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INSIGHTS into EDITORIAL

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EDITORIAL ANALYSIS

India must protect its hard-won freedoms

[Source: The Hindu](#)

- **Prelims:** Freedom struggle, role of Gandhi during freedom struggle etc

- **Mains GS Paper I & II:** Freedom struggle(significant events), Gandhian phase, unity(communal harmony) etc

ARTICLE HIGHLIGHTS

- The *world's largest democracy is soon to become the most populous country on earth.*
- Therefore, the *celebration of 75 years of Independence brings a special responsibility to set global standards in the protection and the promotion of individual and collective freedoms.*
- On this historic occasion, *we must resolve to never let our freedoms be robbed by authoritarian arrogance or allow fomented hatred to undermine the unity of the Indian people.*

INSIGHTS ON THE ISSUE

Context

Mountbatten Plan (1947)

- The legislature representatives of the Indian National Congress, the Muslim League, and the Sikh community came to an agreement with **Lord Mountbatten on what has come to be known as the 3 June Plan or Mountbatten Plan. This plan was the last plan for independence.**
- The plan announced by the **Viceroy Mountbatten on 3 June 1947 included these principles:**
 - The principle of the partition of British India was accepted by the British Government.
 - Successor governments would be given dominion status.
 - Autonomy and sovereignty to both countries.
- The successor governments could make their own constitution
- **The Princely States were given the right to join either Pakistan or India, based on two major factors: Geographical contiguity and the people's wishes.**
- The Mountbatten plan led to the **enactment of the India Independence Act of 1947.**

India Independence Act (1947):

- The Indian Independence **Act 1947 passed by the Parliament of the United Kingdom divided British India into two new independent dominions**
 - The Dominion of India (later to become the Republic of India)

- Dominion of Pakistan (later to become the Islamic Republic of Pakistan).
- This ***Act received Royal Assent on 18 July 1947.***
- India and Pakistan became independent on August 15th, 1947.
- ***India continues to celebrate August 15th as her Independence day, while Pakistan chose to celebrate August 14th as her Independence day as per their cabinet decisions.***

Unity is precious:

- ***Colonial rule:*** India emerged from the chokehold of colonial rule to build a nation from a wide scatter of British-ruled territories and princely States.
- ***Freedom struggle:*** This unity did not magically materialize overnight. ***It was the freedom struggle, inspired by Mahatma Gandhi and led by the Indian National Congress, which united Indians across the land to seek an end to foreign rule.***
- ***Unity:*** This movement united Indians ***across multiple identities of language, religion, caste, gender and social status.***
- ***Preventing Indian identity:*** Unity is precious to India and should ***not be frittered away through communally divisive, linguistically chauvinist, callously casteist and gender insensitive campaigns that will fragment the Indian identity.***

Flag divisive politics:

- ***Jobless growth:*** Jobless growth is not a safe bet for any economy.
 - ***Unemployment not only does not permit the optimal use of our human resources but also creates the breeding ground for social discord and divisive politics.***
- ***Utilize the demographic dividend:*** As we move ahead towards the next 25 years of independent India, we must aim to optimally utilize the demographic dividend of a young population through:
 - ***Education***
 - ***Skilling***
 - ***Suitable employment and support to young entrepreneurs and innovators.***
- ***Mobility for education and employment:*** Easing mobility across the country for education and employment.

- Communal and linguistic barriers will hinder such mobility and adversely impact growth.
- **Responsibilities of Indian Industries:** Captains of Indian industry must recognise this danger and raise their voice for national unity, not remain mute spectators when divisive politics are posing a threat to the economy.

Uphold scientific tradition:

- **Excellence in science:** India adopted excellence in science as a path to progress since the early years of Independence.
- **National Science Policy:** The national science policy was forward looking.
 - Great institutions of scientific learning and research were established.
- **World renowned institutes:** India's various institutes of technology have won world renown, with many of their graduates leading global enterprises of repute.
- **Space, oceanography and nuclear programmes:** They have placed us in a select group of nations whose scientific prowess and technological excellence are respectfully acknowledged by the whole world.

Well-being of the young:

- **Health, education and skilling of young persons:** India must focus on enhancing the health, education and skilling of young persons.
- **National Family Health Survey (NFHS-5):** The recent National Family Health Survey (NFHS-5) reminds us that **stunting, under-nourishment and anemia continue to afflict a large percentage of our children and women in the reproductive age group.**
 - We need to ensure that the **nutrition-specific programmes deliver, even as we advance nutrition-sensitive policies in other sectors, especially water and sanitation.**
- **Strengthen the capacity of health services:** COVID-19 revealed several weaknesses in our health system. From disease surveillance to provision of health care, we need to strengthen the capacity of health services.
- **Differences in capacity and performance across states:** There are marked differences in the capacity and performance of health systems across different States.
 - It is essential that **States invest more in health and also that centrally sponsored programmes aim to provide greater support to States whose health indicators are lagging.**

Way Forward

- **Maintaining positions:** We need to maintain our positions, even as the world witnesses new conflicts and alliances.
 - It is essential for us to be regarded as a reliable and respected friend in most countries of the world, but especially in South Asia.
- **Clear-headed initiatives:** We should not let our foreign policy wobble through dependence on personalized gestures for the camera but follow clear-headed initiatives through wise leadership supported by able diplomats.
- **Weakening of democratic institutions:** Alongside, there is also a weakening of institutions *which must safeguard democratic freedoms, uphold norms of good governance and shield electoral politics from the onslaught of money power and co-opted state agencies.*
 - It is for the citizens of India to protect and preserve the hard won gains of our freedom.
- **Strive Towards Universalisation of Education:** There is a need for the creation of 'inclusion funds' to help socially and educationally disadvantaged children pursue education.
- **Need For Cooperative Federalism:** Since education is a concurrent subject (both the Center and the state governments can make laws on it), the reforms proposed can only be implemented collaboratively by the Center and the states.
- **Universal health coverage:** Providing needed *health services to all persons, with adequate financial protection, must be the goal of universal health coverage.*

QUESTION FOR PRACTICE

Q. Many voices had strengthened and enriched the nationalist movement during the Gandhian phase. Elaborate.(UPSC 2019)

(200 WORDS, 10 MARKS)

Q. How does Indian society maintain continuity in traditional social values? Enumerate the changes taking place in it.(UPSC 2021)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

By upholding PMLA, SC puts its stamp on Kafka's law

Source: Indian Express

- **Prelims:** PMLA, Enforcement directorate
- **Mains GS Paper II and III:** Executive and Judiciary, Money laundering related issues.

ARTICLE HIGHLIGHTS

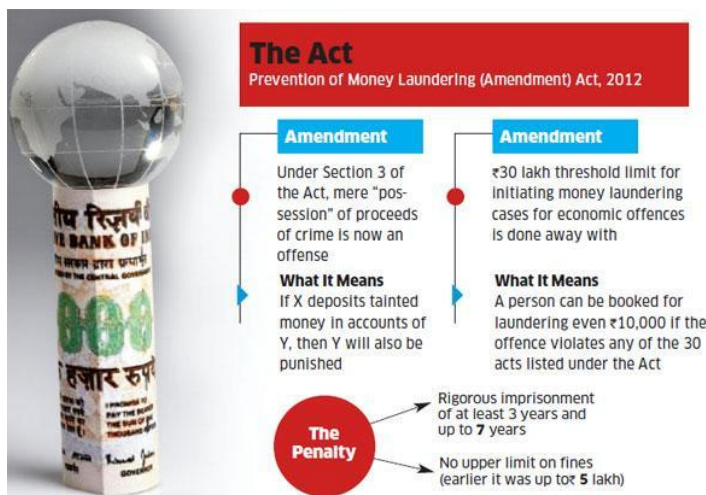
- The Supreme Court in **Vijay Madanlal Choudhary and Ors versus Union of India**, upheld the constitutional validity of the provisions of the Prevention of Money Laundering Act (PMLA).
- SC calls it a “unique and special legislation” and underlines the powers of the **Directorate of Enforcement (ED)** to hold inquiries, arrest people and attach property.
- The court underlined that the *principle of innocence of the accused/offender is regarded as a human right but that presumption can be interdicted by a law made by the Parliament/Legislature.*

INSIGHTS ON THE ISSUE

Context

Money laundering:

- Money Laundering refers to converting illegal earned money into legitimate money.
- *The government does not get any tax on the money because there is no accounting of the black money.* So Money Laundering is a way to hide the illegally acquired money.
- The term “money laundering” originated from the Mafia group in the United States of America. Mafia groups have made huge amounts of extortion, gambling, etc. and this money is shown as legal money.
- In India, “*money laundering*” is popularly known as *Hawala transactions.*



Working of Money laundering:

- A case of Money laundering ostensibly appears to be an above-board financial transaction, however, the criminality underneath is hidden by a three stage process:
 - **The first stage:** when the crime money is injected into the formal financial System. This is called '**placement**';
 - **The second stage:** Money injected into the system is layered and spread over various transactions with a view obfuscating the tainted origin of the money. This process is called '**layering**';
 - **Third and the final stage:** Money enters the financial system in such a way that original association with the crime is sought to be obliterated so that the money can then be used by the offender or person receiving it as clean money. This is called '**Integration**'.

PMLA Act:

- The PMLA was introduced in 2002, ostensibly to tackle the problem of money laundering.
- It has been subject to several amendments including 2005, 2009, 2012.
- There are **mainly 3 objectives of PMLA:**
 - *To prevent and control money laundering.*
 - *To confiscate and seize the property obtained from the laundered money.*
 - *To deal with any other issue connected with money laundering in India.*
- It was enacted in response to India's **global commitment (including the Vienna Convention)** to combat the menace of money laundering.
- Money laundering has become a matter of **international concern** and India has undertaken several international commitments in this regard.

International versus Indian PMLA

- ***By-product of a host:*** Money-laundering in the Indian context is linked or is seen as a byproduct of a host of both grave and routine offences that are appended to the Act as a schedule.
- **Overbroad offences:** These ‘**scheduled**’ or ‘**predicate**’ offences ought to be ideally limited to grave offences such as **terrorism, narcotics smuggling, corruption and serious forms of evasion of taxes and duties.**
 - However, in practice, the list contains offences such as **fraud, forgery, cheating, kidnapping and even copyright and trademark infringements.**

Functions:

- ***The Prevention of Money Laundering Act, 2002 (PMLA):*** ED has been given the responsibility to enforce the provisions of the PMLA by ***conducting investigation to trace the assets derived from proceeds of crime, to provisionally attach the property and to ensure prosecution of the offenders and confiscation of the property by the Special court.***
- ***The [Foreign Exchange Management Act, 1999 \(FEMA\)](#):*** ED has been given the responsibility to conduct investigation into ***suspected contraventions of foreign exchange laws and regulations, to adjudicate and impose penalties on those adjudged to have contravened the law.***
- ***The Fugitive Economic Offenders Act, 2018 (FEOA):*** It is a law whereby the Directorate is ***mandated to attach the properties of the fugitive economic offenders who have escaped from India warranting arrest and provide for the confiscation of their properties to the Central Government.***
- ***Sponsoring agency under COFEPOSA:*** Under the Conservation of ***Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA)***, Directorate is empowered to sponsor cases of preventive detention with regard to contraventions of FEMA.

Main issues with PMLA

- **Opacity:** The **Enforcement Case Report** (the analogue of an FIR) is not shared with the accused, either he is informed whether he is summoned as witness or accused.
 - Nor the full grounds of arrest shared with the accused.
- **Burden of proof on accused:** when accused applies for bail. The bail cannot be granted without hearing the prosecution and the accused is required to prove their innocence to get bail.

- Under Indian conditions, the process of proving innocence is itself a punishment.
- **Crime definition infinitely elastic:** the definition of crime under this Act is almost infinitely elastic, what counts as money laundering crimes include everything in the kitchen sink.
 - The **sovereign has immense latitude** to define what counts as the relevant crime.
 - It can also in a **classic instance** of rule by law change the presumption of innocence.
- **Lack of safeguard :** The list of crimes included **overrides similar crimes in other parts of the law.**
- The code has an **exceptional procedure** of its own that can trump the safeguards of the **Criminal Code of Procedure.**
 - **In theory,** the law provides safeguards against attaching properties, but those safeguards are weak and do not allow for even reasonable exceptions that might be necessary for your dignity or continuing with your business or livelihood.
 - **Mere possession of the proceeds of a crime,** without any surrounding consideration of how one came to be in possession of the proceeds, makes it an offence.
- **Police harassment:** The state officials dealing with the case are not classed as police. But they, in some respects, have even **more power than the police.**
- **Passed as money bill:** The law itself has been enacted by dubious means as it was passed as money bill.
 - One cannot determine whether the **parliamentary procedure** under which the law was enacted was itself proper.
- **Lower conviction:** The conviction rate under this law is very low, **less than 0.5 per cent**, but thousands of cases are registered, people arrested, and their lives are turned upside down.
- **Misuse of law:** The vagueness and stringent provisions of the law makes it susceptible to use against political opponents.
- **Selective targeting:** The Enforcement Directorate has been manifestly selective in opening money-laundering probes, rendering any citizen vulnerable to search, seizure, and arrest at the whim of the executive.
- **International context:** Post 9/11, there was concern with terrorist financing and arguably many international treaties actually weakened, rather than strengthened, individual rights protections.
- The goal of international treaties is laudable, but the rhetoric of international treaties is often used to override domestic rights safeguards.

- The state argued less on Indian constitutional law and more on the rhetoric of international obligations.

The Supreme Court Ruling:

Enforcement Case Information Report (ECIR):

- Enforcement Case Information Report (ECIR) cannot be equated with an FIR.
- Supplying an ECIR in every case to the person concerned is not mandatory and “it is enough if the Enforcement Directorate (ED), at the time of arrest, discloses the grounds of such arrest”.
 - ***The ECIR*** is an internal document of the ED and the fact that FIR in respect of scheduled offence has not been recorded, does not come in the way of ED authorities to commence inquiry/investigation

Section 3 of PMLA Act:

- Offence under Section 3 “is ***dependent on illegal gain of property as a result of criminal activity relating to a scheduled offence***”.
- The Authorities under the ***2002 Act cannot prosecute any person on notional basis or on the assumption that a scheduled offence has been committed***, unless it is so registered with the jurisdictional police and pending enquiry including by way of criminal complaint before the competent forum.
 - ***Section 3 of the PMLA Act 2002*** has a wider reach and captures that offence of money laundering is an independent offence regarding the process or activity connected with the proceeds of crime which had been derived or obtained as a result of criminal activity relating to or in relation to a scheduled offence.

Enforcement Directorate:

- The bench ***upheld the ED’s power under Section 5 of the Act (order provisional attachment of any proceeds of crime)***.
- The Court stated that ***Section 5 provides for a balancing arrangement to secure the interests of the person and also ensures that the proceeds of crime remain*** available to be dealt with in the manner provided by the 2002 Act.
- It rejected the argument that ED authorities are police officers.
 - A statement recorded by them under ***Section 50 of the Act would be hit by Article 20(3) of the Constitution which says no person***

accused of an offence shall be compelled to be a witness against himself.

Way Forward

- **Preventing misuse of law:** The Indian government is serious about curbing money laundering so India has to focus on financial literacy education so that people are aware.
 - Government needs to look into major issues concerning the lower conviction rate and make sure the law is not misused.
- **Internal Checks and Balances:** It is true that law has given stringent powers to the ED in dealing with the accused that can increase the possibility of political misuse.
 - There must be a consensus between the adjudicating authority and the officers of ED to abide by the constitutionality of provision under PMLA, making the investigation more lucid.
- **The Process Itself Should not Become Punishment:** The ED's expanded powers should be welcomed with a greater commitment to expeditiously resolve the cases, so both the *judiciary and enforcement agencies can move forward with speedy trials and convictions.*
- **Operational Vigilance:** There must be a constant scrutiny over the operations of the Enforcement Directorate and current disposition whether this clarification will improve the conviction rate (which is right now less than half a percent).

QUESTION FOR PRACTICE

Q. Discuss how emerging technologies and globalisation contribute to money laundering. Elaborate measures to tackle the problem of money laundering both at national and international levels(UPSC 2021)

(200 WORDS, 10 MARKS)

Q. India's proximity to the two of the world's biggest illicit opium-growing states has enhanced her internal security concerns. Explain the linkages between drug trafficking and other illicit activities such as gunrunning, money laundering and human trafficking. What counter-measures should be taken to prevent the same?(UPSC 2018)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Withdrawal of the Personal Data Protection Bill was a bad move

Source: [The Hindu](#)

- **Prelims:** Personal Data Protection Bill, Justice B N Srikrishna
- **Mains GS Paper II and III:** Right to privacy, Personal Data Protection Bill, Joint Committee of Parliament (JCP) on the Bill etc

ARTICLE HIGHLIGHTS

- The Union Information Technology Minister announced the withdrawal of The *Personal Data Protection Bill, 2019* in the Lok Sabha.
- He stated that the government has decided to come up with a fresh bill that fits into the comprehensive legal framework with reference to the suggestions made by the *Joint Committee of Parliament (JCP) on the Bill*.
- The Joint Committee of Parliament on the Personal Data Protection Bill had submitted a *542-page report with overall 93 recommendations and 81 amendments to the Bill in December 2021*.
- Apart from that, the panel, *headed by former Union Minister, had recommended about 97 corrections and improvements to the Bill*.
- The data protection Bill has been in the works since 2018 when a panel, led by *retired Supreme Court judge Justice B N Srikrishna*.

INSIGHTS ON THE ISSUE

Context

Personal Data Protection Bill, 2019:

- It seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same.

Its specific provisions are:

- *Personal data (data that can identify an individual)*: The bill talks about various types of personal data, such as:
 - *Sensitive personal data: (related to finances, health, official identifiers, sex life, sexual orientation, biometric, genetics, transgender status, intersex status, caste or tribe, religious or political belief or affiliation)*

- ***Critical personal data: (military or national security data and the government can define it from time to time)***
- ***General personal data: other than sensitive and critical personal data.***
- ***Applicability:*** The Bill governs the processing of personal data by:
 - ***Government***
 - ***companies incorporated in India***
 - ***foreign companies dealing with personal data of individuals in India.***
- ***Obligations of data fiduciary (an entity or individual who collects and decides the means and purpose of processing personal data):*** Processing will be subject to certain purpose, collection and storage limitations. For instance:
 - Personal data can be processed ***only for specific, clear and lawful purposes.***
 - They must also ***institute mechanisms for age verification and parental consent when processing sensitive personal data of children.***
- ***Transparency and accountability measures:*** Additionally, all data fiduciaries must undertake certain transparency and accountability measures such as:
 - ***implementing security safeguards(encryption and preventing misuse of data)***
 - ***instituting grievance redressal mechanisms to address complaints of individuals.***
- ***Rights of the data principal (the individual whose data is being collected and processed):*** These include the right to:
 - Obtain confirmation from the fiduciary on whether their personal data has been processed
 - Seek correction of inaccurate, incomplete, or out-of-date personal data
 - Have personal data transferred to any other data fiduciary in certain circumstances
 - Restrict continuing disclosure of their personal data by a restrict continuing disclosure of their personal data by a fiduciary, if it is no longer necessary or consent is withdrawn. It also provides a limited right to be forgotten.

- **Grounds for processing personal data:** The Bill allows processing of data by fiduciaries only if consent is provided by the individual. However, in certain circumstances, personal data can be processed without consent. These include:
 - If required by the State for providing benefits to the individual
 - legal proceedings
 - To respond to a medical emergency
- **Social media intermediaries:** platforms with a larger number of users and having potential to impact electoral democracy or public order, have certain obligations, which include providing a voluntary user verification mechanism for users in India.
 - According to official sources, while the process can be voluntary for users and can be completely designed by the company, it will decrease the anonymity of users and “prevent trolling”.
- **Data Protection Authority:** The Bill sets up a Data Protection Authority which may:
 - Take steps to protect interests of individuals
 - Prevent misuse of personal data
 - Ensure compliance with the Bill.
- **Transfer of data outside India:**
 - *Sensitive personal data may be transferred outside India for processing if explicitly consented to by the individual and subject to certain additional conditions.*
 - *However, such sensitive personal data should continue to be stored in India.*
 - *Critical personal data can only be processed in India.*
 - *Personal data other than sensitive and critical personal data don't have such localisation mandates.*

Recommendations by Joint Parliamentary Committee(JCP):

The JCP proposed 81 amendments to the Bill finalized by the Srikrishna panel and 12 recommendations including:

- **Broader data protection:** Expanding its mandate to include discussions on non-personal data, thereby changing the mandate of the Bill from personal data protection to broader data protection

- **Regulation of social media:** Changes on issues such as the regulation of social media companies.
- **Trusted hardware:** Using only “trusted hardware” in smartphones, among other things.
- **Data protection in line with SC judgment:** The new Bill will incorporate the broader ideas of data protection as recommended by the JCP and will be in line with the Supreme Court’s landmark judgment of 2017 in which it held privacy as a fundamental right.
- **Social media as content publishers:** The JCP’s report also proposed that social media companies that do not act as intermediaries are to be treated as content publishers, they become liable for the content they host.
- **Non-personal data:** The JCP had also recommended including non-personal data in the Bill. In its most basic form, non-personal data is any set of data which does not contain personally identifiable information.

The Data Protection Bill will do away with some recommendations by the JCP such as:

- **Including “trusted hardware” and local storage of some kinds of personal data within the boundaries of India:** Instead, it will add these ideas in the larger framework for the internet ecosystem which will replace the *Information Technology Act, 2000*.
- **Do away with classification of personal data from the perspective of data localisation:** The new Bill could also do away with classification of personal data from the perspective of data localisation and ***only use classification for awarding damages to people whose personal data may have been compromised by an entity.***

The fault lines in the bill:

- **Orwellian state by SriKrishna committee:** The PDP Bill, 2019, as well as the JPC’s recommendations in the suggested Data Protection Bill, 2021, suffered from serious lacunae, leading Justice Srikrishna to criticize the Bill for its potential to turn India into an “Orwellian state”.
- **Exemptions to State:** The Bill’s expansive exemptions allowed the state to exempt the entire application of the law simply as if it was “expedient” to do so in the interest of national security or public order.

