

26 Mar 2019: UPSC Exam Comprehensive News Analysis

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Category: POLITY AND GOVERNANCE

- 1. SC to consider AAP govt.'s plea on services**

Context:

The AAP government moved the Supreme Court seeking constitution of a larger bench to expeditiously decide the issue of control over administrative services in Delhi.

Background:

- The issue is whether the Delhi government or the central government would control the administrative services officers appointed to the state-capital.
- A five-judge bench had on July 4, 2018 laid down broad parameters for governance of the national capital, which has witnessed a power struggle between the Centre and the Delhi government ever since the AAP came to power in 2014.
- In the landmark verdict, it had unanimously held that Delhi cannot be accorded the status of a state but clipped the L-G's powers, saying he has no "independent decision making power" and has to act on the aid and advice of the elected government.
- The apex court had on February 14 referred the issue of control of services to a larger bench after delivering a split verdict.
- The two-judge bench had said that the Centre should have the final word on posting and transfer of bureaucrats in the national capital administration, but their disagreement on finer details resulted in a split verdict and the matter was referred to a larger bench.
- The bench, which was called upon to decide on six vexatious issues pertaining to a long-running feud between the central and the national capital governments, had given a unanimous verdict on the remaining five counts and had ruled that the Delhi government's Anti-Corruption Branch (ACB) cannot probe the Centre's employees in corruption cases.
- Out of six contentions issues, the Delhi government had won in three and lost to the Centre on two critical aspects of investigating power to probe central government employees, and for setting up of inquiry commissions.
- However, the apex court had unanimously ruled that the power to appoint inquiry commissions would rest with the Centre as "there is no 'State Government' in the Union Territory and the State Government (for this purpose) shall mean the Central Government
- The court had however held that the elected Delhi government will have the right to appoint public prosecutors, to decide land revenue matters and also to appoint or deal with electricity commission or board.

Details:

- On the most contentious issue, Justice A.K. Sikri had said: "The transfers and postings of secretaries, heads of departments and other officers in the scale of Joint Secretary to the Government of India and above can be done by the Lieutenant Governor and the file submitted to him directly.
- For other levels, including DANICS (Delhi, Andaman and Nicobar Islands Civil Service) officers, files can be routed through the chief minister to L-G. In case of difference of opinion between the L-G and the chief minister, the view of the L-G should prevail and the Ministry of Home Affairs can issue a suitable notification.
- Justice Sikri noted that all transfers and postings for Grade III and IV DASS (Delhi Administration Subordinate Service) are done by the Secretary (Services), while those for Grades I and II are done by the Chief Secretary.
- For "greater transparency" in transfer and posting of officers of this cadre, he suggested a civil services board headed by the Secretary (Services) for the Grade III and IV officials and by the Chief Secretary for the Grade I and II.
- However, Justice Ashok Bhushan, in his dissenting view, had held that the power to regulate transfer and posting of officers working for the Delhi government was not available to its assembly in the first place under the Constitution.
- "With regard to 'services', the GNCTD (Government of National Capital Territory of Delhi) can

exercise only those executive powers, which can be exercised by it under any law framed by Parliament or it may exercise those executive powers, which have been delegated to it.” he said.

2. High Court notice to Centre on Jamaat-e-Islami ban

Jamaat-e-Islami:

- An Islamic-political organisation and social conservative movement, Jamaat-e-Islami (JeI) was founded during British India in 1941 by Abul Ala Maududi, an Islamic theologian and socio-political philosopher. Along with the Muslim Brotherhood, (Ikhwan al-Muslimin, founded in 1928 Egypt), JeI was a first of its kind organisation to develop "an ideology based on the modern revolutionary conception of Islam.”
- Following the partition of India in 1947, JeI split into separate independent organisations in India and Pakistan—Jamaat-e-Islami Pakistan and Jamaat-e-Islami Hind—respectively.
- Jamaat-e-Islami J&K was separated from its parent organisation (Jamaat-e-Islami Hind) in 1953 over differences in political ideology.
- The party, with pro-Pakistan leaning during the Plebiscite Front days and also during the eruption of militancy, pitches itself as socio-religious organisation working mainly in the field of education and awareness about Islam.
- The Jamaat-e-Islami was an influential founder member of the undivided Hurriyat Conference from its inception in 1993 till 2003, when the amalgam suffered a vertical split led by Syed Ali Shah Geelani over alleged proxy participation in 2002 Assembly polls by some leaders of the People's Conference led by Sajad Gani Lone.
- The Jamaat withdrew from the Hurriyat and decided to focus on its social work while maintaining its separatist stand on Kashmir issue.

Background:

- The JI was first banned in 1975 during the emergency for opposing the Indira-Abdullah accord that finally brought back the National Conference (NC) founder, Sheikh Muhammad Abdullah, into mainstream politics.
- The organisation was again banned by the central government headed by V.P.Singh in 1990. That order was revoked in 1993 by the P.V. Narasimha Rao headed Congress government.
- Many people believe that the single biggest reason for the JI cadres supporting militancy and separatism was their engineered defeat during the 1987 elections.

