some Indians use too few antibiotics, while others use too many

others misuse drugs, buying them without prescription and taking them for viral illnesses like influenza.

Sometimes this irrational use is driven by quacks. But just as often, qualified doctors add to the problem by yielding to pressure from patients or drug-makers.

GOVT ACTION:

instead of a ban India uses a fine threaded approach by using the **Schedule H1**, a list of 24 critical antibiotics such as cephalosporins and carbapenems, whose sale is tightly controlled.

ISSUE WITH GOVT ACTION:

Pharmacists often flout rules, and drug controllers are unable to monitor them.

CONSEQUENCIES

Losing these drugs would mean that even minor illnesses could become killers, and the cost of health care will soar.

### **GLOBAL DISEASE BURDEN**

India State wise disease burden , the estimates are produced as part of the Global Burden of Disease Study 2016, which uses standardised methods in a unified framework.

The key metric used to assess burden is **disability-adjusted life years (DALY),** which is the sum of the number of years of life lost due to premature death and a weighted measure of the years lived with disability due to a disease or an injury.

The findings of the study reveal that three types of risks.

**Undernutrition** :

* Child and maternal undernutrition, this is still the single largest risk factor in India, responsible for 15% of the total disease burden in 2016.
* This burden is 12 times higher per person in India than in China.
* leading risk in over three-fourths of the States across India.

**Air Pollution**:

* Air pollution levels in India are among the highest in the world,
* responsible for 10% of the total disease burden in the country.
* Air pollution increases the risk of cardiovascular diseases, chronic respiratory diseases, respiratory infections, and cancer.

**Group of risks causing cardiovascular disease and diabetes:**

* A group of risks that include unhealthy diet, high blood pressure, high blood sugar, high cholesterol and overweight, which increase the risk of ischaemic heart disease, stroke and diabetes
* Takes a quarter of the total burden in 2016.
* More in developed states.

**Positives**:

* The chances of achieving the overall health targets for India and of reducing health inequalities among States would be higher because of a targeted state specific approach rather than generic one.
* data-driven and decentralised health planning and monitoring

**Conclusion:**

Unless serious attempts are made soon to address this surge through massive upscaling of interventions in the health, food, agriculture, housing and urban development sectors, these risks can result in major deterioration in the health status across all States, rich and poor.

akin to national emergencies as these have the potential to significantly blunt the rapid social and economic progress to which India aspires.

### **Clinical Trails:**

Clinical trials involving human subjects have long been a flashpoint between bioethicists and clinical research organisations (CROs) in India.

Landmark amendments to the Drugs and Cosmetics Act in 2013 led to better protection of vulnerable groups such as illiterate people, but more regulation is needed to ensure truly ethical research.

While CROs have argued that more rules will stifle the industry, the truth is that ethical science is often better science.

Issues:

big problem plaguing clinical research is an over-representation of low-income groups among trial subjects

CROs recruit them selectively, exploiting financial need and medical ignorance

people over-volunteer for the money. Such over-volunteering occurs more frequently in **bioequivalence studies, which test the metabolism of generics in healthy subjects.**

**Because these subjects are well-paid, and get no therapeutic benefit, their only reward from the trial is financial. This results in an incentive to lie about one’s medical history or enrol in multiple trials to maximise one’s income.**

several Indian CROs were found by European drug regulators and the World Health Organisation to be fudging bioequivalence data. While such duplicity by a CRO is likely to be found out, volunteer deception, which can impact data as greatly, can slip under the radar. Unsafe drugs can make their way into the market as a result, or safe drugs can get rejected.

**Sols:**

**volunteer honesty is paramount. But how can regulators ensure this?**

**One potential solution is a national registry of trial volunteers, which will alert a CRO when someone signs up for two studies simultaneously. But this will need work, because volunteer privacy cannot be compromised**

So regulators need to create a system that anonymises each participant’s data.

Another option is to pay volunteers less, taking away the financial incentive to fudge their participation history. But this measure, in isolation, would reduce trial participation dramatically: an unacceptable side-effect because clinical trials are essential to drug research.

more sustainable solution is to encourage a wider cross-section of society to participate in research on human subjects. Society at large must realise the valuable service that clinical research subjects perform by making drugs safe for the rest of us.

It is imperative that this burden not fall completely on the vulnerable groups. Instead, the educated and affluent, who have greater access to the drugs that emerge from clinical research, must grasp the criticality of this research and pull their weight

Conclusion:

Selectiveness in recruiting subjects for clinical trials leads not only to human rights violations but also to bad science.

Civil society’s vigilance is vital.

### **Heat wave coming?**

It is vital for governments to ensure that all stakeholders, including the health-care system, are prepared to deal with the phenomenon.

The World Health Organisation recommends that countries adopt heat-health warning systems, including daily alerts to ensure that people are in a position to deal with adverse weather, starting with reduction of exposure.

Water stress is a common and often chronic feature in many States: arrangements should be made to meet scarcity.

There is some hope that the southwest monsoon this year will benefit from an expected moderate La Niña condition in the equatorial Pacific, marked by cooler-than-average sea surface temperature.

### **Chronic shortage of doctors in rural areas**

Nearly 600 million people in India, mostly in the rural areas, have little or no access to health care.

A widespread disregard for norms, a perpetual failure to reach targets, and an air of utter helplessness are what mark the state of rural health care today

the country is short of nearly five lakh doctors.

Earlier efforts:

A few years ago, the Union Health Ministry drew flak when it put forth a proposal to train a new cadre of health professionals.

Under this plan, these professionals, after undergoing a short term, 3-3.5 year course in modern medicine, were to serve the health needs of the rural population, with a focus on primary care.

