

**INSIGHTSONINDIA**



**INSIGHTS into EDITORIAL**

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**JULY 2017**

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## INSIGHTS into EDITORIAL

03/07: Step Back

**Summary:**

China has ratcheted up pressure on India by officially publicising a military standoff at the Sikkim-Bhutan-Tibet tri-junction. Though the standoff between both the armies is quite common, events this time have raised concerns. This time the matter is more contentious. To begin with, it is the first occasion that the Chinese have blocked access to the holy Mount Kailash through the Nathu-La route since it was opened in 2006 to facilitate both trade and pilgrimage.

**Know about the dispute:**

Indian troops have blocked a road under construction by China in a part of territory under dispute. It's called the Donglang region by China, Bhutan calls it Doklam Plateau and India refers to it as Doka La.

- The standoff with China is in Bhutan's territory and in a disputed area which is controlled by Thimphu but coveted by Beijing.
- The 89-square-km patch of territory in the Chumbi valley — sitting between Sikkim and Bhutan — is an unresolved boundary dispute Beijing has with Thimphu. The two countries have failed to resolve it despite 24 rounds of negotiations since 1984.
- The same plateau extends to the India-Bhutan-China tri-junction at the southern tip of Chumbi valley. The border with China is accepted by India along Sikkim, so there is no dispute between the two.

**Importance of Doklam Region:**

The region holds immense strategic importance for India and China. Lying east of Sikkim, it has a commanding view of the Chumbi valley and overlooks the narrow Siliguri Corridor that links the North-East to the rest of India. If the Chinese gain control of Donglang, they gain the ability to essentially cut off India's access to the North-eastern states in case of a conflict. In 1996, Beijing indicated it was ready to swap territorial claims in northern Bhutan in lieu of Donglang.

**Border disputes between India and China:**

India and China share about 3,488-km long border, which is yet to be fully delineated. The border is classified under 14 divisions. There is a Line of Actual Control in Aksai Chin of Ladakh region that China captured during 1962 war.

- Till 2003, China claimed Sikkim was an independent country whose monarch had in the past accepted Beijing's suzerainty. This make-believe assertion was finally dropped by China during then Prime Minister Atal Bihari Vajpayee's visit to Beijing in 2003. It was also agreed during that visit that the two countries would progress rapidly to formally delineate unmarked portions of the Line of Actual Control as the first step towards settling the long-standing border dispute.
- India and China appointed two Special Representatives to take the negotiations forward. Informally, the two countries agreed to demarcate a permanent border "without unsettling settled populations". Shorn of diplomatic verbiage, this was interpreted to mean China giving up its claim on 90,000 sq. kms of Arunachal Pradesh, particularly the district of Tawang (which was well-populated), in exchange for India officially recognizing China's occupation of the unpopulated cold desert of Akasi Chin, most of which has been under Chinese occupation.
- This still left the issue of the slice of Indian territory seized by Pakistan and subsequently "gifted" or ceded to China by Islamabad. It is through this piece of mountainous terrain that the controversial China-Pakistan Economic Corridor is being built to give China access to the warm waters of the Arabian Sea through the Gwadar port.

**Intentions behind China's aggressive moves:**

Beijing has always aspired to be the Asian hegemon. It is intensely distrustful of its two economically powerful neighbours – Japan across the sea and India across the mountains. India, however, is a huge market for Chinese consumer goods. And that is an opportunity Beijing does not want to forgo. But India's growing economic and diplomatic clout ruffles China. The evident camaraderie between two tough-talking leaders, President Trump and Prime Minister Modi disturbs China's long-term goals.

- India's unflinching opposition to China's grandiose One Belt One Road (OBOR) idea marks a setback for Beijing's strategic economic and political pursuits. Clearly, China wants to keep India engaged in territorial issues with it and its ally Pakistan. Since it has surged way ahead of India in terms of economic development, China wants to zealously guard the advantage, pricking India from time to time to register its military superiority.
- In Beijing's view, India is a critical 'swing State' that increasingly is moving to the US camp, undercutting Xi's ambition to establish a Sino-centric Asia through an expanded tianxia system of the 15th century. Given India's vantage geographical location, China needs its participation to plug key gaps in Xi's One Belt, One Road (OBOR) project. But India not only boycotted Xi's OBOR summit but has also portrayed OBOR as an opaque, neo-colonial enterprise seeking to ensnare smaller, cash-strapped states in a debt trap.

**Why should India be worried?**

China is already stepping up its direct and surrogate threats against India. One example is the proliferation of incursions and other border incidents since the 2005 India-US nuclear deal, which laid out a strategic framework for the US to co-opt India. China is also waging a psy-war through media. With Chinese forces aggressively seeking to nibble away at Indian territory, India's Himalayan challenge has been compounded by a lack of an integrated approach that blends military, economic and diplomatic elements into a coherent strategy.

**Way ahead:**

While the latest hostile action on the Nathu La Pass and the verbal conflagration that followed may not escalate into something bigger, India needs to clearly size up China's Big Power aspirations. Arguably, India has to both compete and, in many cases, cooperate with China and cannot afford permanent hostility. But there is an in-built economic conflict between the two countries that is bound to spill over into active hostility, spurred mainly by China. Beijing prides itself for settling border disputes with all its neighbours except India. But these settlements have mostly been among unequals (barring Russia). India's status in the world today nettles China but New Delhi too needs to tread cautiously without escalating tensions. Despite the cosy ties with Washington, India, essentially, is on its own against China. It needs to bolster its border defences and boost its nuclear and missile deterrent capabilities.

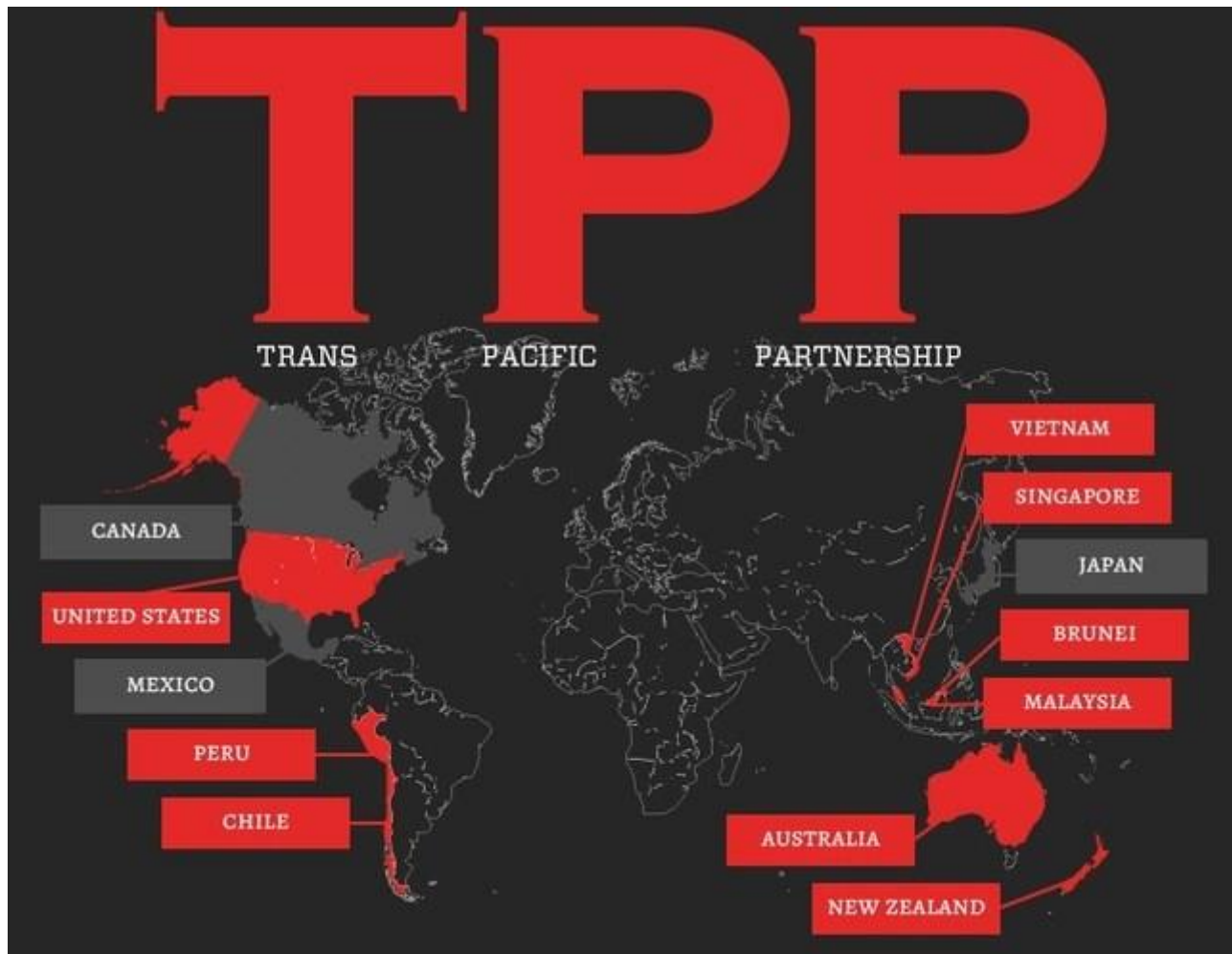
**Conclusion:**

India and China are the two ancient civilisations, who have had centuries of cultural exchanges but in modern times, their relationship has been more adversarial than friendly. As big economic and military powers, India and China are

key strategic players in the world. Both nations have several similar attributes and problems including large population, huge rural-urban, rising economy and conflict with neighbours.

Disruption of the Kailash-Mansarovar Yatra may seem humiliating, but if China insists on flexing its muscles in this manner, we may need to ignore it for the present and await a suitable opportunity to demonstrate our growing clout in the world. But for that, India's economic growth must catch up with China at least in the medium term. Resolving the border issue cannot be our priority till then.

## 05/07: The rebirth of the Trans-Pacific Partnership



### Summary:

The Trans-Pacific Partnership (TPP), which was thought to be a finished deal after the withdrawal of US, is now gaining fresh momentum. Many relevant players, eager to prevent the TPP from crumbling, have begun to discuss moving forward without the US. Japan and New Zealand have shown interest to take the bloc forward. If they succeed, TPP signatories will benefit substantially—and the US may find that it has missed a massive opportunity.

### What is TPP?

The Trans-Pacific Partnership or TPP is one of the biggest trade deals in history. It was signed in February in New Zealand by 12 Pacific Rim countries. The TPP involved 12 nations (the US, Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam). Together these countries account for the 40% of the global economy and 26% of world trade.

### What it does?

- It would set new terms for trade and business investment among the United States and 11 other Pacific Rim nations.
- It would phase out thousands of import tariffs as well as other barriers to international trade.

- It also would establish uniform rules on corporations' intellectual property, open the Internet even in communist Vietnam and crack down on wildlife trafficking and environmental abuses.

#### Which goods and services are involved in the TPP?

- Most goods and services traded between the countries are named in the TPP, but not all tariffs – which are taxes on imports – were going to be removed and some would take longer than others. In all, some 18,000 tariffs were included.
- For example, the signatories said they would either eliminate or reduce tariffs and other restrictive policies from agricultural products and industrial goods.
- Under the agreement, tariffs on US manufactured goods and almost all US farm products would have gone almost immediately. But some “sensitive” products would have been exempt until a later agreed date.

#### What's good about TPP?

Those in favour say this trade deal will unleash new economic growth among countries involved. It is being said that the TPP has high potential to promote economic growth and improve people's living standards by facilitating the free cross-border movement of key factors of economic activity, such as goods, people, money, and information. Failure to bring the TPP into force would be a great loss to not only the TPP countries such as Japan and the US but also the global economy they argue.

#### Why Trump is against this deal?

Trump thinks such deals will hurt American workers and undercut US companies. His stance on trade is protectionist: he has vowed to shield Americans from the effects of globalised trade by slapping hefty tariffs on cheap Chinese imports of up to 45%.

Trump says, “The TPP creates a new international commission that makes decisions the American people can't veto, making it easier for our trading competitors to ship cheap subsidised goods into US markets – while allowing foreign countries to continue putting barriers in front of our exports.”

#### Way ahead:

The mega-regional approach may have one more advantage, shared with the WTO: the involvement of more parties can dilute the authority of a major country and thus limit its ability to strong-arm its negotiating partners into an unbalanced agreement. Indeed, this may be precisely why Trump, with his penchant for “deal-making” and promises of an “America first” trade policy, rejected the TPP. In his view, bilateral negotiations put the US, as a political and economic hegemon, in a stronger bargaining position.

- What Trump fails to recognize is that, while a small country may feel intimidated by the US at the negotiating table, it can still stand up and walk away. More important, even if the US can use its weight to secure more favourable provisions in a bilateral negotiating context, the benefits do not necessarily outweigh those of larger-scale agreements.
- That is certainly the case with the TPP, which contained some provisions that were highly beneficial for the US economy. And when the new TPP, excluding the US, begins to flourish, US businesses will be wishing Trump had not cancelled their tee time.

#### Conclusion:

It is hard to see who exactly benefits from the United States' withdrawal from TPP. Certainly, U.S. industry and other TPP members are disappointed. Indeed, this could be seen as a massive self-goal for the United States. Trump will gain credibility with some of his base by actually fulfilling one of his more contentious campaign promises, but that base is weak to begin with, and unless there are tangible gains in manufacturing jobs (due to other factors), the electoral impact is likely to be negligible.

## 06/07: Making the House rules

#### Summary:

The Karnataka Legislative Assembly has found two journalists guilty of breach of its privilege and sentenced them to jail. This followed certain articles written by the journalists which were alleged to defame some legislators. *This case once again raises the question of what should constitute privilege of the legislative bodies.*

- The Speaker authorized penal action for something that should have, at best, attracted admonition. While the sentencing is technically within the legislature's powers, whether the framers of the Constitution envisaged 'breach of privilege' to lead to a prison sentence—a power usually exercised only by the courts—is open to question.

#### Constitutional provisions in this regard:

The Indian Constitution specifies the powers and privileges of Parliament in Article 105 and those of State legislatures in Article 194. In brief, they:

- Provide freedom of speech in Parliament subject to other provisions of the Constitution and standing orders of the House.
- Give immunity for all speeches and votes in Parliament from judicial scrutiny.
- Allow Parliament (and State legislatures) to codify the privileges, and until then, have the same privileges as the British Parliament had in 1950.



Till now, Parliament and State legislatures have not passed any law to codify their privileges.

#### What are the origins of the privileges?

These are derived from the British House of Commons. The privileges are reported to have originated when a nascent British parliament was attempting to establish itself in the light of monarchy.

*“The legislatures in India claim to be the sole and exclusive judges of their privileges. This claim is based both on their status as coordinate organs of the state under the broad separation of powers among the executive, the legislature and the judiciary and their entitlement to all the privileges enjoyed by the British House of Commons on January 26, 1950. However, this claim is not supported by the constitutional scheme in India or by the situation in Britain in 1950,”* a Supreme Court project on restatement of Indian law said in a publication on legislative privilege in India in 2011.

#### What constitutes a breach of privilege?

While the Constitution accords special privileges and powers to parliamentarians and legislators to maintain the dignity and authority of Parliament and the legislatures, these powers and privileges are not codified. There are **no clearly laid out rules on what constitutes breach of privilege and what punishment it entails.**

#### Concerns associated:

The Constitution confers certain privileges on legislative institutions with the idea of protecting freedom of speech and expression in the House and ensuring that undue influence, pressure or coercion is not brought on the legislature in the course of its functioning. Unfortunately, breach of privilege is invoked for the ostensible reason of protecting the image of the House on the whole or its individual members; too often, it is a thinly disguised mechanism to insulate elected representatives from criticism.

- Without a law codifying the legislative privileges, there is little merit in subjecting anyone, leave alone a journalist, to penal action for allegedly breaching a legislator's privilege, unless there is a move or attempt to obstruct the functioning of either the House or its members.
- The problem also stems from the Constitution's provisions on privileges and powers of the legislature. These provisions are loosely worded—Article 194 (3) states that “the powers, privileges and immunities of a House of the Legislature of a State, and of the members and the committees of a House of such Legislature, shall be such as may from time to time be defined by the Legislature by law, and, until so defined, shall be those of that House and of its members and committees”.
- It is sometimes used to counter media criticism of legislators and as a substitute for legal proceedings. All persons have a right to trial by a competent, independent and impartial tribunal. Breach of privilege laws allow politicians to become judges in their own cause, raising concerns of conflict of interest and violating basic fair trial guarantees.