Details:

- The Ministry of Home Affairs (MHA) had banned Jamaat-e-Islami under the Unlawful Activities (Prevention) Act for alleged anti-national and subversive activities. A notification on the ban was issued by the Ministry of Home Affairs (MHA) after a high-level meeting on security, chaired by the Prime Minister.
- The government thus declared the JI Jammu and Kashmir as "an unlawful association whose activities have the potential of disrupting the unity and integrity of India".
- The J&K High Court has now issued a notice to the Union Home Ministry for a response on the ban of Jamaat-e-Islami (JeI), after an ex-Jamaat member plea challenged the Centre's move.

3. Liquor, cash, freebies swing votes: ADR survey

Context:

The third all-India survey was commissioned by the Association for Democratic Reforms (ADR). A nationwide survey involving more than 2.7 lakh people revealed that for 41.34% respondents, distribution of

liquor, cash and freebies was an important factor behind voting a particular candidate in an election.

Details:

- 86% interviewees felt that candidates with criminal background should not be in Parliament or State Assembly, 35.89% were willing to vote for a candidate with criminal records if the candidate had done good work in the past.
- The survey has indicated that better employment opportunities and healthcare remain among the top priorities of voters.

Association for Democratic Reforms (ADR):

- The Association for Democratic Reforms (ADR) is a non-partisan, non-governmental organization which works in the area of electoral and political reforms.
- Along with National Election Watch (NEW), which is a conglomeration of over 1200 organizations across the country, ADR aims at bringing transparency and accountability in Indian politics and reducing the influence of money and muscle power in elections.
- ADR has become the single data point for information/analysis of background details (criminal, financial and others) of politicians and of financial information of political parties. In the last one year, based on ADR's report and data, a minimum of 500 news articles were published and scores of TV discussions have taken place.

Category: INTERNATIONAL RELATIONS

1. LCA planes to fly at air show in Malaysia

Context:

Two LCA fighter planes will perform aerial displays for the first time at the Malaysian air show, the Langkawi International Maritime & Aerospace Expo (LIMA) 2019.

Details:

- The HAL Tejas is an Indian single-engine, multirole light fighter designed by the Aeronautical Development Agency (ADA) and Hindustan Aeronautics Limited (HAL) for the Indian Air Force and Indian Navy.
- It came from the Light Combat Aircraft (LCA) programme, which began in the 1980s to replace India's ageing MiG-21 fighters.
- In 2003, the LCA was officially named "Tejas".
- The nimble, single-engine fighter jet has been indigenously developed the Hindustan Aeronautics Limited for the Indian Air Force and is capable of flying at speeds of over 2,000 kmph, and has a range of around 3000 kilometres.
- The indigenously designed and built Light Combat Aircraft fighters that are part of the Indian Air Force's Flying Daggers squadron made their international debut in January 2016 at the Bahrain air show.
- LCA participation at LIMA will serve as a foundation for any future interaction with the Royal Malaysian Air Force (RMAF). It will also provide an opportunity to RMAF to assess the capabilities of LCA.

C. GS3 Related

Category: SCIENCE AND TECHNOLOGY

1. PSLV-C45 project will mark several firsts for ISRO

Context:

- The PSLV-C45/Emisat mission scheduled to lift-off from Sriharikota will be a memorable one for the Indian Space Research Organisation (ISRO).

Details:

- It will be ISRO's first attempt at placing payloads in three different orbits.
- The chief payload — the 436 kg Emisat — will be injected into a 749 km orbit.
- After that, the fourth stage of the rocket will be maneuvered to a 504 km orbit for releasing 28 international satellites.
- Once that job is over, the fourth stage will be restarted and guided to an altitude of 485 km.
- For the next six months, this stage will serve as an orbital platform for space-based experiments. This is another first for the ISRO. Normally, the spent stage simply becomes space junk.
- The orbital platform will also sport solar panels, which too is a first.
- The launch vehicle itself is a new variant, designated PSLV-QL.
- For the first time, ISRO will be employing four XL strap-on motors on the first stage.

The PSLV-C45 mission marks a milestone for ISRO's Indian Institute of Space Science and Technology (IIST).

- This is the first time that an IIST payload is flying aboard an ISRO mission.
- ARIS will study the structure and composition of the ionosphere.
- The other two experimental payloads aboard the orbital platform are the Automatic Identification System (AIS), an ISRO payload for maritime satellite applications, and the Automatic Packet Repeating System (APRS), meant to assist amateur radio operators.

Emisat:

- Emisat, the chief payload on PSLV-C45, is meant for electromagnetic spectrum measurements.
- It will be released into an orbit at 749 km, the ISRO said. C-45, which is set for lift-off from the second launchpad at Sriharikota, will mark the 47th flight of the PSLV.

Foreign co-passengers:

- As many as 28 small foreign co-passenger satellites will also travel to space with it, but to a lower orbit at 504 km.
- They include 24 small satellites from the U.S., among them 20 which are part of previous customer Planet Labs' earth observation constellation.
- The other four customers are from Lithuania, Spain and Switzerland.
- 436-kg satellite would serve as the country's roving device for detecting and gathering electronic intelligence from enemy radars across the borders as it circles the globe roughly pole to pole every 90 minutes or so.
- For the third successive PSLV mission, the ISRO plans to reuse the rocket's spent fourth stage or PS4 to host short experiments.

Category: INTERNAL SECURITY

1. Chinook will improve reaction capabilities, says IAF chief

Context:

- The IAF formally inducted the CH 47 F (I) - Chinook heavy lift helicopters into its inventory at Air.