- ***These exemptions did not need to be tabled before Parliament and there was no provision for review or oversight of the Government's decision.***
- Member of Parliament Jairam Ramesh pointed out in his dissent note, "government agencies are treated as a separate privileged class whose operations and activities are always in the public interest and individual privacy considerations are secondary".
- ***Little independence or accountability:*** The PDP Bill, 2019 as well as the JPC's version established a strong regulator (the Data Protection Authority) with a lot of power, but very little independence or accountability.
- ***Strong data localisation mandate:*** The Bill imposed a strong data localisation mandate, requiring companies to store all sensitive personal data and critical personal data (which was not defined) in India.
 - Despite ***concerns around surveillance and increased cost of compliance expressed by civil society and the private sector, the Government did not endorse cross-border data transfer.***
- ***Undermines Puttaswamy mandate on privacy:*** The JPC recommended subsuming the regulation of personal data and non-personal data within a single legislation, even though it undermined the Puttaswamy mandate to ensure protection of personal data.

Need for data protection:

- ***Large internet coverage:*** India currently has over 750 million Internet users, with the number only expected to increase in the future.
- ***Digital India:*** The Government is also making a strong push for a 'Digital India', with increased focus on digitisation of access to health, ration, banking, insurance, especially after the COVID-19 pandemic.
- ***Inter-linking of data:*** There is a greater focus on the ***inter-linking of data, whether through facial recognition, [Aadhaar](#), or the Criminal Procedure (Identification) Act, 2022.***
- ***Highest data breaches:*** India has among the highest data breaches in the world.
 - It has been reported that ***around 18 of every 100 Indians have been affected by data breaches since 2004, with 962.7 million data points being leaked, primarily personal data points such as names and phone numbers.***

- **Risk of data:** Without a data protection law in place, the data of millions of Indians continues to be at risk of being exploited, sold, and misused without their consent.
- **Non-enforcement of FR against private non-state entities:** Unlike state action, corporate action or misconduct is not subject to writ proceedings in India.
 - This is because fundamental rights are, by and large, not enforceable against private non-state entities.
 - This leaves individuals with limited remedies against private actors

Justice BN Srikrishna Committee Data Protection Report:

- The Committee was constituted by the union government in July 2017, to deliberate on a data protection framework.
- The Supreme Court in its Puttaswamy judgment, 2017 declared privacy a fundamental right. This set the government in motion to take steps to bring a new data protection legislation for the country.
- ***The report has emphasized that interests of the citizens and the responsibilities of the state have to be protected, but not at the cost of trade and industry.***
- ***The Committee proposed a draft Personal Data Protection Bill.***

Way Forward

- ***Subsuming data under IT Act 2000:*** Alternatively, it could subsume data protection under its ongoing attempts at revising the ***existing Information Technology Act, 2000.***
- ***Digital market laws along European Union's Digital services Act:*** It could also enact a digital markets law, along the lines of the European Union's Digital Services Act, focusing on competition and innovation in the digital space.
- ***Grievance Redressal:*** A personal data protection legislation would have remedy the lacuna of rights by providing individuals with proper grievance redress options and creating sufficient deterrence among private actors.

- Inadequate and flawed as it was, the enactment of the PDP Bill into law would have marked a beginning in providing a redress framework.
- ***New data protection legislation:*** It is imperative that the Government soon introduces a fresh data protection legislation, covering both personal and non-personal data, drawn after proper public consultation.
 - Such a law should take into consideration the criticisms that have been raised by civil society as well as the private sector.
 - It should be extensively discussed and debated in Parliament.
- ***Desirable level of protection:*** Even if the PDP Bill is not the most privacy-respecting law, it provides a certain desirable level of protection to the personal data of individuals.
 - Once enacted, there is always scope for judicial review (based on challenges to provisions that are potentially unconstitutional) and parliamentary amendment (by legislators incorporating feedback on the working of the law).

QUESTION FOR PRACTICE

Q. What is the CyberDome Project? Explain how it can be useful in controlling internet crimes in India. (UPSC 2019)

(200 WORDS, 10 MARKS)

Q. Examine the scope of Fundamental Rights in the light of the latest judgment of the Supreme Court on Right to Privacy. (UPSC 2017)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

A public judge with an uncertain legacy

Source: The Hindu, Indian Express

- **Prelims:** Supreme Court, Judges of SC, appointment of CJI and other judges etc
- **Mains GS Paper I and II:** Structure, organization and functioning of judiciary, role of CJI etc

ARTICLE HIGHLIGHTS

- Justice N V Ramana was the **48th Chief Justice of India (CJI)** and only the second judge from Andhra Pradesh to occupy this position after **Justice K. Subba Rao in 1966-67.**

INSIGHTS ON THE ISSUE

Context

Appointment of new CJI:

Appointment Of New CJI



The ‘Memorandum of Procedure of Appointment of Supreme Court Judges: It says “appointment to the office of the Chief Justice of India should be of the senior most Judge of the Supreme Court considered fit to hold the office”.

It begins with the Union Law Minister seeking the recommendation of the outgoing CJI about the next appointment.

The Minister has to seek the CJI’s recommendation “at the appropriate time”.

After receipt of the recommendation of the Chief Justice of India, the Union Minister of Law, Justice and Company Affairs will put up the

Important orders during his tenure:

- Bail under Unlawful Activities (Prevention) Act (UAPA)
- Fixing gaps in dowry death law
- Medical assistance to Siddique Kappan
- Powerful speeches on criticism, dissent in a democracy.
- The need to guard against tyranny.
- Keeping the sedition law in abeyance and preventing its further use until its constitutional validity was determined.
- Striking down provisions of the Benami Transactions (Prohibition) Act.
- Bringing the office of the CJI under the Right to Information (RTI) Act

Disappointments over Constitutional cases:

- Cases on electoral bonds
- The constitutional validity of the Citizenship (Amendment) Act
- Dilution of Article 370
- Hijab ban in schools
- Reservations for Economically Weaker Sections
- Aadhaar amendments
- Hearings on Pegasus

Fault Lines:

- **Appointment:** Justice Ramana himself was appointed as a judge of the Andhra Pradesh High Court in 2000 when he was the Additional Advocate General to the Andhra Pradesh government.
- **Investigation of land purchased:** Investigation into the purchase of land at very low prices by his daughters in the Amaravati capital region of divided Andhra Pradesh.
- **Gagging order on media:** The gag orders on the media to prevent reporting on the case by the Andhra Pradesh High Court in September 2020 were wholly inappropriate.

Constitutional bench:

- Justice U U Lalit(49th Chief Justice of India) assured there will be at least **one Constitution Bench** functioning throughout the year in the Supreme Court.

- Another reform that Justice Lalit has talked about is that court proceedings would start **at 9 am instead of the usual 10.30 am.**
- **Urgent matters:** A clear-cut mechanism would be in place to allow lawyers to mention **urgent matters**, which includes **bail petitions, etc.**, before the respective Benches for early listing.
- **Pendency of cases:** The Supreme Court's pendency has **crossed over 71,000 from a little over 55,000 in 2017.** This is despite the fact that the sanctioned judicial strength of the court was increased to **34 judges in August 2019.**

Full court meeting:

- Full-court meetings are called by the **Chief Justice of India** to discuss issues of importance to the judiciary.
- The **senior designations of practicing advocates** in the Supreme Court and high courts are also decided during the full court meetings.
- Full court meeting is **convened at the discretion of the Chief Justice of India**, it does not follow any particular calendar.
- **Legal problem:** Full court meetings are an ideal occasion to arrive at common solutions to deal with problems that beset the country's legal system and to make any amends, if necessary, in the administrative practices of the court.

Judgements Chief Justice U U Lalit has been part:

- Reforming the sentencing procedure on death penalty.
- In 2017, misuse of special laws that prohibit atrocities against SC/STs
- Unlawful demands for dowry.

Constitution bench:

- It is the name given to the benches of the Supreme Court of India which consist of at least **five judges of the court** which sit to decide any case:
 - Involving a substantial question of law as to the interpretation" of the Constitution of India
 - For the purpose of hearing any reference" made by the **President of India under Article 143.**
- This provision has been mandated by **Article 145 (3) of the Constitution** of India.

- The *Chief Justice of India* has the *power to constitute a Constitution Bench* and refer cases to it.

Way Forward

- ***Redefine the relationship between the CJI, the Supreme Court and the people of this country:*** The unprecedented intensity and extent of the reportage involving Justice Ramana's public engagements, including Op-Ed page contributions in national newspapers, speaks to an effort to redefine the relationship between the CJI, the Supreme Court and the people of this country.
- ***Fixed tenure for CJI:*** New CJI case brings to the fore the debate on having a fixed tenure for Chief Justices of India.
 - This would help them plan and put into action reforms
- ***One Constitutional bench:*** Setting up at least one Constitution bench that would sit through the year to ensure smoother methods for listing cases and allowing lawyers to effectively 'mention' their cases for listing is a step in forward direction.

QUESTION FOR PRACTICE

Q. Critically examine the Supreme Court's judgment on 'National Judicial Appointments Commission Act, 2014' with reference to appointment of judges of higher judiciary in India.(UPSC 2017)

(200 WORDS, 10 MARKS)

Q. The tenure of the 48th Chief Justice of India did not live up to the promise and the hope it held out at the beginning. Critically analyze.

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

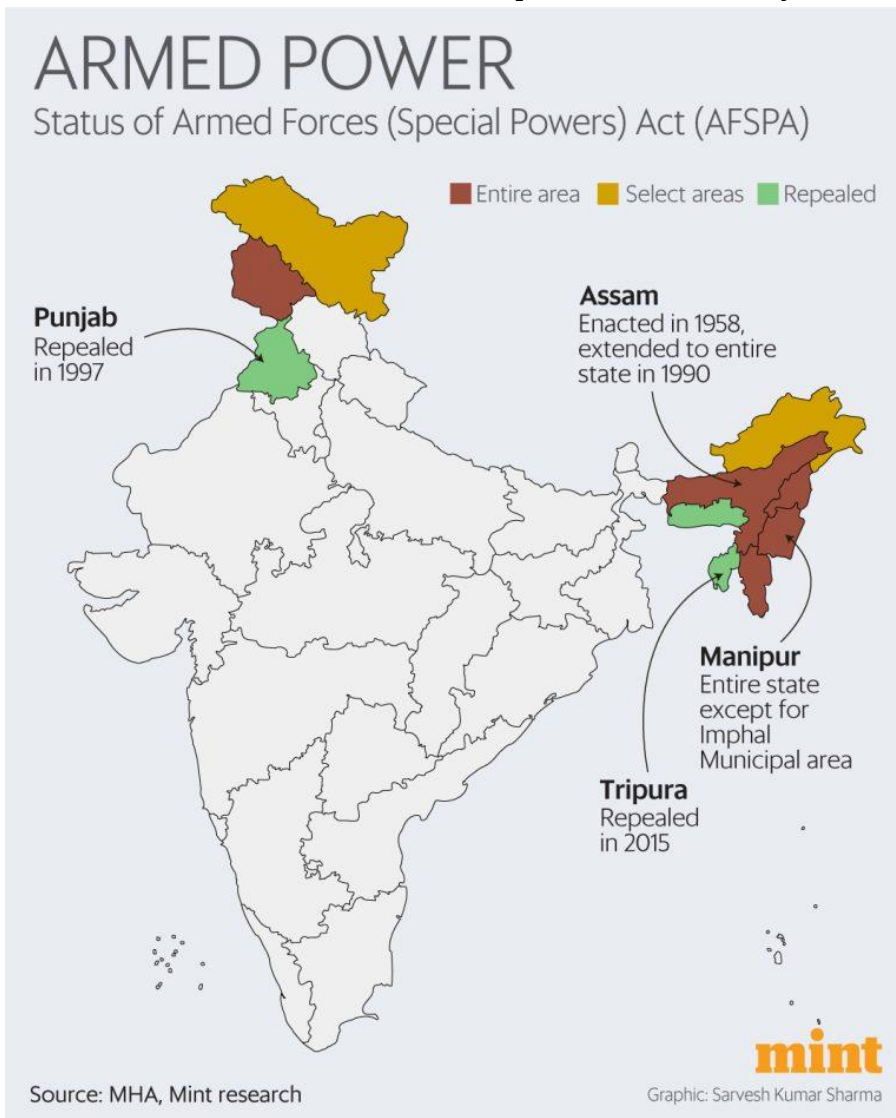
A draconian law that needs to disappear

[Source: The Hindu](#)

- **Prelims:** AFSPA, fundamental rights etc
- **Mains GS Paper II and III:** Parliament-Structure, functioning and conduct of business, fundamental rights-violation and restriction, AFSPA etc

ARTICLE HIGHLIGHTS

- The Prime Minister said that the Government intends withdrawing the much-dreaded **Armed Forces (Special Powers) Act 1958, or AFSPA**, completely from the Northeast region.
- It was followed by its **partial withdrawal from parts of Assam, Nagaland, Arunachal Pradesh and Manipur** in March this year.



INSIGHTS ON THE ISSUE

Context

What does the AFSPA mean?

- AFSPA gives armed forces the power to maintain public order in “disturbed areas”.

Powers given to armed forces:

- ***Prohibition of gathering or opening fire:*** They have the authority to prohibit a gathering of ***five or more persons in an area***, can use force or even open fire after giving due warning if they feel a person is in contravention of the law.
- ***Arrest without a warrant:*** If reasonable suspicion exists, the army can also ***arrest a person without a warrant***; enter or search premises without a warrant; and ban the possession of firearms.
- ***Arrest and handing over to police:*** Any person arrested or taken into custody may be handed over to the officer in charge of the nearest police station along with a report detailing the circumstances that led to the arrest.

Disturbed area:

- A disturbed area is one which is declared by notification under ***Section 3 of the AFSPA***.
- An area can be disturbed due to differences or disputes between members of different ***religious, racial, language or regional groups or castes or communities***.
- The ***Central Government, or the Governor*** of the State or administrator of the Union Territory can declare the ***whole or part of the State or Union Territory as a disturbed area***.

Genesis of the law:

- ***Armed Forces (Special Powers) Ordinance 1942:*** It can be traced to the Armed Forces (Special Powers) Ordinance 1942 which was enacted by the British to subjugate the rebels in the country during the ***Quit India movement, particularly in Assam and Bengal in October 1942***.
- The law continues to be enforced in its new format as the ***Armed Forces (Special Powers) Act 1958***.

Nagaland, other aberrations:

- ***Shillong Peace Accord with the Naga insurgents in 1975:*** A peace accord was signed in ***Shillong in which the NNC leadership agreed to give up arms***.

- However, several leaders refused to accept the agreement, which led to the split of NNC.
- **NSCN(I-M)-1980:** They resorted to large-scale violence across the States of Nagaland and Manipur after the Shillong Accord.
- **Naga Framework Agreement:** Signed between the **Government** and the **NSCN (I-M) in August 2015**, after Isak Chishi Swu died in June 2016.
 - The agreement has been hanging fire as the Government has not agreed to permit a ***separate flag and constitution for Nagaland*** which the NSCN (I-M) is determined to have.

Issues with AFSPA:

- **Human rights violations by Army:** In Nagaland, 60 years of living under the AFSPA regime has had psychological consequences, trauma and alienation of the people.
- **Issue of Fake encounters:** In a writ petition filed in the Supreme Court in 2012, the families of victims of extra-judicial killings alleged 1,528 fake encounters had taken place in the state from May 1979 to May 2012.
 - Commandos of the **Army's 21 Para (Special Forces)** who killed six locals recently.
- **Poor checks and balances:** While the Act gives powers to security forces to open fire, this cannot be done without prior warning given to the suspect.
 - It says the armed forces must act in cooperation with the ***district administration and not as an independent body.***
 - However, such a procedure has rarely been followed.
- **Poor investigation:** Cases in Nagaland have not been investigated. In Manipur, with the Supreme Court having taken up the extra-judicial killings, the CBI has investigated 39 cases (94 killings) only.

Court's stand:

- The Supreme Court of India passed an interim order recently "***staying further proceedings pursuant to FIR*** of the Special Investigation Team [SIT], on a petition filed by the wives of the commandos found guilty by the SIT.
- **Extra Judicial Execution Victim Families Association (EEVFAM) vs Union of India & Anr.2012):** It was found that the first six cases investigated were ***indeed fake encounters.***
 - This prompted the Court to conclude that the veracity of the allegations made by the Association was beyond suspicion.

Way Forward

- **Basic principles of democracy:** The very basic tenets of democracy which espouse the principles “of the people, by the people and for the people” have stood negated.
- **AFSPA as draconian law:** No section of society would ever allow itself to be subjected to a law that is as draconian as AFSPA, which in effect curbs the liberty and the rights of the people as enshrined in the Constitution
- **Justice B.P. Jeevan Reddy Commission:** It was tasked with reviewing the provisions of AFSPA with the recommendation that AFSPA be withdrawn.
 - It suggested making amendments to the Unlawful Activities (Prevention) Act, 1967 (UAPA) to achieve the purpose of AFSPA.
- **Former Union Home Minister P. Chidambaram:** He was of the firm opinion that AFSPA should be withdrawn.
 - But stiff resistance from the **Defense Ministry** which was headed by A.K. Antony scuttled the proposal.
- **The Union Defense Minister:** He said that all **three wings** of the defense forces were in favour of the removal of AFSPA from the **Northeast and Jammu and Kashmir**, but the act remained in place “**due to the situation**”.
- **Periodic review of AFSPA:** There needs to be a comprehensive and serious periodical review undertaken by the Center till the entire North-east is freed from the tentacles of AFSPA.
- **Fast track investigations:** Investigations into the **1,528 alleged fake encounters** also need to be fast tracked and taken to their logical conclusion.
- **Incarceration of the guilty:** There needs to be incarceration of the guilty, thereby sending out a clear message that those who murder under the cloak of the uniform of the security forces cannot expect to go scot free if there are violations.

QUESTION FOR PRACTICE

Q. The North-Eastern region of India has been infested with insurgency for a very long time. Analyze the major reasons for the survival of armed insurgency in this region.(UPSC 2017)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

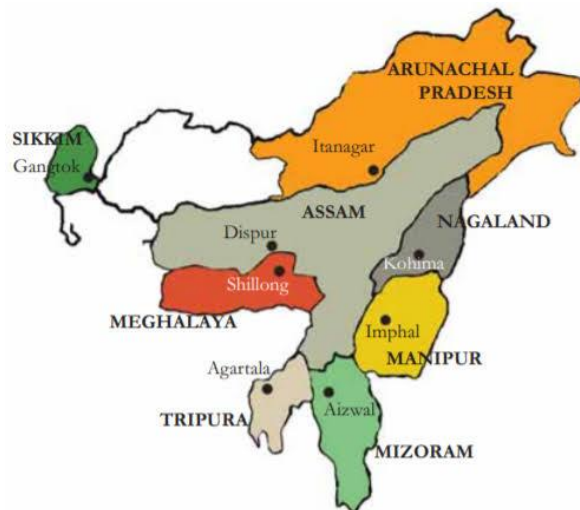
The fragility of the Northeast's integration

Source: [The Hindu](#)

- **Prelims:** Current events of National importance importance, North-East region, mapping of NE region etc
- **Mains GS Paper II and III:** India's northeast region, importance of Northeast for India, security Issues etc

ARTICLE HIGHLIGHTS

- The integration of Northeast India into mainstream Indian life has been on the *national agenda from the very start of India's journey as an independent nation.*
- The region has always been seen to be somewhat alien and needing assimilation, which found (and finds) *reflection in administrative terms too.*
- Two such measures, on opposite ends of the spectrum, should characterize this predicament:
 - *The Sixth Schedule of the Constitution introduced in 1949.*
 - *Draconian Armed Forces (Special Powers) Act (AFSPA), promulgated in 1958.*



INSIGHTS ON THE ISSUE

Context

North East Region:

- The NER is strategically located with access to the ***traditional domestic market of eastern India***, along with proximity to the ***major states in the east and adjacent countries such as Bangladesh and Myanmar***.

Excluded' areas:

- ***Mongolian Fringe:*** The British had considered leaving this “***Mongolian Fringe***” — a term ***British India Foreign Secretary Olaf Caroe*** coined in a paper in 1940 — as a Crown Colony.
 - This entity was to be a combination of ***hill regions of the Northeast and Upper Burma***.
- ***Racially, historically, culturally and linguistic differences:*** The ***Governor of Assam, Robert Reid***, flagged this in a 22-page note in 1937 titled ‘***A Note on the Future of the Present Excluded, Partially Excluded and Tribal Areas of Assam***’, by saying people here, “***neither racially, historically, culturally, nor linguistically***”, had any affinity with the rest of India.
 - There were other similar thoughts too as ***David R. Syiemlieh*** documents in his ***On the Edge of Empire: Four British Plans for North East India 1941-1947***.
- ***Excluded” and “Partially Excluded” areas:*** These “***Excluded” and “Partially Excluded” areas Reid mentions***, were constituted largely of the ***unadministered hills of Assam separated from its revenue plains by an “Inner Line” created by the Bengal Eastern Frontier Regulation 1873***, and this was a year before ***Assam was separated from Bengal and made a Chief Commissioner’s Province***.
- ***Treaty of Yandabo:*** Earlier, ***Assam was annexed into British Bengal after the First Anglo Burmese War 1824-26 and the signing of the Treaty of Yandabo***.

Historical Background:

- ***British Assam:*** It was ***virtually the entire Northeast of today, excluding two kingdoms, Tripura and Manipur***.
 - In these kingdoms too, ***though no Inner Line was introduced, the British brought in similar administrative mechanisms separating “excluded” hills from the revenue plains***.
- In ***Tripura, the plains of Chakla Roshnabad were annexed to British Bengal and the Tripura kings were allowed to be landowners there but not claim sovereignty over them***.

- In **Manipur, the hills and the central revenue plains of the Imphal valley came to be treated as separate administrative regions in 1907.**
- The Crown Colony plan was ultimately dropped on grounds of administrative feasibility.
- **Reid's idea probably was also influenced by a memorandum to the Simon Commission in 1929 by a nascent Naga nationalist body, Naga Club, which argued that Nagas were not Indians.**
- Interestingly, the Crown Colony bears resemblance to the notion of "**Zomia**", **conceived by Willem van Schendel and popularized by James C. Scott in 'The Art of Not Being Governed: An Anarchist History of Upland Southeast Asia'**. This complex mosaic of ethnicities was what India inherited.