In the 1940s, primary care physicians — who were trained under short-term courses, and broadly termed Licentiate Medical Practitioners (LMPs) — would deliver quality services in the rural sector until the Bhore Committee (1946) recommended abolishing them in the idea that India would produce enough MBBS doctors

Old new Solution Licensed Medical Practitioners:

Starting a short-term course in modern medicine can provide an opportunity to design a medical curriculum that is much more relevant to the nation’s needs.

Its entry requirements could be based less on sheer merit and more on an aptitude for medical service and preference should be given to applicants from within the community

Quacks?

Short-term courses in modern medicine have been consistently equated with producing “cheaply made, poor quality doctors”. However, one begs to differ with this.

LMPs cannot be called quacks if they be adequately trained in their field (primary care) and have a well-defined role in health care

Irrelevant MBBs?

The present MBBS curriculum includes a good amount of superfluous detail, including subjects such as forensic medicine, that is of little relevance to primary care physicians

Here, we should also note that even though nurse practitioners and pharmacist medical practitioners may be capable of serving the same functions as LMPs, they cannot be expected to make up a lasting pool of dedicated grass-rootlevel physicians.

Second class?

Another concern is that the rural population would be made to feel like second class citizens by appointing a lower tier doctor to treat them.

This can be put to rest by not letting LMPs replace MBBS doctors but instead work in a subordinate capacity.

Options?

LMPs be employed in sub-centres where they perform both clinical and administrative functions at the sub-centre level.

This would also allow easier access to primary and emergency care and keep the post of medical officer for MBBS doctors, thereby deterring any competition between the two cadres of physicians

Medical officers (MBBS) could be employed in primary health centres (PHC),

inpatient facilities at PHCs can be scaled up. PHCs should deal with cases referred to them by sub-centre LMPs and also supervise their work

With LMPs working at the grass-root level, a single PHC would be able to handle a bigger population, allowing for more resources to be concentrated on individual PHCs for manpower and infrastructure development and also for increasing the remuneration of medical officers.

Today, less than a handful of PHCs provide inpatient care of significance. Concerns about the clinical and administrative incompetence of fresh MBBS graduates appointed as bonded medical officers can be put to rest

LMPs could be allowed to take up a postgraduate course in primary care as an option to study further. Those with a postgraduate qualification could choose to move higher up in the public health system, establish their own practice, find positions in hospitals, or serve as faculty in medical colleges training LMPs.

Conclusion

Therefore, reviving LMPs can help address the dearth of trained primary care physicians in rural India. The logistical entailments of implementing this idea would require separate deliberation.

## TECHNOLOGY

### Use of targeted Information systems

IN the light of Cambridge Analytica leaks, It should come in the mind of common people that If modern day tools can be used to influence people’s decisions in electoral processes or not?

While targeted communication was no “panacea” in the closely fought elections across the world, technology could play a huge difference,

Successful demonstration in Trumps election is one case regarding the use of personal data for political messaging during the U.S. presidential election

The firm allegedly inappropriately gathered and kept the data of over 50 million Facebook users, via an app, and failed to delete the data, despite claiming it had.

End of old school campaigning

the traditional advertising world, if it didn’t take on the lessons of personalised, predictive data analytics, was doomed to dwindle in obscurity

How technology has changed over time

 what is unprecedented about the current advancement of technology is the pace at which it is enhancing human capabilities.

A rocket enhances our ability to travel, more than the plane, which was more than the car, which was more than walking. Similarly, our ability to see, think, respond, talk…

From that perspective, Facebook **is an enhanced town square, or our village chai shop where people declared their political and social preferences and prejudices quite openly**.

Those utterances have never been private, but Facebook has allowed individuals to expand their reach beyond all geographical limitations.

**Tech in politics**

Politicians, who responded to tea shop rants and town square graffiti, began to respond to social media chatter using the same medium.

Mitt Romney and Barack Obama, Hillary Clinton and Donald Trump, Narendra Modi and Rahul Gandhi, all used this.

At various points romanticists dreamed that such openness of people’s views would not only help the rise of the first African American president but also spread democracy in West Asia and break up Chinese communism in a global digital insurgency.

Facebook, far from being the cocoon of privacy, was designed to be the ultimate town square for the democrats, and a paradise for the exhibitionist.

**Too much interference**

A combination of computing power and the widespread availability of data takes this extension of human activities to a level of efficiency humanly impossible

Uber could alert you a day before a travel date that you might want a ride to the airport; Airbnb reminds you to book a place to stay once you have booked a ticket.

When you buy a painkiller, sellers of other painkillers would send you advertisements comparing theirs with what you bought.

If you buy honey from Costco, Twitter tells you about the benefits of going organic with honey.

Platform capitalism

Nobody can beat Amazon in the game, because that is really where you put your money.

Amazon, Google, Microsoft and numerous other companies hold data that Facebook cannot even dream of.

Most of the things that Facebook knows about us are information that we have proactively shared;

**but the overall ecosystem of targeted advertisements online follows the digital trail that we leave behind every moment, most of it unwittingly but a large part of it unavoidably**.

For instance, as long as you are carrying a mobile phone, your location is not private.

This efficiency can be deeply unsettling for the life that we are used to.

In 2012, an American teenager began receiving coupons for baby products from the supermarket Target.

The outraged father of the teenager rushed to the local Target outlet, where the manager apologised to him.

But as it turned out, the data analytics of Target that mapped the sale of 25 products to assign a pregnancy score to individual customers knew better than the father.

The girl was pregnant and the Target algorithm guessed it right.

**In Homo Deus: A Brief History of Tomorrow, Yuval Noah Harari argues that** **voting in elections is something that algorithms will do more efficiently than humans**.