**Way ahead:**

Though dozens of people are summoned every year before the privileges committees of Parliament and state legislatures on charges of breach of privilege of legislators, it is rare that punitive action like imprisonment has been ordered. With no codified laws for what constitutes a breach of privilege offence or prescriptions for punishment, this is largely a grey area in legal terms.

- The legislature must use the power to punish for contempt or breach of privilege sparingly, invoking it mainly to protect the independence of the House and not to take away the liberty of critics. Legislators are in a position to clarify facts and refute misconceived criticism. There is no reason for them to seek imprisonment for contempt.
- There are many unsettled questions about the very nature of legislative privileges. The absence of codification gives the House the freedom to decide when and how breach of privilege occurs. Even if it is conceded that the House has such a right, a moot question is whether the legislature, through its Committee of Privileges, should be a judge in its own cause. Whether the legislature's power to punish for breach of privilege extends to handing down a prison term is still an open question.
- Perhaps, it is better to restrict the use of privilege to proceedings of the legislature. Any member who is falsely accused of any impropriety can use the defamation route through courts.

**Conclusion:**

The time has come for the legislature to codify privileges and for the higher judiciary to lay down the limits of penal action for breach of privilege. It may also be time for the courts to revisit the earlier judgments and find the right balance between fundamental rights of citizens and privilege of the legislature. The recent case in Karnataka gives another opportunity to examine the issue.

The Karnataka government must consider the public odium it would attract if it acted on the resolution. If the Chief Minister and the Speaker take the lead in getting the Assembly to rescind the resolution, that would better safeguard the dignity of the august House.

## 07/07: No-detention policy in school may be scrapped from next academic year: Union minister

**Summary:**

The government may scrap the no-detention policy from the next academic year as the policy has negatively impacted affected quality of basic education in the country. This comes on the backdrop of concerns expressed by various states over the declining quality of education due the policy.

**What is no detention policy?**

The no-detention policy was introduced **as a part of the Continuous and Comprehensive Evaluation (CCE) under the Right to Education Act (RTE) in 2010**. Under this policy, *students up to class 8 are automatically promoted to the next class without being held back even if they do not get a passing grade*. The no-detention policy under the RTE Act was to ensure that no child admitted in a school shall be held back in any class or expelled from school until the completion of elementary education.

The policy was path-breaking but, unfortunately, it ended up being completely opposite to its original objective. There have been plenty of arguments on both sides of this policy.

**Arguments in favour of this policy:**

One of the strongest points in favour is that detaining children at an elementary education level damages their self-esteem and brings social stigma attached to failing in a class. In addition, the fear of examinations hurts a child's developmental plans and does long-term damage. By introducing a no-detention policy, it has also been correctly argued that it helps keep children stay away from social evils, including juvenile crimes.

**Arguments against this policy:**

Supporters of revoking the policy have argued that automatically promoting all students to the next class leaves very little incentive for students to learn and teachers to teach well. When students know that they won't be retained for academic performance or low attendance, it builds very little motivation. It ends up hurting the learning interest of

the other students who want to study further. Teachers lose interest as well and the overall quality of education imparted suffers.

Is it only the no-detention policy which has been responsible for the deteriorating quality?

As per some experts, the argument, that because of the no-detention policy, learning levels have gone down, may appear far-fetched because of the following reasons:

- Firstly, learning level is determined by several factors—teaching practices, teacher quality, availability of books, socio-economic background of children, school environment, etc. To isolate one factor, policy of no-detention, as a sole determinant of lowering of learning levels is neither plausible nor justifiable.
- Secondly, implicit in that argument is that children study only because of the fear of being detained. This is a serious charge and hits at the very bottom of the entire process and philosophy of school education.
- Thirdly, the no detention policy cannot be viewed in isolation but has to be looked at in conjunction with other provisions of the Act. The provisions of having an evaluation process which is continuous and comprehensive, having a class environment which is free from fear, trauma and anxiety, that there is no physical punishment or mental harassment of a child, ensuring that teachers perform their duty, including the requirement of transacting the curriculum as per schedule and in accordance with the laid down procedure, and assessing the ability of each child and providing additional instructions. All these are important determinants of quality education and improving learning levels. Gunning the no-detention policy is an alibi for sub-par teacher performance and classroom practices.

**So, is there merit for revoking the no-detention policy or can there be a more moderate mid-way path?**

- There is significant merit to a no-detention policy at the primary school level and especially till class 5. Learning focused on building key foundational blocks, this can help children develop an interest in learning and encourage them to study further without fear of failure or assessments. Combined with the Mid-Day Meal scheme, this allows children to get nutritious food and also learn, thus increasing the probability of having them attend school.
- The middle school levels of class 6 to class 8 are the most critical. This is a stage where a strong knowledge block, if built, can help a child stay through the entire learning life cycle and also develop skills which are very important for a sustainable livelihood. It is proposed that some form of evaluation is introduced in these classes.
- However, unlike a summative assessment which is binary and turns up as pass or fail, the evaluation must allow credit points to be given for academic performance and school attendance. (In the no-detention policy, students without attending a single day of class can still be promoted). Evaluations done periodically, these points can be accumulated and carried forward, much like a deposit in a piggy bank.
- These evaluations must focus on language (say, reading in mother tongue), numerical skills and one key vocational skill. Students need to collect credits in at least two of these critical learning areas before being promoted to the next class. This can help bring in some sense of seriousness in the class. Students now know that they won't be automatically promoted. Executed well, this can ensure every child from class 6 to class 8 is trained on at least one vocational skill.
- Such a method where students get to collect learning credit points will help integrate vocational education seamlessly into school education. It will also help students who want to pursue higher diploma in vocational skills to monetise the points for waivers in fee, learning subjects, etc. Students who drop out and are unable to complete education can use vocational skills to commence livelihood activities.

**Way ahead:**

There are sufficient arguments on either side of this policy. However, what is required is a pragmatic view of the problem and an avoidance of a one-size-fits-all solution. There appears to be an overemphasis on gross enrolments and dropouts. Both these are due to a variety of reasons, including socio-economic. Children in school help in controlling others factors like child marriages, reduced child trafficking, better health, child labour, slavery, etc. So, all steps must be taken to encourage maximum number of students in a classroom.

A no-detention policy is a lame, easy-to-do method to get a quick-fix solution to a complex problem. There is evidence available that there are significant gains of keeping children in school even artificially by promoting them through multiple classes, but lack of long-term learning outcomes and mass failures in higher classes are signs that all is certainly not well. Modifying the no-detention policy is easier said than done, since this will mean a repeal of a provision under the RTE Act. The New Education Policy 2016 does mention these as areas of reform and hopefully this will be taken up soon.

**Conclusion:**

It is also true that revoking the policy in isolation without drastically overhauling the education system would only add more woes to the already overburdened lives of the poor Indian children. Hence, the policy should either be renovated with adequate changes to neutralize the ill effects or replaced with a new policy that would take a balanced approach. The prime objective should be to effect an all-round development of children and equipping them with life skills. The fact remains that today's children are tomorrow's future, and it is in our interest that we fix the issues we face before it gets too late.

## 08/07: A European Union Army: Objective or Chimera?

**Summary:**

The European Union has again become preoccupied with the idea of building an army of its own. That is a very significant shift in attitude. Until now, the European countries had been content to channel security matters through NATO and to focus the EU's attention on economic issues.

**Need for it's own army:**

- It is being said that one of the ways of addressing the problem of European security after 'Brexit' is a deep integration between the armed forces of member countries. The idea to build such a European army was also supported by German Chancellor Angela Merkel, French President Francois Hollande and several other 'Old World' political figures.
- It is believed that an independent army would enable the union to be taken more seriously as an international force.
- At a time when the EU is involving itself more in undertaking security operations, such as tackling people-smuggling gangs in the Mediterranean and piracy in Somalia, it clearly makes sense for participating states to work together. A single EU military force offers a better answer than the status quo to the host of security problems that beset the UK, the European Union and the region as a whole.

**Concerns associated with this move:**

- Such a proposition is dangerous because, by establishing its own command structure, the EU is setting itself up as a direct rival to Nato.
- It is also being said that creating a two-tier defence alliance that would split resources and benefit no one but Russia.
- Also, there are not enough human resources for the new army.

**Challenges ahead:**

Up until today, a "joint force" has always meant a force composed of separate national military units put together into a bigger force and commanded jointly, where all participating countries have their own representatives and the decisions are made on the political level based on consensus, and then translated into common military action on the ground.

- However, speaking about the more ambitious type of "joint force", which is a common capability, it usually means that there would be individual servicemen and women, employed by a supranational body – in this case the European Union. **This is very difficult to achieve in the defence realm because there has never been, in modern history, this kind of common army where you have an institution like the European Union having its own army.** It has always been the first kind of "joint force", where you have states having own army and co-operating together.
- The proposed army also cannot be a panacea for the "terrorist disease." The fight against terrorists does not need more troops, but extensive and professional law enforcement agencies, a wide network of agents and other anti-terrorist structures. These cannot be in a regular army with rockets, tanks, bombers and fighters – one does not fight against terrorists with heavy armour and military equipment.

- The EUA's deployment and operations in support of common military objectives within or outside the EU territorial domain may also pose a dilemma for such member nations who follow what can be termed 'neutral' foreign policies.

#### Way ahead:

It is high time that Europeans cooperated more in defence, and delivered more in terms of defending Europe from different threats.

- They need more cooperation, they need to procure armaments together and integrate military units so that they are more effective when deploying them to fight threats, including instability in Europe's southern neighbourhood, connected with terrorism, but also threats posed by Russian provocative force posturing and manoeuvres in Eastern Europe. That would be my reaction.
- Europeans need to deliver more in defence, particularly after so many years of cuts in defence budgets, after years of shrinking military spending and armed forces.

#### Conclusion:

Special formations are created for specific combat missions, to which each member country allocates units from its national armed forces. Some provide tank crews, some allocate missile personnel, some supply motorized infantry, signalers, repairers, rear troops, nurses and so on. It is unclear on what principle an integrated European army should be created. It would more likely appear that talk about a European army and its joint headquarters is another attempt to set up a new bureaucratic structure for European officials to comfortably exist, producing paperwork and public declarations, just as it is done in the EU and PACE.

The success of nascent efforts within the EU towards military integration will depend on the clarity that can be obtained on the latter's role in a dynamic security context, strategic consensus within the union, and the ability of member countries to reconcile their existing commitments within the NATO framework vis-à-vis a EUA. Due cognizance of US perceptions on the matter will also be of utmost relevance. The role of the strongest economic and military powers in EU, namely Germany and France, will also be the most onerous in this respect.

## 10/07: India Badly Needs Public Health Education

#### Summary:

India has been praised for its remarkable economic growth. However, economic progress is not balanced given the slow pace of improvements in public health indicators. India lags severely behind in terms of achieving the real benefits of its resources, due to weaknesses in policies, investment and education for a strong public health workforce.

- The country faces very grim challenges in improving its public health statistics, including indicators of poor maternal and child mortality and morbidity, a high level of preventable infectious diseases, rising trends of chronic diseases such as diabetes, strokes, coronary heart disease, along with serious health system related issues.

#### What's missing?

A public health workforce requires people, who have qualifications in public health education, to occupy positions exclusively or substantially focused on population health. Public health professionals play a central role in ensuring the appropriate management of all aspects of the healthcare system: from logistics and facility management, to finances, and the monitoring of healthcare status and healthcare interventions.

- However, **not enough attention has been paid when it comes to ensuring quality.** Until now, no institute in the country has taken the initiative to introduce a Bachelors (degree) programme in public health, though various institutes under the Indian Institute of Public Health (IIPH) were established in select states.
- **India's public health workforce infrastructure is inadequate, in terms of numbers and quality,** to tackle its current and future public healthcare issues where a deficiency of trained public health professionals remains a primary concern.



- The quality of public health professionals produced in India is still questionable and the deficiency of qualified professionals aggravates the situation. Public health training remains neglected in the country.

#### What can be done?

- Local colleges and universities should be supported financially and encouraged to develop **undergraduate degree programmes in public health**, especially in poorer states. This will ensure that the needs and requirements of a public health professional workforce in India are fulfilled.
- **Bachelors level training for healthcare promotion and public health managers is vital to the infrastructure development of essential services**, such as environmental health, road and workplace safety, immunisation, nutrition and tropical disease control. Such programmes, like preventable morbidity and mortality, are required in developing countries that face various inequities and the growing needs of an ageing population.
- Given the current need for an adequately trained public health workforce cadre in India, developing public health undergraduate degrees should be prioritised over introducing more master of public health programmes, although both are needed.
- A **multidisciplinary workforce** is badly needed in order to promote a proactive environment for public health education, research, advocacy and services, that meet international accreditation standards.

#### Challenges ahead:

Progress even in this field will require the establishment of international standards of accreditation. **In India, there is no single uniform, overarching, body or council, responsible for public health education in the country as a whole.** Medical Council of India (MCI) is the statutory body responsible for establishing and maintaining uniform standards of medical education, that is offered at the medical college level only. **Public health training at non-medical colleges or universities come under the purview of the All India Council for Technical Education (AICTE) or the University Grants Commission (UGC).** Thus, the very first challenge for India is to decide who will lead the delegation while introducing undergraduate degree courses in public health?

More adequately trained public health professionals could be produced if the candidates are oriented towards it in the undergraduate degree level. This includes upgrading the current public health workforce with technical level diplomas, as well as attracting new, young and highly motivated candidates. But **absorption into the network of the public health professionals remains a daunting challenge.**

#### Way ahead:

Its time for the government to create awareness among the people about the Public HealthCare System. Other stakeholders including industry leaders, non-governmental organisations, and public health research institutes can be taken along. India must find a way to promote undergraduate degrees in public health education so as to expand the qualified workforce and in order to be successful in meeting the health challenges of this rapidly developing nation.

- Sustainable economic growth requires robust policies that improves the population's health and raises productivity levels across the nation. **Since 1993, the World Bank has considered investments in health as a vital factor to promote economic growth and not as, previously considered, a burden on economic progress.**

#### Conclusion:

Public health is a part of the foundations of any modern society that values human life and health, and seeks sustainable economic and social growth. What is now required is a change in healthcare education priorities, in order to have an optimum number of public health professionals in India. In part, this change should adopt the relatively new trends in Europe and the United States (US), promoting public health undergraduate degree programmes within existing universities or colleges on a broad scale. The government at the national and state levels, led by the Ministry of Health and Family Welfare, should institute policies and incentives that promote bachelors degree programmes. The government must also mandate that attending such degree programmes is a prerequisite for occupying positions in the ministry, and field service systems across the nation.

## 11/07: Internal insecurity

#### Summary:

The internal security situation of the country has not shown any marked improvement in the last few years. In the recent past, a growing number of incidents have led to increased visibility of the deteriorating internal security situation as well as signal, what could well be seminal changes in India's approach to its security mechanism.

#### Need for reforms:

- Successive governments have not cared to **codify the country's internal security doctrine**. There is no long-term policy, nor is there any strategic vision to tackle the Maoist insurgency.
- The **absence of an institutional response** with whatever mechanisms are or were in place. The National Security Advisory Board (NSAB) was liquidated.
- The **police** continues to be in a shambles. The Supreme Court gave historic directions in 2006 for police reforms, but the states have been dragging their feet and now the apex court is also taking it slow. The prime minister's concept of a SMART police could never take off because of the indifference of the states.
- A **new formula of SAMADHAN** has been evolved to tackle the Naxalites problem with S standing for smart leadership, A for aggressive strategy, M for motivation and training, A for actionable intelligence, D for dashboard-based key performance indicators and key result areas, H for harnessing technology, A for action plan for each theatre and N for no access to financing. However, it is unlikely that this approach would lead to a resolution of the problem. The Naxal problem is much too complex and requires a very comprehensive strategy which cannot be capsuled in an acronym.