Background of Sixth Schedule:

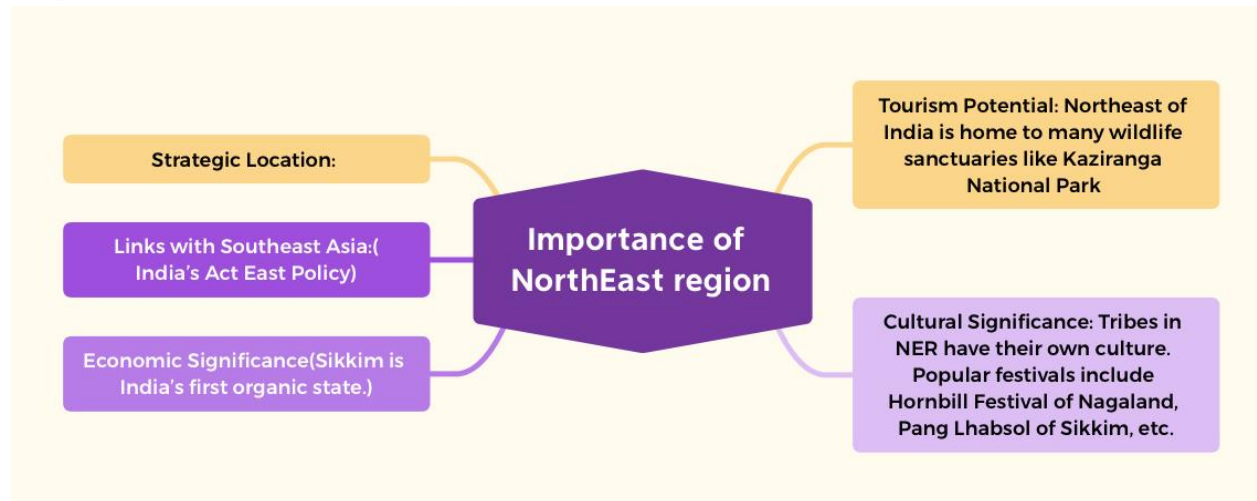
- The Sixth Schedule was **India's first administrative instrument for undivided Assam's tribal belt.**
- **Formation of Autonomous District Councils:** The Schedules **mandated the formation of Autonomous District Councils in which, among others, tribal customary laws were given legitimacy.**
- **Naga Hills refused the Sixth Schedule:** The Naga Hills refused the Sixth Schedule and would have nothing less than sovereignty.
 - A powerful insurgency resulted, and in its wake, AFSPA, with sweeping powers given to the armed forces.
- **Merger of Naga Hills:** As an overture of pacification, the **Naga Hills district was merged with the adjacent Mon and Tuensang subdivision of the North Eastern Frontier Agency (NEFA), or today's Arunachal Pradesh, to form a separate Nagaland State in 1963.**
 - Naga insurgency, however, raged on in different avatars.
- **Bifurcation of autonomous regions:** In **1972, most of these autonomous regions were bifurcated from Assam.**
 - **Meghalaya became a State, while Arunachal Pradesh and Mizoram were made Union Territories.**
 - The latter two were upgraded to States in 1987.
 - Tripura and Manipur, which were made Part-C States after merger with India in 1949, were also upgraded to States in 1972.
- **Mongolian Fringe:** The hegemonic suspicion of the Indian state of the "**Mongolian Fringe**", and reciprocal fear of the latter of being forced out of

their traditional worlds to be overwhelmed by a cultural and population deluge from the mainstream, persisted.

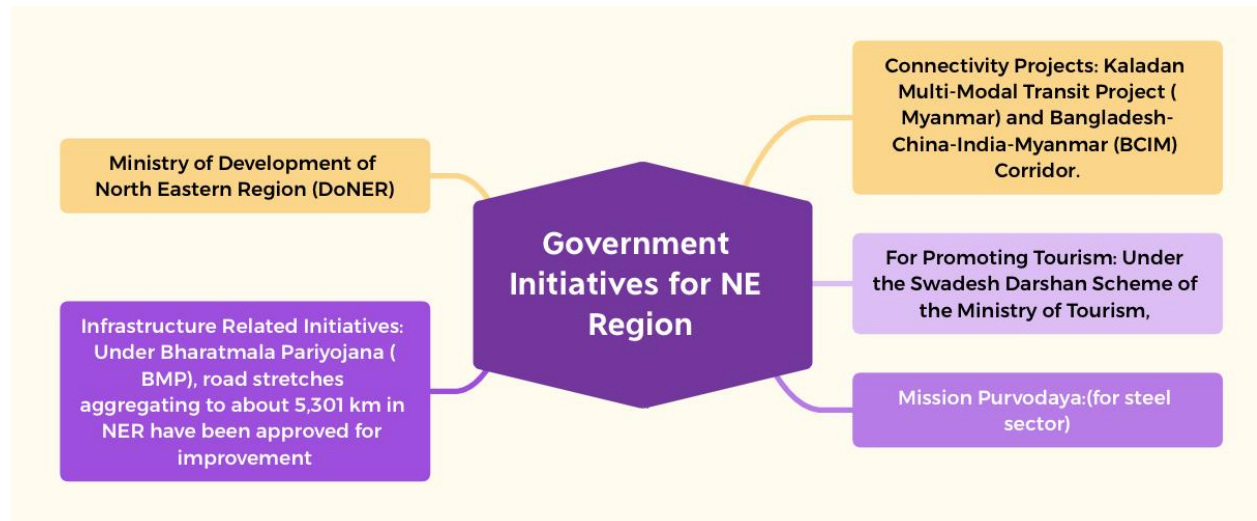
Inclusion by accommodation:

- ***National identity and nationalism:*** India gained confidence and shed its insecurities of further balkanisation after its traumatic Partition experience, the outlook towards national identity and nationalism underwent moderations, ***inclining towards a constitutional definition of these understandings rather than it being cultural.***
- ***National integration:*** It came to be more about the mainstream ***broadening to accommodate all other streams within the national territory, rather than requiring the latter to leave their streams to join the mainstream.***
- ***North Eastern Council (NEC):*** This institution was ***founded in 1971 as an advisory body.***
 - Initially, its members were ***Governors of the Northeast States***, thereby remaining as the ears and eyes of the Center.
 - Its original pledge too ***made security the primary concern.***
 - In ***2002, the act that brought NEC to life was amended.***
 - From an advisory role, it became an infrastructure planning body for the region.
 - ***Sikkim was also brought into its fold.***
 - ***Significantly, its executive structure expanded to include Chief Ministers of these States, linking it to the aspirations of local electorates.***
- ***Creation of DoNER:*** DoNER was created by the Union Government in 2001, and in ***2004 it was upgraded to a full-fledged Ministry.***
- ***Look East Policy:*** The paranoid suspicion of a ***“foreign hand” too has all but disappeared, and, earlier, in 1991, India’s Look East Policy was born with the stated objective of linking the Northeast with the vibrant economies of SouthEast Asia.***
- ***Protected area regime relaxed:*** In 2010, a protected area regime that had restricted visits to ***Nagaland, Manipur and Mizoram by foreigners was relaxed.***
- ***Repeal or humanize AFSPA:*** Although unsuccessful, there was even a judicial commission constituted in 2004 to recommend a way to repeal or else “humanize” AFSPA.

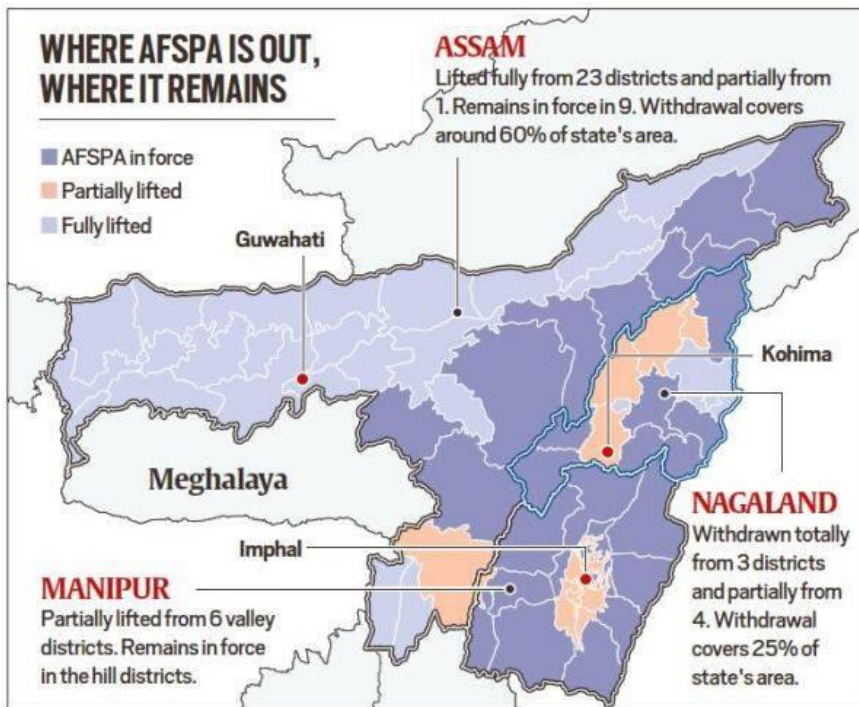
Importance of NorthEast Region:



Government Initiatives for NE Region:



Armed Forces Special Powers Act (AFSPA), 1958:



- AFSPA gives sweeping powers to the armed forces.
- For example, it allows them to ***open fire, even causing death, against any person in contravention to the law or carrying arms and ammunition.***
- Also, it gives them ***powers to arrest individuals without warrants, on the basis of "reasonable suspicion", and search premises without warrants.***
- It can be ***imposed by the Center or the Governor of a state, on the state or parts of it, after these areas are declared "disturbed" under Section 3.***
- The Act was ***amended in 1972*** and the powers to declare an area as "disturbed" were conferred concurrently upon the Central government along with the States.
- Currently, the ***Union Home Ministry issues periodic "disturbed area" notification to extend AFSPA only for Nagaland and Arunachal Pradesh.***
- The ***notification for Manipur and Assam is issued by the State governments.***
- ***Tripura revoked the Act in 2015 and Meghalaya was under AFSPA for 27 years, until it was revoked by the MHA from 1st April 2018.***

Sixth Schedule:

- It protects ***tribal populations and provides autonomy to the communities through creation of autonomous development councils that can frame laws on land, public health, agriculture and others.***
- As of now, ***10 autonomous councils exist in Assam, Meghalaya, Tripura and Mizoram.***
- This special provision is provided under ***Article 244(2) and Article 275(1)***

of the Constitution.

- The ***governor is empowered to organize and reorganize the autonomous districts.***
- If there are different tribes in an autonomous district, ***the governor can divide the district into several autonomous regions.***

Way Forward

- ***Links with Southeast Asia:*** With [Association of Southeast Asian Nations \(ASEAN\)](#) engagement becoming a central pillar of India's foreign policy direction, ***North-East states play an important role as the physical bridge between India and Southeast Asia.***
 - The ***India's Act East Policy places the northeastern states on the territorial frontier of India's eastward engagement.***
- ***Economic Significance:*** North-East has ***immense natural resources, accounting for around 34% of the country's water resources and almost 40% of India's hydropower potential.***
 - ***Sikkim is India's first organic state.***
- ***National and international borders:*** India's North East is surrounded by national and international borders, so, ***national and international infrastructure development will be the best choice for inclusive development in India's Northeast.***
- ***Thwarting secessionist movements:*** Investing in infrastructure would generate employment and would play a major role in thwarting secessionist movements in the North-East region.
- ***Peace negotiation:*** A peace negotiation has been in progress for the last 25 years, and the hope is that this would culminate in a lasting settlement.

QUESTION FOR PRACTICE

Q. Cross-border movement of insurgents is only one of the several security challenges facing the policing of the border in North-East India. Examine the various challenges currently emanating across the India-Myanmar border. Also discuss the steps to counter the challenges.(UPSC 2019)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

A new global vision for G20

[Source: The Hindu.](#)

- **Prelims:** Current events of international importance, G20, G7 etc.
- **Mains GS Paper II:** Significance of G20 countries, Bilateral, regional and global grouping and agreements involving India or affecting India's interests.

ARTICLE HIGHLIGHTS

- The **17th G20 Heads of State and Government Summit** is in November in **Bali**. After Indonesia, **India will assume the presidency of G20 from December 2022.**
- While India has taken a clear view of the role of the G20, **there is concern that the agenda, themes and focus areas which India will set for 2023 lack vision.**
- According to the **Ministry of External Affairs, in 190 meetings**, India will strengthen international support for priorities of vital importance to developing countries in **diverse social and economic sectors, ranging from energy, agriculture, trade, digital economy, health and environment to employment, tourism, anti-corruption and women empowerment, including in focus areas that impact the most vulnerable and disadvantaged.**



INSIGHTS ON THE ISSUE

Context

G20:

- The G20 is an informal group of **19 countries and the European Union, with representatives of the International Monetary Fund and the World Bank.**
- The G20 membership comprises a mix of the world's largest advanced and emerging economies, representing about two-thirds of the world's population, **85% of global gross domestic product, 80% of global investment and over 75% of global trade.**

Origin:

- **1997-1999 ASIAN Financial Crisis:** This was a ministerial-level forum which emerged after G7 invited both developed and developing economies. The **finance ministers and central bank governors began meeting in 1999.**
- Amid the 2008 Financial Crisis the world saw the need for a new consensus building at the highest political level. It was decided that the G20 leaders would begin meeting once annually.
- To help prepare these summits, the **G20 finance ministers and central bank governors continue to meet on their own twice a year.**
- They meet at the same time as the **International Monetary Fund and The World Bank.**

How does the G20 Works?

- The working of G20 is divided into two tracks:
 - **The finance track:** It comprises all meetings with G20 finance ministers and central bank governors and their deputies.
 - Meeting several times throughout the year they focus on monetary and fiscal issues, financial regulations, etc.
 - **The Sherpa track:** It focuses on broader issues such as **political engagement, anti-corruption, development, energy, etc.**
 - Each G20 country is represented by its Sherpa; who plans, guides, implements, etc. on behalf of the leader of their respective country.

Structure and Functioning of G20:

- The G20 Presidency rotates annually according to a system that ensures a regional balance over time.

- For the selection of the presidency, the **19 countries are divided into 5 groups, each having no more than 4 countries**. The presidency rotates between each group.
- Every year the G20 selects a country from another group to be president.
 - **India is in Group 2 which also has Russia, South Africa, and Turkey.**
- **The G20 does not have a permanent secretariat or Headquarters**. Instead, the G20 president is responsible for bringing together the G20 agenda in consultation with other members and in response to developments in the global economy.
- **TROIKA**: Every year when a new country takes on the presidency, **it works hand in hand with the previous presidency and the next presidency and this is collectively known as TROIKA. This ensures continuity and consistency of the group's agenda.**

The work of G20 members is supported by several international organizations:

- They provide policy advice.
- These organizations include:
 - **The Financial Stability Board (FSB). The FSB, which was established by G20 leaders following the onset of the global financial crisis,**
 - **The International Labour Organization (ILO).**
 - **The International Monetary Fund (IMF).**
 - **The Organization for Economic Co-operation and Development (OECD)**
 - **United Nations (UN)**
 - **World Bank**
 - **The World Trade Organization (WTO)**

Why it is Collaboration not commitment:

- **Multilateralism**: The fractured world makes trade-offs, the essence of current multilateralism, difficult and suggests a new model of international cooperation.
- **Multilateral commitments on aid and trade are faltering**: Governance in a world that is steadily becoming more equal needs institutional innovation.
 - This is because the role of the **United Nations and the World Trade Organization in securing cooperation between donor and recipient country groups is losing centrality.**

- There are now three socio-economic systems — the *G7, China-Russia, and India and the others* — and they will jointly set the global agenda.
- **Reluctance to take sides: Ukraine's long shadow, rival finance, the expanding influence of the trade and value chains dominated by the U.S. and China, and the reluctance of developing countries to take sides** in the strategic competition as they have a real choice requires fresh thinking on the nature and form of collaboration from the G20.
- **The primary role of the G20:** which accounts *for 95% of the world's patents, 85% of global GDP, 75% of international trade and 65% of the world population, needs to be reoriented to prevent a clash of ideas to the detriment of the global good.*
 - *The solution lies in a new conceptual model seeking agreement on an agenda limited to principles rather than long negotiated anodyne text.*

Common concerns:

- **Expansion of unity to other areas:** The presumed equality that we are all in the same boat, recognised in the case of climate change, needs to be expanded to other areas with a global impact redefining 'common concerns'.
- **Source of solutions to shared problems:** Emerging economies are no longer to be considered the source of problems needing external solutions but source of solutions to shared problems.
- **BRICS model:** The BRICS provides an appropriate model for governance institutions suitable for the *21st century where a narrow group of states dominated by one power will not shape the agenda.*

Present global challenges that need to be addressed:



Solutions:

- ***Vienna Declaration:*** The starting point should be building on the *global consensus in the Vienna Declaration on Human Rights 1993 reaffirming the indivisibility of all human rights.*
 - There is a growing recognition of economic and social rights — for example, in the *2030 Agenda for Sustainable Development. Ensuring adequate food, housing, education, health, water and sanitation and work for all should guide international cooperation.*
- ***Common but differentiated responsibilities:*** Principles of common but differentiated responsibilities for *improving the quality of life of all households can guide deliberations in other fora on problems that seem intractable in multilateralism based on trade and aid.*
- ***Economic diversification:*** The global agenda has been tilted towards investment, *whereas science and technology are the driving force for economic diversification, sustainably urbanizing the world, and ushering the hydrogen economy and new crop varieties as the answer to both human well-being and global climate changes.*
 - Innovation supports dematerialising production and consumption and moving towards renewable sources of energy.
- ***Employment and environment:*** A forum to exchange experiences on societal benefits and growth as complementary goals would lead to fresh thinking on employment and environment.
- ***Digital-information-technology revolution:*** Harnessing the potential of the digital-information-technology revolution requires redefining digital access

as a “*universal service*” that goes beyond physical connectivity to sharing specific opportunities available.

- **Open access software:** For global society to reap the fruits of the new set of network technologies, *open access software should be offered for more cost-effective service delivery options, good governance and sustainable development.*
- **Solution through use of space:** Space is the next frontier for finding solutions to problems of natural resource management ranging *from climate change-related natural disasters, supporting agricultural innovation to urban and infrastructure planning.*
 - Analyzing *Earth observation data* will require regional and international collaboration through existing centers which have *massive computing capacities, machine learning and artificial intelligence.*
 - *Open access to geospatial data, data products and services and lower costs of geospatial information technology facilities do not require huge financial resources.*
- **Focus on public health:** Public health has to learn from the COVID-19 fiasco with *infectious diseases representing a market failure.*
 - A major global challenge is the rapidly growing antimicrobial resistance which needs new antibiotics and collaboration between existing biotechnology facilities.

Way Forward

- **Avoiding strategic competition:** Overriding priority to development suggests avoiding strategic competition.
 - Countries in the region *will support building on the 1971 UNGA Declaration designating for all time the Indian Ocean as a zone of peace and non-extension into the region of rivalries and conflicts that are foreign to it.*
- **Review of Global Financial Transaction Tax:** A Global Financial Transaction Tax, considered by the G20 in 2011, needs to be revived to be *paid to a Green Technology Fund for Least Developed Countries.*
- **Use of G20 platform by India:** As a founding member of the G20, India has used the platform to raise issues of vital importance and those that impact on the most vulnerable around the world.

- **Strengthening partnership:** The G20 must strengthen the partnership with international organizations such as the *IMF, the OECD, the WHO, the World Bank and the WTO, and delegate them the task of monitoring progress.*
- **International Institute for Regulatory Development (IIRD):** Upcoming G20 meet is an opportunity for India to initiate the reshaping of the global regulatory construct through the establishment of an *International Institute for Regulatory Development (IIRD)*. India can be a torchbearer for a new regulatory framework.
- **Collaboration on S&T:** India should seek collaboration on limited focus areas *around science and technology, building on resolutions of the United Nations General Assembly (UNGA) and other multilateral bodies.*

QUESTION FOR PRACTICE

Q. The long sustained image of India as a leader of the oppressed and marginalized nations has disappeared on account of its new found role in the emerging global order.' Elaborate(UPSC 2019)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Heading the G20 and New Delhi's choices

Source: The Hindu.

- **Prelims:** Current events of international importance, G20, G7 etc.
- **Mains GS Paper II:** Significance of G20 countries, Bilateral, regional and global grouping and agreements involving India or affecting India's interests.

ARTICLE HIGHLIGHTS

- India will assume for the first time the *Group of 20 (G20) year-long presidency from December 1, 2022 to November 30, 2023*, culminating with the G20 Summit in India in 2023.
- India has hosted large *international conferences* such as the *Non-Aligned Movement (NAM) summit in 1983* and the *Third India-Africa Forum summit in 2015*

INSIGHTS ON THE ISSUE

Context

Importance:

- **Recommendations to its own members:** It is an advisory body, not a treaty-based forum and, therefore, its decisions are recommendations to its own members.
- **Representations of important international institutions:** The representation of the *United Nations, the World Bank, the International Monetary Fund, the World Trade Organization, the World Health Organization*, and other multilateral institutions in it makes the G20 an incomparable body.
- **Financial and economic challenges:** The G20 has played a vital role in addressing financial and economic challenges such as the *global financial crisis of 2008-09 and the Eurozone crisis of 2010*.

Complexities:

- **Existential crisis:** The forum is faced with an existential crisis, where the major powers have fallen out.
 - It makes the task of the presidency much more complicated, as the current *president (Indonesia)* is discovering.
- **Impact on 2022 Bali Summit:** The disastrous impact of the *novel coronavirus pandemic, the war in Ukraine, India-China border tensions, EU/U.S.-Russia hostility*, and deteriorating U.S.-China relations are already visible in the run-up to the 2022 Bali summit where all G20 leaders may not be sitting physically in the same room.