Humans are easily swayed by campaign jingles, slogans and emotions in the last moment, but a software that tracks our emotions, interests and preferences over a longer period of time could take a more rational decision on who to vote.

**Public vs private**

While private companies are interested in gathering data for optimised marketing and product strategies, the state is interested in collecting data from citizens directly and by claiming control over data collected by private entities

The state has primarily two purposes, of planning and security.

From traffic management to disease control, and urban planning to population management, aggregated private data could be of immense value in public planning.

In a widely reported case from 2016, the Federal Bureau of Investigation (FBI) invoked an 18th century law to force Apple to break the encryption in a phone used by a shooter. Apple refused.

The judicial dispute ended with the FBI withdrawing its demand after it broke into the phone with the help of a third party, but the underlying question remains unresolved.

James Comey, former director of the FBI, **had repeatedly called for resetting the privacy-security balance, which he believed is tilted too far in favour of privacy.**

**Impact on democracy**

 Examining the structural transformation of capitalism, which essentially is its unprecedented acceleration aided by technology, and its impact on democracy, would be more meaningful.

A serious Issue

Meddling in elections is a most serious issue, but there are other equally important data-centric threats — from complete data-based control over all activities and actors in a sector by platform companies (think Uber, but the process will soon reach as afar as agriculture and manufacturing) to that of actual informational warfare, by name, which can wreck countries.

Global digital companies such as Microsoft and Google are known to cooperate closely with the American establishment, and, when insisted upon, prioritise the latter’s interests even over their own economic ones.

Developing countries like India must realise that they do not have the kind of leverage that the U.S. or even the European Union (EU) have over global data giants, and will never have it, whatever be their boasts

No law for data

A specific privacy shield arrangement with the U.S., for instance, ensures special protection just to EU data in the U.S.

All data collected in India and transported abroad (data laws being nearly non-existent), on the other hand, remain largely out of our control or influence.

As this data gets converted into digitally-intelligent services in all sectors — from transport, commerce and tourism, to education and health, to agriculture and manufacturing, we are getting structurally sucked into foreign-controlled digital value chains from which any attempts to escape may soon become too difficult and costly.

India context

All these data-based controls need to be seen as of one kind, and common strategies urgently devised for India to remain free — free not just in the much-vaunted “consumer choice” sense, which is mostly the Trojan Horse, but also free collectively, as a nation and a community

It may sound rhetorical but such is the vastness and depth of new global digital controls that digital freedom from them is becoming close to being as important as freedom from physical and legal controls was in the middle of the 20th century.

Shrikrishna committee on data protection(personal data only).

Considering it of strategic value, India is currently devising regulation for digital geospatial data, putting many public interest checks on its various uses, including it being taken abroad. The problem is, even from a security point of view, geodata is perhaps no longer the most strategic

Evidently, all or much of Indian social data, in various sectors, including even granular data of consumer behaviour need some protections

Forget CA and FB, an extensive data market with data brokers exists in India as everywhere else, and almost all important data of Indians can be bought in this market

Steps

As with geospatial information, all critical data and digital intelligence about various sectors must be designated as collective national assets, and the collective rights to them instituted.

Platform companies such as FB, Amazon and Uber are key sites of data collection and expropriation, and its conversion into digital intelligence (to influence elections, or whatever else they wish to do). They form the intelligence infrastructures of the sectors concerned, acting like their “brains”. Such platform companies, when exceeding certain data sizes, need to be closely regulated like utility companies

The U.S. is considering legislation for compulsory reporting of all social media-related spendings by political agencies, which is also a good area for India to explore.

Eu has passed a legislation on data protection

**The European Union General Data Protection Regulation (GDPR) making consent of data owner uptmost important and it should be clear enough so that he can understand it, not buried under volume of data**

Information warfare

Social data of various kinds and sectors may be of greater strategic value.

Advanced militaries like in the U.S., Russia and China know this and are investing in large-scale informational warfare and insurgency projects

Conclusion

A data-based digital society and economy are a completely new reality.

The question is, are we as a nation ready to develop the needed political response to it?

The biggest roadblock in this necessary direction is the same upper middle-class that is currently outraged on the CA issue, but resists due regulation of the digital sector because it threatens its hyper consumptive culture and runs counter to its anti-political biases.

### Issue of Lithium

The Indian government’s relatively slow progress in securing lithium reserves could be a big problem for the energy storage industry in the country

China securing its lithium ion reserves and India not doing as much in this area could be a big problem

There are two ways to do it. We can either do it in the way we are doing solar, where we are importing everything from China. There is no need to worry about anything, somebody else is making it, and we are only consuming

But, if Make in India is a motto and we are serious about it, then we have to do a lot of things in terms of securing various commodities that go into it

It’s like kitchen

If you are cooking your own food, then you have to obviously worry about your groceries. But if you are happy with somebody delivering food, then you don’t need to have a kitchen itself, forget about groceries

Lithium attracts 28% GST as of today

Issue with electric vehicals

Solar energy

**2.4 kg of lithium to make a Nissan leafs this battery**

**Community of Latin American and Caribbean States (CELAC) is a regional bloc that aims to unite, strengthen and promote the interests of Latin American and Caribbean states**

India trying to enter it for lithium rserves

The foc­us is two-pronged. It is looking at forging joint venture alliance for lithium mining as well as to enter into a lon­g-term contract for mineral import at concessional rate.