#### What can be done to improve the situation?

**Clear statement of intent:** All successful human and organizational initiatives stem from an explicit, visible, widely accepted statement of intent and direction. In this case it would mean a national security policy with adjuncts from the states. While the specific roles of agencies are clear, the policy would need to lay stress on the collaborative process between agencies. Annual and multiyear tactical plans could ebb and flow, to suit current tactical needs, but always under the long term policy direction – thereby ensuring aligned efforts and accumulation of investments and benefits.

**Invest in people:** The internal security market currently has an estimated spend in the region of \$12-15 billion and its growing in double digits. Large investments have been earmarked and deployed in initiatives like the Police.

**Force Modernization plan, Mega City policing and several other security initiatives:** Besides investments in equipment and infrastructure there is a need to further invest in human capital and processes. Trained and motivated personnel can provide the winning edge – a fact evidenced in various organizations. Whilst several security units have their own training centres, some of which are truly best in class; for several others there is a need to further invest in training.

**Continuity of policy & direction:** Typical tenures of service in a post are 2-3 years for security officers and while this rotation is desired, from many aspects, it can have a down side too -discontinuity leading to choppiness in initiatives. In equipment procurement it can result in mismatched pieces of equipment and technology that do not form part of a holistic system. A documented longer term policy direction would help maintain coherence and focus over tenure changeover's resulting in more effective outcomes and maximisation of effort and investment.

**Communication and Collaboration:** In a security framework that is diffracted across multiple operational and intelligence agencies; information sharing, rapid and frequent communications and collaborative planning, assume great importance. While the roles, responsibilities and areas of operation for various agencies are clearly demarcated; the challenge lies in operating in a unified coordinated manner. The current working of the Multi Agency centre and State Multi Agency centres need to be widened and accelerated to aid systemic information collation and dissemination. Specifically the sharing of actionable intelligence in real time – upwards and laterally – would make quantum difference to event outcomes.

**Community involvement:** Community outreach and involvement needs to be expanded and accelerated. Whether this is by state police with citizen groups or by central agencies with focused attention groups – like in the case of the Naga Peace Accord. This element of communication and inclusion can be a great force multiplier and help build strong alignments with the citizenry who are a major stakeholder in the security process. A crucial element of community inclusion is measures taken to improve welfare and economic independence. Especially applicable in the far flung regions which have seen limited economic development and are also hot spots for rebel groups. Whether state funded development, health, and education projects or private industry driven investments – all help in forming an economically self reliant community that is resistant to break away thinking.

**Technology adoption and upgradation:** The two new frontiers – cyber and space, bring new challenges and the old tools will not suffice to cope with them. There is a need to understand, assimilate, modify and adopt technologies, existing and emerging, to combat the new threats. Personnel will need to be trained in these technologies on a war footing –not once but repeatedly. Burgeoning communication and surveillance technologies pose additional challenges for agencies as we move to dealing with non conventional threats. A common technology road map is critically needed.

#### Way ahead:

The scale of the internal security challenge is truly massive. Given the size and scope of the security arena – 3.2 million square kms of area, 7,500 km of coast line and another 6,000 km of land border, the growing intensity and frequency of security ‘triggers’ and the asymmetrical force aspect – more needs to be done as a multi pronged approach to sustain and accelerate improvements in the security environment. A federal system with multi and regional party system also throws open the challenge of centre and state co-ordination. Given the constraints, successive governments face a formidable task in identifying and containing security threats.

#### Conclusion:

India now stands at an inflexion point where it can take quantum steps to further improve and strengthen its internal security mechanisms. It’s a task well begun but needs supporting accelerators to build momentum and achieve greater effectiveness. While the frequency and severity of security threats increases; greater inclusion, communication, investment in personnel and technology leveraging -is the way ahead. Time, is clearly of the essence.

## 12/07: India needs strong, directly elected mayors

#### Summary:

Recently, the Maharashtra cabinet approved a proposal for direct election of the village sarpanch, the head of the gram panchayat. An ordinance to this effect is in the pipeline. With this, the debate surrounding the direct election of mayors in urban areas has once again come to the fore.

#### Need for directly elected mayors:

While there are multiple reasons for India’s urban woes, one of the underlying problems is the absence of powerful and politically accountable leadership in the city. Our cities have a weak and fragmented institutional architecture in which multiple agencies with different bosses pull the strings of city administration.

- Currently, the head of the municipal corporation, the mayor, is merely *a ceremonial authority and executive decisions are carried out by the municipal commissioner appointed by the state government.*
- **An elected mayor with substantial powers of his own not only provides a single point for negotiations with outside agencies and investors but also ensures greater coordination** among the different city departments and promotes decisive decision making.
- A popularly elected mayor with a fixed tenure also offers **more stability in governance** as the person is not dependent on the elected members of the council or on the local or state level political leadership for his survival in office. A stable leadership can also afford to roll out long term plans that will ensure major changes in the cities political and economic landscape.



#### The concept should face the following challenges before it becomes a reality:

- State governments do not wish to delegate more authority to city-level institutions. Often, urban resources are transferred to rural areas in the name of development. Even if the mayor is directly elected, the state governments can refuse to devolve power and resources, effectively reducing him to a figurehead.
- Municipal commissioner also, sometimes, becomes hurdle. Even if some powers are delegated to the municipality, the state governments have in place municipal commissioners to perform the executive functions, again cutting the mayor to size, the nature of mayoral election notwithstanding.

- If a directly elected mayor belongs to a party in minority in the municipality, it becomes difficult to get other municipality members on board in taking decisions. This was witnessed in Himachal Pradesh, which ultimately led to the scrapping of this system.
- Also, a mayor executing projects will tend to gain popularity at the expense of the local legislator whose job is to legislate and scrutinise the performance of the executive. A legislator will always see the directly elected and empowered mayor as a potential future rival and will do everything in his command to undercut his authority.
- It is also widely felt that elected mayors may blur the lines between the three tiers of government: the Union, the states and the local self governments.

#### **How can we counter these challenges?**

- In the light of development, state governments should take up this issue seriously and confer necessary powers upon mayor to effectively discharge his duties.
- To avoid conflict between elected mayor and municipal commissioner, mayor may be made the executive head of the municipality. Additionally, mayor may also be given the power to “authorize the payment and repayment of money relating to the Municipality”.
- To check the spread of vested interests, mayor may also be vested with the power to veto a resolution passed by the municipality.
- Voter awareness is also necessary as it is the only thing that will drive them to vote for a legislator based on his performance in the state assembly or Parliament and vote for the mayor and councillors based on their executive performance. This ensures that there exists separation between the two.

#### **Even if a directly elected mayoral system is a relatively good reform, should it be made mandatory for all municipalities under the Constitution?**

India is one of the few countries where the powers of the local government are laid out in the federal Constitution. However, local government is still under List II of the Seventh Schedule of the Constitution. Hence only the State is empowered to make laws on this subject. In such a federal system, constitutional provisions should only lay down the broad institutional framework for local governments. But since States are often reluctant to devolve functions to local government, it makes sense to mandate such devolution in the Constitution. However, the Constitution may not be the ideal instrument for prescribing the manner in which the head of a local government is elected.

#### **What else is needed?**

Besides direct elections, a fixed tenure should be ensured for Mayors. One or two years, as provided presently, is not sufficient to ensure the holistic development of urban areas. Also, frequent changing of mayors results in discontinuation of policies and wastage of scarce resources. Preferably, the Mayor's term should be coterminous with that of the municipality, and the Mayor should be made the executive head of the municipality.

#### **Way ahead:**

A direct election of mayors in the urban centers as currently planned will ensure a sea change in the political equations at the local level and help launch a new generation of more charismatic leaders who can mobilise voters and usher in real changes in urban governance. In fact in some countries like the UK legislative changes were rolled out at the beginning of the decade to ensure direct elections of mayors in all major cities.

#### **Conclusion:**

The excessive fear of fragmentation in a newly independent India led to a reluctant federation and a dirigiste economy. While the pace of economic liberalization remains slow, the decentralization of administration has been slower. It is high time for corrective steps.

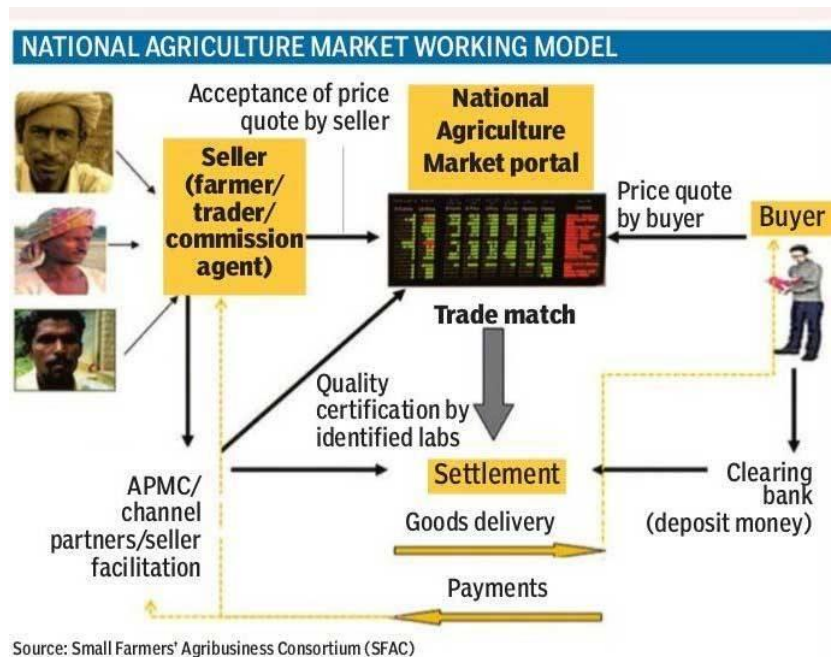
## 13/07: How e-NAM, derivatives markets linkages can benefit farmers

### Summary:

At a time when policymakers are focussed on cleaning up the government's balance-sheet, agrarian distress seems to throw the carefully crafted budgetary discipline off-balance. Farmers, in state after state, have been demanding relief.

### Reasons behind the agrarian distress in the country:

- Indebtedness and prolonged low profitability of farming, ineffective support prices, lack of procurement by para-statal agencies have pushed farming in the country to a new low level.
- Competition in labour, input prices that are increasingly marked to market, and the lack of options other than selling in opaque markets dominated by organised traders have added to the current distress.
- In a nutshell, it is the result of the friction between inefficient markets for agri-output and efficient markets for their inputs.



### Hasn't the APMC Model helped?

The Agricultural Produce Marketing Committee (APMC) model was supposed to provide an efficient solution, but has instead fuelled the distress, leading to a clamour for amendment of state APMC Acts. Since 1991, with liberalisation, the industrial sector can buy from, and sell to, anyone in the world, but farmers in many states must buy and sell only in the government-designated APMC market-yards.

### How can e-NAM be useful here?

- The electronic National Agriculture Market (e-NAM) initiative could prove a big leap forward if it succeeds in **breaking the traders' nexus**.
- The initiative can be a panacea for all anomalies including fragmented markets, restrictions on movement of farm commodities, varying state taxes, etc.
- Transparent and robust electronic physical markets such as e-NAM, backed by greater standardisation and quality awareness will stimulate PPP for standardised infrastructure, assets, warehousing & logistics, etc.
- Additionally, farmers can access buyers from across states and can offer prices after a complete review.
- The principle of 'One Trader One License' will enable growth of secondary trading among traders, throwing light on the 'price discovery' process as it attracts participation.
- Bulk-buyers like large retailers, processors or exporters, will save on costs of intermediation buying through eNAM if supported by a robust logistics network and a well-developed quality testing mechanism.

### What you need to know about eNAM?

It is an online platform with a physical market or mandi at the backend. NAM is not a parallel marketing structure but rather an instrument to create a national network of physical mandis which can be accessed online. It seeks to leverage the physical infrastructure of mandis through an online trading portal, enabling buyers situated even outside the state to participate in trading at the local level.

### What else needs to be done?

- There have been calls for closer linkage between spot markets like e-NAM and derivatives markets to benefit farmers. e-NAM authorities can work with derivatives industry stakeholders to introduce exchange-specific quality standards alongside other broad grades to be introduced to encourage the farmers not only to grade and sell their produce, but also to encourage them to produce better quality crop and meeting exchange standards.

- The best practices and their demonstrable benefits of the futures market can be taken to e-NAM. As exchanges work to expand their product portfolio and there are common commodities being traded on both the platforms, integration of players of both ecosystems can be considered by permitting traders, aggregators, FPOs, and hedgers to register under a common license.
- Cost-effective price dissemination, through the e-NAM terminals and to the participants of e-NAM associated APMC market-yards, should be the first step of this integration aspiration. Price disseminated through mobile phones could serve as a reliable reference price for farmers.
- Likewise, allowing warehouse receipts generated by the Warehousing Development and Regulatory Authority-regulated repositories to be traded and delivered in both e-NAM and commodity derivative exchanges will go a long way in integrating both the markets, besides contributing to the healthy development of warehousing infrastructure.
- Financial institutions that may lend against such warehouse receipts should be encouraged to look at e-NAM/exchange platform for receipts-based delivery in case of defaults when allowed. In all, the financial/market institutions and intermediaries, viz. exchanges, warehouses, financial institutions, repositories and APMC market-yards, can cohesively function to promote integration of the two markets.

#### Way ahead:

There are a total of 2,477 APMC market-yards in the country and 4,843 APMC-regulated sub-market yards. So far, 417 mandis in 13 states have joined the e-NAM platform against the target of connecting 585 mandis with e-NAM by March 31, 2018. Now, it's the responsibility of states to carry this forward and ensure that all mandis are connected.

#### Conclusion:

Indian agriculture needs robust institutions and transparent, price-based signals to the stakeholders. A lot in terms of infrastructure, institutional (markets and finance) connectivity, infrastructure and logistics, quality and standards would have to be looked into if e-NAM were to deliver long-term benefits. Although e-NAM's implementation has been slow owing to some operational challenges, the farmer needs access to competitive market channels and e-NAM is a major step in this direction.

## 15/07: Vibrant Democracy, dormant Parliament

#### Summary:

As an institution, Parliament is central to the very idea of democracy and was assigned a pivotal role in our Constitution by the founding fathers of the republic. Parliament is responsible for legislation—laws of the land—by which people govern themselves. It must ensure accountability of governments—on policies or actions—to the people. It should engage in discourse and debate on issues that concern the nation and the citizens. However, the significance of the parliament has diminished in stature and significance. Indeed, it is now more a symbol than the substance of a vibrant democracy that has taken deep roots among our people.

#### How can we say that the significance of Parliament has diminished over the years?

- **The process of legislation has become slow and lagged.** Laws are often passed in rush with little scrutiny and no follow-up rules. In some cases, it takes sessions together for a bill to become law.
- Parliament, which was **meant to invoke accountability**, has almost forgotten its role. Now, the only means are questions asked by MPs, many of which are pedantic, unclear or on behest. Besides, these questions are often answered with less or hidden facts by the government.
- **Discourse and debate on issues of national importance were an attribute and highlight of Parliament** during the first two decades of the republic, until around 1970. But this has eroded and diminished with the passage of time. There is discussion but it is often partisan—sometimes a dialogue of the deaf—between groups where party lines are sharply drawn. Thus, differences lead to protests in the form of walk-outs or rushing to the well of the house.



- **Number of days when the parliament meets and discusses the relevant issues have also gone down.** Even when the Parliament sits and meets, there is more noise than debate, more shouting than listening, and more statements than engagement or debate.
- **The criminalization of politics is another concern.** Reports show that 34% of the MPs in the 2014 Lok Sabha faced criminal charges, as compared with 30% in 2009 and 24% in 2004. Across parties, candidates facing criminal charges were more than twice as likely to win as compared to those with a clean record.

#### **Reasons for the diminishing role of the parliament:**

The factors underlying these developments and deterioration are not rocket science. **The barriers to entry in politics are formidable.** The only access comes from kinship or money. And muscle power matters as a determinant of success.

Also, **there are institutional constraints on the performance of MPs as well.** The allocation of time for MPs to speak is proportional to the strength of their political party in the house and its leadership decides who gets to speak and for how long. The speaker of the Lok Sabha or the chairman of the Rajya Sabha have little discretion in the matter.