Details:

- IAF had signed a contract with M/s Boeing Ltd in September 2015 for 15 Chinook helicopters.
- These helicopters will be deployed in the Northern and Eastern regions of India.
- The addition of heavy-lift CH 47 F (I) helicopter is a significant step towards modernisation of Indian Air Force's helicopter fleet.
- The helicopter has been customized to suit IAF's future requirements and capability roadmap.
- The helicopter has a fully integrated digital cockpit management system, advanced cargo handling capabilities and electronic warfare suite that complement the aircraft's performance.
- The helicopter is capable of airlifting diverse military and non-military loads into remote locations.
- These helicopters will be deployed in the northern and eastern regions, the IAF said in a statement. Besides Chandigarh, another unit will be created at Dinjan in Assam.

Category: ECONOMY

1. IRDAI moots public disclosure norm

Context:

The Insurance Regulatory and Development Authority of India (IRDAI) issued an exposure draft detailing the proposed norms requiring all general insurers, health insurers, specialised insurers and reinsurers, including branches of foreign reinsurers, to share information at specified intervals about their financials and performance.

Details:

- The norms require the insurers to share information about revenue, profit and loss account and balance sheet, as well as provide segmental reporting and schedules to accounts.
- One of the objectives of the norms was to ensure safety of policyholders according to international norms.
 - The International Association of Insurance Supervisors had recognised that the insurers had an equal, if not, greater responsibility towards the policyholders than their duty towards investors.
 - This is because when insurers become insolvent, loss to policyholders is much more than that to investors. Public disclosures on the risks faced by the insurers provide information to the policyholders to make informed decisions before entering into an insurance contract
- Besides safety of policyholders, other objectives behind the proposed disclosure norm are to serve as a tool to assess risk exposure of an insurer; educate investors on company's financial performance, financial position, risk exposure, corporate governance and management; measure orderly growth of the insurance sector; and have uniformity in the performance indicators.

Significance:

Public disclosure of risks faced by the insurers is critical for ensuring a fair and orderly insurance sector. They provide necessary feedback to the investors, policyholders and the general public.

2. 'Yield curve doesn't signal recession'

Context:

Former U.S. Federal Reserve Chair Janet Yellen said on Monday the U.S. Treasury yield curve may signal the need to cut interest rates at some point, but it does not signal a recession. The yield curve inverted for the first time since mid-2007, a shift that has in the past signalled the risk of recession.

What is Yield Curve?

- A yield curve is a graph that depicts yields on all of the U.S. Treasury bills ranging from short-term debt such as one month to longer-term debt, such as 30 years.
- Normally, shorter-dated yields are less than longer-dated ones.
- The curve, in a normal market environment, is upward sloping as bond investors are likely to get higher rates in a longer-term market environment as opposed to short term. That's because the perceived risk in a longer-term environment is higher.
- In rare settings, this yield curve starts to get inverted, meaning longer-dated yields are lesser than shorter-dated yields.

What is an inverted yield curve?

- An inverted yield-curve occurs when long-term debts have a lower yield as compared with short-term debt.
- The higher rate for the longer-term bond compensates an investor for the greater risk that inflation will chip away at the value of that investment over time.
- Higher long-term rates reflect expectations that growth will continue. But when the difference between the short- and long-term rates narrows, it's a signal that people are less certain that growth is here to stay.

What does an inverted yield curve mean?

An inverted yield curve is **generally considered a recession predictor**. It won't be immediate, but recessions have followed inversions a few months to two years later several times over many decades.

3. 'Norms soon for regulatory sandbox for fintech sector'

Context:

The Reserve Bank of India will, in the next two months, release the guidelines for the creation of a 'regulatory sandbox' for the fintech sector.

Regulatory Sandbox:

It is a framework set up by a regulator that allows FinTech startups to conduct live experiments in a controlled environment under supervision.

Significance:

- A Regulatory Sandbox' would benefit FinTech companies by way of reduced time to launch innovative products at a lower cost
- A regulatory sandbox is a controlled mechanism within which the sector will be able to experiment with solutions in a closely-monitored ecosystem so that the risks do not spread outside it, and

the reasons for failure can be analysed.

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: SOCIAL SECTOR

1. Paradigm shift for TB control

Larger Background:

- It is important to take a look at some of the steps that the Government of India has taken to counter the Tuberculosis (TB).

The Government has taken up many certain steps in order to tackle the problem of TB by 2025:

1. Early diagnosis of all the TB patients, prompt treatment with quality assured daily treatment regimen along with suitable patient support systems to promote adherence to prevent the development of drug resistance among any patient.
2. To identify the drug resistance at early stage, all TB patient are being screened for detection of resistance under Universal Drug Susceptible Testing (U-DST).
3. Revised guidelines for Programmatic Management of Drug Resistant TB (PMDT) are being implemented since December 2017.
4. Increase in diagnostic and management capacity for early detection and consequent earlier initiation of treatment. This will aid in decreasing mortality and cutting down transmission of the infection.
5. The country has 1180 functional CBNAAT sites, 89 Culture and Drug Susceptibility Testing (C-DST) laboratories certified in various technologies for drug resistance-TB detection.
6. Newer evidence-based regimens have been introduced to improve the treatment outcomes of drug resistance TB patients.
7. The Shorter MDR Regimen for MDR/RR TB patients (9-11 months of regimen instead of 24 months of conventional regimen)
8. Newer drugs (Bedaquiline) containing regimen has also been introduced country-wide under the program and made accessible to all districts during 2018.
9. Newer drugs (Delamanid) containing regimen has been introduced in 7 states.
10. Various interventions like Integrated mechanism for management of Adverse Drug Reactions (ADRs), provision of patients & family counselling at the time of diagnosis and during the course of treatment, airborne infection control as well as grievance redressal mechanism have been introduced to improve patient compliance.
11. **The Nikshay Poshan Yojana** provides 500 INR monthly to all TB notified TB patients in order to provide nutritional support and aid in the treatment of TB.
12. Private sector engagement is being promoted to reach out to all patients who are seeking treatment in the private sector and efforts are being made to provide them all diagnostic, treatment and care facilities, including public health action such as counselling, nutritional support, contact tracing, etc.