Countries including Argentina, Chile and Bolivia are members of the International Solar Alliance (ISA), an initiative of prime minister Narendra Modi, which fosters south-south cooperation. It’s also expected to give India a preferential tre­atment. “The battery tec­h­n­o­logy is expected to be pred­ominantly based on lit­h­ium. So its requirement is enormous in the country,

**Bolivia, a landlocked cou­ntry with vast reserves of natural gas, is largely depe­n­dent on natural gas and mineral exports. It is seeking Indian capital to invest in developing the country’s massive lithium deposits, which account for 60 per cent of the world’s reserves**

**Bolivia has the world’s larg­est deposits of lithium in Salar de Uyuni. Some studies indicate that Salar de Uyuni has 140 million ton­nes of lithium. The Bolivian government is inviting expr­ession of interest from Indian companies to set up and operate a lithium carbonate plant in Salar de Uyuni.**

**Salar de Uyuni (or Salar de Tunupa) is the world's largest salt flat at 10 582 square kilometers**

### AI :

Alan Turing speculated in 1950 that around the turn of the century, it would be possible to make computers that matched the capacity of human brains, packing in about a billion neurons. He predicted that if these machines were pitted against a human interrogator in what is now known as the Turing test, they would end up fooling the interrogator into guessing that he or she was playing against a human contestant 70% of the time

It is now nearly 70 years since then, and neither has the Turing test been surpassed by any robot, nor have humans succeeded in creating artificial brains that have this capacity. However, this is not to say that such an event may never come about; rather, the question is, how do we handle that eventuality?

Public discourse around artificial intelligence (AI) is often hijacked by themes that belong in fantasy rather than the real world.

Iconic AI from pop culture such as HAL 9000 and Agent Smith epitomise a Manichaean obsession with the idea of ‘superintelligence’ (‘the Singularity’) that could prove to be good or evil, vested as it is with the power to turn humans into either immortals or slaves oppressed by parasitic machines. But the Singularity is not what humanity needs to worry about right now.

Can it surpass Humans?

Machine learning (a more precise term for AI) will certainly continue to surpass human capabilities in specific domains such as medical diagnosis and facial recognition. But an AI that can match human intelligence in all respects is unlikely because it is impossible for AI technology to replicate that which makes human intelligence what it is — its embodiment in a biological substrate refined by millions of years of evolutionary feedback loops

Economics of AI?

International Data Corporation, the market intelligence agency, estimates that worldwide spending on AI solutions will grow to $57.6 billion by 2021. The lion’s share of the investments is being made by the **Big Five: Alphabet, Amazon, Apple, Facebook and Microsoft**

it’s clear that AI is critical for future profitability.

Platform Capitalism?

Capitalism faced a crisis of profitability in the 1970s.

Opinions differ regarding its causes, but the global elite had no doubts about the solution: financialisation and globalisation. Also known as the **“neo-liberal turn**”, it helped solve the problem of falling rates of profit by empowering capital to flow across national borders to wherever the returns were the highest, buy up state-owned assets and enterprises cheaply, and use labour arbitrage to appropriate a greater share of produced value.

The outcome of all this **was a diminishing share of wages in profits.**

So, to prop up demand and keep the economy on the growth path, **consumer spending was sustained through debt, which entailed further financialisation** of the economy.

It was around this time, in the 1990s, that capitalism welcomed its newest saviour: digitalisation.

If financialisation and globalisation made it possible for corporates to tap into markets anywhere in the world, **digitalisation gave them the means to do so**.

Uber is the perfect example of what capitalism wants to be when financialisation, globalisation, and digitalisation come together.

Huge volumes of financial capital bankrolled Uber through year after year of huge losses as it expanded across the globe, offering rides at prices that disrupted local transportation markets.

But it owned no vehicles, employed no drivers.

What it did own was data about customers and commute patterns, and a proprietary algorithm that put them to good use

Data is what powers AI?

When data is the new oil, watch out for leaks **latest Cambridge annalytica leaks**

Platform businesses leverage their ability to scale-up the digitisation of a given activity (Uber digitises taxi rides while Airbnb digitises hospitality) to quickly build monopolies that, in turn, boost their ability to collect more data.

this data-collecting spree is not about selling it for money or using it to target advertisements better. Rather, it is about using them to train algorithms. Once a platform is in place to ensure a steady supply of fresh data to train an algorithm, the company can eventually move to a position where it can offer an array of AI solutions for which, unlike online search or social networking, you have to pay.

Data is New OIL?

AI thus heralds the next phase of digital capitalism where capital accumulation is powered by the ‘oil’ of the networked economy

traditionally the world’s leading content producers, newspapers and television channels, received the bulk of advertising revenue.

But in 2017, 25% of global ad revenue and 60% of online advertising were gobbled up by two companies that **produce no content at all:** Facebook and Google

Age of Platform Capitalism

both are platforms: one is a search platform and the other is a social networking platform

in Platform Capitalism, businesses structured as platforms are the digital equivalent of oil rigs, ideally placed to mine the networked economy’s most valuable resource by inserting themselves between different sets of users, turning every interaction into a data point, and feeding it all into an algorithm.

Example Adhaar

India’s own data-mining initiative, the Aadhaar project, is an ambitious attempt to run a single pipeline through multiple oil rigs with the aim of securing free and unlimited access to an endless stream of personal data that could be monetised by whoever controls it.

Rights of citizens and choice about data sharing?

two inter-related issues that citizens must consider carefully: data ownership and labour protection

Rights:

platform-based, chargeable AI services being rolled out by the likes of Amazon and Google were not only made possible by user-generated data, but they often border on rent-seeking.

So, there is no reason why people should continue to surrender ownership of their personal data without due compensation.

Monetizing data Sharing ?

The time has come to put in place a new data ownership regime so that private capital is made to pay if it wants to use people’s personal data for commercial gain.