**The only other opportunities for MPs are during question hour or zero hour.** Answers to unstarred questions are simply laid on the table of the house. Starred questions are too many. Only a few come up for discussion. And these are just not taken up if the concerned MP is not present at the time. In zero hour, the speaker or the chairman have the discretion to invite an MP to speak, but **time is too little and speeches are often drowned out in pandemonium.**

**MPs also do not quite have the freedom to speak in our Parliament as in other democracies.** For one, they are afraid of what the party leadership might think, which could affect their future. For another, party whips are a problem. Any violation of whip could lead to an MP's expulsion from the house.

**Parliament also does not meet or work long enough and there are institutional constraints on its performance while working.**

#### **What can be done?**

It is essential to recognize the complexity of this problem before we can find or design solutions. The answers lie, inter alia, in electoral reform through public funding of elections, combined with political reform that mandates disclosure on the sources of financing for political parties, and sets rules for elections within political parties to foster intra-party democracy that has been stifled not only by dynasties but also by oligarchies.

#### **Conclusion:**

Almost 70 years after we began life as a republic, there is a clear and present danger that we could be the world's most vibrant democracy with the world's least effective, and perhaps most dormant, Parliament. It is time for MPs in India to reclaim their rights in Parliament as representatives of the people. Also, the time has come for citizens, whom it represents, to evaluate that performance.

## **17/07: The birth of the new Nuclear Prohibition Treaty**

#### **Summary:**

In July 2017, *the United Nations adopted the Treaty on the Prohibition of Nuclear Weapons, which bans and makes it illegal to possess, use, produce, transfer, acquire, stockpile or deploy nuclear weapons.* This was the culmination of 10 years of preparation by many national and international organizations. It was signed and approved by 122 of the 123 participant nations, representing two-thirds of the nations in the UN. Interestingly, none of the nuclear weapons nations participated.

- The NWPT is the most significant multilateral development on nuclear arms control since the adoption of the Nuclear Non-Proliferation Treaty (NPT) in 1968. It has to be ratified by 50 countries to come into force.

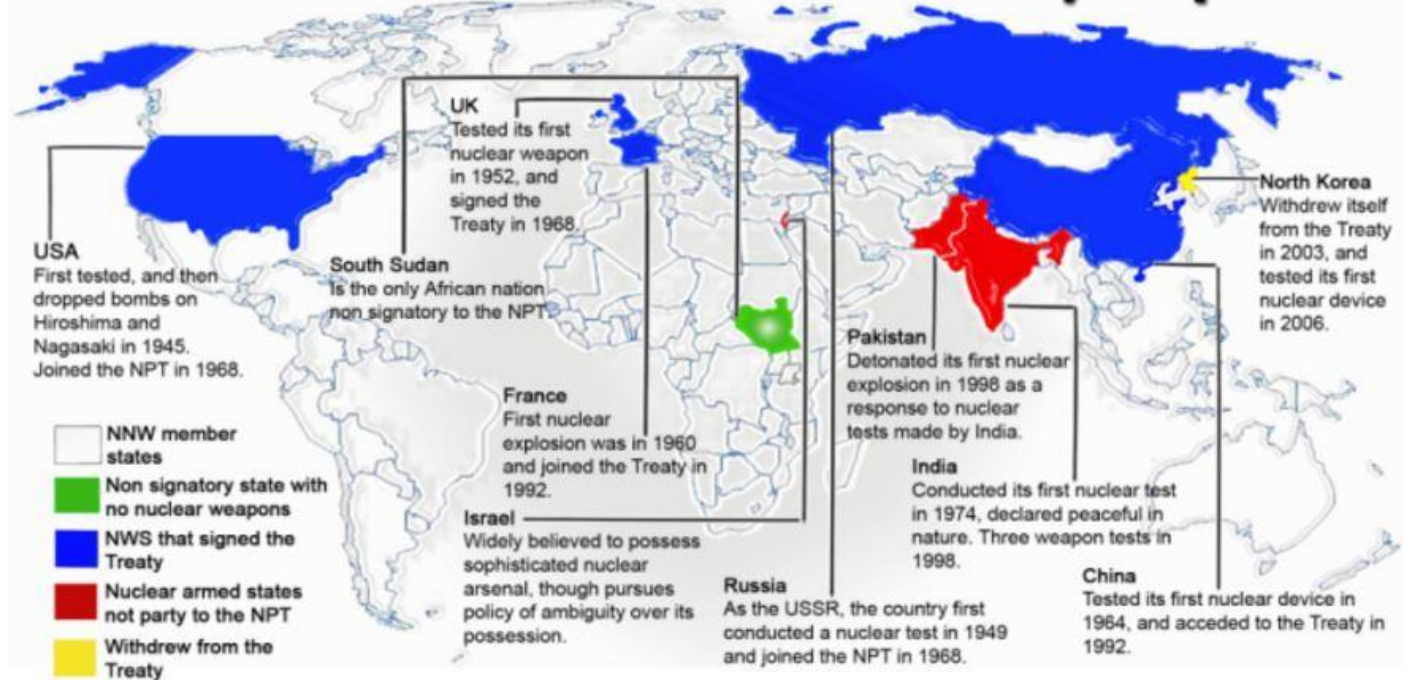
#### **Previous efforts in this regard:**

The U.N. General Assembly's very first resolution on Jan. 24, 1946, discussed how to abolish weapons of mass destruction. Ever since, activists, NGOs, governments and the U.N. have been relentless in putting in place planks of an increasingly sophisticated normative architecture to limit the spread of nuclear weapon technology, materials and arsenals.

At the centre of the effort lies the NPT itself. But additional planks include the Comprehensive Test Ban Treaty (CTBT) following earlier successes in proscribing atmospheric and underground testing; the Nuclear Suppliers Group set up

after India's testing breakout in 1974; various regional nuclear weapon-free zones that cover the southern hemisphere and extend to a limited extent into the northern hemisphere in Central Asia and Mongolia; the Proliferation Security Initiative; etc. In addition, the International Atomic Energy Agency (IAEA) acts as the U.N.'s nuclear watchdog to ensure compliance with nonproliferation obligations.

## Nuclear Non-Proliferation Treaty Map



World map showing nuclear weapons states (Image by British American Security Information Council)

### Reactions from the Nuclear-Armed States:

Nuclear weapons states and many of their NATO allies have opposed the initiative from the beginning. Although the United States and the United Kingdom participated in the 2014 Conference on the Humanitarian Impacts of Nuclear Weapons in Vienna, leaders from Washington and the other nuclear weapon states boycotted the Open Ended Working Group sessions and the 2017 negotiations on a treaty prohibiting nuclear weapons.

These states contend that the nuclear prohibition treaty will distract attention from other disarmament and nonproliferation initiatives, such as negotiating a fissile material cutoff treaty or ratifying the Comprehensive Test Ban Treaty (CTBT). They have expressed concern that the a nuclear prohibition treaty could undermine the Nuclear Non-Proliferation Treaty (NPT) – and the extensive safeguard provisions included therein – by giving states the option to “forum shop,” or choose between the two treaties.

### Arguments for the “Convention on the Prohibition of Nuclear Weapons” (CPNW) from Proponent States:

Supporters of the CPNW argue that new treaty will close a “legal gap” that exists regarding nuclear weapons, which are not expressly outlawed by the NPT even though their use would be contrary to the rules of international law applicable in armed conflict. They argue that the CPNW initiative reinforces the NPT and the requirement in Article VI for nuclear disarmament and that it can reduce the salience nuclear weapons and help prompt more urgent action to reduce nuclear risk and promote disarmament.

### What's missing in the treaty?

- It does not offer a practical approach on how to prod nuclear weapons states to join it.
- It contains no mechanism to verify the reduction and abolition of nuclear weapons.
- It also does not provide a solution to the risk of nuclear weapons being used by accident or miscalculation, or by terrorists.

### Why a total ban is being demanded?

Disarmament and deterrence are usually advocated by the nuclear weapons states. But, the failure of this policy is never discussed. If a nuclear-armed nation was attacked, either by intention or error, the expected response would be

retaliation with a bevy of nuclear weapons. These weapons are indiscriminate and would invariably kill and wound millions. There is unimaginable suffering among the survivors. Operational infrastructure is gone. The North Korea crisis is a prime example of why these weapons do not belong in human hands. The only fail-safe way to prevent a catastrophe is to eliminate the existence of nuclear weapons; any number above zero should be unacceptable.

#### **Will the ban treaty be easily ratified by all nations?**

No. But the treaty, for the first time in history, makes nuclear weapons illegal by international law. It makes the issue permanently visible and gives the goal a greater opportunity to be reached.

#### **Ethical imperatives for nuclear disarmament:**

Nuclear weapons obliterate the distinction between combatants and civilians that is central to every moral code in all cultures and civilizations. Most countries have chosen nuclear abstinence because people overwhelmingly abhor the bomb as deeply immoral. It is the most indiscriminately inhumane weapon ever invented. Its primary intended deterrent effect relies on the threat to kill millions of innocent civilians. Accurately called the balance of terror, deterrence is a euphemism for state-sanctioned nuclear terrorism.

The preamble of the NWPT explicitly acknowledges *“the ethical imperatives for nuclear disarmament”* and describes a nuclear weapon-free world as *“a global public good of the highest order, serving both national and collective security interests.”*

#### **The new treaty has challenged the following myths on which the NPT is based:**

- First, that nuclear weapons are an entitlement bestowed upon only a handful of countries that had tested a nuclear weapon before the treaty entered into force in 1970.
- Second, that the security of most of the world’s nations—indeed world order itself—is based on the possession of or protection by nuclear weapons.
- Third, that nuclear weapons cannot be banned and nuclear disarmament was only possible as part of a process of “general and complete disarmament”, implying that nuclear weapons might be the last to be disarmed.

#### **How is the new treaty different from Nuclear Non- proliferation Treaty (NPT)?**

- The new NPT challenges the old NPT’s myth of entitlement by holding states that after 7 July “owned, possessed or controlled nuclear weapons or other nuclear explosive devices” responsible for “verifying the irreversible elimination of its nuclear-weapon programme” if they become parties to the treaty. In doing so, nuclear weapons have been devalued and are reduced to a liability rather than being treated as an asset.
- Similarly, the fact that the majority of the 193 UN members voted for the treaty, including nearly a third of the Group of Twenty, nearly three-fourths of the Non-Aligned, and old NPT members, reflects that most countries do not depend on nuclear weapons for their security. In fact, the entire southern hemisphere is free of nuclear weapons.

#### **Way ahead:**

The desire for peace emanating from Hiroshima and Nagasaki is nothing other than the desire that no other country become the target or perpetrator of a nuclear attack. A convention to prohibit nuclear weapons would establish this as humanity’s shared norm, and Japan’s mission lies in doing everything it can to achieve this. So long as arsenals of nuclear weapons continue to exist on our planet, we will be forced to live with the threat that hair-trigger situations like the 1962 Cuban Missile Crisis may again arise.

- To quote U.S. President John F. Kennedy’s 1961 address to the U.N. General Assembly, *“... we far prefer world law, in the age of self-determination, to world war, in the age of mass extermination.”*
- The efforts of many states and representatives of civil society to engage in constructive debate on the contours of this treaty can be seen as a forerunner to the kind of “world law” envisaged by Kennedy.

#### **Conclusion:**

A convention prohibiting nuclear weapons will serve as a crucial impetus for fulfilling the disarmament obligations of the NPT. Its adoption will generate decisive momentum for nuclear weapons abolition, and it is thus vital that this be achieved. Irrespective of its future prospects, the passing of the new NPT has already challenged the very basis of nuclear deterrence and the nuclear order based on the old NPT. India and other nuclear weapon states would do well to track its progress—the future of their nuclear arsenals might depend on it.

## 18/07: The People Are Watching

### Summary:

The recent report of a joint task force on social audit has made unanimous recommendations that have opened the possibilities of social audit becoming a vibrant, independent and citizen-based monitoring system. The Supreme Court too in an ongoing PIL has taken a note of these recommendations and is exploring strengthening social audit as a systemic solution in law.

### What are social audits?

Social audits refer to *a legally mandated process where potential and existing beneficiaries evaluate the implementation of a programme by comparing official records with ground realities.*

The public hearings that social audits conclude with remain its soul. The proceedings cannot be scripted, and the entire social audit is often a dramatic process of redistribution of power based on evidence and fact. **These audits were first made statutory in a 2005 Rural Employment Act.**

### Objectives of Social Audit:

- Accurate identification of requirements.
- Prioritization of developmental activities as per requirements.
- Proper utilization of funds.
- Conformity of the developmental activity with the stated goals.
- Quality of service.

### Benefits of Social Audit:

- Involvement of people in developmental activities ensures that money is spent where it is actually needed.
- Reduction of wastages.
- Reduction in corruption.
- Awareness among people.
- Promotes integrity and a sense of community among people.
- Improves the standard of governance.

### Need for social audits:

- In the course of a social audit, **individuals and communities get empowered and politicised** in a way that they experience the practical potential of participatory democracy.
- Since more than 50% of the government's budget goes towards welfare schemes, it's important to track how, and how much, money is diverted away from intended recipients. **Social audits serve as a better monitoring tool for these schemes.**
- The impact of continuous cycles of social audit in deterring potential corruption is beyond quantification. **They serve as an important tool to detect corruption and influence redress.**
- The social audit process was recently endorsed by the public finance watchdog, the Comptroller and Auditor General of India. The CAG said: *"All over the world, there is a growing perception among the supreme audit institutions that it is important to partner with civil society to ensure the latter's participation in service delivery and public accountability."*

### Why social audits are losing their relevance in recent times?

- **Lack of support from government machineries** has side-lined social audits. The lack of adequate administrative and political will in institutionalising social audit to deter corruption has meant that social audits in many parts of the country are not independent from the influence of implementing agencies. Social audit units, including village social audit facilitators, continue to face resistance and intimidation and find it difficult to even access primary records for verification.

### Advantages of social audit



- **Lack of any legal proceedings for not following social audit principles.** Unless there is a stringent penalty on authorities for not implementing social audit, they will not give up control because it reduces their kickbacks and authority.
- **Lack of education among the common masses.** Since common people are not that educated, they do not know their rights, let alone get them enforced.

#### Way ahead:

In an age where phrases such as open data and open government are used in any conversation around governance, social audits should serve as a critical point of reference. An open and transparent system involves the presence of real platforms for people to be informed by official statements and records, with an opportunity to compare that with ground realities.

#### Conclusion:

Social audit is no longer a choice. Along with other transparency and accountability platforms, it is a legal, moral, and democratic necessity. The government can decide to use these interventions and harness peoples' energies in facing the vast challenge of implementation and monitoring.

## 19/07: The need for lateral entry in civil services

### Summary:

With a Committee of Secretaries favouring lateral entry into the civil service, the Department of Personnel & Training (DoPT) has been instructed to put up a proposal on the induction of outsiders in the middle rung of ministries that deal with economy and infrastructure.

Instructions have come from the Prime Minister's Office to prepare a broad outline of modalities for selecting private individuals for **appointment in the ranks of deputy secretary, director and joint secretary**. The move was in response to a central government staffing policy paper where the DoPT had indicated a huge shortage of officers in the middle management level.



### Is it a new idea?

The idea of lateral induction is not new. It was recommended by the **2nd Administrative Reform Commission, high level committees appointed by different governments and a plethora of think tanks**.

### Need for lateral entry in civil services:

- **Shortfall in numbers:** There is an overall 20% shortfall of IAS cadre officers alone in 24 state cadres. The Baswan Committee (2016) has shown how large states such as Bihar, Madhya Pradesh and Rajasthan have a deficit of 75 to over 100 officers and their unwillingness to sponsor officers to go to the Centre on deputation is understandable. Lateral induction is, therefore, a small step towards essential housekeeping in central government staffing and ought to be supported.
- **Target oriented:** Outside talent from the private sector is more likely to be target-oriented, which will improve the performance of the government. Also, more competition will encourage career civil servants to develop expertise in areas of their choice.
- **Improved governance:** The conventional wisdom on lateral entry is that it infuses fresh energy and thinking into an insular, complacent and often archaic bureaucracy. It enables the entry of right-minded professionals and the adoption of best practices for improving governance.

### Why this may not be a good idea?

- **Disturbed balance:** The proposal for lateral entry at senior decision-making levels, besides increasing the disconnect between policymaking and implementation, will also result in inequitable sharing of the benefits and burdens of government service, with permanent civil servants left to bear the burden of "humble" implementation and lateral entrants getting access to "glamorous" policymaking positions, without having roughed it out in remote and rural India in the rough and tumble of Indian democracy. While there would

certainly be a beeline for lateral entrants to join top policymaking positions, there would be no such great desire to serve the country at the ground level.