India's choices:

- **Vaccine aid and diplomacy:** The G20 presidency offers a unique branding opportunity for India's recent achievements, including the ability to combat COVID-19 effectively at home and abroad through vaccine aid and diplomacy.
- **India's digital revolution:** Its steady progress in switching to renewables, meeting its targets to counter climate change, and its push for self-reliance in manufacturing and reshaping global value chains.
- **Startups:** New trends in entrepreneurship, business innovation, the rise of many start-ups as unicorns, and gender progress too need to be showcased.

- **Domestic successes:** A single-year presidency does not empower the host to change the world, but India can provide evidence of its domestic successes, ***tested at the continental scale, for global adoption.***
- **Attractive investment and tourism destination:** It can also be utilized to transform India's sub-optimal physical infrastructure to create an attractive investment and tourism destination, especially as several important **G20 meetings** will be hosted outside Delhi.
- **Global South:** Four democracies on the path to becoming powerful economic players — **Indonesia, India, Brazil, and South Africa** — hold the presidency from **December 2021 to November 2025.**
 - This offers a rare opportunity for **synergy and solidarity** to advance the interests of the developing world and to assert their combined leadership of the Global South.
- **IBSA — India, Brazil, and South Africa:** This forum, insulated from the geopolitical pressures constraining the **BRICS (where these three countries are required to work with Russia and China)**, can develop a cohesive plan to project the priority concerns of the Global South.
 - IBSA needs an urgent rejuvenation by convening an informal meeting of its top leaders, perhaps on the **sidelines of the Bali summit.**
- **Chief global diplomat:** As the G20 president, India will be obliged to take a broader view of the G20 agenda to synthesize divergent interests of all constituents of the forum:
 - **Five permanent members of the UN Security Council**
 - **The developed world united under the flag of the G7**
 - **Five members of BRICS**
 - **Other G20 members such as Argentina and Mexico.**

Way Forward

- **Multilateral cooperation:** India's mission will be not only to save the G20 but also the future of multilateral cooperation in diverse domains of the grouping's multidimensional agenda.
- **Inclusive approach:** As the president and host, India should factor in the perspectives of countries not represented in the G20.
 - India should advocate an inclusive approach, with **pragmatic and human-centric solutions to global issues.**

- **Elevating the [African Union \(AU\)](#):** An important aim should be to end Africa's marginalization by elevating the African Union (AU) from permanent observer to a full-fledged member of the G20, thus placing it on a par with the EU.
- **India-focused view:** The challenge is to combine an India-focused view, promote the vital interests of the **Global South**, and demonstrate diplomatic acumen to communicate with and reconcile the viewpoints of rival and adversarial power centers such as the **West, Russia, and China**.
- **Strengthening partnership:** The G20 must strengthen the partnership with international organizations such as the **IMF, the OECD, the WHO, the World Bank and the WTO**, and delegate them the task of monitoring progress.
- **International Institute for Regulatory Development (IIRD):** Upcoming G20 meet is an opportunity for India to initiate the reshaping of the global regulatory construct through the establishment of an **International Institute for Regulatory Development (IIRD)**. India can be a torchbearer for a new regulatory framework.

QUESTION FOR PRACTICE

Q. If the last few decades were Asia's growth story, the next few are expected to be Africa's." In the light of this statement, examine India's influence in Africa in recent years(UPSC 2021)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

This maritime partnership is still a work in progress

Source: [The Hindu](#)

Prelims: Current events of international importance(the Logistics Exchange Memorandum of Agreement (LEMOA), India-US relations, Regional forums(QUAD, East Asia Summit) etc)

Mains GS Paper II: Significance of US' Indo-Pacific strategy, Indo-Pacific Region,Free and open Indo-Pacific, International organizations.

ARTICLE HIGHLIGHTS

- The *docking of the USNS Charles Drew, a United States Navy dry cargo ship, for repairs at an Indian facility* in Chennai last week, marks an important first in the India-U.S. military relationship.
- Although bilateral strategic ties have advanced considerably over the past decade, *reciprocal repair of military vessels was still a milestone that had not been crossed.*
- With the arrival of *Charles Drew at the Larsen and Toubro (L&T) facility at the Kattupalli dockyard, India and the U.S. seem to have moved past a self-imposed restriction.*

INSIGHTS ON THE ISSUE

Context

India-U.S. bilateral relations:

- They have developed into a “*global strategic partnership*“, based on *shared democratic values and increasing convergence of interests on bilateral, regional and global issues.*
- Regular exchange of high-level political visits has provided *sustained momentum to bilateral cooperation, while the wide-ranging and ever-expanding dialogue architecture has established a long-term framework for India-U.S.*

Engagement:

- India-U.S. bilateral cooperation is broad-based and multi-sectoral:
 - *Trade and investment*
 - *Defense and security*
 - *Education*
 - *Science and technology*
 - *Cyber security*
 - *High-technology*
 - *Civil nuclear energy*
 - *Space technology and applications*
 - *Clean energy*
 - *Environment, agriculture and health*

Signs of a broader template:

- *Repair and maintenance of ships:* During the **bilateral 2+2 dialogue held in April this year**, the two countries agreed to explore the possibilities of

using *Indian shipyards for the repair and maintenance of ships of the U.S. Military Sealift Command (MSC)*.

- ***Exhaustive audit of Indian yards:*** In the weeks following that meeting, the MSC carried out an exhaustive audit of Indian yards, and ***cleared the facility at Kattupalli for the repair of U.S. military vessels.***
- ***Functional and geopolitical implications:*** The docking of a U.S. military vessel at an Indian facility has both functional and geopolitical implications.
 - ***Functionally, it signals a more efficient leveraging of the [Logistics Exchange Memorandum of Agreement \(LEMOA\)](#)-the military logistics agreement India signed with the U.S. in 2017.***
- ***Reciprocal access to repair facilities at U.S. bases:*** With the arrival of a U.S. military vessel at an Indian dockyard, the template of logistics cooperation seems to have broadened.
 - There is a good possibility now that India would seek reciprocal access to repair facilities at U.S. bases in Asia and beyond.
- ***Make-in-India:*** As Indian observers see it, the presence of the *USNS Charles Drew* in an Indian dockyard is a boost for '*Atmanirbhar Bharat*' and '*Make-in-India*'.

The political signal:

Implications for India:

- ***India-U.S. partnership, and the Quadrilateral:*** Politically, the development is noteworthy, as it signals a consolidation of the ***India-U.S. partnership, and the Quadrilateral (India, Japan, Australia and the United States) Security Dialogue.***
- ***Foreign warships access to Indian facilities:*** Despite its intention to strengthen logistics exchanges among Quad members, India has desisted from offering foreign warships access to Indian facilities.
- ***Anti-China alliance:*** Notwithstanding the odd refueling of foreign warships and aircraft in Indian facilities, India's military establishment has been wary of any moves that would create the impression of an anti-China alliance.
 - Yet, ***Indian decision makers evidently are willing to be more ambitious with the India-U.S. strategic relationship.***
- ***India's [Quad partners:](#)*** India's decision to open up repair facilities for the U.S. military suggests greater Indian readiness to accommodate the maritime interests of India's Quad partners.

Implications for US:

- ***Eastern Indian Ocean:*** This is an incremental step forward in the U.S. moving to bolster its military presence in the Eastern Indian Ocean.
- ***China's military expansion:*** Recent assessments of the evolving security picture in the Indian Ocean point to the possibility of China's military expansion in the Asian littorals, holding at risk U.S. and European assets.
- ***Naval bases for friendly foreign warships:*** India's offer of repair services for U.S. military vessels could kickstart a process that would culminate in India opening up its naval bases for friendly foreign warships.
- ***India-U.S. synergy:*** At a time when India has shied away from ***backing the U.S. position in the Russia-Ukraine war, greater India-U.S. synergy in the Indian Ocean littorals could galvanize the supporters of closer bilateral ties.***
- ***Defining partnership in the Indian Ocean:*** It would revive talk about the bilateral as a defining partnership in the Indian Ocean, and of India's potential to counter China in the Indian Ocean.
- ***Optimism of observers:*** Coming on the heels of the delivery of the first two U.S. manufactured MH-60R (Multi Role Helicopters) to India (with a third craft due to arrive later this month) the visit of the USNS Charles Drew has given Indian and U.S. observers optimism.

Combined Maritime Forces (CMF) cooperation:

- ***Associate member:*** The Indian Navy has formally commenced its cooperation with the ***Bahrain-based multilateral partnership, Combined Maritime Forces (CMF), as an 'associate member'***.
 - This comes months after India had announced its intention to join the grouping in furtherance of its regional security goals.
- ***Collective responsibility:*** India's political and military leadership is seeing this as a ***demonstration of Indian commitment towards the collective responsibility of ensuring security in the shared commons.***
- ***Pakistan is a member:*** The Indian Navy, it seems, has ***stopped short of formally joining the group, of which the Pakistan Navy is a key member.***
- ***Non obligatory tasks:*** According to the CMF website, "***associate members provide the assistance that they can offer, if they have the time and capacity to do so, whilst undertaking national tasking***".
 - This is not unlike India's earlier model of cooperation, whereby the Indian Navy worked alongside CMF and other security forces in the

Western Indian Ocean on a need-to basis — all while operating independently, and under the broader banner of the United Nations.

Combined Maritime Forces (CMF):

- It is a multinational maritime partnership, which exists to uphold the Rules-Based International Order (R BIO) by ***countering illicit non-state actors on the high seas and promoting security, stability, and prosperity across approximately 3.2 million square miles of international waters, which encompass some of the world's most important shipping lanes.***

Focus:

- ***Counter-narcotics, counter-smuggling, suppressing piracy, encouraging regional cooperation, and engaging with regional and other partners to strengthen relevant capabilities in order to improve overall security and stability, and promoting a safe maritime environment free from illicit non-state actors.***
- When requested, ***CMF assets at sea will also respond to environmental and humanitarian incidents.***

GSOMIA:

- (a military information agreement) ***was the first of the foundational agreements to be signed in 2002***
- It essentially guaranteed that the two countries would protect any classified information or technology that they shared
- It was aimed at promoting interoperability and laid the foundation for future US arms sales to the country

LEMOA (logistics exchange agreement):

- It was signed in 2016
- It ***provides the framework for sharing military logistics, for example for refueling and replenishment of stores for ships or aircraft transiting through an Indian/US facility***

COMCASA (communications security agreement):

- It was signed in 2018
- ***This enables the US to supply India with its proprietary encrypted communications equipment and systems, allowing secure peacetime and wartime communications between high-level military leaders on both sides***

Basic Exchange Cooperation Agreement (BECA) signed in 2020:

- BECA will help *India get real-time access to American geospatial intelligence that will enhance the accuracy of automated systems and weapons like missiles and armed drones.*
- Through the *sharing of information on maps and satellite images, it will help India access topographical and aeronautical data, and advanced products that will aid in navigation and targeting*

Way Forward

- **Limited to cargo ships:** The agreement with India for the repair of U.S. military vessels is limited to cargo ships.
 - *U.S. decision makers are unlikely to seek Indian facilities for repair and replenishment of U.S. destroyers and frigates in the near future until India is clear about the need for strategic cooperation with the U.S. Navy.*
- **Navy-to-navy ties:** The India-U.S. maritime relationship remains a work in progress. There has doubtless been some movement ahead, but it is far from clear *whether navy-to-navy ties are headed towards a wide-ranging and comprehensive partnership in the Indian Ocean littorals.*
- **Diplomatic maneuvering and economic and military assertion:** Appropriate diplomatic maneuvering and economic and military assertion is vital for the implementation of India's interests in the region along with leveraging the space as a building block for a multipolar world order.

QUESTION FOR PRACTICE

Q. What is the significance of Indo-US deals over Indo-Russian defense deals?

Discuss with reference to stability in the Indo-Pacific region(UPSC 2020)

(200 WORDS, 10 MARKS)

Q. The USA is facing an existential threat in the form of China, that is much more challenging than the erstwhile Soviet Union." Explain.(UPSC 2021)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

A tale of Putin and Xi

[Source: The Indian Express](#)

- **Prelims:** Current events of international importance(Indo-China relations, India Russia) China-Russia etc
- **Mains GS Paper II:** Multipolar World, Bilateral, regional and global grouping involving India or Affecting India's interest etc

ARTICLE HIGHLIGHTS

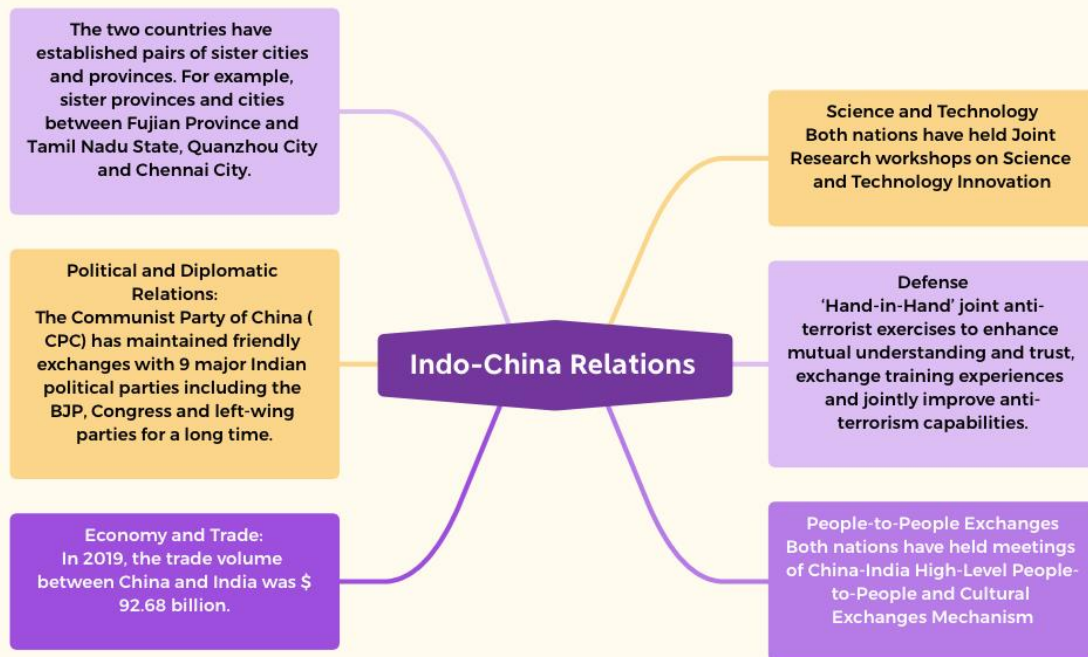
- India wishes to sit on top of the mountain to watch the tigers fight.” *Chinese scholar reviewing India's approach to the unfolding conflict in Taiwan.*
 - India will be a major beneficiary if the US can contain China in East Asia and the Western Pacific.



INSIGHTS ON THE ISSUE

Context

China-India Cooperation:



India's support for China:

- **Asian century:** India's enduring illusion of building an "*Asian Century*" in partnership with China.
- **Engagement with China:** At a time when China was isolated in Asia and the world in the *1950s and 1960s*, India campaigned with the rest of the world to engage with China.
- **Bandung 1955:** It sought to serenade China before a skeptical Asian audience at Bandung in 1955.
- **UNSC membership:** Delhi also insisted that Beijing is the rightful owner of a *permanent seat in the United Nations Security Council*.
- **China first strategy:** India pursued for long a "*China-first strategy*" despite persistent evidence that India's contradictions with China are structural and not amenable to easy resolution.

Concerns for China:

- **Reduced attention towards Indian Ocean:** China's preoccupation with the East China Sea, the Taiwan Straits and the South China Sea", *will reduce Beijing's "attention toward the Indian Ocean"*.

- **Consolidation of advantage in South Asia:** India can take this opportunity to strengthen its maritime power and consolidate its advantages in South Asia and the Indian Ocean region.”
- **Strategic opportunities for India:** That China’s problems on its eastern frontier would open up strategic opportunities for India

Engagement with India:

- **Accommodative of India’s concerns:** There is also an Indian flip side to Liu’s argument — a China locked in a conflict with the US might be more accommodative of India’s concerns.
 - This too has been a persistent but unrealised hope in Delhi.
- **Bilateral dispute:** India’s problems with China have less to do with the US policies in Asia, but everything to do with their intractable bilateral disputes.

Chinese ambitions:

- **Chinese ambitions in the Indian Ocean:** China’s growing problems in the Western Pacific over the last decade have not seen any diminution of Chinese ambitions in the Indian Ocean.
- **Two-ocean strategy:** China now has the political will, economic muscle, and growing naval capability to pursue a two-ocean strategy.
- **Growing power gap:** Sino-US relations have oscillate wildly in the last 75 years, but that has had little impact on the resolution of the clash of Chinese and Indian territorial nationalisms.
 - That problem has been worsened by the growing power gap between Beijing and its neighbours, including India.
- **Historical claims:** China is convinced it now has the power to redeem its historic territorial claims vis a vis India and other Asian neighbours.
- **Asian power balance:** Beijing also believes that the West is in terminal decline and the changing Asian balance of power allows China to set the terms of engagement with the US in its own favour.

Putin and Xi-Jinping:

- **Alliance without limits:** Russia seems to share this assumption with China and the two have now proclaimed an alliance without limits.
- **Weakened west:** Like Xi Jinping, Vladimir Putin has bet that a weakened West will be unable to stop the Russian attempt to restructure the European security order.

- **Political genius:** Both Putin and Xi have been hailed for their great “political genius”.
 - But both of them may have overestimated their own power and underestimated the resilience of the West.

Issues arising out of their policies:

- **Finland and Sweden joining NATO:** In Europe, the Russian aggression has compelled Finland and Sweden to join the US-led NATO.
 - Putin has also put an end to Germany’s neutralist temptations.
- **Japan’s alliance with US:** In Asia, Japan has embarked on its own rearmament and is strengthening its alliance with the United States and is eager to build regional coalitions against China.
- **Geopolitical ambitions:** Unrealistic external calculus and an authoritarian political bubble at home have seen Putin and Xi squander their national gains over the last three decades.
 - The costs of overweening geopolitical ambitions in Moscow and Beijing are just coming into sharp relief.

Way Forward

- **Westernizers:** Although it is widely assumed that Putin and Xi are now rulers for life, it is unrealistic to ignore the pro-Western tendencies so deeply rooted in modern Russian and Chinese political tradition.
 - “Westernizers” in Moscow and Beijing may be down right now, but they have not disappeared.
- **Managing turbulence:** India must find its own way to manage the current turbulence in the triangular relationship between Washington, Moscow, and Beijing.
- **Navigating the current dynamics:** A better appreciation of past errors in misjudging the frequent shifts in great power relations should help Delhi more adroitly navigate the current dynamic.
- **Positional play:** The discourse on India’s current diplomacy focuses on Delhi’s “positional play” among the great powers.
 - But there is no mistaking the essential “strategic play” that must guide India in the coming years — reducing the power gap with China,

building the capacity to deter Beijing's aggressive actions on its land and maritime frontiers, and rebalancing the Indo-Pacific.

- **Old alliances:** Rather than sharpen the contradiction between the US and its regional allies, Russian and Chinese actions have helped consolidate old alliances and gave birth to new security coalitions.

QUESTION FOR PRACTICE

Q. The USA is facing an existential threat in the form of China, that is much more challenging than the erstwhile Soviet Union." Explain.(UPSC 2021)

(200 WORDS, 10 MARKS)

Q. With the expanding influence of China, other Asian countries are also seeking to diversify its security partnerships. Discuss.

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

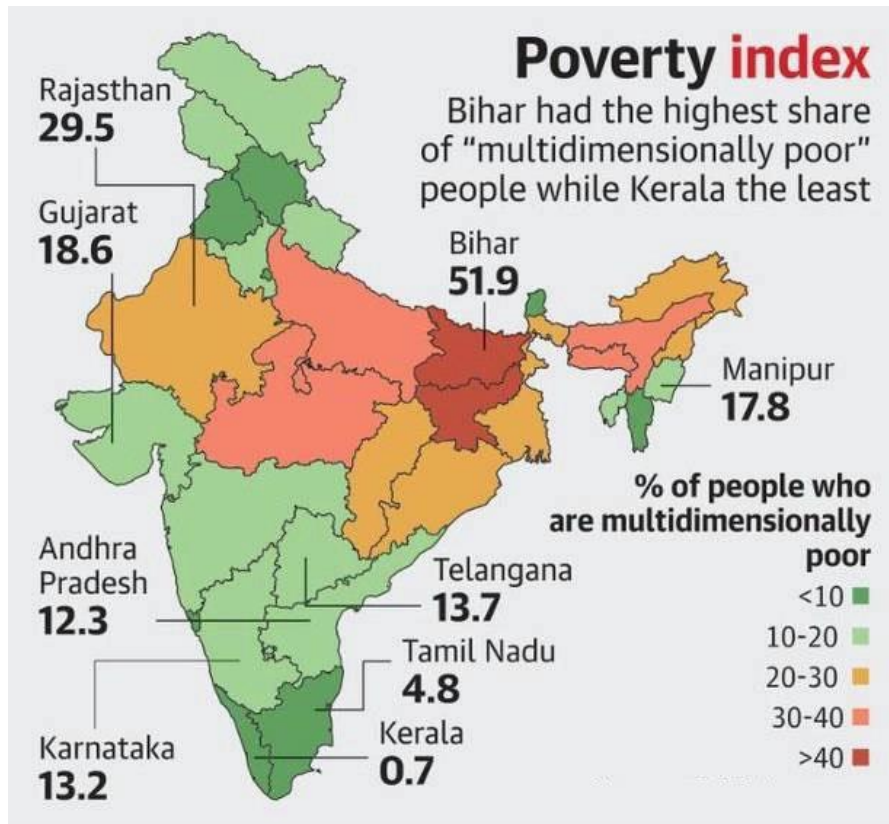
Survey data on poverty and broad policy pointers

Source: The Hindu

- **Prelims:** Current events of national importance(Different social service Schemes, MPI)
- **Mains GS Paper I & II:** Social empowerment, development and management of social sectors/services related to Health, poverty and hunger etc

ARTICLE HIGHLIGHTS

- Based on *multidimensional poverty measurement, the Poverty Ratio (Head Count Ratio) in Tamil Nadu declined from 4.89% in 2015-16 to 1.57% in 2020-21, based on the fourth and fifth rounds of the National Family Health Survey (NFHS) data.*
- *NITI Aayog, armed with a fairly large sample survey data of NFHS 4 (with more than six lakh households in India), estimated the Multidimensional Poverty Index (MPI) and published the baseline report in 2021.*



INSIGHTS ON THE ISSUE

Context

National Family Health Survey (NFHS)

- It is a large-scale, **multi-round survey** conducted in a representative sample of households throughout India.
- It comprises detailed information on **key domains**:

1. Population

2. Health

3. Family Welfare

- **Associated domains:**

1. Characteristics of the population

2. Fertility

3. Family planning

4. Infant and Child mortality

5. Maternal and Child health

6. Nutrition and Anemia

7. Morbidity and Healthcare

8. Women's Empowerment etc.

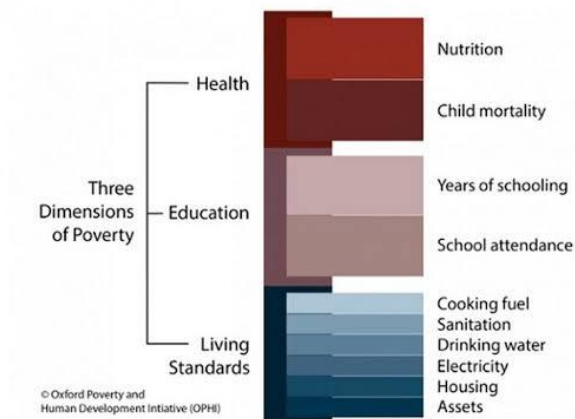
- It also provides data by *socio-economic* and other background characteristics which are useful for *policy formulation* and effective *programme implementation*.
- The main objective of *successive rounds of the NFHS has been due to its reliable and comparable data relating to health and family welfare and other socio-economic emerging areas in India*.