Second Reason, AI is set to eliminate thousands of skilled jobs in the services sector — from paralegals and sales executives to drivers and radiologists.

Unlike what unfolded in the 20th century when **the loss of blue-collar jobs to automation was offset by a boom in service sector employment, the rise of AI isn’t about to open up a great number of jobs in any new sector**, which is why **tech tycoons such as Elon Musk are advocating a universal basic income**

A more equitable distribution of the profits derived from data is essential to ensure that the original owner-producers of data get their due share.

Conclusion

Ultimately, **the AI-enabled digitalised economy cannot survive without the ‘oil’ that can only come from non-AI (human) sources.**

Unless citizens exercise political control over how data is mined and used, even without the rise of a ‘superintelligence,’

the bulk of humanity risks being reduced to little more than hyper-connected sheep, kept well-fed and well-entertained on (plat)farms under the supervision of AI well-trained to optimise the production of digital wool

### Electric Vehicles

In October 2017, the Lancet Commission on Pollution and Health, published by the peer-reviewed Lancet medical journals, **attributed to air pollution an estimated 6.5 million premature deaths globally, with 1.1 million being from India.**

In urban India, emissions from motor vehicles are among the prime reasons. Acknowledging the challenge of rising vehicular pollution in Indian cities, govt. stand that from 2030, India would completely shift to using electric vehicles (EVs).

The push for electric mobility was backed by the government think-tank, NITI Aayog, which has estimated that the nation can save up to ₹4 lakh crore by rapidly adopting EVs

transitioning from an internal combustion engine (ICE)-based regime to an EV-based one is expected to be a painful process, the long-term benefits could outweigh the hardships significantly in the wake of India’s ambitious renewable energy plans

India needs to address five fundamental issues immediately.

The first is about who **will take the lead**.

EVs, unlike ICE vehicles, involve several actors at the national, State and city levels, respectively.

Also, since the initial EV revolution would predominantly be an urban one, State and city-level players need to be involved so as to address several technical and infrastructural needs.

The second is figuring out the **best mode forward**.

China has focussed on the use of electric buses as a catalyst for EV penetration. It is the largest electric bus manufacturer in the world, with most in use in the country

The Netherlands, on the other hand, has captured the EV market using a simple yet well-crafted strategy of creating charging infrastructure and encouraging investment in charging technology by providing incentives to EV buyers.

These two case studies show that sustained growth is possible only due to positive economic impacts of EVs. **India is today the largest manufacturer and exporter of two-wheelers and auto-rickshaws**

Could this be India’s penetration point

The third is **the battery conundrum.**

The assumption that anyone who controls the battery will control electric mobility rings true in the current scenario.

India does not produce lithium-ion (Li-ion) batteries currently, and companies making battery packs are dependent almost exclusively on imports from China.

This is a cost-saving strategy as setting up a cell manufacturing unit in India would be expensive.

Accelerating EV use in India should be linked to the “Make in India” goal and domestic battery production. Investment is required for research and development in battery-making and exploring alternative technologies.

**Standard charging:**The fourth is about charging infrastructure. EV charging is more than just using electricity. It involves exchange of information requiring a communication protocol. There is no unique or single-charging technology for EVs. The three major EV users, China, Japan and the European Union, have their own charging technologies which are often conflicting and not interchangeable.

**The absence of a standard global infrastructure is a major deterrent for EV penetration in India,**

The final point is **about jobs and the economic impact**.

India is the world’s fourth largest fifth auto market, where over 25 million motor vehicles are produced. The sector is estimated to provide direct and indirect employment to about three crore people and accounts for 7.1% of the nation’s GDP

Conclusion

A thorough qualitative and quantitative estimation of the new jobs the EV sector will create would go a long way in negating apprehensions and securing the pathway for EV technology and use.

### Block chain

Blockchain could enable substantial economic transformation in India

Blockchain could be the least elucidated among the disruptive technologies rapidly transforming the world around us

.

What is it?

It can be described as a way for people to share the extra space and computational power in their computers to create a global super-computer that is accessible to everyone

The blockchain lets people who are part of this super-computer perform functions such as verification of transactions and contracts, and the updating and maintenance of these records in the form of trustworthy ledgers, tasks that are normally reserved for established intermediary organisations such as banks and legal firms, and be rewarded for it.

This core feature of the blockchain creates a space for trusted transactions in the digital space that have never been possible before.

Examples

The cryptocurrency Bitcoin is the first successful application of this technology. Even though there are mixed standpoints regarding the credibility, scalability and practicality of digital currencies, the core technology behind them, blockchain, undoubtedly has tremendous value

Economic:

Blockchain technology could drastically cut down, or even eliminate, these transaction charges by replacing the intermediaries, thereby creating hundreds of billions, or even trillions, of yearly savings.

This is a significant amount that could be used for other economically and socially productive purposes.

Early adopters

Understanding this cost-saving potential, several international banks and state-owned banks **in Russia, Saudi Arabia and the UAE have started working on blockchain-powered financial solutions.**

The Indian government and Finance Ministry’s lackadaisical approach towards this technology could make our banks less competitive in the long run, when compared to their international counterparts

More than ledgers?

Blockchain applications could be further extended to sectors such as insurance, law, real estate and digital art, and could be used to further strengthen our national institutions, including the judiciary and the Election Commission.

The potential of blockchain to bring about substantial economic **transformation is the mirror image of the way the Internet revolutionised commerce, media and advertising in the previous decade**.

Conclusion

India should effectively channel its technical human capital surplus to position itself as one of the pioneers during this upcoming wave of innovation

### AUTOMATION CONSEQUENCES:

Technology is ushering in a new age of automation. As across industries, smarter machines are deployed to manage the growing scale of work.