- **Previous experiences:** While there may be exceptions, the experience of inducting private-sector managers to run public-sector enterprises is not particularly satisfactory. Whiz-kids from the private sector who ran Air India, Indian Airlines and Vayudoot proved to be failures. Clearly, performance is vitally influenced by the enabling environment and the best managerial capability cannot deliver results in an adverse operating environment. A major part of the disillusionment (if any) with civil servants can be attributed to this enabling environment where innovation and risk-taking have been at a heavy discount.
- **Deters the available talent:** The best talent can be attracted only if there is reasonable assurance of reaching top level managerial positions. This is true for government service as much as the private sector. Any dilution of the potential horizon for growth would discourage competent and motivated people. By suggesting a contract-based system for positions of joint secretary and above, the signal would be sent out that only mid-career positions would be within reach in about 15-18 years of service and there would be considerable uncertainty about career progression thereafter. Coupled with unattractive salary scales and non-entitlement to defined pension since 2004, this would become a potent trinity to deter talented persons from aspiring to civil service careers.
- **Discontent among the government personnel:** Large-scale lateral induction would, in fact, amount to a vote of no-confidence in the government personnel management system, rather than in the highly dedicated, motivated and talented officers who have chosen to join the civil services.
- **Difficulty in assessing performance:** The difficulty in measuring performance in government is another obstacle to be reckoned with. It is not easy to assess the performance of a secretary to the government, given the sheer complexity and amorphous nature of the job. The induction of lateral entrants would not by itself suffice for better performance orientation and enhanced accountability. It would be as difficult to measure the performance of lateral entrants as it would of career civil servants.

#### What can be done?

A good managerial system encourages and nurtures talent from within instead of seeking to induct leadership from outside. Any failure in this matter is primarily a failure of the system to identify and nurture talent at the appropriate stage. **For this, the remedy lies not through lateral induction but through more rigorous performance appraisal and improved personnel management.**

- In this context, the government could contemplate hiring outside talent to head certain pre-identified mission-mode projects and public-sector entities where private-sector expertise could be invaluable — like in the case of Nandan Nilekani and Aadhaar. Similarly, leadership positions in large infrastructure projects could be filled through open competition between civil servants and market talent.
- The recruitment and service rules for such posts have to be clearly defined and made incentive-compatible, and the processes managed transparently. A credible statutory agency like the Union Public Service Commission or an autonomous agency like the Bank Board Bureau, established to hire heads of public-sector banks, should be entrusted with the responsibility of recruitment.
- All this, coupled with competition among both serving bureaucrats and market participants, would help avoid many of the aforementioned pitfalls associated with general lateral entry. Further, this would be in line with the lateral entry strategy adopted by more developed parliamentary democracies like the UK.
- Such an approach would have to be complemented with liberalised norms that allow civil servants to work outside government — with multilateral agencies, nonprofits and corporations — for short periods. By enabling exposure to market practices and fresh ideas, this, as much as infusing outside talent into government, is likely to help achieve the objectives of lateral entry itself.

#### Conclusion:

India's civil services need reform. There is little argument about this. Internal reforms—such as insulation from political pressure and career paths linked to specialization—and external reforms such as lateral entry are complementary, addressing the same deficiencies from different angles. Thus, lateral entry cannot be a panacea for everything. It has been an exception in the Indian civil service system and should continue to be so.

## 20/07: Maharashtra becomes first state to enact law against social boycott

### Summary:

Declaring social boycott a crime, **Maharashtra has become the first Indian state to introduce judicial legislation aimed at preventing extra-judicial courts and caste panchayats from committing atrocities.** As the title suggests, the purpose of this law is to prevent and punish the continuing community-driven practice of social boycotts.

- The bill was cleared by the state legislature in April and forwarded by the central government to the president for his assent.

### What amount to social boycott under the new law?

If any individual or group tries to prevent or obstruct another member or group from observing any social or religious custom or usage or ceremony, or from taking part in a social, religious or community function, assembly, congregation, meeting or procession, the act amounts to social boycott.

- It also includes challenging the freedom of individuals in the name of jati panchayats, religion, customs, or denying them the right to practise a profession of their choice. Freedom in this case includes the freedom to marry outside one's caste, visit places of worship, wear clothes of one's choice and use any specific language.
- Discrimination on the basis of morality, political inclination or sexuality also qualifies as social boycott. It includes stopping children from playing in a particular space, or disallowing access to crematoria, burial grounds, community halls or educational institutions with mala fide intentions.



### How does the Act seek to prevent social boycott?

- A Collector or District Magistrate, on receiving information of the likelihood of unlawful assembly for imposition of social boycott can, by order, prohibit the assembly.
- Conviction of the offence of social boycott will attract a prison term of up to three years or a fine up to Rs 1 lakh, or both. Abetment by an individual or group will invite the same punishment.
- The offence of social boycott is cognisable and bailable, and will be tried by a Metropolitan Magistrate or a Judicial Magistrate First Class.
- To ensure speedy justice, trial would have to be completed within a period of six months from the date of filing the chargesheet.

### Other important provisions in the act:

- The Act also provides for compensation to victims. The fines imposed on violators will be used to compensate them.
- The Act also has a provision to withdraw cases with the consent of victims and permission from a court. In case of a withdrawal, the accused will have to perform community service.
- Under the Act, members of extrajudicial bodies like caste and community councils issuing decrees for social boycott can be punished with imprisonment up to seven years and/or a fine of up to Rs. 5 lakh.
- To ensure speedy justice, the law provides for conclusion of trial within a period of six months from the date of filing of the charge sheet.
- Any organisation that delivers a judgment or issues fatwas based on caste, would be viewed as a caste panchayat, even if unregistered, the Act says.
- The provisions include compensation to victims if a caste council imposed monetary penalties on them.

- An official would be appointed to go into complaints of social boycott, which would include preventing a person from participating in social and religious programmes, festivals, processions, rallies, and from using common institutions like schools, club houses and medical facilities.
- Those who support decrees issued by caste panchayats would also be treated as accused.

### Why was it felt necessary to have such a law in Maharashtra?

The decision was a reaction to pressures from growing incidents of atrocities on individuals by jati panchayats or gavkis wielding extra-judicial powers. The largest number of cases of social boycott were provoked by inter-caste marriages.

- Prevailing laws are frequently challenged in the court, or loopholes are used to escape punishment. The new Act facilitates the framing of charges under Indian Penal Code Sections 34, 120-A, 120-B, 149, 153-A, 383 to 389, and 511 if there is concrete evidence to substantiate an accusation of social boycott.
- The Act was also required in the backdrop of prevailing atrocities inflicted on people in the name of tradition, caste and community.

### Constitutional provisions in this regard:

Undeniably, the Constitution guarantees religious freedom to communities, and also guarantees the freedom of association.

- At the same time, however, *the Constitution also recognises that punitive community action can severely harm individual freedom, dignity, and access to basic public goods. For this reason, it curtails the power of groups in various ways.*
- Apart from the prohibition of untouchability, the Constitution guarantees *non-discriminatory access to “shops, public restaurants, hotels, and places of public entertainment” (Article 15(2))*. In legal language, this is known as the “horizontal application of rights”: that is, the Constitution grants individuals rights not merely against the State, but also against other individuals (and groups).

### Way ahead:

With its focus on caste-panchayat driven community boycotts, the Maharashtra law leaves a significant area of discrimination untouched. To address this, a comprehensive anti-discrimination law is required, on the lines of the Civil Rights enactments in the United States and the United Kingdom.

### Conclusion:

The Maharashtra social boycott law, therefore, is an important step in the long-standing struggle for social inclusion. It is, however, only one step. As Ambedkar recognised, exclusion occurs along multiple axes: through boycott, through stigmatisation, and through segregation. For now, however, the Maharashtra law is an important first step. The devil, of course, will now lie in the implementation.

## 21/07: Agrarian crisis – The challenge of a small farmer economy

### Summary:

Though agriculture now accounts for less than 15% of gross domestic product (GDP), *it is still the main source of livelihood for nearly half our population*. Agriculture is still the core of our food security. With over 1.3 billion mouths to feed, imports will not solve our problem if there is a severe drought and food shortage. However, the rising frequency of farmers’ agitations in Tamil Nadu, Maharashtra, Madhya Pradesh and elsewhere and the high incidence of farmer’s suicides are symptoms of a deep malaise in the sector.

### What are the roots of this crisis?

- **Fragmentation of land:** Demographic pressure has pushed down the land: man ratio to less than 0.2 hectares of cultivable land per head of rural population. It has also progressively pushed down the size structure of landholdings. Around 83% of rural households are either entirely landless or own less than 1 hectare of land. Another 14% own less than 3 hectares. At the opposite end, less than 0.25% of rural households own more than 10 hectares of land and a minuscule 0.01% own over 20 hectares.



- **Shortage of money:** Landless or marginal farmers lack the resources to either buy or lease more land or invest in farm infrastructure—irrigation, power, farm machinery, etc.—to compensate for the scarcity of land.
- **Weather:** The large majority of small farmers are dependent on the rains. A weak monsoon or even a delayed monsoon—timing matters—means a significant loss of output. Soil fertility, pests and plant diseases is another risk.
- **Price variations:** Farmers are usually at the mercy of traders. The better the crop the lower would be the price. Net income sometimes collapses if there is a very good crop of perishables. The highly distorted and exploitative product market is the second most important factor responsible for the misery of the small farmer.
- **MSP:** small farmers usually do not benefit from the government assured MSPs. It mainly benefits the large traders who sell grain to the government. Small farmers typically do not have enough marketable surplus to justify the cost of transporting the crop to government corporations in the towns. Their crop is usually sold to traders at rock bottom post-harvest prices in the village itself or the nearest mandi.
- **APMCs:** Agricultural Produce Market Committees (APMCs), which were supposed to protect the farmer, have had the opposite effect. Farmers have to sell their produce through auctions in regulated markets controlled by cartels of licensed traders, whose licences give them oligopolistic market power. These cartels fix low purchase prices, extract large commissions, delay payments, etc. According to a study, the farmers may typically get as little as 25% of the price that consumers finally pay. A consolidated mark-up of 300%.
- **Migration:** The rural youth, especially young males, are migrating to the towns and cities for a better future. But their dreams are quickly shattered. There is not much employment growth anyway and they lack the skills required for a decent job. What remains is a burgeoning army of unemployed, miserable and frustrated young men.

#### What can be done?

An idea that has gained much traction in recent days is **cooperative farming**. This is already popular in France, Germany, Romania, Kyrgyzstan, Nicaragua, Kenya, and Bangladesh among others. There are several variants of cooperation ranging from collective action in accessing credit, acquiring inputs and marketing to production cooperatives that also include land pooling; labour pooling; joint investment, joint water management and joint production.

#### Advantages of cooperative farming:

The advantages of aggregating small farms into larger, voluntary, cooperatives include greater capacity to undertake lumpy investment in irrigation and farm machinery, more efficient farming practices, greater bargaining power and better terms in the purchase or leasing of land, access to credit, purchase of inputs and the sale of produce.

#### Way ahead:

The cooperative approach also has its problems, such as internal conflict, free riding, etc., but farming communities have also found institutional solutions to these problems. The conditions for success of such cooperative approaches include voluntariness, cooperative units of small groups, relative socioeconomic homogeneity of cooperating households, transparent and participatory decision-making, checks and penalties against free riding, and group control over the fair distribution of returns.

#### Conclusion:

The agrarian crisis is morphing into a social nightmare. Its time for a complete overhaul. There are many lessons of successful cooperative farming in India and abroad that will have to be learned for the institutional transformation of our small farmer economy into cooperative farming systems on a national scale to address the agrarian crisis.

## 24/07: GAAR as a Deterrent to Tax Avoidance

#### Summary:

The General Anti-Avoidance Rules (GAAR) regime in India kicked off from April 1. The objective is to deter taxpayers from entering into abusive and contrived schemes. While such intentions to avoid the misuse of tax laws are welcome, people are very apprehensive, largely because tax authorities will have wider powers under GAAR to challenge any given arrangement.

#### Need for GAAR:

Between the two extremes of tax planning and tax evasion lies tax avoidance, a form of abusive tax planning complying with the letter, but not the spirit of the law; for instance, a transaction structured in a manner with the sole intention

of tax benefit, but not for any substantial business consideration. Further, using convoluted structures, companies were set up in tax jurisdiction only to avail the benefits of the double taxation avoidance agreements (DTAAs), that is, treaty shopping was practiced. The objective of GAAR is to curb such practices.

#### Application of GAAR:

The provisions of GAAR are to be applied to an impermissible avoidance arrangement (IAA), in simpler terms, an arrangement designed with the objective to avoid tax.

- To determine an IAA, the following factors are to be considered: (i) purpose of the arrangement is to obtain tax benefit; (ii) it is not at an arm's length price; (iii) it lacks commercial substance; (iv) it results in abuse of the tax law; and (v) it is not carried out in an ordinary manner.
- Procedural safeguards have been provided in the form of a three-tier mechanism to remove arbitrariness. The system starts with the assessing officer, the principal commissioner of income tax and, finally, the approving panel (which includes a retired high court judge). A period of six months is allowed to decide the applicability of GAAR.
- Besides, GAAR has a non-obstante provision, which can override all other provisions of the Income Tax Act, 1961, including SAAR.

## What is GAAR ?

- Tax Avoidance is an area of concern across the world.
- The rules are framed in different countries to minimize such avoidance of tax.
- Such rules in simple terms are known as " General Anti Avoidance Rules " or GAAR.
- Thus GAAR is a set of general rules enacted so as to check the tax avoidance.

#### Concerns:

The present scheme of GAAR addresses most of the concerns raised by the industry, yet the anxiety in its implementation is apparent.

- The Indian text of the GAAR provisions is broadly worded and has a much wider scope of applicability as compared to other jurisdictions. Further, there are concerns such as the interplay between GAAR and DTAAs, the thin line of difference between tax planning and tax avoidance, the co-existence of GAAR and Specific Anti-Avoidance Rules (SAAR), the scope of conflicting interpretation over IAAs, the functioning of the approving panel, etc.
- The discretionary powers to invoke GAAR and undo a transaction that complies with the provisions of the existing tax regime may extensively hinder the business environment.

#### Way ahead:

The tax authorities must understand and appreciate that the assesses are not hesitant to pay tax but are apprehensive about the uncertainties in the tax regime.

#### Conclusion:

Uncertainties in the tax regime reduce the ease of doing business. The ministry and the concerned departments should strive to mitigate these uncertainties to boost investor confidence in the Indian economy. The arbitrary use of GAAR will drive away investments necessary for economic growth. There is a need to factor in this ground situation to ensure GAAR does not end up choking efficient tax planning. GAAR will require walking a tight rope to strike a balance between conflicting interests, like revenue collection and taxation planning. This certainty will boost investor confidence and create a win-win situation for both the government and taxpayers.

## 25/07: Private healthcare with public money

#### Summary:

It is widely acknowledged that health is pivotal for human development and nation's future. India which is home to 1.2 billion people has made important progress, as average life expectancy at birth has risen to 65 years for male and female combined which is twice the time at late 1940's. In addition, India is also free from polio. However large section of population doesn't have reliable and affordable access to good quality healthcare. India's healthcare system is far behind those of other emerging economic powers.

**Public health funding in India:**

India contributes to 21% of the global disease burden, but has one of the lowest public health spending in the world. Although there has been rapid economic growth in the country in the past two decades, funding to public health care, surprisingly, has not been a priority for successive governments. Currently, India, one of the fastest growing economies in the world, spends only 1.3% of GDP on public health. This is the lowest among the BRICS nations.

The draft National Health Policy 2015 document highlighted the need to increase public health funding to reach 2.5% of the GDP by 2020, a much needed and welcome step, which however may not be sufficient, given the magnitude of the problem.

**Need for the involvement of private sector in the healthcare sector:**

It is true that the public health system in India has improved in recent years but it still remains in bad shape. The main reason for this is a highly inadequate spending and an acute paucity of trained manpower. An influx of funds to address the various infrastructural and technological deficiencies is urgently needed. The majority of the population in India lives in the rural areas and strengthening rural public health care systems should be an immediate priority.