Editorial Analysis:

- Tuberculosis (TB) remains the biggest killer disease in India, outnumbering all other infectious diseases put together — this despite our battle against it from 1962, when the National TB

Programme (NTP) was launched.

- All hope was pinned on mass BCG vaccination to prevent TB. In 1978, the Expanded Programme on Immunisation (EPI) began, giving BCG to all babies soon after birth and achieving more than 90% coverage.
- **However, when evaluated in 1990, the NTP and the EPI had not reduced India's TB burden.**
- In 1993, the Revised National TB Control Programme (RNTCP) was launched, offering free diagnosis and treatment for patients, rescuing them from otherwise sure death. However, treatment is not prevention. Prevention is essential for control.

Short on control

- Why did the NTP and the EPI fail?
- Visionary leaders had initiated a BCG vaccine clinical trial in 1964 in Chingelpet district, Tamil Nadu. Its final report (published in the Indian Journal of Medical Research in 1999) was: BCG did not protect against TB infection or adult pulmonary TB, the 'infectious' form. By then, the RNTCP was in expansion mode; experts hoped that curing pulmonary TB might control TB by preventing new infections. That assumption was without validation in high prevalence countries.
- BCG immunisation does prevent severe multi-organ TB disease in young children, and must be continued but will not control TB.
- In countries with 5-10 cases in a lakh people annually, curing TB sustains the low disease burden. In India, with 200-300 cases in a lakh in a year, curing TB is essential to reduce mortality, but is not sufficient to prevent transmission. By 2014-15, the RNTCP was found to be very successful in reducing mortality, but failing to control TB. Why? From when a person becomes infectious to when he/she turns non-infectious by treatment, there is a gap of several weeks during which the infection saturates contacts in the vicinity. Delays in care seeking and diagnosis are the result of lack of universal primary health care.
- The way forward to control TB and to monitor its trajectory was proposed in 2009, in an editorial in Tropical Medicine & International Health titled "Paradigm shift for tuberculosis control in high prevalence countries". According to the editorial, **an innovative strategy was necessary.**

A Pilot Model from the state of Tamil Nadu:

- True to its reputation as being one of the most progressive in health management, Tamil Nadu is planning to implement this new strategy in one revenue district, Tiruvannamalai.
- If this pilot model is successful, it will be replicated in all other districts. To ensure public participation — a missing element in the Revised National TB Control Program (RNTCP) — the new model will be in public-private participation mode.
- The Rotary movement, having demonstrated its social mobilisation strengths in polio eradication, will partner with the State government in the TB control demonstration project.
- **Tiruvannamalai, a pioneer district in health management, was the first in India (1988-90) to eliminate polio using the inactivated polio vaccine (IPV), under a Health Ministry-Indian Council of Medical Research-Christian Medical College project.**
- The Directorate of Public Health and Preventive Medicine and the National Health Mission will lead all national, State and district health agencies, district and local administration, departments of education, social welfare and public relations and government medical college. The Rotary will ensure the participation of all players (health and non-health) in the private sector.
- **Experts opine that TB control requires the slowing down of infection, progression and transmission.**
- **Pulmonary TB causes transmission, resulting in infection which leads to progression as TB disease.**
- **To transform this vicious cycle into a virtuous cycle of TB control, spiralling down TB prevalence continuously, transmission, infection and progression must be addressed**

simultaneously — this is the Tiruvannamalai TB mantra.

Health etiquette

- TB bacteria float in the air, people inhale that air and get infected.
- The closer one is to a pulmonary TB person, the greater the probability of catching infection.
- Experts point out that we must reduce chances of transmission by insisting that the TB affected should cover their mouth and nose while coughing and sneezing and not to spit in open spaces.
- Only when the public at large practise cough and sneeze etiquette and refrain from spitting in the open, can we ensure that the TB affected also will follow suit.
- The Rotary will spearhead public education for behaviour modification, starting in all schools and continuing through to adults.
- Further, it is important to note that progression to TB disease from infection can be prevented by giving World Health Organisation-recommended short-term 'preventive treatment'.
- **Infection is silent, but diagnosable with the tuberculin skin test (TST).**
- Testing all people periodically is not possible. Cohorts of schoolchildren (5, 10 and 15 years) can be tested and those TST positive given preventive treatment.
- This tactic achieves three results at one go — an infected child gets preventive treatment and points to adults with undiagnosed TB in the household.
- Finally, the annual TST positive rate provides an objective measure of annual infection frequency for plotting the control trajectory.
- World TB Day is observed on March 24.
- In 2019 the slogan was "It's Time..." to take TB control seriously.
- On March 13, 2018, the Prime Minister, who was inaugurating the End TB Summit, declared that India would end TB by 2025.
- On September 26, 2018, the first ever United Nations High Level Meeting on TB declared the urgent agenda "United to end TB – an urgent global response to a global epidemic".
- Experts point out that rhetoric and declarations cannot control TB; a strategy of simultaneously using all biomedical and socio-behavioural interventions can.
- Ending TB by 2025 is impossible but pulling the TB curve down by 2025 and sustaining the decline ever after is in the realm of reality.
- True to the spirit of World TB Day theme, experts laud Tamil Nadu for deciding 'It's time — to take bold and imaginative initiatives to create a TB control model'.
- Tamil Nadu, an erstwhile global leader in TB research during the 1960s through the 1990s, will now become the global leader in TB control.