NFHS-5 Report:

- The NFHS-5 National Report lists progress from *NFHS-4 (2015-16) to NFHS-5 (2019-21)*.
- The scope of NFHS-5 was expanded by adding new dimensions in the earlier round of the survey (NFHS-4) such as:
 1. *Death registration*
 2. *Pre-school education*
 3. *Expanded domains of child immunization*
 4. *Components of micro-nutrients to children*
 5. *Menstrual hygiene*
 6. *Frequency of alcohol and tobacco use*
 7. *Additional components of Non-Communicable Diseases (NCDs)*
 8. *Expanded age range for measuring hypertension*
 9. *Diabetes among all aged 15 years and above*.
- It provides information on important indicators which are helpful in tracking the progress of *Sustainable Development Goals (SDGs)* in the country.

Multidimensional Poverty Index (MPI) by NITI Ayog:

What does the global MPI measure?



- NITI Aayog, armed with a fairly large sample survey data of NFHS 4 (with more than six lakh households in India), estimated the Multidimensional Poverty Index (MPI) and published the baseline report in 2021.
- The MPI is a product of:
 - *Head Count Ratio*
 - *Intensity of Poverty.*
- **Poverty is the outcome of simultaneous deprivations in multiple functions:**
The rationale for the MPI was derived from the concept that poverty is the outcome of simultaneous deprivations in multiple functions such as:
 - *attainments in health*
 - *education*
 - *standard of living.*
- **Weighted average across 12 indicators:** The [NITI Aayog](#) identified 12 indicators in these three sectors and calculated the weighted average of deprivations in each of these **12 indicators for all men and women surveyed in NFHS 4.**
 - If an individual's aggregate ***weighted deprivation score was more than 0.33, they were considered multidimensionally poor.***
 - The proportion of the **population with a deprivation score greater than 0.33 to the total population is defined as the Poverty Ratio or Head Count Ratio.**
- **Estimation of the Intensity of Poverty:** This is the weighted-average deprivation score of the multidimensionally poor.
 - For instance, ***the Intensity of Poverty in Tamil Nadu declined from 39.97% to 38.78% during this period, indicating that the summary measure of multiple deprivations of the poor has only marginally declined in these five years, and has to be underlined for policy focus.***
- **Greater decline in Head Count Ratio compared to Intensity of Poverty:** The MPI for Tamil Nadu ***declined from 0.020 to 0.006.***
 - This sharp decline in MPI is largely due to a ***greater decline in Head Count Ratio compared to Intensity of Poverty.***
 - This gives a clue that any ***further decline in MPI in Tamil Nadu should happen only by addressing all the dimensions of poverty and reducing its intensity substantially across the State.***

Direction of intervention:

- **Overall population deprived:** The deprivation estimation also indicates that the overall population that has been identified as deprived in most of the indicators individually is higher than the population identified as multidimensionally poor.
- **Deprived severely in a few functions:** This once again reiterates the point that people may be deprived severely in a few functions, but may not be multidimensionally poor.
 - This adds another aspect of public policy intervention, i.e., **attacking poverty in Tamil Nadu should not only be multidimensional but also universal.**
 - Only this approach can address deprivations in all the indicators.
 - This will also surely and squarely reduce the Intensity of Poverty in Tamil Nadu.
- **Usefulness of the MPI:** Statistically, the **Head Count Ratio and Intensity of Poverty can be calculated for each district and segregated by gender, rural and urban, and other dimensions.**
 - Therefore, the usefulness of the MPI and its components is enormous in terms of **understanding poverty in its totality as well as the granular details that are essential for sectoral and spatial policy and programmatic interventions.**
- **Quality of survey data:** The strength of the MPI as an instrument for **data-driven public policy depends on the quality of survey data, namely the NFHS data.**

Quality of NFHS data:

- **National Sample Survey Organisation's (NSSO) sample surveys:** The National Sample Survey Organisation's (NSSO) **sample surveys have been debated among economists and statisticians, both in terms of sampling and non-sample errors, right from its initial days in the 1950s.**
- **NSSO's methodologies:** Following several review reports on the NSSO's methodologies, the **NSSO has been attempting to improve sampling design and reduce non-sampling errors, particularly with reference to recall periods for providing consumption expenditure by households.**
- **Errors in [NFHS data](#):** Demographers have written several articles on the non-sampling errors in different rounds of the NFHS data.
 - They tested, for instance:
 - **the arbitrariness in reporting the age of the dead**

- *differences in data quality between educated and uneducated respondents*
 - *data quality based on differences in time taken to complete a survey of different household types, etc.*
 - All these have serious implications *for health data such as fertility and death rates.*
- **Market-based approach:** A market-based approach to decide the data collection process is also critiqued by demographers.
- **In Tamil Nadu, the NFHS data was collected in two time periods: 8,382 households (30%) in the pre-pandemic period and 19,547 households (70%) in the post-lockdown period, aggregating to 27,929 households for the State.**
 - The *pandemic has resulted in increasing pregnancy among women below the age of 21 years, more so among teenage girls.*
 - *Death per 1,000 households surveyed increased from 118.23 to 135.01*
 - This is clear evidence of the impact of the pandemic.
- **Estimations of the Head Count Ratios for the 12 indicators:** It was found that such ratios *were lower in the post-lockdown period than in the pre-pandemic period:*
 - Leading to the inference that post-lockdown
 - The deprivation in several functionings was lower
 - Implying a lower poverty ratio as well as Intensity of Poverty.
 - In particular, *the deprivation in terms of nutrition and maternal health declined, and schooling and school attendance increased in the post-lockdown period.*
- **Increase in deprivation in nutrition and maternal health:** Substitution of dry rations for hot meals in the mid-day meal programmes and high pressures in hospitals in handling COVID-19 cases are expected to increase deprivation in nutrition and maternal health in the post-lockdown period, contrary to the decline in deprivation in nutrition and maternal health in the post-pandemic period that we derived from this database.
 - *Tamil Nadu is known to have increased enrolment and reduced the dropout rate year after year; hence, the increase in deprivation in terms of schooling should raise questions.*

Causes of Poverty:

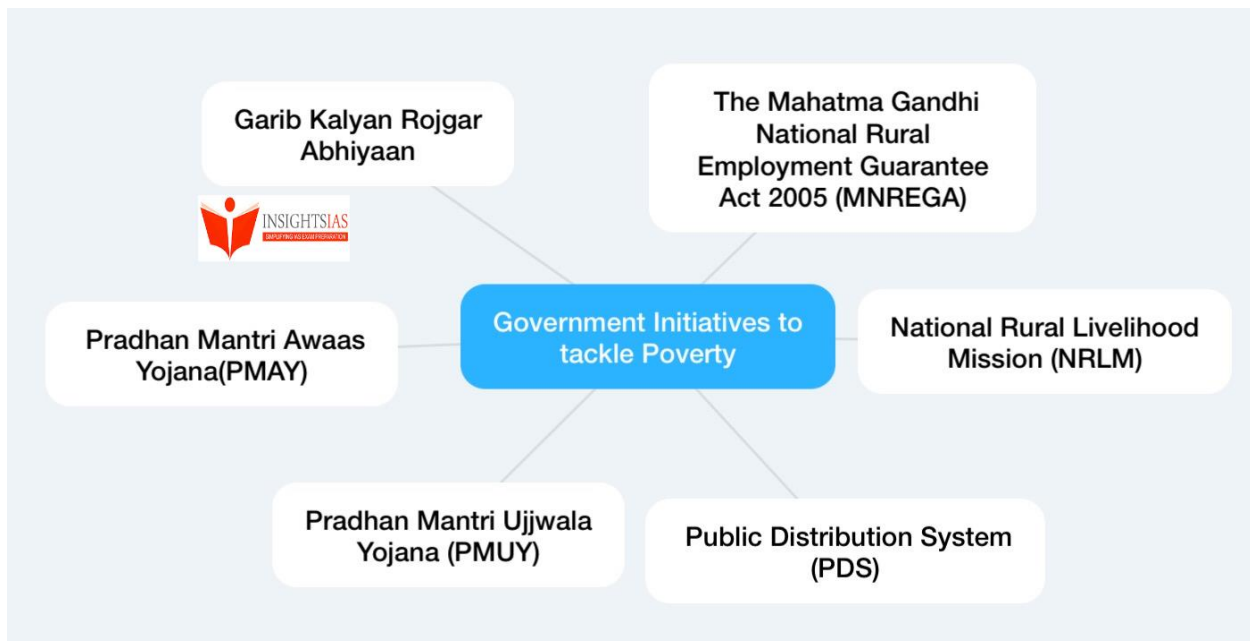


Reasons for prevalent malnutrition in India:

- **Monoculture agricultural practices:** While foodgrain production has increased over five times since Independence, it has not sufficiently addressed the issue of malnutrition.
- **Poverty:** Though poverty alone does not lead to malnutrition, it affects the availability of adequate amounts of nutritious food for the most vulnerable populations.
- **Lack of sanitation and clean drinking water:** Lack of potable water, poor sanitation, and dangerous hygiene practices increase vulnerability to infectious and water-borne diseases, which are direct causes of acute malnutrition.
- **Migration:** Seasonal migrations have long been a livelihood strategy for the poorest households in India, as a means to access food and money through casual labour.
 - However, children and women are the most affected, suffering from deprivation during migrations impacting their health condition.
- **Gender injustice:** There is a correlation between gender discrimination and poor nutrition.

- Malnourished girls become malnourished adolescents who marry early and have children who become malnourished, and so the cycle continues.
- **Lacunae at policy level:** There is a lack of real-time data that brings all these factors together to show the extent of India's malnutrition.
- **Lax implementation:** Providing nutritious food to the country's children is more a matter of political will and effective policy implementation at the grassroots level.
 - For example, the **Acute Encephalitis Syndrome (AES)** outbreak in Bihar marked the failure of the Integrated Child Development Scheme (ICDS) in the state.

Government initiatives:



Way Forward

- **Combined survey data from two different time periods:** Data separated by a major pandemic have to be approached with caution while interpreting the statistics derived from the entire database.
 - Assuming that survey data are from a single time period, **it is normal to compare the results of survey data on specific indicators, with the programmatic data derived from official records.**

- ***Address deprivations across the entire population:*** In order to reduce the Intensity of Poverty we need to address deprivations across the entire population, that is there should be a universal approach instead of a targeted approach to addressing it.
- ***Programmatic interventions should be curated with ground-level realities:*** The survey data gives us only broad policy pointers whereas programmatic interventions should be curated with ground-level realities.
 - At the same time, ***continuous engagement with survey data in terms of improving the sample design and response quality has to be sustained.***
- ***Data Analysis:*** Analyzing the data and finding the incongruence of inferences from different databases on an issue would help improve data gathering systems.
- ***Evaluate programmes:*** There should be a process to monitor and evaluate programmes and address systemic and on the ground challenges.
 - Recommend that a ***new or existing committee or the relevant standing committees meet and deliberate over effective policy decisions, monitor the implementation of schemes, and review nutritional status across States.***
- ***Planning, programmes, monitoring, training and procurement:*** There is a need to strengthen the coordination of all its aspects, focusing on planning, programmes, monitoring, training and procurement.

QUESTION FOR PRACTICE

Q. Can the vicious cycle of gender inequality, poverty and malnutrition be broken through microfinancing of women SHGs? Explain with examples.(UPSC 2021)

(200 WORDS, 10 MARKS)

Q. There needs to be engagement with survey data, but ground-level realities should shape programmatic interventions. Critically analyze.

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

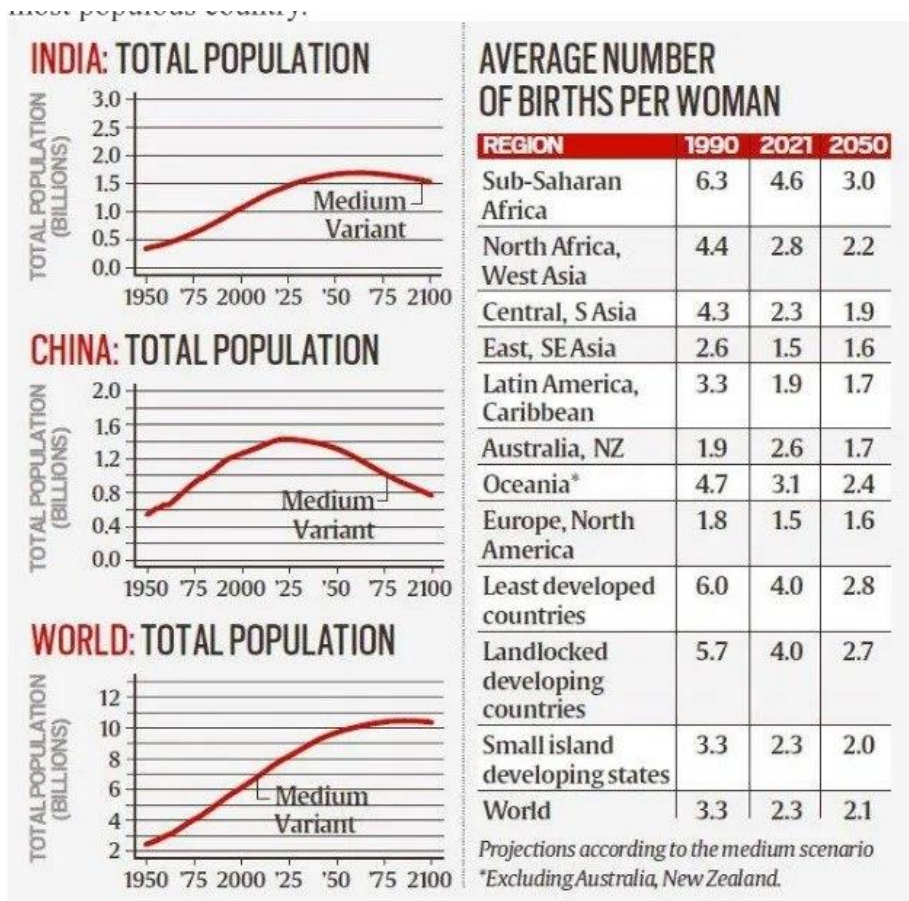
Moving policy away from population control

[Source: The Hindu](#)

- **Prelims:** Current events of national importance (Different social service Schemes, NFHS, population control)
- **Mains GS Paper I & II:** Social empowerment, development and management of social sectors/services related to Health.

ARTICLE HIGHLIGHTS

- The *United Nations' World Population Prospects (WPP), 2022, forecasts India becoming the most populous country by 2023, surpassing China, with a 140 crore population.*
- This is *four times the population India had at the time of Independence in 1947 (34 crore). Now, at the third stage of the demographic transition, and experiencing a slowing growth rate due to constant low mortality and rapidly declining fertility, India has 17.5% of the world's population.*
- As per the *latest WPP, India will reach 150 crore by 2030 and 166 crore by 2050.*
- In the *1960s, India had a population growth rate of over 2%.*
 - At the current rate of growth, this is expected to fall to 1% by 2025.
- However, there is a long way to go for the country to achieve stability in population. *This is expected to be achieved no later than 2064 and is projected to be at 170 crore (as mentioned in WPP 2022).*



Source: World Population Prospects 2022, UN Dept of Economic & Social Affairs

INSIGHTS ON THE ISSUE

Context

Key Highlights of the report:

- **China and India most populous countries:** According to *World Population Prospects 2019*, China with a 1.44 billion population and India with 1.39 billion are the two most populous countries in the world, representing 19 and 18 percent of the world's population, respectively.
- **India taking over China:** However, by around 2023, India's population will overtake China to become the most populous country with China's population projected to decrease by 31.4 million, or around 2.2 per cent, between 2019 and 2050.
- **Population to reach eight billion:** The UN forecast also stated that the world's population is expected to reach eight billion.
- **Net drop in birth rates:** While a net drop in birth rates is observed in several developing countries, more than half of the rise forecast in the world's

population in the coming decades will be concentrated in eight countries, the report said.

- Eight countries are the ***Democratic Republic of Congo, Egypt, Ethiopia, India, Nigeria, Pakistan, the Philippines and Tanzania.***
- ***Challenge to [SDGs](#):*** Many are projected to double in population ***between 2022 and 2050***, putting additional pressure on resources and posing challenges to the achievement of the ***UN's Sustainable Development Goals (SDGs).***
- ***Older age population growth:*** The population of older persons is ***increasing both in numbers and as a share of the total.***
- ***Sustained drop in fertility:*** A sustained drop in fertility has led to an ***increased concentration of the population at working ages (between 25 and 64 years), creating an opportunity for accelerated economic growth per capita.***
- ***Migration:*** International migration is having an important impact on population trends in some countries.
 - Over the next few decades, migration will be the sole driver of population growth in high-income countries.
- ***Covid-19:*** The Covid-19 pandemic has had significant demographic consequences ***affecting all components of population change, including mortality, fertility and migration.***
 - Global life expectancy fell 1.8 years between 2019 and 2021 due to excess mortality associated with the pandemic.
 - The impact of the pandemic on fertility is less clear-cut.

Population Status in India:

- ***Achieving demographic milestone:*** Last year, India reached a significant ***demographic milestone as, for the first time, its total fertility rate (TFR) slipped to two, below the replacement level fertility (2.1 children per woman), as per the National Family Health Survey.***
- ***Population momentum:*** However, even after reaching the replacement level of fertility, the population will continue to grow for ***three to four decades owing to the population momentum (large cohorts of women in their reproductive age groups).***
 - Post-Independence, in the 1950s, ***India had a TFR of six.***

- **Most states attained the fertility rate of two:** Several States have reached a **TFR of two except for Bihar, Uttar Pradesh, Jharkhand, Manipur and Meghalaya.**
- **Bottleneck problems:** All these States **face bottlenecks in achieving a low TFR.** These include:
 - **High illiteracy levels**
 - **Rampant child marriage**
 - **High levels of under-five mortality rates**
 - **Low workforce participation of women**
 - **Low contraceptive usage compared to other States.**
- **Role in economic decision:** A majority of women in these States do not have much of an economic or decisive say in their lives.
 - **Without ameliorating the status of women in society (quality of life), only lopsided development is achievable .**

Demographic dividend:

- According to [United Nations Population Fund \(UNFPA\)](#), **demographic dividend** means:
 - The economic growth potential that can result from **shifts in a population's age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older)".**
- **Growth of working age population:** In the last seven decades, the **share of the working age population has grown from 50% to 65%, resulting in a remarkable decline in the dependency ratio (number of children and elderly persons per working age population).**
- **WPP 2022 report:** As in the **WPP 2022, India will have one of the largest workforces globally, i.e., in the next 25 years, one in five working-age group persons will be living in India.**
 - This working-age bulge will keep growing till the mid-2050s, and India must make use of it.

How can India take Advantage from the Demographic Dividend?

- **Increase in Fiscal Space:** Fiscal resources can be diverted from spending on **children to investing in modern physical and human infrastructure that will increase economic sustainability of India.**

- **Rise in Workforce:** With more than *65% of the working age population, India can rise as an economic superpower, supplying more than half of Asia's potential workforce over the coming decades.*
- **Labour force:** Increase in the Labour Force that enhances the productivity of the economy.
- **Women workforce:** Rise in Women's Workforce that naturally accompanies a decline in fertility, and which can be a new source of growth.