**Significance of a privatised system:**

People are no longer satisfied with general panaceas for their ills. Some patients may want a quick fix if possible, but a large number prefer to have their condition diagnosed and treated with the help of all available technology. Moreover, this is both scientifically and legally required.

- Individualised care is obviously easier in private than in government institutions. One can choose both the treating doctor and the time and place of treatment. In certain conditions the patient may want to choose the method of treatment as well. This is especially true for surgery where more than once option is available, such as between endoscopic and open removal of a gall bladder. It can be even more critical when there could be a choice of a life support device such as a pace maker.
- A privatised system can also provide better nursing and allied services. It can provide better facilities for attendants and other care-givers. Patients and their relatives are not pushed around, neglected and ignored. Such care may also provide patients with a choice of convenient timings, treatments and costs, though these factors can be limited in both private and public sector settings.
- Thus, privatisation has helped improve health services – their type, scope, quality and consequences.

**The price of privatisation:**

However, privatisation may lead to steep hike in health expenditures, attributable to the increased costs of medical consultations, drugs and devices, medical tests and hospitalisation. Everybody involved has to earn; private medical practice is a profession, not just a public service.

- Because of the pressure to make a profit, many private doctors, hospitals and diagnostic centres promote uncalled-for investigations and treatment in order to recover their initial investment. So, services with limited value will be popularised and promoted to many people – whether or not they need it.
- Privatisation may also encourage unhealthy competition among the groups involved, since the objective is not only to earn, but to earn more than others.
- Privatisation leads to the relative neglect of problems from which there is little to earn. Everyone including the state is interested in setting up commercially viable units. National preventive programmes get neglected.

**Push for association with the private sector:**

Two recent developments related to public health in India hold the prospect of changing the nature of service provision for the people. Both lean heavily on the private sector in an effort to improve the deplorable state of healthcare services for India's 1.3 billion people.

**1. Delhi government policy:**

Recently, a new policy by the Delhi government was announced which said that the government would pay for surgeries of private citizens conducted at private hospitals. These surgeries would be ones that the government would not be able to conduct expeditiously at its own facilities. The Delhi government's effort is a giant leap in establishing distributive justice. However, the Delhi government needs to be mindful of the fact that implementation holds the key to universalization of such schemes.

## 2. Niti Aayog proposal:

NITI Aayog has released a report on the public-private partnership (PPP) model in healthcare. As per the report, the government is keen to rope in the private sector to support service provision in the districts. The PPP model will work alongside the public health system and will be chargeable. However, only those patients who are not covered by any government scheme will be covered by this model.

However, experts say the proposal does not further the idea of justice. It goes against the spirit of India's national health policy, which seeks to provide "free, comprehensive primary healthcare services for all aspects of reproductive, maternal, child and adolescent health and for the most prevalent communicable, non-communicable and occupational diseases in the population". The policy recommends "strategic purchase of secondary and tertiary care services as a short-term measure", but not services people would pay for.

### Conclusion:

A common point between the NITI Aayog proposal and the national health policy is that both support government schemes which provide preferential care to government employees in the present and future. India's privileged elite believe they deserve quality care before others. Economists such as Adam Smith and Amartya Sen have focused on justice as equally as economics—the two being inseparable, since without justice, economics is merely budgeting devoid of ethics. Therefore, it is imperative, nevertheless, to ensure that the association with the private sector is rooted in principles of justice rather than merely financial expedience.

## 26/07: A greater market role in bankruptcy process

### Summary:

Experts say that if the country fails to revive private investments, it could hurt not just employment generation and economic equality but could also lead to social unrest.

### What's the concern now?

An IMF paper notes that **Gross Capital Formation** in the country over the last five years *averaged only 3.5%, compared to 12% per year over the decade ending 2011-12.*

### Reasons behind this?

- A major cause of investment slowdown is **the rise in financial leverage of firms**. This is especially true for firms whose earnings are insufficient to service their debt.
- **Higher leverage not only cripples the ability of firms to undertake new investments, but also impedes the completion of ongoing projects.** As a result, these firms continue to suffer from low productivity.

### What's the way out?

In such situations, **a strong exit mechanism goes a long way in ensuring an efficient reallocation of both capital and labour to productive businesses**, thereby contributing to higher output.

### Long term solution:

Since the much-hyped Bankruptcy and Insolvency code has failed to deliver the expected results, experts have proposed a radical, market-friendly approach to the resolution of the bankruptcy process. This approach was originally intended to help the developing countries of Eastern Europe, which had just witnessed the demise of socialism. These countries had underdeveloped capital markets and inefficient judicial systems.

- **The new solution encourages decentralization, reduces the role of courts or insolvency professionals, and allows for a greater role for the markets.** According to this proposal, the entire debt of the distressed firm would be converted into one common security called "**Reorganisation Rights**" (RR).
- Then, two auctions would be held. An "inside" auction would allow the claimants to purchase RRs at a preferential price, one that would reflect the seniority of the claims. Subsequently, a "public" auction would allow external investors to make cash bids for these RRs.



- These external bids in public auctions would allow claimants, including those who were unable to participate in the inside auction owing to financial constraints, to be repaid in cash.
- A reasonable reserve price would be set high enough so as to avert the risk of RRs being acquired at throwaway prices. Once the RRs are acquired, the new RR holders would then vote on the reorganization plan and decide the future course of the firm.

#### Advantages of this approach:

- The new approach is robust and market-friendly. It would help reduce the economic and financial costs of bankruptcy.
- Since the courts would only have a supervisory role in this approach, this would do away with the need to establish and maintain specialized bankruptcy courts, insolvency professional agencies, or even experts for operating the firm.
- It would also remove the scope for discretionary decisions by IPs. Since the ownership of the firm is homogenized, owners would take all decisions through a vote.

#### Conclusion:

For India to improve its rankings in the doing business index, it is not enough to simply have a bankruptcy code in place. The code must be robust, decentralized, less costly, inclusive and speedy. This would help businesses exit sooner and capital to be redeployed faster to productive firms, thereby improving economic output and employment.

## 29/07: Not just a question of weeks

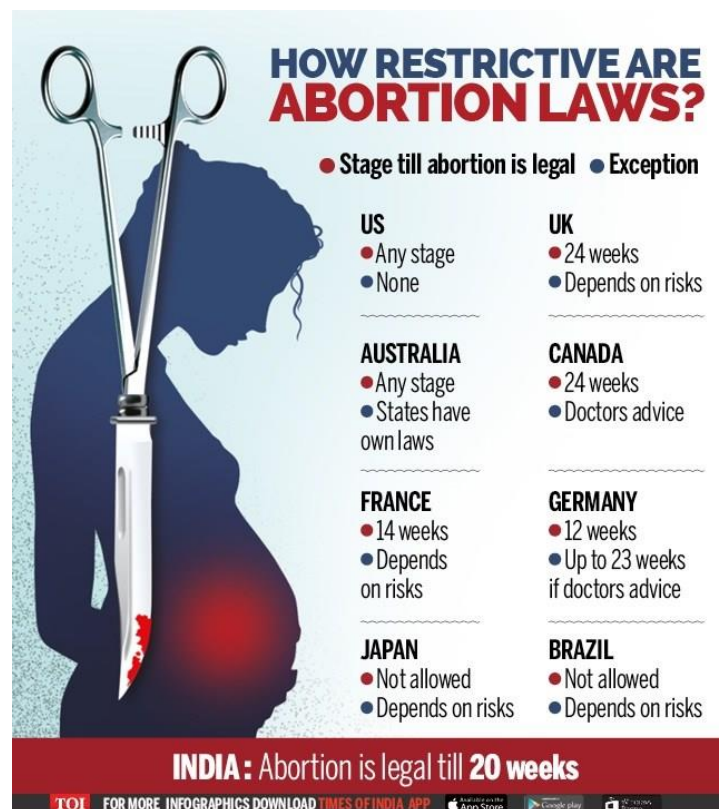
#### Summary:

When a pregnancy is unwanted, *a safe abortion is vital in ensuring a woman's health and well-being*. Unsafe abortions remain one of the prime causes of maternal death and disability. An abortion under medical supervision is one of the safest procedures. However, the Supreme Court of India recently declined the abortion request of a 10-year-old rape survivor who was reportedly 32 weeks pregnant. Doctors who examined the adolescent opined that an abortion at this stage posed a risk to her life. Under the circumstances, the court could not have done much else. But this decision must be looked at in contrast to the recent landmark decision by the Supreme Court allowing an adult mother to abort her over-20 week foetus.

#### Abortion in India:

In India, the transition from a regime of proscription against abortion by treating it as a criminal offence liable for punishment under the Indian Penal Code (IPC) to legitimising the practice as a health and family planning measure through the enactment of the *MTP Act of 1971* had been fairly easy, unlike in the West, where the movement towards legalising abortion has been tumultuous involving major heated public debates.

- The Medical Termination of Pregnancy Act stipulates a **cap of 20 weeks** within which an abortion can be performed. While advising an abortion, medical practitioners are expected to evaluate whether continuing with the pregnancy would involve a risk to the life of the mother or cause grave injury to her physical and mental health.
- Alternatively, the decision is based on whether there would be a substantial risk of the child being handicapped by physical or mental abnormalities. Notably, the Act also provides that if any of these medical eventualities is likely to arise, then the mother's actual or foreseeable environment must also be taken into consideration.



- The MTP Act **sets some limitations** regarding the circumstances when abortion is permissible, the persons who are competent to perform the procedure, and the place where it could be performed. Outside the ring of protection that the Act draws, the IPC still operates.

#### Who has the right to abort?

- The pregnant woman has the right to adopt; she does not need anyone's acknowledgement or support if she's above 18 years of age and is mentally stable.
- If a woman is married, her own written consent is sufficient. Her husband's consent is not required.
- If a woman is unmarried and over 18 years of age, she can provide her own written consent.
- If a woman is unmarried and under 18, she must provide written consent from her guardian/parent.
- If a woman is mentally unstable, a written consent is required from her guardian/parent.

#### Concerns:

- The 20-week cap is somewhat arbitrary and has drawn rightful criticism. Foetal impairments often get detected at the ultrasound done between 18 to 22 weeks, when the foetus is said to have "substantially developed". But in a country where a majority of expectant mothers still seek advice from midwives and Accredited Social Health Activists (ASHA), ultrasounds are only done when something "unusual" is suspected. The Act MTP does not mention anything about a woman's right to terminate a pregnancy beyond 20 weeks if there are foetal abnormalities.
- The Act as it currently stands also does not permit abortion solely on the request of a woman. One important reason for this is to prevent and reduce the instances of female foeticide in the country. However, it is important to analyse and study whether the law has had the desired impact on female foeticide, especially in light of the Pre-Natal Diagnostic Techniques (Regulation and Misuse) Act, 1994 which prohibits sex-selection and prescribes strict punishment for both – the party seeking prenatal sex determination as well as the medical practitioner conducting the test.
- The MTP Act also does not address any ethical issues, but in legal regimes that do not allow abortions, the moral standpoint is that medical termination of pregnancy results in the death of a living being.

#### Way ahead:

A revision of the legal limit for abortion is long overdue. The process of rethinking the 44-year-old MTP law has already taken years, but the issues go beyond the slowness of the process. In the decades since the law was first enacted, the science on the subject has made enormous leaps — with the advent of ultrasound, magnetic resonance imaging (MRI) and foetal monitoring devices, predicting the health of the baby has become more accurate and sophisticated than anything that was conceivable then.

The draft Medical Termination of Pregnancy (Amendment) Bill, which was introduced by the government in 2014, provides for abortion beyond 20 weeks under defined conditions. The bill should seriously taken up for consideration by the government. As per the draft law, the decision to allow abortion between 20 and 24 weeks can be taken "in good faith" by a healthcare provider if, among other conditions, the pregnancy involves substantial risks to the mother or child, or if it is "alleged by the pregnant woman to have been caused by rape".

#### Conclusion:

The decision to terminate a pregnancy is never an easy or mechanical decision and it takes a severe toll on the affected parties, especially the woman. There is a need to strike a balance between the rights of women to control their bodies and the legitimate interests of the state to prevent selective sex determination as well as protect the interests of the woman and the unborn foetus. The draft amendments offer a definitive step in the right direction.

## 31/07: The HEERA conundrum

#### Summary:

With an *aim to simplify and consolidate the mass of regulations and compliances that currently operate in the sector*, the Central Government has proposed to dissolve the All India Council for Technical Education (AICTE) and the University Grants Commission (UGC) and replace them with a single body, tentatively titled **Higher Education Empowerment Regulation Agency (HEERA)**.

**UGC and its Powers:**

The University Grants Commission (UGC) of India is a **statutory body** set up in 1956, and is charged with coordination, determination and maintenance of standards of higher education.

- At present, the UGC has two primary responsibilities:
  - (a) providing funds to educational institutions; and
  - (b) coordinating, determining and maintaining standards in institutions of higher education.

- However, UGC has been unable over the years to effectively implement its regulations aimed at ensuring the quality of higher education in the country. UGC has failed in its responsibility to monitor standards of education in higher education institutions and it has not succeeded in ensuring this. Besides, the credibility of the UGC has been seriously dented by approvals given to a large number of sub-standard colleges and deemed universities.

**Need for a single unified regulatory body:**

The jurisdiction of AICTE and UGC often **tends to overlap**. Given that UGC governs universities and prescribes minimum standards for higher education, and AICTE performs similar functions for the stream of 'technical education', there are many cases where institutions fall under the domain of both UGC and AICTE, for example, a college affiliated to a university which is recognised by the UGC may also be called upon by AICTE to obtain its approval. This is where the problem of multiplicity arises leading to lack of clarity over which regulations to conform to.

- *It appears that often the idea of conforming to two sets of norms set out by both regulatory bodies can be a huge barrier for setting up of nascent institutions.* Even for existing institutions, overlapping and complex regulations make regulatory compliance burdensome.
- The multiple sets of rules and sub-regulations prescribed by UGC and AICTE, unfortunately, seem to have acted as a deterrent to the development of premier educational institutions.

**What will be HEERA's role and function?**

Although the particulars of the functions the body will be assuming are still being worked out, it is expected to eliminate the overlaps in the jurisdiction and remove irrelevant regulatory provisions. It will bring the regulation of both technical and non-technical higher education institutions under one umbrella. Given how both UGC and AICTE have been roundly criticised for their poor handling of higher education so far, HEERA is likely to be structured in a manner that addresses their particular deficiencies.

**Advantages of HEERA:**

There is a need to smoothen existing procedures and ensure their efficient enforcement. It is in this light that the government has proposed to bring HEERA into existence.

- The introduction of a unified regulator would minimise administrative delays and remove jurisdictional ambiguity.
- Sponsoring bodies of institutes of higher education would no longer be required to approach multiple authorities for clearances, which is likely to promote ease of development of institutions of higher learning.
- HEERA is also expected to have sharper teeth than the extant AICTE and UGC: the HEERA Law is likely to empower HEERA to take strict penal action against defaulting institutions.

**A rethink in regulation of higher education was needed because:**

- The Yash Pal Committee, the National Knowledge Commission as well as the Hari Gautam committee had all highlighted the failures of the UGC and called for its scrapping.
- The TSR Subramanian committee, which had been tasked with coming up with a new education policy, too called for the scrapping of the UGC and AICTE.



- With government-run universities (both state and central) and certain deemed universities dependent largely on the grants from the UGC, an inspector raj has flourished.
- The UGC has also on many occasions impeded institutional autonomy at top notch universities and institutions— for instance, its handling of the Delhi University’s four-year undergraduate programmes (FYUP).
- Meanwhile, the performance of both AICTE and UGC with respect to upholding educational standards is reflected in the less than stellar ranks Indian institutes and varsities.

**Way ahead:**

There are developed economy templates of regulation of higher education that the government could draw from while designing HEERA. In the US, for instance, regulation is based on a system of self-reporting by institutions and monitoring by regional accreditors. Accreditors evaluate institutions based on the latter’s assessment of themselves— this means a one-size-fits-all approach is shunned. Institutions failing to earn accreditation are not given support for research, infrastructure and other needs. India has enough examples to learn and adopt.