**+ve effects:**

automation creates efficiencies that lower production costs.

**-ve effects:**

automation is be skill-based, aimed at raising the productivity of high-skill workers, and at the same time, reducing the demand for low-skill and middle-skill workers.

technology-induced unemployment

Computer technology has eliminated some tasks and lowered the demand for some workers.

**Latest Study BY Mckinsey:**

Increase in skill employment: In the overall economy, automation has led to a greater need for non-routine, high-skill work that pays high wages and also for low-skill work that pays lower wages.

the future will witness a greater demand for multi-skilled employees who have the necessary foundation to be able to pick up new skills fast.

However, computers can play an oversized role only in five percent of occupations, eliminating all tasks currently performed by humans. In the remaining 95 percent of the occupations, there will still be plenty of tasks for humans to perform

It can be easily assumed healthcare, manufacturing, retail, banking and auditing will be among sectors that are first to adopt automation in its infancy.

**How to Tackle:**

Prioritizing science, technology, engineering and math (STEM) education.

Upskilling and reskilling employees is critical for businesses.

Example

Japan Need for 2 lakh people now may rise 4-fold by 2030: from India

Sweden To hire 1 lac IT students in near term

**Challenges:**

Challenge to reskilling will be stiff as new jobs will keep replacing old ones at a rapid pace.

Upskilling will be made challenging by the fact that much of what students learn in a technical course at college will become outdated when they reach the employment stage.

there will still be some workers who will not be able to gain the skills necessary to address new challenges. The ultimate challenge lies in ensuring that the number of such employees is really low.

**Conclusion:**

we should seek to make computers and humans co-partners. Humans and machines will “need to collaborate to produce better results, each bringing their own superior skills to the partnership.

## SPACE

### Fifty years Of TEARLS

When Sputnik 1 was launched by the Soviets in 1957, little did anyone in India imagine that within five decades the country would become a powerhouse in the outer space arena and a major proponent of its peaceful use.

During the 1950s and 1960s, the Cold War between the U.S. and the USSR accelerated as they entered the space race, which eventually turned into a bitter rivalry and raised the risk of space weaponisation.

Thankfully, this was avoided after the Outer Space Treaty of 1967.

**It was against this backdrop that the Indian space programme was born in 1963 with the launch of Nike-Apache sounding rockets from Thumba in Thiruvananthapuram**.

The launch site was named the Thumba Equatorial Rocket Launching Station (TERLS), **or India’s first space port**

During the 1960s, TERLS became an international launch station and the sounding rockets launched from here proved instrumental in studying the equatorial electrojet

The Indian space programme received support from the U.S., the USSR, France, the U.K. and West Germany.

Often, this was in the form of technical equipment such as telemetry receivers, tracking systems and computers. In return, India offered to dedicate TERLS to the United Nations as a goodwill gesture.

Consequently, the UN formally sponsored TERLS as an international scientific facility open to all its members.

In his book India’s Rise as a Space Power, U.R. Rao, a pioneer of India’s space programme and the ex-chairman of the Indian Space Research Organisation, said, “The sounding rocket programme at TERLS was initiated through a unique international co-operative arrangement with NASA of USA, CNES of France and Hydro Meteorological Service of USSR. The presence of **a strong ‘equatorial electroject’** current over Thumba, which was also very close to the geomagnetic equator, made it an ideal site for the launch of sounding rockets.

In these five decades and more, a lot of things have changed in the Indian space programme.

But India’s commitment to the peaceful use of outer space has been a constant, a fact that is doubly commendable given that the entire programme advanced on the back of a considerable resource crunch.

Compared to developed nations, the Indian programme still functions on a relatively small budget

At its heart, the space programme remains focussed on civilian benefits, using space technology to improve the life of the common man. This includes the use of satellites to: map and survey crops, assess damage from natural disasters, and bring telemedicine and telecommunication to the remote areas of rural India.

### Future in Space technology

India has set new benchmarks in the era of space technology in various areas such as Space Application development, Space science, Satellite sub-system co-creation and Space Infrastructure.

**Achievements:**

1. the space sector has come of age with rapid strides in PSLV, GSLV and GSLV Mark III and having potential in economic growth and development of the country.
2. the recent launch of South Asia Satellite is a matter of pride and reflects neighborhood first policy of India.
3. set new benchmarks in Lunar and Mars exploration by India’s successful launch of Chandrayaan And Mangalyaan.

**Future Opportunities and challenges:**

1. India should explore potential for International collaboration with key space agencies in the value chain of Space Sector.
   1. the industry and stakeholders in the space sector value-chain can play a pivotal role in providing the necessary fillip to the advancement of country.
   2. the value addition in the space sector is multi-faceted in its approach with collaborative models of development like Public Private Partnership (PPP) are adding a new dimension to the future growth prospects
2. requirement for development in capability augmentation and capacity building in Space application, Satellite based mobile technology, Telemedicine and disaster management to name a few
3. the need to arrive at a global consensus on various issues like peaceful use of outer space for space exploration rather than struggle for earth outer space with competitive attitude in global arena among countries
4. space diplomacy has to find its way into the diplomatic efforts of the national as space truly has no boundaries and shared resources of space infra can lead to common good of humanity
5. discourage the use of space for weaponization purpose and development of arms mantle around the space.
6. endeavour should be for holistic development of common man, so that the advantages of Space development reaches the last mile
7. role of space technology in achieving sustainable development goals, disaster management and improving important governance objectives.
8. role of the private sector in expanding the space industry stating that while a good number of industry partners with ISRO already, however, this needs to increase as we are working on launching 18-20 satellites per year.
   1. companies who have delivered cutting edge innovative technologies, are looking forward to partner with the Indian industry to deliver solutions for the emerging needs of ISRO
9. After attracting the youth to the space sector, either in Academia or Industry, retaining talent pool posed challenges of its own.