Category: ECONOMY

1. Delaying bad news

Editorial Analysis:

- Experts opine that for now, Indian banks burdened by sour loans will not have to admit the true size of their likely losses.
- Recently, the Reserve Bank of India postponed the implementation of the Indian Accounting Standards (Ind AS) norms for banks indefinitely, citing the need for amendments to be made by the government to the relevant banking laws.
- The RBI had initially planned to implement the norms starting April 1, 2018 in order to bring Indian accounting standards in line with international standards, but the Centre's delay in enacting the necessary amendments had given breathing space for banks for another year.

The Possible Impact of the Adoption:

- It is believed that the adoption of the accounting standard could cause significant credit losses to banks, which will be forced to prematurely recognise losses on their loans and build up the necessary underlying capital required to overcome the impact of such losses.
- Under the proposed norms, financial institutions like banks will have to calculate expected credit losses (ECL) on their loans during each reporting period and make necessary adjustments to their profit-and-loss account even before a borrower may default on a certain loan.
- This is in contrast to the present accounting norms wherein banks incur credit losses in their books only after outstanding loans have been in a state of default over a certain number of days as stated in the rules laid down by the RBI.
- Given the losses they would likely have to incur, it is understandable why banks would try to avoid adopting the accounting norms for as long as possible.
- Hence, the delay in the implementation of the Ind AS norms is not surprising at all.

A Look at some of the Changes Banks would need to make:

- To adjust to the new norms, experts point out that banks will have to improve their ability to forecast future credit losses with precision. Until this happens, bank earnings could experience volatility.
- The Central government, which has been trying to bail out public sector banks without carrying out the structural reforms required to clean up balance sheets, might also prefer to delay the enactment of the legislation.
- For the new norms will cause more outstanding loans to be added to the huge existing pile of bad loans and cause further headaches to the government.

Concluding Remarks:

- According to estimates made by India Ratings & Research, public sector banks would have to make additional provision of over a trillion rupees if the norms are adopted right away.
- The Centre may not be able to foot the bill, and may instead prefer to help public sector banks to hide the true size of their bad loans.
- This does not bode well for the health of the banking system as banks that do not recognise their problems might not resolve them.

2. Balancing work (Women's Participation in the Workforce)

Note to Students:

The above topic can also be clubbed under the ambit of Social Issues as well, which comes under GS Paper 1. This is because it goes into aspects such as gender-gap, etc. But, here we are largely looking at the concept of women's participation in the workforce and have hence taken this topic under the realm of Indian Economy.

Editorial Analysis:

- The underlying gender bias in unpaid care work is a critical factor contributing to gender inequality, says the International Labour Organization's (ILO) latest report.
- The ILO's 2017 global sample survey established that 70% of women were eager to be in paid employment outside their home.
- However, an ILO study last year (2018) found that only about 45% of women had jobs.
- This underscores the gap between their desires and reality.

A Look at the Report:

- The report, 'A quantum leap for gender equality: For a better future of work for all', which was launched in the month of March, 2019, shows that unpaid care work posed the biggest impediment to women's employment.
- Some 21.7% of women of working age are engaged full time in caregiving without pay, says the report. Only 1.5% of men fall in this category.

The impact of unpaid work:

- The impact of unpaid work on women manifests itself at many levels.
- There is motherhood penalty (which means that mothers in the workforce experience additional disadvantages compared to women who are not mothers).
- This is more acute for women with children in the 0-5 age group than among those with older children.
- In addition, there is also the parenthood employment gap that unfairly privileges fathers.
- The ILO reports an increase in both these groups in several countries that were surveyed.
- More starkly, there is a wage penalty associated with motherhood, as opposed to a wage premium linked to fatherhood, over an entire career span. This translates into a leadership penalty.
- **Only about 25% of women with young children are said to occupy managerial positions. This contrasts with some 75% among fathers in comparable situations.**
- A skewed distribution of unpaid work yields unequal dividends from educational attainments.
- Gender enrolment gaps were said to have closed by 2017 in secondary and tertiary education.
- But women make up over 69% of youth who are not in employment, education or training. These numbers should explain why the bulk of women drift into unpaid care activities.
- In most of the developing world, even when they are engaged in paid work, it is predominantly in the unorganised sector.
- Among adults with a university degree, 41.5% of women are either unemployed or outside the labour force, compared to 17.2% among men.
- But those who manage to break through barriers are better qualified than men and rise to the top even faster.
- Across the world, over 44% of women managers hold an advanced degree, as compared to 38.3% among male counterparts.