**Conclusion:**

The multiple sets of rules and sub-regulations prescribed by UGC and AICTE, unfortunately, seem to have acted as a deterrent to the development of premier educational institutions. There has long been a need for change in the regime governing higher education in India. Industry players opine that there has been little room for business development in the area, while state authorities lament the difficulty they have faced in enforcing overlapping, often labyrinthine compliances. Further, the separation between the standards governing technical and non-technical education is seen as unnecessary and illusory. Therefore, the time is ripe for single unified authority for the regulation of higher education in the country.

## Lok Sabha TV: Synopsis

### 01. AIR INDIA DISINVESTMENT

Link: <https://youtu.be/LQyhweeFMbQ>

The Cabinet recently approved the **disinvestment plan for Air India and its five subsidiaries**. It is being seen as Government’s one of the boldest reform moves till date. The Government is hopeful that the decision will attract a positive response and will revive Air India. The carrier has already been **surviving on a bailout package**. Last month, the NITI Aayog in its report had recommended the disinvestment of Air India therefore, the decision is very much in sync with NITI Aayog’s view. This decision does convey to the investors that India is serious about reforms and will not throw good money into something not working out well.

**Some Facts:**

1. Arun Jaitley will head group of ministers to look into disinvestment process.
2. Group of Ministers has been named Air India- Specific Alternative Mechanism.
3. Ministers panel will decide on the extent of divestment and mode of carrying it out.
4. NITI Aayog is looking into the issue, including a possible strategic sale.
5. Civil Aviation Ministry was exploring all possible options for the ailing state run airline.
6. Air India’s domestic passenger market has eroded over time.
7. Air India’s market share today is around 14% while the debt is Rs.55,000 crore approximately.
8. Air India is surviving on a bailout package of Rs.30,000 crore spread over 10 years. Bailout package was announced by UPA Government in 2012.
9. NDA Government has continued with the annual equity infusion in Air India.
10. India’s air passengers will grow to 442 million by 2035 and Air India surrendered profitable routes to private carriers.
11. India is supposed to displace UK as the third largest aviation market by 2026 according to IATA.

**Analysis:**

This was a long standing demand on the reform checklist. **Government money can be much better utilized to fund important social and infrastructure programmes that are actually in need of capital every year.** There is still no clarity on how its sale will be conducted or else it will be fully privatized or not.

However, the best course of action has to be taken considering these factors:

1. **Treatment of unsustainable debt of Air India**
2. **Hiving off of certain assets to a shell company;**
3. **Demerger and strategic disinvestment of three profit-making subsidiaries;**
4. **The quantum of disinvestment; and**
5. **The universe of bidders.**

The sale should be aimed at **getting the best price** for the airline. This can be achieved by **allowing both domestic and foreign buyers to bid** freely for stakes. The government will have to **streamline its FDI policy** so that foreign investors can buy a stake in Air India. The Civil Aviation Ministry has also made a case for the sale of non-core assets first to pay off existing creditors, so that the airline becomes more attractive to private buyers.

The Government might also **separately go for strategic disinvestment of Air India's three profit-making subsidiaries:**

1. (MRO subsidiary) Air India Engineering Services Limited
2. (Ground handling subsidiary) Air India Transport Services Limited
3. Air India Charters Limited.

Its other subsidiaries are Airline Allied Services Ltd which operates Alliance Air and Hotel Corporation of India (which owns Centaur Hotels) along with a joint venture AISATS. The Ministerial group is also considering hiving off Air India's assets and a portion of its non-aircraft debt to a special purpose vehicle (SPV) as a first step in this direction. How this disinvestment impacts UDAN Scheme is also something that has to be taken into consideration.

**Conclusion:**

The need of the hour is a **good assessment of Air India's assets and liabilities** plus a workable plan so that the airline can be made attractive to any prospective buyer.

## 02. G – 20 Summit

**Link:** <https://youtu.be/qEEHYf8suhQ>

**Introduction:**

The group of G-20 comprises **19 of the world's largest economies and the European Union representing about 80% of the world's GDP and 2/3rd of the world's population.** The G-20 was **born in 1999** after the shock of the Asian financial crisis showed the need to improve global economic coordination to bring together major industrialized and developing nations and discuss major global issues. The Group has gained more prominence in setting the agenda for global economy after 2008 financial and economic crisis. Since its inception, the G-20 has discussed many measures to promote financial stability in the world and to achieve a sustainable economic growth and development. **G-20 Summit 2018 will be hosted by Argentina.**

**How is G-20 different from G-7:**

G-7 was established in 1976 as an informal forum of seven major industrial economies and was renamed G-8 after the entry of Russia in 1998. It seeks agreement on current economic issues. G-20 **reflects wider interests of both industrial and emerging market economies.**

**G-20 Summit 2017:**

This year, the G-20 summit is being held at **Hamburg, Germany with the theme "Shaping an interconnected world"**. The leaders will discuss the main topics of **economic, financial, climate, trade, employment and development policy.** **Migration, refugee flows and counter-terrorism** are other key issues of global significance that will appear on the summit agenda.

**Key Issues for the Summit:**

1. **Role of G20** in making the global economy work for all
2. Open and fair rules-based **multilateral trading system** and resilient international **monetary and financial system**
3. Economic benefits of **climate action** and the potential of the **digital revolution**
4. **Tax avoidance and evasion**
5. Fight against **terrorism** and terrorist financing
6. Shared responsibility for **refugees and migrants**, and partnering with **Africa** for investment, growth and jobs

**Powerplay at G-20:**

1. Threat posed by Pyongyang is likely to see conflicts.
2. Testing Intercontinental ballistic missiles represent a new escalation of threat to the US.
3. China and Japan will meet here which are regional rivals.
4. Looming over this Summit will be conflict in Syria and Ukraine both of which involve Russia.
5. Struggle for dominance in the Middle East is also present between Saudi Arabia and Iran.
6. Turkey's crackdown on coup plotters, civil society has poisoned relations with Germany.
7. This year's G-20's motto contrasts with President Trump's approach.
8. Germany has allowed more than a million refugees mostly Muslims.
9. China is North Korea's largest trade partner. It has economic clout that it can use to pressurize the North Korean regime.
10. North Korea claims that it test launched its first ICBM (Intercontinental Ballistic Missile).

**G-20 Achievements so far:**

1. **Immediate economic measures to combat recession.**
2. **Regulating the international financial market.**
3. **Combating tax evasion.**
4. **Sending a message against climate change.**
5. **Development, adoption and implementation of 2030 agenda for sustainable development.**

**Criticism:**

1. Critics argue that G-20 **undermines the role of the international bodies** such as UN, IMF and World Bank.
2. It **does not strictly reflect world's 20 biggest economies**. For example: Switzerland has bigger economy which is not a member than Argentina which is a member.
3. It has **faced protests** by anti-capitalists.
4. The leaders **lack the power to enforce binding decision or rules**.

**Conclusion:**

India has been trying to build a **consensus on terrorism** and this has also been a major issue for the present G-20 summit. **These global platforms should be used by India to prove that terrorism has become a global crisis**. There can be better **sharing of intelligence to check terror funding, money laundering and bank secrecy** among member countries. Similarly, migration is also an outcome of social crisis. National and international goals have to go together.

### 03. Rejuvenating The Ganga

Link: <https://youtu.be/61KHjKDq304>

The National Green Tribunal has passed a slew of directions to rejuvenate river Ganga in the recent past. It has gone a step ahead this time by declaring **an area of 100 metres from the edge of the river between Haridwar and Unnao as no development zone**. The NGT has also **prohibited dumping of waste within 500 metres from the river** saying that every offender would be liable to pay a penalty of Rs.50,000 for offence along this stretch between Haridwar and Unnao.

#### NGT on Ganga:

1. NGT in its 5 page order, directed states to do the needful to save the river Ganga.
2. The order came on a 1985 PIL of noted environmental activist MC Mehta who demanded a CBI probe into the spending of Rs.7000 crore.
3. Supreme Court transferred this PIL to NGT in 2014.
4. Projects should be finalized by National Mission for Clean Ganga
5. Drains from tanneries, industrial units, sewage should be realigned at regular intervals.
6. NGT also sought a plan from the leather units to shift Jajmau cluster in Kanpur.

It is also important to note that on March 20<sup>th</sup> this year, the **Uttarakhand High Court accorded the status of living human entities to the two rivers Ganga and Yamuna**. This was to enable this preservation and conservation of the two rivers and to protect the recognition and faith of the society. The Supreme Court later put a stay on the High Court judgement. All this is being said and done in order to address the state of river Ganga which has deteriorated over the years due to mistreatment and unsustainable practices. Today, the Ganga river is placed among the five most polluted rivers of the world and the Himalayas from which the river originates as one of the most endangered ecosystem.

#### NGT proposes cleaning Ganga in 5 segments:

1. Gomukh to Haridwar
2. Haridwar to Unnao
3. Unnao to the border of Uttar Pradesh
4. UP border to Jharkhand border
5. Jharkhand to the Bay of Bengal

#### Analysis:

River Ganga serves the interest of nearly 40% of India's population. This itself supports the argument that there is a need to save the river. Apart from this, most of the agriculture in the northern plains require support of this river. It has been a source for all industrial developments. As the cities have grown on the sides of the Ganga, the pressure on this river has increased due to:

1. Excessive use of water
2. Whatever water remains is getting polluted due to the continuous and ever increasing waste dumping of all varieties like chemical affluent, dead bodies etc.

This is a major reason why in some areas Ganga river water is not even fit for drinking. **Ganga is a lifeline that provides livelihood to the people and this will be severely affected if the river continues to get abused such as those of local fishermen**. Fly ash from industries in Delhi are dumped in river Yamuna which ultimately flows into Ganga.

#### NAMAMI GANGE:

1. It is an integrated Ganga conservation mission.
2. 20,000 crore allocated for this project in 2015 and it is a 100% centrally funded programme.
3. Order empowers National Mission for Clean Ganga to work in an independent and accountable manner.
4. Consist of sewerage infrastructure projects as well.
5. Industrial pollution abatement

6. Interventions to improve flow of water
7. River front development
8. Solid waste management
9. Capacity building of institutions and setting up of monitoring centres.
10. Focus on research, studies and pilot projects along with improvement in GIS based data.
11. Afforestation and biodiversity conservation through media, communication and public outreach activities.
12. Knowledge sharing through workshops (national and international)

**Despite a lot of money being invested in this project, there has been no significant results which raises the question why this proved to be a failure and where the money was spent.** Even before Namami Gange, many programmes have been launched without much success.

As far as the implementation of the order goes, one is trying to provide a framework for State Governments to pull up themselves and their machinery. For example: 100 metres from the edge of the river is not defined, edge of the river is not known and where this 100 metre ends, mechanisms to monitor people and catch those who are found guilty.

#### **Way Ahead:**

Therefore, cooperation is required from the people who are actually on the site i.e. **public participation apart from strong political and administrative will.** For this, the authorities need to come out of their comfort zones to make a difference. **There is a need to advertise these things publicly so that people out of their ignorance do not trespass and pollute the river, stop illegal sand mining, check sewage discharge in rivers and control waste discharge in rivers due to religious activities.**

## **Rajya Sabha TV: Synopsis**

### **01. Energy Diplomacy and Sino-Indian Relations**

Link: <https://youtu.be/tgcXfxDwdAs>

Away from the arc lights that accompanies China's OBOR project, **India has been quietly working on creating connectivity grids in its neighbourhood and moving beyond physical connectivity to energy as a tool of connectivity.** From Indonesia to Mauritius, India is working on a web of energy relationships that seeks to leverage India's position as a big source of petroleum products, sharing of technology and building interdependencies.

Mauritius, one of India's closest partners in Indian Ocean Region could become a hub for petroleum storage and bunkering for which India has started building infrastructure. **India already supplies petroleum products to Mauritius from Mangalore refineries as well as being a retail player in that country.** As a petroleum hub, Mauritius can secure its own energy supplies while India can use it to market in other parts of Africa. On the other side of the Indian Ocean, India and Indonesia are beginning an energy relationship. **Indonesia is one of the world's bigger sources of hydrocarbons and has been in and out of OPEC.**

#### **Analysis:**

India is growing at a rate of 7-8% and therefore, it has to be ensured that energy consumption keeps pace. If it does not, the growth might be affected such as the coal sector that could not keep up the pace. So energy security is a part of the country's security development and positioning. India and China at present provide the world's biggest appetite for energy as both are growing in economy as well as population.

Irrespective of what these two countries plan ahead, a bulk of energy requirements of these countries is going to be met from resources which are lying outside both the countries such as oil related resources. Internally, electricity is the area where India and China can do much better. China is better in terms of installed capacity of electricity in the country and India is 3<sup>rd</sup> in terms of installed capacity.

#### **Some Facts:**

1. China takes almost 80 per cent of Myanmar's gas through a pipeline deal struck between both the countries few years back. **India has been supplying diesel to Myanmar from the Numaligarh refinery in Assam.** India is also

seriously considering building an **LNG terminal in Sittwe** which would be used to provide energy products to Myanmar, and, once the **Kaladan multi-modal transport project is complete**, it can also be used to supply LNG to Mizoram.

2. India's new energy relationships are because of its **Act East policy** with eastern neighbors. This is because the west is largely inaccessible due to India's problems with Pakistan. Therefore, **India is working on building LNG terminals in Ennore, Vizag/Kakinada and Dhamra on the east coast.**
3. There is a new project by India to build **floating storage and regasification units (FSRU) for Indonesia to help it supply energy to the thousands of islands in the country.** India is asking Indonesia to supply LNG kits for Indian transport vehicles.
4. India plans to help **Bangladesh in syncing gas grids to supplying diesel** (to Parbatipur), building pipelines and gas-based power plants. Bangladesh is allowing India to use transit facilities and even the Bangladesh grid to supply to India's northeast. India is working on building a 7.5 mmt LNG terminal in Qutubdi island off Bangladesh's coast
5. As part of BBIN, there is an **electricity sharing MOU between India, Bangladesh Bhutan and Nepal** which could allow Bangladesh to source power from Bhutan or Nepal once the Himalayan country can get its act together to build more hydropower projects.

### Conclusion:

The problem comes in the form of **quick delivery and implementation of these projects** because China is much more robust in completing its projects on time.

India's energy security and climate change challenges are intertwined quite symbiotically. **Clean energy transformation is as important as securing energy supplies and has to be mainstreamed in conventional energy diplomacy.** Diplomatic persuasion would be critical to ensure that India is able to access cutting-edge energy technologies to fulfil INDC targets and commitment to UN SDGs.

## 02. Analysis of Modi-Trump meet

Link: <https://youtu.be/G-qKYuvNpJA>

Prime Minister Narendra Modi and US President Donald Trump struck a common note on terrorism as they met for the first time at the White House recently. The two leaders vowed to fight against terrorism saying that it was their top most priority. Both countries also pledged to deepen security and defence cooperation. US cleared the sale of predator guardian drones to India which bills on US's recognition of India as a major defence partner.

### Analysis:

Some of the objectives covered include:

1. **Combatting terrorist threats:** The major stress was laid on rooting out the safe havens of terrorists globally. If the two countries strengthen their cooperation, they can fight against groups including Al-Qa'ida, ISIS, Lashkar-e-Tayyiba and their affiliates. There were also discussions about new consultation mechanism on domestic and international terrorist designations listing proposals, disrupt global recruitment efforts through better intelligence sharing and exchange of information on known and suspected terrorists for travel screening. The United States designated the Hizb-ul-Mujahideen leader as a Specially Designated Global Terrorist which was appreciated by India.
2. **On Pakistan:** Both countries called on Pakistan to ensure that its territory is not used to launch terrorist attacks on other countries. They also called on Pakistan to quickly bring to justice the culprits of the Mumbai, Pathankot, and other cross-border terrorist attacks perpetrated by Pakistan-based groups.
3. **Promoting stability across the Indo-Pacific region:** In accordance with the points outlined in the UN Charter, both India and US committed to a set of common principles for the region, according to which sovereignty and international law are respected and every country can prosper. Following issues were stressed upon to maintain peace and stability in the region:
  - Reiterate the importance of respecting freedom of navigation, overflight, and commerce throughout the region
  - Call upon all nations to resolve territorial and maritime disputes peacefully and in accordance with international law

- Support bolstering regional economic connectivity through the transparent development of infrastructure and the use of responsible debt financing practices, while ensuring respect for sovereignty and territorial integrity, the rule of law, and the environment;
- Call on other nations in the region to adhere to these principles.