**Benefits**:

1. immense benefits emanating from a developed space ecosystem which directly augment such widely impacting sectors such as Telecommunications, GIS, Agriculture, Meteorology, Mining and Natural resource conservation. This further translates towards creation of a huge pool of high value-high wage jobs in various advanced technology sectors.

## History of science and tech India

### Modern Science Contributions:

1. As far back as 1876, the Indian Association for the Cultivation of Science was set up by **Dr Mahendra Lal Sircar** in Kolkata. As the name suggests, it was felt that there was a need to cultivate and promote the spirit of science and inquiry among Indians.
2. In subsequent years, India contributed many illustrious names to our galaxy of scientists and technologists. **J.C.** **Bose and S.N. Bose and Meghnad Saha**.
3. **C.V. Raman** won the Nobel Prize for his findings and discoveries.
4. In the 19th century, the brilliant mathematician **Radhanath Sikdar** was the first to measure the height of Mount Everest. But he was denied the credit by the then colonial government.
5. The chemist **Acharya P.C. Ray** was an ardent nationalist who used his knowledge to set up the first Indian-owned pharmaceutical company – Bengal Chemicals & Pharmaceuticals.
6. Indian Institute of Science was started by **Jamsetji Tata** to set up a world-class science research institution in our country.

# ENVIRONMENT

## Water shortage

Was Samuel Taylor Coleridge foretelling the impending water crisis in the 21st century when he penned “Water, water, every where,/ Nor any drop to drink” more than two centuries ago in ‘The Rime of the Ancient Mariner’?

**A wake-up call**

The grave water situation in Cape Town in South Africa is a wake-up call to everybody across the globe — from policymakers to the common man — that it cannot be business as usual when it comes to water usage.

A similar crisis is looming large in other cities in the world as people continue to be reckless in their use of water.

The situation is so worrisome that 12 world leaders — 11 heads of state and a special adviser of a **high-level panel on water** — wrote an open letter to global leaders a week ago warning that the world is facing a water crisis and issued a New Agenda for Water Action.

Observing that we need **to make “every drop count”,** they called for a new approach: rethinking how we understand, value and manage water as a precious resource, and catalysing change and **building partnerships to achieve the water-related goals of the 2030 Agenda for Sustainable Development.**

The social, cultural, economic and environmental values of water to society need to be reassessed, the panel said.

“Water needs to be allocated in ways which maximize overall benefits to our societies,” it observed.

The panel also mentioned the need to put in place policies that will allow for at least a doubling of water infrastructure investment in the next five years. It called for governments, communities, the private sector, and researchers to collaborate.

**The Indian context**

In India, we can’t be complacent any more.

A growing population, lack of adequate planning, crumbling infrastructure, indiscriminate drilling of borewells, large-scale consumption of water, and a false sense of entitlement in using water carelessly are causing water shortages.

Unless drastic measures are taken to minimise water usage, the day may not be far off when authorities will be forced to ration water supply in cities like **Bengaluru, which has been ranked second in the list of 11 global cities which might face the imminent threat of running out of drinking water**.

Already, water is being supplied on alternate days in certain cities, and for a limited duration in some places.

**The World Bank’s Water Scarce Cities** Initiative seeks to promote an integrated approach to managing water resources and service delivery in water-scarce cities as the basis for building resilience against climate change.

The demand for water in urban areas is projected to increase by 50-70% in the next three decades.

India’s current water requirement is estimated to be around 1,100 billion cubic metres per year, which is projected to touch 1,447 billion cubic metres by 2050.

Water conservation cannot brook delay any longer in India.

According to a forecast by the Asian Development Bank, India will have a water deficit of 50% by 2030.

India’s water needs are basically met by rivers and groundwater.

Water scarcity can lead to disastrous consequences impacting food production as most of the farming is rain-fed.

**With ground water catering to about 60% of the country’s irrigation, 85% of rural water drinking requirements, and 50% of urban water needs, replenishing the aquifers has to be accorded top priority**.

Millions across India still do not have access to safe drinking water and this problem has to be tackled on a war footing.

The oceans make up for about 97% of the Earth’s water. Less than 3% of Earth’s water is freshwater and most of it is not accessible.

According to the U.S. Geological Survey, **over 68% of the freshwater on Earth is found in icecaps and glaciers, while just over 30% is found in groundwater.**

**According to the United Nations, 2.1 billion people lack access to safely managed drinking water service**s;

**water scarcity already affects four out of every 10 people**;

**90% of all natural disasters are water related;**

**3.4 lakh children under five die every year from diarrhoeal diseases**;

**agriculture accounts for 70% of global water withdrawal**; and

**80% of wastewater flows back into the ecosystem without being treated or reused**.

**In 2010, the UN General Assembly recognised the right of every human being to have access to sufficient water for personal and domestic uses (between 50 and 100 litres of water per person per day).**

It has to be safe, acceptable and affordable (water costs should not exceed 3% of household income) and also physically accessible (within 1,000 metres of home).

I am glad that the government has come up with a ₹6,000-crore **World Bank-aided Atal Bhujal Yojana** with community participation to ensure sustained groundwater management in overexploited and ground water-stressed areas in seven States.

It has been found that 1,034 blocks out of the 6,584 assessed blocks in the country are overexploited.