Concluding Remarks:

- A rebalancing of current roles is critical to expand the arena of paid work for women and reduce the long working hours for men. That may also be the answer to promoting women's participation in the workforce.

Category: POLITY AND GOVERNANCE

1. Encouraging secret donations

Larger Background:

- India is the largest democracy in the world. However, despite strengthening various institutions for the last seven decades, India has not been able to evolve a transparent political funding system. Elections and political parties are a fundamental feature of Parliamentary democracy.
- Elections cost money. The round the year functioning of the political parties involves a large expenditure. Parties run offices throughout the country. Staff salaries, travelling expenses, establishment cost are regular expenditures of political parties.

- Besides expenditure of individual candidates, political parties have to spend money on election campaigns, publicity, tours, travels and election related establishments. These expenditures run into hundreds of crores.
- Yet there has not been a transparent funding mechanism of the political system.
- The conventional system of political funding is to rely on donations. These donations, big or small, come from a range of sources from political workers, sympathisers, small business people and even large industrialists. The conventional practice of funding the political system was to take donations in cash and undertake these expenditures in cash. The sources are anonymous or pseudonymous. The quantum of money was never disclosed. The present system ensures unclean money coming from unidentifiable sources. It is a wholly non-transparent system. Most political groups seem fairly satisfied with the present arrangement and would not mind this status-quo to continue. The effort, therefore, is to run down any alternative system which is devised to cleanse up the political funding mechanism.
- A major step was taken during the first NDA Government led by Shri Atal Bihari Vajpayee. The Income Tax Act was amended to include a provision that donations made to political parties would be treated as expenditure and would thus give a tax advantage to the donor. If the political party disclosed its donations in a prescribed manner, it would also not be liable to pay any tax. A political party was expected to file its returns both with the income-tax authorities and Election Commission.
- It was hoped that donors would increasingly start donating money by cheque. Some donors did start following this practise but most of them were reluctant to disclose the details of the quantum of donation given to a political party. This was because they feared consequences visiting them from political opponents. The law was further amended during the UPA Government to provide for “pass through” electoral trust so that the donors would park their money with the electoral trusts which in turn would distribute the same to various political parties. Both these reforms taken together resulted in only a small fraction of the donations coming in form of cheques.
- In order to make a serious effort to carry forward this reform process, a scheme was announced for the year 2017-18 that the existing system would be substantially widened and donations of clean money could be made to political parties in several ways. A donor could enjoy a tax deduction by donating in cheque. Donors were also free to donate moneys online to political parties. A cash donation to a political party could not exceed an amount of Rs.2000/-.
- In addition, a scheme of electoral bonds was announced to enable clean money and substantial transparency being brought into the system of political funding.

The broad Features of the Scheme are given below:

- Electoral Bond would be a bearer instrument in the nature of a Promissory Note and an interest free banking instrument. A citizen of India or a body incorporated in India will be eligible to purchase the bond.
- Electoral Bond (s) would be issued/purchased for any value, in multiples of Rs.1,000, Rs.10,000, Rs.1,00,000, Rs.10,00,000 and Rs.1,00,00,000 from the Specified Branches of the State Bank of India (SBI).
- The purchaser would be allowed to buy Electoral Bond(s) only on due fulfilment of all the extant KYC norms and by making payment from a bank account. It will not carry the name of payee.
- Electoral Bonds would have a life of only 15 days during which it can be used for making donation only to the political parties registered under section 29A of the Representation of the Peoples Act, 1951 (43 of 1951) and which secured not less than one per cent of the votes polled in the last general election to the House of the People or a Legislative Assembly.
- The Electoral Bonds under the Scheme shall be available for purchase for a period of 10 days each in the months of January, April, July and October, as may be specified by the Central Government. An additional period of 30 days shall be specified by the Central Government in the year of the General election to the House of People. The Electoral Bond(s) shall be encashed by an eligible political party only through a designated bank account with the authorised bank.

Editorial Analysis:

- Experts opine that despite the massive campaign spending in India, there is barely any public scrutiny of such spending because of the opaque nature of the transactions.
- The electoral bonds scheme amplifies such opacity **by not disclosing the identity of the donor**.
- Recently, in an affidavit countering the CPI(M)'s petition challenging the scheme, the Central government argued that the scheme has a two-fold purpose: one, it enhances transparency in political funding; two, it protects the right to privacy of donors.
- However, critics point out that in reality, the scheme undermines the complementary nature of the rights to privacy and information, namely, to make the state more transparent.

A Brief Look at the Past:

- Electoral bonds were introduced in 2017 when the Finance Act amended four different statutes: the Reserve Bank of India Act, 1934; the Representation of Peoples Act, 1951; the Income Tax Act, 1961; and the Companies Act, 2013.
- The government argued that the use of bank routes would likely reduce under-the-table cash transactions and promote transparency in election funding.
- It said that transactions through banks would incentivize the use of white money, and KYC requirements of banks would ensure paper trails.