Obstacles to harnessing this demographic dividend:

- **Absence of women in workforce:** India's labour force is constrained by the absence of women from the workforce
 - *only a fourth of women are employed.*
- **Quality of education:** The quality of educational attainments is not up to the mark
- **Lack of skills:** The country's workforce badly lacks the basic skills required for the modernized job market.
 - Having the largest population with one of the world's lowest employment rates.
- **Male-dominant sex ratio:** Another demographic concern of independent India is the *male-dominant sex ratio*.
 - *In 1951, the country had a sex ratio of 946 females per 1,000 males.*
 - *In 2011, the sex ratio was 943 females per 1,000 males; by 2022, it is expected to be approximately 950 females per 1,000 males.*
- **Global hunger index:** India stands 101 out of 116 nations in the *Global Hunger Index*.
 - This is pretty daunting for a country which has one of the most extensive welfare programmes for *food security through the Public Distribution System and the Midday Meals Scheme.*

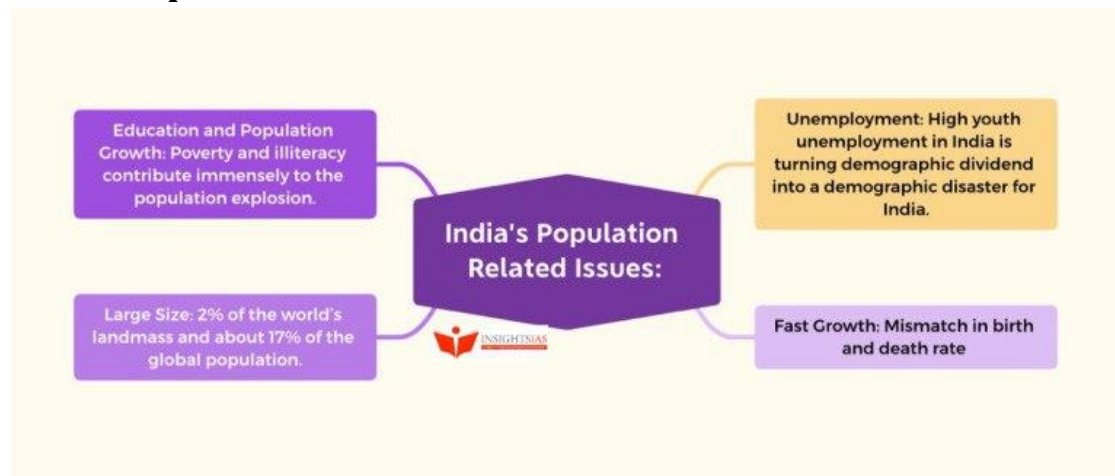
Serious health risks:

- **Rise in NCDs:** The disease pattern in the country has also seen a *tremendous shift in these 75 years*.
 - While India was fighting communicable diseases post-Independence, there has been a *transition towards non-communicable diseases (NCDs), the cause of more than 62% of total deaths.*

- **Globally leads in NCDs:** India is a global disease burden leader as the share of NCDs has almost doubled since the 1990s, which is the primary reason for worry.
 - India is home to over eight crore people with diabetes. Further, more than a quarter of global deaths due to air pollution occur in India alone.
- **Increasing ageing population:** With an increasingly ageing population in the grip of rising NCDs, India faces a serious health risk in the decades ahead.
- **Inadequate health infrastructure:** In contrast, India's health-care infrastructure is highly inadequate and inefficient.
- **Low spending on healthcare:** Additionally, India's public health financing is low, *varying between 1% and 1.5% of GDP, which is among the lowest percentages in the world.*

Population Growth	
Pros	Cons
<ul style="list-style-type: none"> ● Increased human capital ● More scope for innovation, invention and creative genius ● Economies of scale from higher population. ● Enables specialisation ● Higher population densities more efficient 	<ul style="list-style-type: none"> ● Increased pressures on natural environment ● Water shortages ● Increases pollution ● Exacerbates global warming ● More waste creation ● Congestion ● Over-use of non-renewable resources

India's Population Issues:



Way Forward

- **Advance investments in the development:** India is called a young nation, with 50% of its population below 25 years of age.
 - But the share of India's elderly population is now increasing and is expected to be 12% by 2050.
 - After 2050, the elderly population will increase sharply.
 - So, ***advance investments in the development of a robust social, financial and healthcare support system for old people is the need of the hour.***
- **Extensive investment in human capital:** The focus of action should be on extensive investment in human capital, on older adults living with dignity, and on healthy population ageing.
- **Quality education and health:** We should be prepared with suitable infrastructure, conducive social welfare schemes and massive investment in quality education and health.
- **Augmentation of the quality of life should be the priority:** The focus should not be on population control; we do not have such a severe problem now. Instead, an augmentation of the quality of life should be the priority.
- **Capacity building:** Building capacity among health workers, addressing intersectionality, engaging men in the discourse of family planning, and drafting innovative solutions through effective public and private partnerships can greatly improve access to family planning services and the overall health of our younger population.
- **Fulfilling Health Related Requirements:** More finance for health as well as better health facilities from the available funding needs to be ensured and reproductive healthcare services need to be made accessible on a rights-based approach.
- **Federal Approach for Diverse States:** A new federal approach to governance reforms for demographic dividend will need to be put in place for ***policy coordination between States on various emerging population issues such as migration, ageing, skilling, female workforce participation and urbanization.***

QUESTION FOR PRACTICE

Q. Despite Consistent experience of high growth, India still goes with the lowest indicators of human development. Examine the issues that make balanced and inclusive development elusive. (UPSC 2021)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Freebies', a judicial lead and a multi-layered issue

Source: The Hindu

- **Prelims:** Current events of national importance (freebies, welfare schemes etc)
- **Mains GS Paper II & III:** Social empowerment, schemes for vulnerable sections, development and management of social sectors/services.

ARTICLE HIGHLIGHTS

- The Prime Minister's recent comment on "**freebies**" handed out by governments has reignited the debate on the *economic rationale for granting subsidies*.
- The court noted that a *legislation banning freebies is not advisable*, but at the same time *called for a balance between welfare measures and loss to the public exchequer*.

INSIGHTS ON THE ISSUE

Context

Freebies:

- Any *public policy intervention that doesn't support medium-term to long-term production and productivity may be termed as a freebie*.
 - *Free electricity, free water, free public transportation, waiver of pending utility bills and farm loan waivers are often regarded as freebies*
 - They potentially *undermine credit culture, distort prices through cross-subsidisation eroding incentives for private investment, and disincentive work* at the current wage rate leading to a drop in labour force participation

Welfare:

- Expenditure on which brings economic benefits, such as the **public distribution system, employment guarantee schemes, states' support for education and health.**

Subsidies:

According to the **Agreement on Subsidies and Countervailing Measures (ASCM) of WTO:**

- A subsidy shall be deemed to exist if there is a **financial contribution** by a **government or any public body** where government practice involves a **direct transfer of funds (e.g., grants, loans and equity infusion)**, and/or government revenue that is otherwise due is foregone or not collected, and/or a government provides goods or services.
- **Revenue Foregone under the Central Tax System(RFCTS)(Budget 2006-07):** The **Union Budget** has provided data on direct subsidies and transfer under RFCTS, changed to "**Statement of Revenue Impact of Tax Incentives under the Central Tax System(Union Budget 2015-16 onwards)**

What is included in subsidy:

- **Income and Price support:** Subsidy can also be any form of income or price support granted by the government.
- **Taxes and charges:** It includes not only direct transfer payments by the governments but also taxes and charges that are not collected.

Policy and measures:

- **Tax policy:** It includes a range of measures that include:
 - Special tax rates
 - Exemptions
 - Deductions
 - Rebates
 - Deferrals
 - Credits
- **Tax preferences:** which are built into both **direct and indirect tax** regimes for realizing specific benefits serving the greater public good.
 - Tax preferences are considered as implicit (**indirect**) **subsidies to preferred tax payers.**

- **Income-tax Act:** It includes “*tax preferences*” to promote savings by individuals and for enhancing exports, creation of infrastructure facilities and scientific research and development by corporates.
- **Customs duty:** These concessions are intended to promote exports.

Comptroller and Auditor General of India (CAG) report in 2016:

- Revenue foregone in **2010-11 was 21% of direct tax revenue** and had **decreased to 15% in 2014-15.**
- However, a subsequent report showed that the share had climbed again to **reach 22% of tax revenue in 2019-20.**

Underinvestment:

- **Public expenditure on health:** It has struggled to cross **1.5% of GDP**, which is significantly lower than those in other major economies.
- **Public expenditure on education:** In education, the **Kothari Commission’s target set in 1966**, that public investment should be increased to “**6 percent** of the national income.
 - However, in **2021-22**, the budgetary allocation for education spending, by the Union government and the states **combined**, was far less at **3.1 percent.**
- **Expenditure on agriculture:** Low share of the country’s investment in agriculture.
 - Its share was **10% in recent years; it** has almost halved.

Subsidies:



Subsidies provided in India:



Agricultural subsidy (also called an agricultural incentive):

- It is a government incentive paid to agribusinesses, agricultural organizations and farms to supplement their *income*, manage the supply of *agricultural commodities*, and influence the cost and supply of such commodities.
- Farm subsidies form about **2 percent of India's GDP**.

Way Forward

- **Long term impact:** There is a need to identify the policies that have a long-term impact.
 - At the same time, there is a need to identify the beneficiary sets.
- **Case of Tamil Nadu:** States such as Tamil Nadu address this inequality through *social welfare measures (derided as freebies)*.
 - For example, the *TamilNadu government's free bus pass for women and Free mid-day meals (now extended to free breakfast)* have encouraged socially backward parents to send their wards to school.
 - These measures have resulted in a **higher graduate enrolment ratio for T.N. (at 52%) which is double the national average at 27% and also higher than that of the United States at 41%**.
- **Less Fiscal Space:** There is a need to be very efficient and select subsidies on goods and services as there is limited overall financial support.
- **Generating More Income:** Governments, both state and centre need to pay adequate attention to further strengthening their fiscal revenue.
- **Politicized Finance Commission:** The sole institution for fiscal devolution after abolition of the Planning Commission.
 - This only increases the dependence of States on the Union when it comes to fiscal matters.
 - Thus, the **committee recommended by the Supreme Court** will further accelerate the existing mistrust States have with the Union.

- **India as union of states under article 1:** By recommending a central committee, the step will not only be *counter productive to the economic freedom of the States but also to the 'Idea of India' as a 'Union of States' — as highlighted in Article 1 of the Constitution of India.*

QUESTION FOR PRACTICE

Q. How do subsidies affect the cropping pattern, crop diversity and economy of farmers? What is the significance of crop insurance, minimum support price and food processing for small and marginal farmers?(UPSC 2017)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

End this asymmetrical conflict over 'freebies'

Source: The Hindu

- **Prelims:** Current events of national importance(freebies, welfare schemes etc)
- **Mains GS Paper II & III:** Social empowerment, schemes for vulnerable sections, development and management of social sectors/services.

ARTICLE HIGHLIGHTS

- The **Supreme Court of India** on August 3, 2022, recommended constituting an *expert committee comprising representatives of the beneficiaries, Union and State governments, the Finance Commission, NITI Aayog and the Reserve Bank of India to study the issue of 'freebies'.*
- The court noted that a *legislation banning freebies is not advisable*, but at the same time *called for a balance between welfare measures and loss to the public exchequer.*

INSIGHTS ON THE ISSUE

Context

Is India spending too much on welfare or freebies?

- **Declining spending on social sector:** Studies, especially by the **Reserve Bank of India (Study on State Finances)**, have shown that from 2014 onwards, *the*

social sector expenditure at the State level has been declining even after States were given more resources.

- **Health and education:** The allocation to the health and education sectors by the States is declining.
- **The Reserve Bank of India report:** two months ago brought to light the fiscal situation of the States.
 - At least five States are going to see fiscal pressure.
- **Low spending on welfare schemes:** Welfare spending in India is woefully low.
 - It is low in comparison to other developing countries – some years ago, public *spending on health and education was 4.7% in India, compared to 7% in sub-Saharan Africa.*

Trickle down economics:

- **Reagan tax cuts, or Reaganomics:** In the *Reagan tax cuts, or Reaganomics*, associated with *'Trickle down economics'* there was a *maximum cut given to higher income earners and corporations* in the expectation that any benefit provided at the top would *trickle down to the poor in the form of job creation, higher output, and infrastructure development.*
 - While *'trickle down' yielded some positive results, it also widened inequality, diminished inclusive growth.*
- **Trickle down schemes in India:** In India, neo-liberal schemes of the post-1990s such as:
 - *Special Economic Zones (SEZs)*
 - *Software Technology Parks of India (STPI)*
 - *BioTechnology Parks (BTP), (where there were incentives in the form of tax holidays, subsidized power, and waiver of stamp duty)*
 - *The cut in the corporate tax from 30% to 18%.*
- **World Inequality Report 2022:** However, the World Inequality Report 2022 says that the *top 1% of India held 22% of the total national income as of 2021, and the top 10% owned 57% of the income.*
- **'Wealth Inequality, Class and Caste in India, 1961-2012':** In another instance, a research paper, *'Wealth Inequality, Class and Caste in India, 1961-2012'*, states that *India's upper caste households earned nearly 47% more than the national average annual household income, thus making India one of the most economically and socially stratified countries in the world.*

- **Corporate boards and MSMEs:** Further, **93% of the top corporate board members and 61.8% of micro, small and medium enterprises (MSME) are owned by upper castes (MSME data March 31, 2022).**

Differential tax burden:

- **Indirect taxes:** The Union government seems to rely more on indirect taxes than direct taxes.
 - While direct taxes such as corporate taxes were slashed **from 30% to 18%**, indirect taxes have gone up manifold between 2014-21.
- **Taxes on fuel and food (rice, milk, cereal):** On which the poor spend a major portion of their income, imposing a financial burden on the poor, in turn **leading to high inflation and resulting in inequality and lower growth.**
- **Corporate tax reduction(30% to 18%):** It has resulted in a revenue **loss of ₹1.84 lakh crore to the Union government for 2019-20 and 2020-21.**
 - There is an **expected loss of ₹1 lakh crore in 2021-22**, surpassing the cost of some of the **major freebies put together (free colour TV — ₹750 crore; free bus pass for women — ₹1,250 crore; mid-day meals for children — ₹1,823 crore).**

A fiscal federal setup:

- **Cooperative federalism:** India adopts 'cooperative federalism' where the Union and State cooperate to legislate and frame policies in their respective domain.
 - Moreover, in a fiscal federal set up, States or the regions are expected to have autonomy.
- **Social welfare measures (freebies) may differ from State to State or region to region:**
 - For example, in the **desert regions of Rajasthan it could be free drinking water**
 - In **Kerala**, it could be fiscal incentives to **encourage corporates/entrepreneurs to boost industrial growth**
 - In **T.N.**, **educational/marriage assistance and a free bus pass to help girl empowerment.**

Solution:

- ***Spend more on welfare schemes:*** There is a need to spend more resources on welfare schemes
 - There's a need to keep track of allocations to the social sector.
- ***Public expenditure efficiency:*** At the same time, it is high time we started talking about public expenditure efficiency in this country.
- ***Better resources:*** We need to have a good tax framework, where you have much better resources for more social sector expenditure while also ensuring ***medium-term debt sustainability.***

How to raise taxes and engage in greater redistribution:

- ***Indirect taxes(Goods and Services Tax):*** The government is also actually looking at how to remove ***multiple tax exemptions because of the perverse incentives.***
- ***Non-tax revenues:*** there is a significant growth at the Central government level, there is a ***substantial decline at the State government level over a period of time.***
 - ***Finance Commissions*** keep providing incentives, States need to take advantage of that.
- ***Wealth tax:*** Levy a ***one-time 4% wealth tax on the wealthy, we can get revenues worth 1% of GDP.***
- ***Property tax:*** Similarly, we are raising ***0.2% of GDP through property tax, whereas the developing country average is 0.6% of GDP and in OECD countries it is 2% of GDP.***
 - So again, there is great scope to raise revenues.

Supreme Court Judgments:

- ***R.K. Garg vs Union of India (1981)and BALCO employees Union vs Union of India (2002):*** The Court held that laws relating to economic policies should be viewed with greater latitude and deference, and that the wisdom of economic policies is not subject to judicial review.
- ***S. Subramaniam Balaji vs State of Tamilnadu (2013):*** while dismissing the challenge to the much discussed free gifts schemes (colour television, mixer grinder, laptops) of the T.N. government, the Court observed that the ***distribution of gifts relates to implementation of directive principles of state policy.***

Supreme Court's suggestion to balance welfare spending and the loss that such spending may cause to the public exchequer:

- **Balance welfare spending and our fiscal concerns:** The court has mentioned the need to balance welfare spending and our fiscal concerns.
- **Social sector expenditure:** The implicit subsidies can be reduced so that we have more resources for welfare or social sector expenditure.

Way Forward

- **Long term impact:** There is a need to identify the policies that have a long-term impact.
 - At the same time, there is a need to identify the beneficiary sets.
- **Case of Tamil Nadu:** States such as Tamil Nadu address this inequality through **social welfare measures (derided as freebies)**.
 - For example, the **TamilNadu government's free bus pass for women** has not only saved families fuel cost but has also encouraged more women to join the workforce, in turn leading to economically stable families and women's empowerment.
 - **Free mid-day meals (now extended to free breakfast)** have encouraged socially backward parents to send their wards to school at least for the meals, resulting in keeping the evil of child labour under control and, more importantly, imparting education.
 - These measures have resulted in a **higher graduate enrolment ratio for T.N. (at 52%) which is double the national average at 27% and also higher than that of the United States at 41%**.
- **Politicized Finance Commission:** The abolition of the Planning Commission in 2014 led to the politicized Finance Commission to become the sole institution for fiscal devolution.
 - This only increased the dependence of States on the Union when it came to fiscal matters.
 - Thus, the committee recommended by the Supreme Court will further accelerate the existing mistrust States have with the Union.
- **India as union of states under article 1:** By recommending a central committee, the Supreme Court seems to have considered India to be a single administrative unit facing the same set of issues without due consideration of socio-economic diversity.

- This step would not only be *counter productive to the economic freedom of the States but also to the 'Idea of India' as a 'Union of States' — as highlighted in Article 1 of the Constitution of India.*

QUESTION FOR PRACTICE

Q. Explain the meaning of investment in an economy in terms of capital formation. Discuss the factors to be considered while designing a concession agreement between a public entity and private entity. (UPSC 2020)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Hard truths about India's labour reforms

[Source: The Hindu](#)

- **Prelims:** Current events of national importance (Different social service Schemes, Labour laws etc)
- **Mains GS Paper II & III:** Social empowerment, schemes for vulnerable sections, development and management of social sectors/services.

ARTICLE HIGHLIGHTS

- India's gravest **socio-economic problem is the difficulty a vast majority of citizens have in earning good livelihoods.**
- Investors say the laws protect labour too much.
 - Reforms were begun by the *United Progressive Alliance government.*
- Their principal thrust was to improve administration by *simplifying procedures and digitisation.*
 - Those improvements were appreciated by employers as well as workers

INSIGHTS ON THE ISSUE

Context

About the labour codes:

- The new set of regulations consolidates 44 labour laws under 4 categories of Codes namely:
 1. **Wage Code**
 2. **Social Security Code**
 3. **Occupational Safety, Health & Working Conditions Code**
 4. **Industrial Relations Code.**

The Code on Wages, 2019:

- It applies to ***all the employees in the organized as well as unorganized sector***
- It aims to ***regulate wage and bonus payments*** in all employments and aims at ***providing equal remuneration to employees*** performing work of a similar nature in ***every industry, trade, business, or manufacture.***

The Code on Occupational Safety, Health and Working Conditions, 2020:

- It seeks to ***regulate the health and safety conditions of workers in establishments with 10 or more workers, and in all mines and docks.***

The Code on Social Security, 2020:

- It consolidates ***nine laws related to social security and maternity benefits.***

The Code on Industrial Relations, 2020:

It seeks to consolidate ***three labour laws*** namely:

1. **The Industrial Disputes Act, 1947**
 2. **The Trade Unions Act, 1926**
 3. **The Industrial Employment (Standing Orders) Act, 1946.**
- The Code aims to improve the business environment in the country largely by reducing the labour compliance burden of industries.

Benefits of Labour Codes:

- ***Reduce litigation:*** They expected to reduce litigation as it streamlines the definition of wages.
 - It will substantially ***reduce the number of minimum wages in the country from the existing more than 2000 rates of minimum wages.***

- **Minimum wage:** They ensure that every worker gets a minimum wage which will also be accompanied by an increase in the purchasing power of the worker thereby giving a fillip to growth in the economy.
- **Consolidation and simplification of the Complex laws:** The three Codes (IR, SS & OSHW) simplify labour laws by **subsuming 25 central labour laws that have been on the table for at least 17 years.**
 - It will provide a big boost to industry & employment and will reduce multiplicity of definition and multiplicity of authority for businesses.
- **Single licensing method:** It will give fillip to industries by ushering in substantive reform in the licensing mechanism.
 - Earlier, industries had to apply for their license under different laws.
- **Ease of Doing Business:** According to the industry and some economists, such reform shall boost investment and improve ease of doing business.
- **Gender parity:** The maternity leave is increased from 12 weeks to 26 weeks.
 - Women were allowed to work in mines under **Pradhan Mantri Rojgar Protsahan Yojana (PMRPY).**

Issues with these codes:

- **Do not provide flexibility:** The work hours provisions for regular workers do not provide flexibility to fix work hours beyond eight hours a day.
- **Part-time employment:** The codes have also missed laying down uniform provisions for part-time employees.
- **Employee wages:** There are also provisions that impact employee wages.
- **Fines on businesses:** The labour codes also chalk out fines on businesses for **non-compliance of provisions, second offenses and officer-in-default.**
- **Impact of pandemic:** After the current pandemic situation, a majority of small businesses are in no position to adopt and implement the labour code changes.