According to the annual report of the Ministry of Drinking Water and Sanitation,

**about 77% of rural habitations in India have achieved a fully covered status (40 litres per capita per day) under the National Rural Drinking Water Programme**, and

**55% of the rural population have access to tap water.**

It was mentioned that the Ministry has also taken special steps to address the issue of water quality. A sub-mission programme is being implemented to eliminate the problems of water quality in about 28,000 habitations affected by arsenic and fluoride by 2020.

Another important issue that needs to be addressed, particularly in **urban areas, is the leakage of pipes providing water**.

We cannot allow this to continue any longer. Putting in place an efficient piped supply system has to be top on the agenda of policymakers and planners.

Although India receives an average rainfall of 1,170 mm per year, it is estimated that only 6% of rainwater is stored.

**Reviving ancient systems**

Before the situation turns more alarming, we have to collectively act — now and here.

We should remember that ancient India had well-managed wells and canal systems.

In fact, our culture always believed in treating nature with reverence and most of our rivers are considered sacred.

The Indus Valley Civilization had a well-managed canal system, while Chanakya’s Arthashastra also talks of irrigation.

In the ancient past, different types of indigenous water harvesting systems were developed across the subcontinent and such systems need to be revived and protected at the local level.

Micro irrigation practices like drip and sprinkler systems have to be promoted in a big way for efficient use of water for agriculture.

Both in urban and rural areas, digging of rainwater harvesting pits must be made mandatory for all types of buildings.

Conscious efforts need to be made at the household level and by communities, institutions and local bodies to supplement the efforts of governments and non-governmental bodies in promoting water conservation.

Sustained measures should be taken to prevent pollution of water bodies, contamination of groundwater and ensure proper treatment of domestic and industrial waste water.

Reduce, reuse, and recycle must be the watchwords if we have to handover a liveable planet to the future generations.

## Plastic world

The presence of plastics in drinking water must compel drastic action

The recent finding that microplastic particles are found even in ‘safe’ bottled water indicates the magnitude of the crisis.

There is little doubt that the global production of plastics, at over 300 million tonnes a year according to the UN Environment Programme, has overwhelmed the capacity of governments to handle what is thrown away as waste

Microplastics are particles of less than 5 mm that enter the environment either as primary industrial products, such as those used in scrubbers and cosmetics, or via urban waste water and broken-down elements of articles discarded by consumers.

The health impact of the presence of polypropylene, polyethylene terephthalate and other chemicals in drinking water, food and even inhaled air may not yet be clear, but indisputably these are contaminants.

Research evidence from complementary fields indicates that accumulation of these chemicals can induce or aggravate immune responses in the body

Legislation:

Last December in Nairobi, UN member-countries resolved to produce a binding agreement in 18 months to deal with the release of plastics into the marine environment.

Scale of issue

The problem is staggering: eight million tonnes of waste, including bottles and packaging, make their way into the sea each year.

There is now even the Great Pacific Garbage Patch of plastic debris.

Indian Angle:

India has a major problem dealing with plastics, particularly single-use shopping bags that reach dumping sites, rivers and wetlands along with other waste.

Remedies:

The most efficient way to deal with the pollution is to control the production and distribution of plastics.

Banning single-use bags and making consumers pay a significant amount for the more durable ones is a feasible solution

Enforcing the Solid Waste Management Rules, 2016, which require segregation of waste from April 8 this year, will retrieve materials and greatly reduce the burden on the environment.

Waste separation can be achieved in partnership with the community, and presents a major employment opportunity

Conclusion

European Union’s vision 2030 document on creating a circular plastic economy explains, the answer lies in changing the very nature of plastics, from cheap and disposable to durable, reusable and fully recyclable.

There is consensus that this is the way forward. Now that the presence of plastics in drinking water, including the bottled variety, has been documented, governments should realise it cannot be business as usua

## CLIMATE CHANGE

**UNFCCC COP23**

23RD COP held at Bonn Germany

**OBJECTIVES**:

clarify processes for the implementation of the Paris Climate Agreement.

financial support, mitigation action, differentiation, and loss and damage

**BACKGROUND:**

Paris Agreement are intended for 2020-2030.However, the pre-2020 period is part of the second phase of the Kyoto Protocol. Both the first phase of the **Kyoto Protocol (2005-2012)**and the second (2013-2020)principally laid out the responsibilities for reducing emissions by rich countries.

there has been little progress and the **2012 Doha Amendment**, the agreement concerning the second phase of the Kyoto Protocol, has not been ratified by a sufficient number of countries to enter into force.

**FINANCIAL ROADBLOCKS :** In Warsaw, Poland, COP-19 established the **Warsaw International Mechanism** for Loss and Damage to address the destruction likely from climate change, including extreme events (such as severe storms) and slow-onset events (such as sea-level rise). This track of negotiations recognised that even if the world were to drastically reduce its emissions, anthropogenic greenhouse gas emissions already in the atmosphere would cause warming.

This would severely affect the poorest countries that are the most vulnerable to the impacts of climate change. It is important that such countries have access to economic and non-economic support, especially since their actions have not led to these increased concentrations of harmful greenhouse gas emissions

The Paris Agreement recognises loss and damage and calls for enhanced action and support from the parties. However, loss and damage was not included in the agenda for the Paris rule book, and this was rightly a big bone of contention with poor and developing economies.

**SOLUTIONS:** Providing finance, technology, and building capacity for poorer countries, both to protect themselves from the effects of climate change and to help them move along a low-carbon pathway.

There is also the promise of $100 billion each year by 2020 into the Green Climate Fund, which has not seen much inflow to meet the goal.

**CONCLUSION:**

There was therefore little progress on the key issue of finance and several important decisions were moved forward to be discussed. Much more needs to be done for the international community to truly grapple with climate change — we are still far from keeping the world safe from its harmful consequences