Impact on Political Transparency:

- However, the terms of the scheme appear to have disastrous consequences for political transparency.
- Under the scheme, both the purchaser of the bond and the political party receiving the money have a right to not disclose the identity of the donor.
- Also, the policy dismantles several restrictions that checked illegal corporate sponsoring previously — for example, by removing a cap on corporate sponsorship.
- Donations can now be made by any “artificial juridical person”.
- This means that even foreign donations are now allowed.
- The requirement that a company has to be in existence for three years for it to make political donations has also been removed. This ignores all the concerns regarding the use of shell companies to siphon black money into the system.
- These changes show that access to the paper trails will be outside the scope of public scrutiny as it will lie exclusively with the banks.
- Further, as bonds can be issued only by public sector banks, the only entity with full knowledge of the transactions will be the Central government.
- History has shown that money laundering often takes place through banks, so the government's argument that the use of banks will reduce under-the-table transactions does not hold.

Perspective on Right to Privacy:

- The Centre informed the Supreme Court that protecting the privacy of electoral bond buyers is vital.
- It is important to note that while the right to privacy in India safeguards the individual's autonomy and dignity, it is subject to restriction on the basis of “**compelling public interest**”.
- If the information pertains to matters which affect the lives of others, or is closely linked to a public person, it must be disclosed.
- The policy choices and decisions of public officials have to be brought under public scrutiny to ensure that they have not acted in a manner that unfairly benefits them or their benefactors.
- The same logic can then be extended to the funding of political parties, where the funder's actions are bound to have an influence on the policy decisions of the party, if the party wins.
- **Experts point out that a clear conflict of interest would likely arise if important policy decisions are taken that could affect the donors to the party.**

- Let's imagine that an Indian company decides to make a huge political donation through the electoral bonds scheme and the political party it donates to emerges victorious.
- What if the government decides to provide favourable deals to the sector in question? The public will have no way of knowing what guided such a biased action.
- The Central government in its affidavit further argued that the right to keep the identity of the donor private was an extension of their right to vote in a secret ballot.
- The Supreme Court has almost unequivocally read a right to information and knowledge implicit in the right to freedom of speech and expression.
- The freedom to vote (as different from the right to vote) is seen as an essential facet of Article 19 of the Constitution.
- Critics opine that it is difficult to understand how a liberal democratic structure can sustain its legitimacy when information is not fully available to voters exercising their choice.

Concluding Remarks:

- The policy on electoral bonds thus needs to recognise the complementary nature of the rights to privacy and information, namely, to make the state more accountable.

Category: INTERNATIONAL RELATIONS

1. India needs a measure of political consensus on regional policies (Participation of States- Foreign Policy)

Note to Students:

This editorial release is taken from "The Indian Express".

Editorial Analysis:

- Experts opine that one of the interesting foreign policy ideas that Prime Minister Narendra Modi unveiled early in his tenure, was to enhance the role of states in India's engagement with the world.
- His long stint as Gujarat Chief Minister and his interest in the diaspora had probably something to do with it.
- Five years later, there has been some progress on the margins. The NDA government created a "states division" in the Ministry of External Affairs to facilitate the international interactions of the state governments on a range of issues — from promoting trade and tourism to attracting foreign investments. It has also hosted visiting dignitaries in state capitals.

Incidents of Friction:

- However, the problem of finding common ground with state chief ministers on developing effective neighbourhood policies has not disappeared.
- The decade-long UPA rule had seen some states wresting unprecedented control over foreign policy towards the neighbours.
- Some experts have opined that in West Bengal, Mamata Banerjee wrecked, in her spectacular way, a carefully prepared visit by Prime Minister Manmohan Singh to Bangladesh in 2011.
- Although the state government officials had participated in the negotiation of an agreement on sharing the Teesta river's waters, Banerjee vetoed the agreement hours before the PM's meeting with Sheikh Hasina.
- Critics point out that this was probably one of the worst moments for Indian diplomacy.
- It brought into stark relief Delhi's inability to deliver on initiated agreements and exposed the profound domestic weakness of the UPA government.

- Critics point out that if Mamata played the spoiler on Teesta, the UPA government could not muster the necessary support in Parliament for the ratification of the other main achievement of PM Singh's visit — the land boundary agreement with Bangladesh.
- As a matter of fact, it was a miracle that ties with Bangladesh survived these twin setbacks.
- If the Indian leadership looked diminished in Dhaka, Sheikh Hasina, who kept faith with the agenda of improving ties with Delhi, emerged as the Subcontinent's tallest leader.
- That Delhi was being run by a coalition government was one part of the problem. That assertive leaders like Banerjee were willing to play fast and loose with national interest was the other.
- Critics point out that the UPA government had neither the power to persuade the state leaders nor the political will to challenge the state leadership. It was far too afraid of losing future electoral support.
- In Tamil Nadu, the imperative of keeping the Dravidian parties happy made it hard for Delhi to pursue a sensible policy towards Sri Lanka. The worst moment came in 2013. Under pressure from Congress leaders in Tamil Nadu, including senior figures like P Chidambaram, PM Singh cancelled plans to attend the Commonwealth Summit in Colombo.
- As a matter of fact, Delhi's decision to not attend an international conference in next door Colombo, in order to appease whipped up sentiment in Tamil Nadu, once again exposed PM Singh's weak hand in the conduct of foreign policy.
- He was apparently eager to attend the meet and understood the diplomatic costs of not doing so. Media reports suggested that the Congress leadership had overruled him.