Impact of reforms:(V. V. Giri National Labour Institute's interim report)

- **Impact Assessment Study of the Labour Reforms:** Undertaken by the States", it provides insights into the impacts of the reforms so far.
 - The report has focused on the **reform of the Industrial Disputes Act**, which is to raise the limits of applicability of laws relating to terms of **service and modes of dispute resolution (roles of unions) to 300 people.**
 - **The report spans the period 2004-05 to 2018-19.**

- It focuses on *six States which have implemented reforms: Rajasthan, Maharashtra, Andhra Pradesh, Tamil Nadu, Jharkhand, and Uttar Pradesh.*
- The report reminds readers that *labour laws are only one factor affecting business investment decisions.*
- Investors do not go out to hire people just because it has become easy to fire them.
- ***Little effect on increasing employment in large enterprises:*** Reforms of labour laws have had little effect on increasing employment in large enterprises.
 - The report says that the effects of labour reforms cannot be revealed immediately:
 - *Rajasthan, the first State to implement the reforms,* seems to have benefited the least from them.
- ***Overall employment is affected by many factors:*** The share of employment in plants employing *more than 300 people increased from 51.1% to 55.3% between 2010-11 to 2014-15 (the period when the emphasis was on administrative reforms), and then increased less, from 55.3% to 56.3%, in 2017-18,* when some States made the bolder reforms favourable for employers.
 - Though overall employment is affected by many factors, the *bolder reforms post 2014 were designed to promote larger factories.*
- ***Promotion of larger factories:*** This hardly happened because labour reforms that increase the threshold of application of the *Industrial Disputes Act are conceptually flawed.*
 - They cannot induce creation of large enterprises to whom the laws will continue to apply.
- ***Employment in formal enterprises is becoming more informal:*** In fact, the report says, employment in formal enterprises is becoming more informal.
 - Large investors can afford to use more capital and are also employing increasing numbers of people on short-term contracts, while perversely demanding more flexibility in laws.
- ***Formal employment:*** The report defines "*formal*" employment as the grant of paid leave, a written contract, and some "*social security*".
 - An enterprise should not have to *employ more than 300 people before it provides these benefits.*

Way Forward

- **Fundamental reforms are required in the theory of economic growth:**
More GDP does not automatically produce more incomes at the bottom.
 - The paradigm driving employment and labour policies must also change to enable the generation of better-quality livelihoods for Indian citizens, now and in the future.
 - To achieve this, fundamental reform is required in the ways policies are made.
- **Better livelihoods for all:** If the benefit of reforms is supposed to be the improvement of *ease of earning, better livelihoods for all citizens and with more dignity*, whether they are farmers, factory workers, or service employees, should they not be listened to most of all, within their enterprises, and in the process of shaping policies
- **Minimal essentials:** Along with the right to be heard and dignity at work, these are the minimal “essentials” all employers must provide to all those who work for them, whether in small enterprises or domestic help.
 - Increasing the threshold of the laws dilutes the rights of association and representation of workers in small enterprises.
- **Skilling Under CSR Expenditure:** The large corporate houses should also take the responsibility of skilling people in the unorganized sectors under CSR expenditure.
- **Recognizing Invisible Labour:** A national policy for domestic workers needs to be brought in at the earliest to recognize their rights and promote better working conditions.

QUESTION FOR PRACTICE

Q. Account for the failure of the manufacturing sector in achieving the goal of labour-intensive exports. Suggest measures for more labour-intensive rather than capital-intensive exports.(UPSC 2017)

(200 WORDS, 10 MARKS)

Q. The paradigm driving employment and labour policies needs to change for better-quality livelihoods. Discuss.

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

A turning point in crypto regulation, led by Europe

Source: The Hindu

- **Prelims:** Indian Economy, Cryptocurrency, Blockchain
- **Mains GS Paper III:** Fiscal policy, Monetary policy, Impact of crypto on fiat currencies.

ARTICLE HIGHLIGHTS

- The Finance Minister answered a question recently in Parliament about the Indian government's stance on cryptocurrencies. Some even suggested that there was a fresh plan to ban crypto in India.
- The Finance Minister's answer reveals that while India's central bank wants a ban on cryptocurrencies, any legislation for the "***regulation or for banning crypto***" ***can be effective only after significant international collaboration.***
- This June, amid all the attention over inflation and the related capital market turmoil, the ***European Parliament and Council***, the legislative arms of the European Union, came to a provisional agreement on long-awaited **regulations on crypto, namely, the Regulation of Markets in Crypto-Assets, or MiCA.**



INSIGHTS ON THE ISSUE

Context

Cryptocurrency:

- Cryptocurrency, sometimes called crypto-currency or crypto, is any form of currency that exists *digitally or virtually and uses cryptography to secure transactions*.
- Cryptocurrencies don't have a central issuing or regulating authority, instead use a decentralized system to record transactions and issue new units.
- It is supported by a decentralized peer-to-peer network called the blockchain.

Benefits Associated with Cryptocurrency:

- **Fast and Cheap Transactions:** Cryptocurrencies are way cheaper to use to execute international transactions because the transactions don't have to be handled by a series of intermediaries before they reach their destinations.
- **Investment Destination:**
 1. There is a limited supply of cryptocurrency – partially like gold.
 2. Moreover, the last few years have seen the price of cryptocurrencies rising faster than other financial instruments.

3. Due to this, cryptocurrencies can become a preferred investment destination.
 - **Anti-Inflationary Currency:** Due to the high demand for cryptocurrency its prices have largely remained on a growing trajectory. In this scenario, people tend to hold more cryptocurrency than spending it. This will cause a deflationary effect on the currency.

Drawbacks associated with Cryptocurrency:

- **Extremely Volatile:** Cryptocurrencies are highly volatile assets and have acquired popularity for their unregulated nature and the risk of volatility has established concerns over the potential impact on a country's macroeconomic stability, especially those with weak socio-economic fundamentals.
- **Unregulated Nature:** International Monetary Fund (IMF) had also urged El Salvador to limit the scope of unregulated assets as there are large risks associated with the use of Bitcoin on financial stability, financial integrity, and consumer protection, as well as the associated fiscal contingent liabilities.
- **Paying Taxes in Cryptocurrencies:** For countries like CRA, risks associated with paying taxes in cryptocurrencies would be exposed when taxes are paid using crypto assets but expenditures remain in local currency.
- **Not a Definite Mechanism:** Unlike equities or currencies, cryptos are not subject to a definite mechanism and are speculative assets, therefore, central banks would not have any reference point to devise their interest rates in accordance with their domestic requirements.
- **Counterproductive Utility:** Blockchains may help trace the transactions but not the parties involved. Hence, it could potentially be used for money laundering, terrorist financing, or other illegal activities.

How do governments view cryptocurrencies?

- **Discourage the widespread use of cryptocurrencies:** Many Countries have taken several steps to discourage the widespread use of cryptocurrencies.
- **China and Russia banned and India taxed:** While countries such as China and Russia have opted to impose outright bans on cryptocurrencies, India has tried to tax and regulate them heavily.
- **RBI in favour of ban:** In India, while the government has not imposed an outright ban on cryptocurrencies, the Reserve Bank of India Has been quite vocal about the need to ban them completely.

- **Challenges the monopoly of central banks:** Central banks are wary of private cryptocurrencies since they challenge the monopoly that central banks currently enjoy over the money supply of an economy.
- **Control over economy:** If Cryptocurrencies became widely acceptable, it would affect the control that central banks possess over the economy's money supply.
- **Affecting the ability of the government to fund spending:** It would also affect the ability of governments to fund their spending by creating fresh money as citizens could then opt to switch to alternative currencies.

Why is crypto regarded as a seamless asset?

- Crypto is an Internet-native asset not limited by geographical boundaries.
- To transfer crypto, one does not need a pipeline or shipping container.
- A steady Internet connection and some elemental knowledge of crypto services are what are needed that will allow anyone in the world to transfer crypto assets
- Crypto assets are not issued or controlled by any enterprise.
- There are a little over **19 million bitcoins** in circulation at present, out of the total capped supply (hence, the scarcity) of **21 million bitcoins**.
 - Any of the estimated **75 million crypto wallet holders** could be owning these bitcoins, or their fractions (called satoshis or sats).

The Regulation of Markets in Crypto-Assets (MiCA) by European Parliament:

It proposes to regulate crypto asset services and crypto asset issuers.

- **Consumer protection, transparency, and governance standards:** By regulating these entities, Europe intends to provide consumer protection, transparency, and governance standards, regardless of the decentralized nature of the technology.
- **Liability of Crypto asset service providers:** Crypto asset service providers will be liable in case they lose investors' assets, and will be subject to European market-abuse regulations, including those on market manipulation and insider trading.
- **Specific regulations for stablecoins:** Under the proposed rules, issuers of stablecoins — asset-referenced tokens is the term it uses — are subject to a greater degree of compliance and declaration.

- **Reserves to cover all claims of the coin:** Under MiCA, stablecoin issuers must maintain reserves to cover all claims of the coins, and should implement a process for immediate redemption if and when holders seek one.

Bitcoin:

- Bitcoin is a type of digital currency that enables instant payments to anyone.
- Bitcoin was introduced in 2009.
- Bitcoin is based on an open-source protocol and is not issued by any central authority.
- **Satoshi** is the smallest fraction of a Bitcoin.

Ethereum:

- Ethereum is a decentralized, open-source blockchain with smart contract functionality.
- Ether is the native cryptocurrency of the platform.
- Among cryptocurrencies, Ether is second only to Bitcoin in market capitalization.

Blockchain:

- It is a shared, immutable ledger that facilitates the process of recording transactions and tracking assets in a business network.
- An asset can be tangible (a house, car, cash, land) or intangible (intellectual property, patents, copyrights, branding).
- Virtually anything of value can be tracked and traded on a blockchain network, reducing risk and cutting costs for all involved.
- A simple analogy for understanding blockchain technology is a **Google Doc**.
- When one creates a document and shares it with a group of people, the document is distributed instead of copied or transferred.
- This creates a decentralized distribution chain that gives everyone access to the document at the same time.

Way Forward

- **Regulation is the Solution:**

1. Regulation is needed to prevent serious problems, to ensure that cryptocurrencies are not misused, and to protect unsuspecting investors from excessive market volatility and possible scams.
2. The regulation needs to be clear, transparent, coherent and animated by a vision of what it seeks to achieve.
 - **Clarity on Crypto-currency definition:** A legal and regulatory framework must first define crypto-currencies as securities or other financial instruments under the relevant national laws and identify the regulatory authority in charge.
 - **Strong KYC Norms:** Instead of a complete prohibition on cryptocurrencies, the government shall rather regulate the trading of cryptocurrencies by including stringent KYC norms, reporting and taxability.
 - **Ensuring Transparency:** Record keeping, inspections, independent audits, investor grievance redressal and dispute resolution may also be considered to address concerns around transparency, information availability and consumer protection.
 - **Lead by Europe:** Europe has shown the way forward to regulate crypto in a manner that enables responsible businesses and protects users. It would not be too long for other nations to follow suit.
 - **Right to privacy and data protection:** The *General Data Protection Regulation(GDPR)* introduced a framework for seeking user consent and introduced several progressive rules such as the right to forget.
 - The *Supreme Court of India has also held that the right to privacy is a fundamental right and an integral part of the right to life and liberty.*
 - **Limited supply:** The fact that precious metals are limited in supply definitely helped boost their value. But limited supply alone cannot make cryptocurrencies like Bitcoin a valuable asset like gold and silver.

QUESTION FOR PRACTICE

Q. Discuss how emerging technologies and globalization contribute to money laundering. Elaborate measures to tackle the problem of money laundering both at national and international levels.(UPSC 2021)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Public assets sale and the concern of 'fiduciary duty'

Source: [The Hindu](#)

- **Prelims:** Indian Economy, Disinvestment, electoral bonds
- **Mains GS Paper II and III:** Fiscal policy, Monetary policy, disinvestment policy, electoral bonds etc.

ARTICLE HIGHLIGHTS

- The sale of the *loss-making national carrier Air India to the Tata Group is a move that evoked a mixed response.*
 - While some hailed it on the assumption that it would no longer spell a further loss to the exchequer
 - Its opponents felt that a national asset was being sold at a throwaway price without transparency by the Union government.
- The seller, the Government of India, would retain a *liability of ₹46,262 crore that was transferred to a special purpose vehicle, the Air India Asset Holding Ltd (AIAHL)* — thereby passing on the liability to individual taxpayer citizens.



INSIGHTS ON THE ISSUE

Context

Disinvestment:

- Disinvestment means *sale or liquidation of assets by the government, usually Central and state public sector enterprises, projects, or other fixed assets.*
- The government undertakes *disinvestment to reduce the fiscal burden on the exchequer, or to raise money for meeting specific needs, such as to bridge the revenue shortfall from other regular sources.*
- *The Department of Investment and Public Asset Management (DIPAM) under the Ministry of Finance is the nodal department for the strategic stake sale in the Public Sector Undertakings (PSUs).*
- **Strategic disinvestment:** It is the *transfer of the ownership and control of a public sector entity to some other entity (mostly to a private sector entity).*
 - Unlike the simple disinvestment, *strategic sale implies a kind of privatization.*
- **Disinvestment Commission:** The disinvestment commission defines strategic sale as the *sale of a substantial portion of the Government shareholding of a central public sector enterprises (CPSE) of upto 50%, or such higher percentage as the competent authority may determine, along with transfer of management control.*
- **Basic economic principle:** Strategic disinvestment in India has been guided by the basic economic principle that the government should not be in the business to engage itself in manufacturing/producing goods and services in sectors where competitive markets have come of age.
 - The economic potential of such entities may be better discovered in the hands of the strategic investors due to various factors, e.g. infusion of capital, technology up-gradation and efficient management practices etc.

Need for Disinvestment Proceeds:

- **Pressure on the government to raise resources:** There is a pressure on the government to raise resources to support the economic recovery and meet expectations of higher outlays for healthcare.
- **Increase in public spending:** The increase in public spending in the upcoming Budget will have to be financed to a large extent by garnering disinvestment proceeds and monetising assets.
- **Eliminate government's involvement in non-strategic areas:** To eliminate the need for the government's involvement in non-strategic areas.

Asset sale differences-Private vs Public:

- ***Independent checks vs formal approvals:*** In a private asset sale, there are ***independent checks and balances, such as regulatory approvals, and the consent of the secured creditors (mostly banks)*** who will give their consent to park the liability only when they are satisfied that the promoters or the shareholders of the private enterprise would be able to satisfy the liabilities either from the proceeds of the sale or otherwise.
 - In a typical asset sale by the Government, these approvals are a mere formality.
- ***Restriction for due diligence for PSBs:*** When the debt is assumed by the sovereign government, no banks that are directly or indirectly controlled by the government can conduct due diligence independently on the nature of the sale and report fairly on whether the proceeds of sale are sufficient to satisfy the debt because the government has given an undertaking to repay the debt or the government may even force banks into a settlement with lesser repayment or even a write-off.
 - Thus, it is citizens who will end up repaying the debts of Air India.
- ***Doctrine of public trust:*** It is prudent to extend the doctrine of 'public trust' to the management of public sector enterprises by the government. There is fiduciary duty cast upon the government to act fairly and in a transparent manner while dealing in public assets.
 - Unlike a private asset sale, a government selling public assets and assuming the liabilities without proper planning will impose an enormous debt burden on citizens.

Electoral bonds:

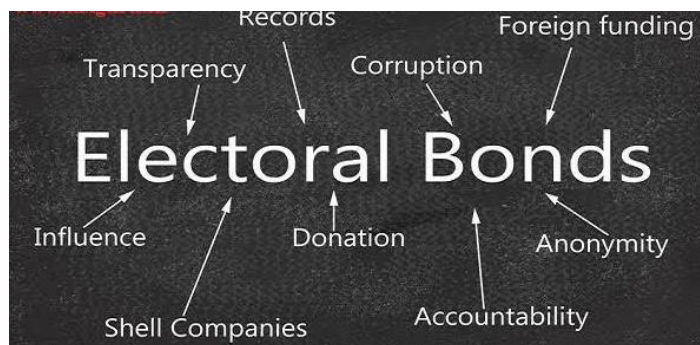
- These bonds are issued in multiples of ***Rs. 1,000, Rs. 10,000, Rs. 1 lakh, Rs. 10 lakh and Rs. 1 crore without any maximum limit.***
- ***State Bank of India is authorized to issue and encash these bonds,*** which are valid for fifteen days from the date of issuance.
- These bonds are ***only redeemable in the designated account of a registered political party.***
- The bonds are ***available for purchase by any citizen of India for a period of ten days each in the months of January, April, July and October as may be specified by the Central Government.***

- A person being an individual can **buy bonds, either singly or jointly with other individuals.**
- **The donor's name is not mentioned on the bond.**
- Donors who contribute **less than Rs. 20,000 to political parties through purchase of electoral bonds need not provide their identity details such as PAN, etc.**
- The central idea behind the electoral bonds scheme was to bring about transparency in electoral funding in India.
- The government had described the scheme as an “electoral reform” in a country moving towards a “cashless-digital economy”.

Benefits of electoral bonds:



Issues with electoral bonds:



Electoral bonds and Disinvestment:

- **Mistrust of such asset sales:** The anonymous electoral bonds scheme which taps corporate funding to help any political party and where the details are known only to the ruling party, which could fuel mistrust of such asset sales.
- **Right to Information filing by the Association for Democratic Reforms:** It showed that with the **State Bank of India as the sole authorized dealer of electoral bonds, out of ₹3,429 crore of the total value of electoral bonds generated by the bank (FY19-20), the ruling party at the Center alone**

devoured a whopping ₹2,606 crore, or 76% of the total bonds issued so far.

- This is also the period which saw instances of some major privatization of public sector enterprises.
- ***Chinese firm to construct an underground rail:*** The recent award of a ***contract worth ₹1,126 crore to a Chinese firm (Shanghai Tunnel Engineering Co. Ltd.) to construct an underground rail stretch in Delhi and a contract worth ₹170 crore to another Chinese firm, Taizhong Hong Kong International Ltd., for the supply of wheels to Vande Bharat trains.***

Fiduciary Duty:

- A fiduciary duty is the legal responsibility to act solely in the best interest of another party. 'Fiduciary' means trust, and a person with a fiduciary duty has a legal obligation to maintain that trust.
- It includes duties of undivided loyalty, due diligence and reasonable care, full disclosure of any conflicts of interest, and confidentiality.

Examples:

- Civil servants have a fiduciary duty with the people of India to adhere to the constitutional values.
- The trustees of a mutual fund have a fiduciary duty to protect and further the interests of investors.

Way Forward

- ***Crisis of legitimacy:*** The privatization of loss-making public sector enterprises may prevent the state from incurring further losses. However, unless the sale proceeds are substantial, genuine and transparent, a crisis of legitimacy may arise.
- ***Recognising the role of States:*** It is vital to recognise the role of States in establishing a public asset such as Air India, They have actively participated in the growth of the airline in the form of land and other infrastructure to its offices.
 - States were not consulted in the whole process which is a breach of the spirit of 'cooperative federalism'.
- ***India is a Union of States:*** According to ***Article 1 of the Constitution, India is a Union of States, i.e The idea of India as a Union lies with the States, which***

are the owners of land and responsible for the maintenance of other infrastructure.

- Hence, any unilateral sale of assets by the Union without consulting States would only deepen the mistrust between the Union and the States.
- ***Compromises on the social obligation:*** In a mixed economy, private participation is encouraged in areas where the government finds it difficult to perform, without making compromises on the social obligation of the state which is as important as a commercial viability.
 - The role Air India played in the repatriation of Indians stranded abroad during the COVID-19 pandemic, its evacuation flights during wars and connecting remote areas to the mainland are some examples of social intervention that have to be kept in mind

QUESTION FOR PRACTICE

Examine the development of airports in India through joint ventures under Public – private Partnership (PPP) model. What are the challenges faced by the authorities in this regard?(UPSC 2017)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Tapping technology to check minor mineral plunder

Source: [The Hindu](#)

- **Prelims:** Minor minerals, drones, EIA etc
- **Mains GS Paper II:** Digital India, Important aspects of technology in mineral exploration, Application of drones.,

ARTICLE HIGHLIGHTS

- With the increase in the pace of development, ***the demand for minor minerals such as sand and gravel has crossed 60 million metric tons in India.***
- This also makes it the ***second largest extractive industry on the planet, after water.***
- Laws and monitoring have been made stringent for the mining of major minerals consequent to the unearthing of several related scams across the

country, the fact is that rampant and illegal mining of minor minerals continues unabated.

- ***The United Nations Environment Programme, in 2019, ranked India and China as the top two countries where illegal sand mining has led to sweeping environmental degradation.***

INSIGHTS ON THE ISSUE

Context

Minor minerals:

- Minor minerals are those which are ***prescribed by [Mines and Minerals \(Development and Regulation\) Act, 1957](#) (section 3(e)) as being categorized as 'minor minerals'.***
- Any mineral which by the ***notification of the Central Government may declare to be a minor mineral.***
- The ***State Government may, by notification in the Official Gazette, make rules for regulating the grant of quarry leases, mining leases or other mineral concessions in respect of minor minerals and for purposes connected therewith.***
- In addition to those specified under MMDR Act, here are few minerals that the Central Government has declared as minor minerals:
 - ***boulder, shingle, chalcedony pebbles, lime shell, kankar and limestone, brick-earth, fuller's earth, bentonite, road metal, slate, marble, stone used for making household utensils, quartzite and sandstone, saltpeter and ordinary earth.***

Issue with the regulation of minor minerals:

- ***Regulatory and administrative powers to states:*** Unlike major minerals, the ***regulatory and administrative powers to frame rules, prescribe rates of royalty, mineral concessions, enforcement, etc. are entrusted exclusively to the State governments.***
- ***EIA notification and environmental clearance:*** The ***Environment Impact Assessment (EIA) Notifications of 1994 and 2006 made environmental clearance compulsory for mining in areas more than or equal to five hectares.***
 - However, the Supreme Court of India directed all State governments to make the requisite changes in the regulatory framework of minor

minerals, *requiring environmental clearance for mining in areas less than five hectares.*

- *EIA was amended in 2016 which made environmental clearance mandatory for mining in areas less than five hectares, including minor minerals.*
- **Setting up of EIA authority and appraisal committee:** The EIA amendment provided for the setting up of a *District Environment Impact Assessment Authority (EIAA) and a District Expert Appraisal Committee (EAC).*
 - *State-wise review of EACs and EIAAs in key industrial States such as Gujarat, Uttar Pradesh, Karnataka and Tamil Nadu, shows that these authorities review over 50 project proposals in a day and the rejection rate at the State level has been a mere 1%.*
 - This raises a pertinent question on whether introducing clearances alone can help eliminate irregularities in the illegal mining of minor minerals.
- **Underestimating the problem:** The problem of illegal mining of minor minerals is often *under-estimated, thus accentuating undesired environmental consequences.*
- **Illegal mining:** There have been numerous cases of the *illegal mining of dolomite, marble and sand across States.*
 - *For example, in Andhra Pradesh's Konanki limestone quarries alone, 28.92 lakh metric tonnes of limestone have been illegally quarried.*

Impact Observed by agencies:

- **No comprehensive assessment:** There is no comprehensive assessment available to evaluate the scale of sand mining in India.
- **Impacting the soil and life:** Nevertheless, regional studies such as those by the *Center for Science and Environment of the Yamuna riverbed in Uttar Pradesh have observed that increasing demand for soil has severely affected soil formation and the soil holding ability of the land*, leading to:
 - a loss in marine life,
 - an increase in flood frequency, droughts
 - degradation of water quality.
- **Impact on fish species:** Such effects can also be seen in the *beds of the Godavari, the Narmada and the Mahanadi basins.*

- As has been pointed out in a *study of the Narmada basin, sand mining has reduced the population of Mahseer fish from 76% between 1963 and 2015.*
- **Impact on government exchequer:** Illegal mining causes copious losses to the state exchequer.
 - As per an estimate, *U.P. is losing revenue from 70% of mining activities as only 30% area is legally mined.*
 - *Similarly, the absence of royalty has caused a loss of ₹700 crore in Bihar*
 - *while non-payment of various cesses due to unregulated mining has resulted in a loss of ₹100 crore to Karnataka and ₹600 crore to Madhya Pradesh in 2016-17.*

Judicial orders and state response:

- **Neglecting judiciary orders:** Judicial orders are often neglected by State governments.
- **Failed or partial complying by state with the orders:** In the report of the *Oversight Committee by the [National Green Tribunal \(NGT\)](#), Uttar Pradesh (where illegal sand mining has created a severe hazard) has either failed or only partially complied with orders issued regarding compensation for illegal sand mining.*
 - Such lax compliance can be seen in *States such as West Bengal, Bihar, and Madhya Pradesh too.*
- **Malfunctioning of governance:** A State-wide review of the reasons behind non-compliance suggests a *malfunction of governance due to:*
 - *weak institutions*
 - *a scarcity of state resources to ensure enforcement*
 - *poorly drafted regulatory provisions*
 - *inadequate monitoring and evaluation mechanisms*
 - *excessive litigation that dampens state administrative capacity.*

EIA Notification 2006:

- **Decentralization of Project Clearances:** It classified the developmental projects in two categories:
 - **Category A (national level appraisal):** projects are appraised by

Impact Assessment Agency (IAA) and the Expert Appraisal Committee (EAC).