In this regard, India has been working to ensure peace and stability in Afghanistan. Both the countries also condemned continued provocations by Korea, emphasizing that its destabilizing pursuit of nuclear and ballistic missile programs are a threat to regional security and global peace.

4. **Increasing free and fair trade:** US and India agreed to intensify their economic cooperation to make their nations stronger and citizens more prosperous. There is a need to further balance and expand trade relationships to remove obstacles in growth and ensure job creation. There was stress to increase commercial engagement in a manner that advances the principles of free and fair trade by:
  - Expediting regulatory processes
  - Ensuring that technology and innovation are appropriately fostered, valued, and protected
  - Increasing market access in areas such as agriculture, information technology, and manufactured goods and services
5. **Strategic Convergence:** US expressed strong support for India's membership in the Nuclear Suppliers Group, the Wassenaar Arrangement, and the Australia Group. President Trump reaffirmed the support of the United States for India's permanent membership on a reformed U.N. Security Council. Indian Prime Minister supported for the United States to join as an Observer in the Indian Ocean Naval Symposium. US and India look forward to working together on advanced defence equipment and technology.
6. **Energy Linkages:** S. expressed its interest in exporting more natural gas, clean coal, and renewable resources and technologies to support India's economic growth and inclusive development. Both the leaders looked forward to conclude contractual agreements between Westinghouse Electric Company and the Nuclear Power Corporation of India for six nuclear reactors in India and other related project financing.

#### Conclusion:

However, something was being expected on issues like H1B visa and climate change which did not have much significance in the meet. Overall, it is expected that Prime Minister's visit will strengthen ties between the United States and India and advance common interest of both the countries.

### 03. India-Israel ties: Major Strategic Turn

Link: <https://youtu.be/yjnjBSye2K0>

PM Narendra Modi recently visited Israel and met his counterpart Benjamin Netanyahu. Officially **seven deals** were signed which include deals on industrial R&D fund, development cooperation on agriculture, water conservation and setting up of GEO-LEO optic link. Ties between the two nations have flourished **since 1992** due to **common strategic interests and security threats** and, it has been developing since then.

#### Analysis :

- In 2015, the Indian economy was the world's seventh largest by nominal **India has become one of the fastest growing major economies. Israel**, at the same time, is considered as **the most advanced country in SW Asia and the Middle East** in economic and industrial development. It is a developed country having a **highly skilled and educated workforce**. So, developing relations between the two is important.
- **Trade relations:** Bilateral trade between India and Israel grew from \$200 million in 1992 to **\$4.52 billion in 2014**. It is targeted to US \$20b in next 5 years. At the present meet, **MOUs of US \$5b were signed in India-Israel CEO forum**.
- The two nations negotiated on an extensive bilateral free trade agreement, focusing on areas such as information technology, biotechnology, laser, optics and agriculture. **Israeli technology can help India in increasing crop productivity** in India. This shall help India in checking the issue of **food security**.
- **Israel** is considered a world leader in **water conservation** and water recycle technologies. It is willing to provide such technologies to India. It is also willing to help India in **Clean Ganga project**.

- **Military and Strategic Ties: Israel is the second-largest source of defense equipment for India**, after Russia. Arms trade between the two nations reached almost **\$600 million in 2016**. India has purchased Barak I missiles, 3 phalcon AWACS, and Israeli spike anti tank missiles from Israel. Israel is **developing Barak 8 missile** for Indian Navy and IAF and **plans to purchase 2 more phalcon AWACS** are in progress.
- **Space Collaboration:** In 2002, India and Israel signed a cooperative agreement promoting space collaboration. India has successfully launched **TecSAR and RISAT-2 radar imaging satellites of Israel** from PSLV of ISRO.
- **Terrorism:** Both the countries also agreed to call for strong measures against terror groups and their sponsors. India has suffered first-hand violence and hatred spread by terror groups so as Israel.

#### Conclusion :

Seeing the present threats on Indian borders along China and Pakistan, India needs to have a strong military, naval and air base. **Israel has developed technologies** to fight terror and counter-terrorism operations. So, military and strategic ties between the two nations are important. Also, India being a major developing economy, **increasing its bilateral trade relations** with highly advanced and developed Israeli economy is a welcome step.

## 04. 'India – China standoff in Doklam'

Link: <https://youtu.be/22It8fsCLzE>

One of the **two biggest economies** of the world –**India and China**– have been engaged in a **month-long stand-off** in the narrow plateau Doklam lying in the **tri-junction** of Bhutan, China and India. China attempted to build a road from **Yadong to Doklam**, located in **Chumbi valley** near **Nathu La pass**, that triggered this stand-off.

#### The Doklam Issue:

The present standoff in Doklam, highlights India's virtual responsibility to protect Bhutan's sovereignty from external threats, as per **2007 India-Bhutan Friendship treaty**. As per Bhutan, the construction of road inside its territory by Chinese army, is also a **violation of 1988 and 1998 agreements** between **China and Bhutan**. China also refused entry to Indian pilgrims to **Mansarovar** via Nathula pass in June, 2017. Doklam is critical to India as it brings China closer in a vulnerable location towards the 27kms long Siliguri corridor or chicken's neck. China has repeatedly disputed Bhutan's claim over Doklam. Beijing considers this plateau vital to fortify the dagger-shaped Chumbi valley by piercing the trijunction.

#### Historical Developments:

1. India and China have had **relations** for more than **2000 years**. **Silk road** helped in **cultural and economic relations**, including the spread of **Buddhism** in China and visits of **travellers Faxian** (in 4<sup>th</sup> century) and **Xuanzang** (in 7<sup>th</sup> century) to India. The **21<sup>st</sup> century Belt and Road** initiative by **Xi Jinping** to take a larger role in **global affairs** includes similar Silk road and Maritime Silk road belts.
2. The newly formed democratic republic of India and People's Republic Of China then signed **Panchsheel in 1954** for **peaceful coexistence**. These principles later also formed the basis of the **Non-Aligned Movement (NAM)**, established in **1961**.
3. But, issues and **border disputes** arose for **Tibetan** sovereignty, claims on **Aksai Chin** region having **McDonald line** and **McMohan line** in **Arunachal Pradesh**. The **Sino-indian War in 1962**, after **1959 Tibetan uprising** and **1961 Forward Policy** of India took place at the same time of **Cuban missile crisis** which resulted in Aksai Chin coming under exclusive Chinese control.
4. **Since the late 1980s**, both the countries have successfully rebuilt diplomatic and economic ties, and **China** has become **the largest trading partner of India** amounting to **US \$71 billion** in FY2015-16.
5. However, relations between the two nations **sharing a border of 3,488km**, also had **frictions** by issues like Chinese military **PLA incursions in India** and, **Chinese denial of visas** on Indian passport in 2007.

#### Analysis:

1. There is an **emerging strategy** from Chinese end to get closer to India through its neighbours for last decade through **Pakistan (CPEC)**, **meddling with Nepal's politics**, **Sri Lanka** and **now Bhutan**. China's current claims over the Doklam plateau should be seen as another example of cartographic aggression which China often engages in.

- China has been keen to establish its physical presence in this region according to the **1890 Convention**. With China's Belt and Road Initiative gaining momentum and completion of infrastructure programmes like Lhasa-Shigatse Railway, China appears to have turned its attention to the Doklam plateau to establish a strong presence close to the Indian border.
- There are substantial differences between the current Doklam plateau issue and past stand-offs such as those in Depsang and Chumar or the 1986-87 Wangdung incident near Sumdorong Chu in Arunachal Pradesh. Therefore, **it would be a mistake to treat the present incident as another border incident on the pattern of previous incidents** reported from different points on the disputed Sino-Indian border.
- China and India see the Doklam stand-off very differently. **For China, the issue is one of territorial 'sovereignty' and for India, the issue is one of national security.**
- This time, no bilateral meeting took place between Prime Minister Narendra Modi and President Xi Jinping at the G20 summit in Hamburg. There were no consequential meetings subsequently, including during the BRICS conclave as well. **China is categorically laying down difficult pre-conditions for talks, though India is open to the idea of discussions without pre-conditions.**

#### Conclusion:

Both China and India have one of the **world's largest armies** with 23 lakhs and 13 lakhs active troops respectively plus military expenditure of more than 2% of their GDP. So, any kind of **war** between the two will lead to **heavy casualties** on both the sides. Apart from that, Chinese economy is also slowing down. India's economic growth will also be affected if there is a conflict. It will be good, if **this longest ever military stand-off** between the two nations, near the so-called **Chicken's neck** which connects India to its NE states, **gets resolved diplomatically and peacefully.**

## 05. Govt plans for lateral entry in higher administrative posts: Rationale and Impact

Link: [https://youtu.be/V8Vh3\\_FlCkK](https://youtu.be/V8Vh3_FlCkK)

DoPT has been asked to prepare a proper proposition on lateral entries in Civil Services that deal with economy and infrastructure. As per media reports, the instructions have come from the Prime Minister's Office to prepare a broad outline of modalities for selecting private sector executives for appointment in the ranks of Deputy Secretary, Director and Joint Secretary.

Reports suggested that the decision was taken in response to a Central Government staffing policy paper. In the paper, DoPT had indicated a lack of officers at the middle management level. According to the report, the selection of private individuals or social workers would be through a matrix of experience and qualification. The existing salary of the candidate would not be taken into account. A committee headed by the Cabinet Secretary would be responsible for the final selection. The starting estimate was of around 40 individuals comprising of successful entrepreneurs, academicians and social workers to be taken in through lateral entry mainly at the Joint Secretary level where there are less number of officers.

#### Rationale and Impact:

- After independence, there were concerns about the **need for socioeconomic development**, the demands of Central planning and the need of holding the nation together. Officers who qualified civil services were considered best for this task.
- In the present scenario, a combination of **domain knowledge and relevant expertise is of prime importance for good governance which is lacking in generalist nature of work given to these officers.** There is a need of shift from a career-based approach to a position-based approach for the government jobs.
- People like Vijay Kelkar, Dr. Manmohan Singh and Montek S. Ahluwalia were lateral entrants who did great work in their respective fields.
- In India a **culture of trust has been missing for a long time in government services** because interests and motivation vary from person to person. Therefore, short term entry of officers through lateral entry might lead to corrupt practices. A service tenure with some accountability and regulatory measures might lead to good outcomes.

5. This should not be a one size fits all approach. Rather, the recruitment should be done on a case by case basis. **The government can consider hiring people from outside to head certain pre-identified mission-mode projects and public-sector entities where private-sector expertise actually matters.** It should be a mix up of both private sector and civil servants.
6. It is difficult to assess the performance of a secretary to the government due to complex nature of the job. It would be as difficult to measure the performance of lateral entrants just like career of civil servants.
7. However, lateral entry will **address the shortfall in numbers of competent officers and will be much more target oriented.**
8. Large-scale lateral entry would also lead to **vote of no-confidence in the government personnel management system.** It is not clear yet how lateral entrants would be more performance-oriented and less process-compliant than the civil service, considering that process compliance is the main requirement.
9. This idea might also increase the **gaps in policymaking and implementation.** The best talent can be retained only if there is reasonable assurance of reaching top level managerial positions.

#### Conclusion:

The idea of lateral induction is not new as it has been recommended by **the 2nd Administrative Reform Commission and high level committees appointed by different government.** The initiative should be welcomed and continued as good and bad experiences are there from both the people in private sector as well as in government.

## 06. PM puts the onus of law and order on states: is it enough?

Link: <https://youtu.be/xKp8eKcrteU>

Just before the beginning of monsoon session in the Parliament, Prime Minister Narendra Modi addressed the issue of violence in the name of protecting cows. In an all-party meet recently, the Prime Minister said that the state governments should take the strongest action against the anti-social elements because law and order is the prime responsibility of state governments. However, the opposition is preparing to take on the government in Parliament over this issue.

#### Analysis:

This is not the first time that the Prime Minister has made a remark on those posing as vigilantes trying to protect cows and killing human beings. Prime Minister is right as far as the statute book is concerned i.e. Constitution of India. **Law and order is a state subject therefore, it is the primary responsibility of the state governments to check such incidents.** The Centre at best can issue an advisory to the state governments to be more vigilant and nab these people. Being a powerful Prime Minister, he can take strict action against these types of crimes because in the international media, it is the Prime Minister's intention which is being questioned.

The Prime Minister can convene a meeting of the National Integration Council or a Chief Minister's Conference can also be convened considering the seriousness of the situation. **There is freedom of speech and expression under Fundamental Rights but there are certain restrictions which are imposed on the people. This covers the public order and incitement of violence.** There are laws which check these two things but the enforcement of laws or rules which check the above-mentioned issues rest with the state governments.

The Prime Minister did strictly come out himself on certain occasions but the state or concerned authorities do not need to wait for a signal or statement from the Prime Minister to act. Immediate action is lacking.

**The criminal justice system rests upon law enforcement agencies to maintain public peace and order.** Police can take action themselves on these issues of law and order but the problem is police is also under the political bosses. For example- An SSP has to seek order from DGP and the DGP has to seek order from the Chief Minister. Sometimes, there is no clarity in orders due to safeguarding of vote banks.

Today, due to federal character, **State Governments do not want interference from the Centre in the internal affair of the state** such as in West Bengal. **Giving a free hand to police in these situations might also lead to misuse of power.** There has been a number of examples of fake encounters. Also, many a times, police personnel do not take action because of fear of transfer.

**Conclusion:**

What is happening is a crime under CRPC as these actions cause disaffection among communities. If these are not addressed in an impartial way, there will be a lot of trouble in future. Problem lies in implementation of the laws. **Adequate reforms in police structure, political will to deal with these issues with a heavy hand and a better coordination between centre and states is the prerequisite in the present scenario.**

## 07. States' Fiscal Deficit on the Rise

Link: <https://youtu.be/k52mMJJGzMk>

The fiscal deficit trends in the country have shown a stark reversal and the situation is expected to get worse in the near future. Comparing with the earlier trends, states were more fiscally prudent until about three years ago than the Centre and are now having bigger deficits and facing financial difficulty in this financial year. With three key pressure points, this fiscal could be worse due to these reasons:

1. Spate of **farm loan waivers** across the states.
2. **Interest liabilities of states that have participated in UDAY Scheme** for financial restructuring of electricity distribution utilities would increase going forward
3. The effect of **latest Supreme Court order on closure of bars along highways and rising prohibition efforts across some states**. At least a dozen of the states are expected to see a substantial dip in state excise revenues from alcohol.

**Analysis:**

This trend is expected to continue. The more the states are in deficit, the more they will have to borrow from the market. In the process of cooperative federalism, **Centre has given lot of rights to the State Governments in terms of expenditure. The quality or pattern of expenditure is not known most of the times.** It has been seen in the past that mostly money is spent on capital expenditure and some of the revenue expenditures were taken care of by the central schemes and some by states themselves.

The direction of fiscal deficit gets set for the entire year once so, there is not much left to do in the middle of the year as a particular borrowing pattern has already been set by the states. Until the next Finance Commission reorganizes the state finances, situation seems unlikely to change.

**GST numbers will now start showing up.** Therefore, the states have to be very cautious about keeping their fiscal house in order. Because the states are borrowing more, the banking sector and the insurance sector will be dipping into this pool more. **The corporate bond market might see hardening of rates because a state paper with a sovereign guarantee is a much more attractive paper for banking and insurance companies to dip into. There is a possibility of crowding out of private borrowing from the market.** This means that in order to stay, the private sector will have to offer higher rate of interest. Overall economy will get into a slightly costly situation and therefore, states' borrowing will certainly have an implication on economy.

When **7<sup>th</sup> Pay Commission** comes in, burden will be much more on the states. There are some **compensations being given by GST Council to states for next 5 years**, so it might be helpful to some extent.

**Conclusion:**

UDAY Scheme is necessary because **it is important to bring the whole electricity burden onto the books. Future monetary policy, growth and expenditure will be affected if more states waive farm loans. Losses from liquor ban is being covered by imposing additional taxes over and above GST like in Maharashtra and Tamil Nadu.** But this is not the way GST is supposed to work. Whether states are spending on developmental targets they have fixed for themselves has to be seen. The way ahead needs each of the states to be efficient with spending their money and reduce their liabilities.