- **Category B (state level appraisal):** State Level Environment Impact Assessment Authority (SEIAA) and State Level Expert Appraisal Committee (SEAC) provide clearance to the Category B projects.
- ***Introduction of Different Stages:*** The Amendment introduced four stages into EIA Cycle; Screening, Scoping, Public hearing and Appraisal.
- ***Category A projects require mandatory environmental clearance and thus they do not have to undergo the screening process.***
- ***Category B projects undergo a screening process and are further classified into B1 (Mandatorily requiring EIA) and B2 (Not requiring EIA).***
- ***Projects with Mandatory Clearance:*** Projects such as *mining, thermal power plants, river valley, infrastructure (road, highway, ports, harbors and airports) and industries including very small electroplating or foundry units are mandated to get environment clearance.*

Way Forward

- ***Investment in production and consumption measurement:*** Protecting minor minerals requires investment in production and consumption measurement and also monitoring and planning tools.
 - To this end, ***technology has to be used to provide a sustainable solution.***
- ***Monitoring by satellite imagery:*** Satellite imagery can be used to monitor the volume of extraction and also check the mining process.
 - Even for past infractions, ***the NGT and administrative authorities can obtain satellite pictures for the past 10 to 15 years and uncontrovertibly show how small hillocks of earth, gravel or small stone dunes have disappeared in an area.***
 - Recently, the ***NGT directed some States to use satellite imagery to monitor the volume of sand extraction and transportation from the riverbeds.***
 - Well-planned execution of these directions increased revenue from minor minerals mining in all these States.
- ***Use of drones, IOT block chain technology:*** Additionally, drones, the internet of things (IoT) and blockchain technology can be leveraged to monitor

mechanisms by using *Global Positioning System, radar and Radio Frequency (RF) Locator*.

- State governments such as *Gujarat and judicial directions such as the High Court of Madras have employed some of these technologies to check illegal sand mining.*

QUESTION FOR PRACTICE

Q. India has grossly underestimated the issue of illegal mining, which damages the environment and causes revenue loss. Discuss

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Solar energy: For Amrit Kaal in agriculture

[Source: Indian Express](#)

- **Prelims:** Current events of national importance, Environmental pollution and degradation(Solar energy, Paris Agreement)
- **Mains GS Paper III:** Conservation, environmental pollution and degradation,Solar energy and its use in different sectors particularly agriculture etc.

ARTICLE HIGHLIGHTS

- The famous slogan of *late Lal Bahadur Shastri, "Jai Jawan, Jai Kisan," was extended by Atal Bihari Vajpayee to include "Jai Vigyan". Now, Prime Minister Narendra Modi has extended it to, "Jai Anusandhan".*
- The innovations (anusandhan) needed to be made in the **agri-food space by 2047** to have a well-fed India, **with zero hunger, almost no malnutrition, climate resilience, and high incomes for our farmers.**

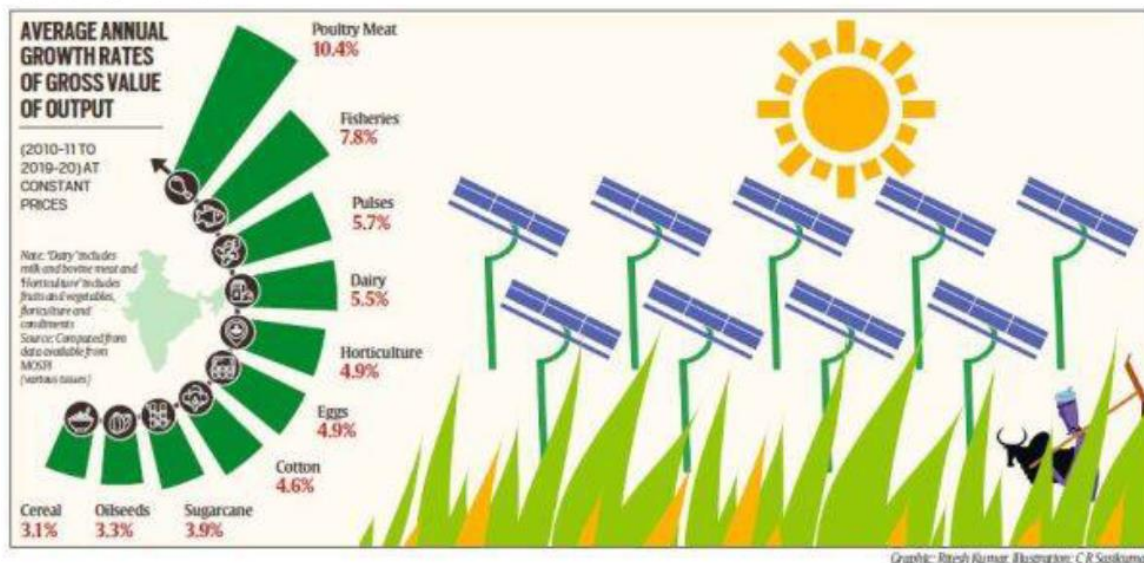
INSIGHTS ON THE ISSUE

Context

SOLAR ENERGY:

- India, being a tropical country is endowed with plenty of solar energy; hence, exploitation of solar energy becomes an important component of renewable energy sector
- India is endowed with vast solar energy potential.
 - About **5,000 trillion kWh per year energy** is incident over India's land area with most parts **receiving 4-7 kWh per sq. m per day**
- **Karnataka leads India's list of states producing solar energy, with a total installed solar power capacity of about 7,100MW; followed by Telangana, Rajasthan, Andhra Pradesh and Gujarat**
- Also, India is now the **fourth-largest solar power producer in the world**
- **International Solar Alliance:** In pursuance to enhance Solar Energy production, India along with France launched the International Solar Alliance with the aim to promote solar energy in **121 member countries** and to mobilize **over \$1 trillion of investment** for the deployment of solar energy at affordable costs.
- **100 GW target:** The target set by India, for installed solar energy capacity is **100 GW by March 2023 — 40 GW rooftop solar and 60 GW ground-mounted utility scale**

Recent trends:



- ***Poultry and fisheries:*** Poultry and fisheries have the fastest growth, while it has been the slowest in cereal production.
- ***More intervention in Cereals:*** Government intervention is the most in cereals through the massive procurement of rice and wheat.
 - While those sub-sectors that rely on market forces, no matter how imperfect, still perform better.
- ***The policy implication is very clear:*** Promote and get the markets right, which will help unleash revolutionary growth in agriculture.

Challenges:

- ***Per capita income:*** The biggest challenge will be feeding a country whose per capita income still hovers ***around \$2,300***
 - The per capita income is likely to grow ***between 5 to 6 per cent per annum***, under normal conditions.
- ***Safe and nutritious food:*** As they rise from low-income levels, people are likely to demand not just more food but safe and nutritious food.
- ***Aligning agri-policies:*** The challenge would be to align our agri-policies and strategies to the emerging demand pattern.
- ***Argumenting farmers income:*** To make the agri-food system vibrant and competitive requires significantly augmenting farmers' incomes.
- ***Declining average land holding:*** Against the backdrop of continuously declining average holding size from 2.3 hectares in 1970-71 to just 1.08 hectares in 2015-16, cereals can not give high incomes to farmers even when their productivity is increased.

Government Initiatives:



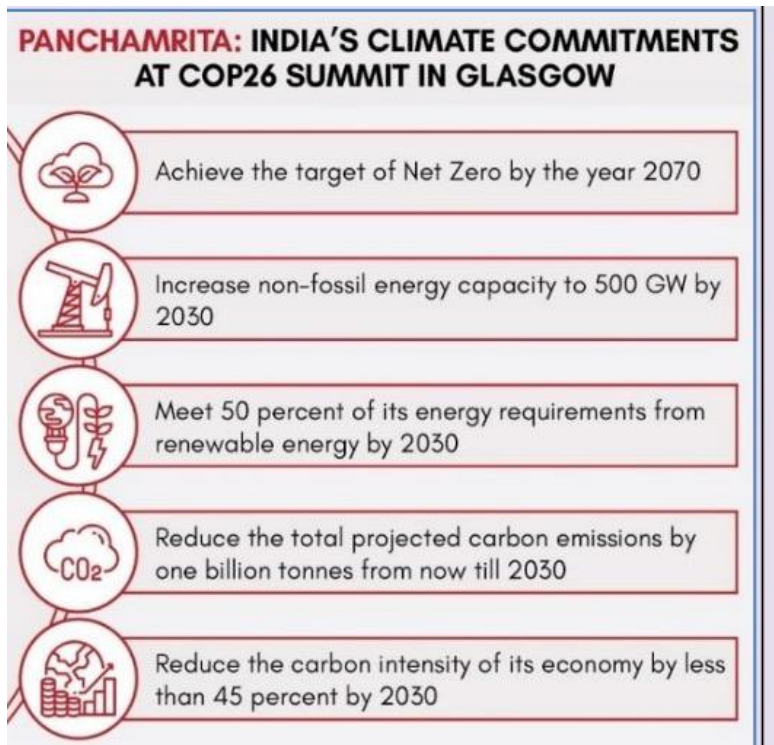
Solutions:

- ***Food system as a composite entity:*** safe and nutritious food. We need to go beyond just increasing production.
 - We need to focus on the food system as a composite entity.
 - It has five dimensions:
 - ***Production,***
 - ***Marketing***
 - ***Consumption***
 - ***The environmental sustainability of our food systems***
 - ***Nutritional outcomes***
- ***Arrest decline in groundwater:*** We need to arrest the dramatic decline in our groundwater table, particularly in the northwest, rejuvenate our soils, and improve the air quality by stopping/reducing stubble burning and methane emissions.
- ***Developing carbon markets:*** We need to develop carbon markets so that farmers can be incentivised to change existing farming practices that are not compatible with environmental sustainability.
 - This requires innovations in policies, technologies related to precision farming as well as institutional engineering to ***include millions of smallholders as we did in the case of the white (milk) revolution.***
- ***Digitisation of agriculture:*** The digitisation of agriculture can help in this. We need to become a nation of innovators ***in agriculture like Israel, Holland, and the US.***

- ***Value chain by involving the private sector:*** Diversification toward high-value crops is a must as we move forward.
 - It will require building efficient value chains by the private sector.
- ***High value agriculture:*** Policies need to create an ecosystem to promote this form of high-value agriculture and reduce the risks attached to it.

Initiatives by India to shift to renewable energy:

- ***[National Solar Mission \(NSM\)](#):*** The 100 GW solar ambition at the heart of the world's largest renewable energy expansion programme
- ***The Wind Energy Revolution:*** Leveraging India's robust wind energy sector to boost clean energy manufacturing and the rural economy
- ***National Biofuels Policy and SATAT:*** Building value chains to reduce fuel imports, increase clean energy, manage waste, and create jobs
- ***Small Hydro Power (SHP):*** Harnessing the power of water to integrate remote communities into the economic mainstream.
- ***National Hydrogen Energy Mission (NHEM):*** Exploring the commercial viability of a versatile clean fuel
- ***Production-Linked Incentive (PLI) Scheme:*** Integrating India into the global clean energy value chains
- ***National Biofuels Policy and SAYAY:*** Building value chains to reduce fuel imports, increase clean energy, manage waste and create jobs.



Way Forward

- **Solar as the third crop:** A few out-of-the-box innovations can almost double farmers' incomes quickly.
 - And one such innovation is to have "**solar as a third crop**" on fields.
 - On one acre of cultivated land, which grows two crops a year, one **can have more than 400 solar panels (trees) of 10 to 12 feet in height, with due spacing for regular cultivation to continue.**
- **Najafgarh KVK area as model:** A pilot programme in the Najafgarh KVK area revealed that farmers could earn additional **income of up to Rs one lakh/acre**, when the capital cost is being incurred by another entrepreneur.
 - This concept needs wider validation in different states with good sunshine.
 - This is the "**inclusive growth, green growth**" model that needs to supplement the solar parks model being developed by big entrepreneurs.

- **Environmental consequences:** In the *mid-1960s to emerging as the largest exporter of rice in the world (21mmt in FY22)*, we have neglected the environmental consequences that have ensued.
 - It is time to wake up now and promote climate-resilient agriculture.
- **Double farmers income:** In 2016, the Prime Minister had given a clarion call to *double farmers' incomes by 2022-23*.
 - That can be done through a *single innovation, provided he makes it a campaign and mobilizes investors, farmers, renewable power companies, and discoms* in that direction.
- **"Har Khet Main Saur Urja"(solar power in every farmer's field):** On the lines of "Har Ghar Tiranga" campaign can be beneficial on a wider scale.

QUESTION FOR PRACTICE

Q. Explain various types of revolutions, took place in Agriculture after Independence in India. How these revolutions have helped in poverty alleviation and food security in India?(UPSC 2017)

(200 WORDS, 10 MARKS)

EDITORIAL ANALYSIS

Drop the phone checking, draft surveillance curbing orders

[Source: The Hindu](#)

- **Prelims:** Pegasus, linkage of organised crimes with terrorism, Right to privacy etc
- **Mains GS Paper III:** Linkage of organised crimes with terrorism, implications of Pegasus on security etc

ARTICLE HIGHLIGHTS

- The **Pegasus case** (of allegations that the '*personal communication* devices of a range of people in India, including journalists, civil society activists and politicians were targeted illegally using the *Israeli-made spyware*').

- The hope in the *Supreme Court* of India (which had appointed a *committee to probe the allegations*) that the probe outcome would be decisive have now been deflated.



INSIGHTS ON THE ISSUE

Context

Pegasus:

THE PEGASUS PROJECT

- Paris-based media nonprofit Forbidden Stories and Amnesty International accessed a leaked database of thousands of phone numbers across the world targeted by a spyware called Pegasus
- They shared the data with global media organisations as part of a collaborative investigation called Pegasus Project
- An Israeli company called NSO Group makes Pegasus, a spyware capable of extracting data from a phone
- According to the report, at least 2 Union Cabinet ministers, 3 opposition leaders, a Constitutional authority, government officials, scientists and over 40 journalists in India were targeted



- It is a type of *malicious software or malware classified as a spyware*.
- It is designed to gain access to devices, without the knowledge of users, and gather personal information and relay it back to whoever it is that is using the software to spy.
- Pegasus has been developed by the *Israeli firm NSO Group that was set up in 2010*.
- The earliest version of Pegasus discovered, which was captured by researchers in 2016, infected phones through what is called *spear-phishing – text messages or emails that trick a target into clicking on a malicious link*.
- *Zero-click” attacks*: NSO’s attack capabilities have become more advanced. Pegasus infections can be achieved through so-called “*zero-click” attacks*, which do not require any interaction from the phone’s owner in order to succeed.

Different laws on surveillance around the world:

- *Wiretap Act in the United States*: The law prohibited private agencies from engaging in surveillance.
- *Report on Privacy in Ireland(1997)*: It was released with its focus on private parties and it recommended the recognition of a new statutory tort.
- *The Patriot Act 2001*: Also known as *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001* was enacted to counter international terrorism also required court approval.
- *United States Foreign Intelligence Surveillance Court*: It was established in *1978* when Congress enacted the *Foreign Intelligence Surveillance Act (FISA)*.
- *The New South Wales Law Reform Commission, 2005*: It established the office of the *privacy commissioner* with inspectors to investigate complaints.
- *No secret rules*: United Nations contributed to the development of a legal framework evolving the “no secret” rules.
- *The European Court of Human Rights*: Court warrants were required to obtain information, the intrusion was to be supervised by independent bodies.
- *The Venice Commission Report, 2015*: Independent control and oversight was necessary which included control over the *executive, parliamentary oversight, judicial review and oversight of expert bodies*.

- **UN Good Practices:**
 - **Practice 6:** Oversight Institutions includes the setting up of a civilian independent institution.
 - **Practice 7:** It empowers this institution to carry out an investigation and have unhindered access to information.
 - **Practice 9:** It empowers individuals to complain to a court.

Indian Case:

- **Orders by police:** In India, authorities authorize **9,000** interception orders every month, and these orders are not issued by courts but by police officers.
- **Facial recognition technology:** It has been found to be violative of human rights in several countries and is routinely resorted to in India, with hardly any protest.
 - The **European Union** and the **United States** stopped facial recognition.
- **Planet Blue Coat: Mapping Global Censorship and Surveillance Tools report:** The **Citizen Lab, a digital surveillance research agency**, published this report saying “Blue Coat devices are being used around the world. we found these appliances in India”.
 - A surveillance software called “**FinFisher**” has been found on servers in India.
- **The UN General Assembly “Report of the Special Rapporteur” 2013:** The Government of India is proposing to install a centralized monitoring system that will route all communications to the central government allowing security agencies to bypass the service provider.
- **The Guardian:** It published a news article placing **India at fifth position** among countries where the largest amount of intelligence was gathered.
- **Delhi police tender(2017):** Inviting technology companies to supply Internet monitoring equipment.
- **The Surveillance Industry in India:** published by the Center **for Internet and Society**, which describes the activities of **ClearTrail technologies** (an Indian company) and the company’s “**mass monitoring, Deep Packet inspection**”.

Judgements related to Surveillance:

- **People's Union for Civil Liberties (PUCL) vs Union of India case:** Supreme Court said telephonic conversations are covered by the right to privacy, which can be breached only if there are established procedures.
- **K.S. Puttaswamy vs Union of India verdict of 2017:** the Supreme Court reiterated the need for oversight of surveillance, stating that it should be legally valid and serve a legitimate aim of the government.

Steps taken by India:



Response by other countries to Pegasus:

- **Israel set up a senior inter-ministerial team:** Team for investigation while the Foreign Minister said that the government would work to ensure that Pegasus did not fall into the wrong hands.
- **France ordered a series of investigations:** Within a day of the revelations; on September 25, 2021, its cybersecurity agency confirmed that the spyware had been used to target French citizens.
- **The United States:** It added NSO to its '**Entity List for Malicious Cyber Activities**', which restricted the ability of U.S. companies to export goods or services to NSO.
- **United Kingdom:** The spyware company implemented a change to ensure that Pegasus could no longer target U.K. numbers after revelations, in 2021, that Dubai's ruler had used the spyware to hack the phones of his wife.

Way Forward

- **Justice B.N. Srikrishna Committee report:** It stated that “much intelligence gathering does not happen under the remit of the law, there is little meaningful oversight and there is a vacuum in checks and balances to prevent the untrammelled rise of a surveillance society”.
- **Protecting privacy:** Considering the severity of the threat posed by these disclosures, and the credibility of the evidence which backs them, it is important to examine how each branch of the Indian state has responded, or failed to respond, in protecting the privacy of citizens.
- **Preventing unlawful surveillance:** The Supreme Court of India could do well to follow the extensive precedents developed abroad and enable binding orders that severely curtail the unlawful surveillance going on in India by the Government and private parties alike.
- **Prevent indiscriminate monitoring:** An overhaul of surveillance laws is necessary to prevent the indiscriminate monitoring of people and entities by the state and private actors.
- **Independent oversight provisions:** [The Information Technology Act, 2000](#) and the [Indian Telegraph Act 1885](#) which empower the Government to surveil, concentrate surveillance powers in the hands of the executive, and do not contain any independent oversight provisions, judicial or parliamentary.
 - These legislations are from an era before spyware such as Pegasus were developed, and, thus, do not respond to the modern-day surveillance industry.
- **Surveillance reforms:** In the absence of immediate and far-reaching surveillance reform, and urgent redress to those who approach authorities against unlawful surveillance, the right to privacy may soon become obsolete.

QUESTION FOR PRACTICE

Q. Discuss different types of Cybercrimes and measures required to be taken to fight the menace.(UPSC 2020)

(200 WORDS, 10 MARKS)

Q. What is the CyberDome Project? Explain how it can be useful in controlling internet crimes in India.(UPSC 2019)

(200 WORDS, 10 MARKS)

Q. With unchecked surveillance by governments and private parties, the top court must be guided by overseas precedents. Discuss.

(200 WORDS, 10 MARKS)