A Brief glance at events under the current administration:

- Modi won an absolute majority in the Lok Sabha in 2014 and has had a stronger say in shaping the ruling party's policies.
- This had an immediate positive effect on foreign policy, for example, in relations with Bangladesh and Sri Lanka. Modi overruled internal opposition in the BJP to the ratification of the land boundary agreement with Dhaka and ensured its early passage in Parliament.
- As part of his early tours in the neighbourhood, Modi travelled to Sri Lanka and launched intensive dialogue with both the Sinhalese and Tamil communities.
- A majority in the Lok Sabha helped Modi to prevent the Sri Lanka policy becoming a hostage to Chennai politics.
- Experts raise important questions: will that remain true if Delhi returns to the era of coalition governments in 2019?
- Can the next government pursue productive engagement with Colombo if its survival depends on support from the Dravidian parties?
- Can a weak coalition in Delhi balance the explosive political dynamic in Assam on the citizenship issue with the need to strengthen the partnership with Dhaka?
- Can the next government consult the chief ministers of Bihar, Uttar Pradesh and Uttarakhand to improve strained ties with Nepal?
- In 1996, the then West Bengal CM, Jyoti Basu, lent strong political support to the H D Deve Gowda government to wrap up the agreement on sharing the Ganga waters.

It is important to note that Banerjee, locked in a perennial scrap with the Centre, has refused to facilitate the implementation of the Teesta waters agreement negotiated during the tenure of Manmohan Singh, and backed by PM Modi.

Over the last decade, the sustained improvement of ties with Bangladesh has been the single most important regional advance for India.

- Experts opine that if Delhi had Kolkata's support in engaging Dhaka, the transformation of the eastern Subcontinent could have been sweeping.

Concluding Remarks:

- Prospects for a sensible neighbourhood policy can't rest solely on having single-party governments at the Centre and "responsible" CMs in the border states.
- India needs a measure of political consensus on regional policies.
- If the political classes choose to turn every problem in the neighbourhood into a domestic contestation, Delhi's adversaries will continue to gain ground in India's neighbourhood.
- The current intense politicisation of ties with Pakistan might seem like an exception. But similar dangers lurk on all of India's frontiers.

F. Tidbits

1. Minimum area, maximum plants

- Standing amidst the carefully tended, lush greenery of plantations is a vibrant and self-sustaining ecosystem at Ayamkudy, a hamlet near Kaduthuruthy in Kottayam.
- This man-made forest, called Mango Meadows, is home to about 4,800 plant varieties from as many as 15 countries.
- Living up to its reputation, this small patch of land that also doubles up as an agricultural theme park, has now found place in the URF World Records and the Limca Book of Records for developing the maximum number of agriculture and horticulture species in a minimum area of 30 acres.
- The certificate issued by the Limca Book of Records notes the forest has 4,800 species of plants, 700 trees, 900 flowering plants, with saplings and seeds collected from 15 countries.

G. Prelims Fact

1. Insolvency and Bankruptcy Code

The Insolvency and Bankruptcy Code, 2016 is a major economic reform next only to the adoption of Goods and Services Tax in India. The act came into force from December 2016. This move is aimed at consolidating the existing laws related to the insolvency of partnerships with unlimited liability, entities with limited liabilities (including limited liability partnerships), and individuals into a single legislation in order to rule out the ambiguity in the insolvency resolution process. The law also contains cross-border insolvency provisions.

Procedure for Insolvency resolution under the Insolvency and Bankruptcy Code:

The creditors (financial/operational) are required to submit a plea for insolvency to the adjudicating authority (National Company Law Tribunal in case of corporate). The plea has to be accepted/rejected within 14 days from the filing of the plea. In case of acceptance of the plea, an Insolvency Resolution Professional (IRP) is appointed. The IRP has to draft an insolvency resolution plan within 180 days (can be extended by 90 days in exceptional cases) while the board of directors of the company remains suspended and the promoters do not have a say in the management. However, the IRP is allowed to seek help from the board of directors in carrying on the day to day activities of the business. If the resolution plan is accepted by 75% of the creditors, it will be put into action. In case of rejection of the insolvency resolution plan, the company will be liquidated.

Insolvency and Bankruptcy Code is a systematic and comprehensive reform, the benefits of which are manifold:

- The implementation of this huge economic reform is going to help India increase its Ease of doing business quotient.

- It would help the country shift from one among relatively weak insolvency regimes to one of the world's best insolvency regimes.
- It would help in the development of bond markets which are the source of finance to many future infrastructure development projects.
- It would encourage innovation and entrepreneurship due to the ease of doing business.
- It would make India a favorable destination for investment, thereby giving boost to the FDI inflow.
- Since it is a single legislation, there would be a greater clarity in application of coherent and clear provisions to various stakeholders.
- One of the solutions to reduce the increasing Non Performing Assets (NPAs) plaguing the banks' Balance Sheets.
- It would enable a better flow of capital in the economy.
- The law would ensure easy and hassle free exit of sick companies.

2. Chandrayaan 2 to carry NASA's Retroreflectors

- India's lunar mission Chandrayaan 2, scheduled to launch next month.
- It will carry NASA's laser instruments that help scientists to make precise measurements of the distance to the Moon, according to the U.S. space agency.
- NASA has confirmed that Chandrayaan 2 and Israeli lander Beresheet, due to touch down on April 11, will each carry NASA-owned laser retroreflector arrays.

Chandrayaan 2:

- Chandrayaan-2, India's second mission to the Moon is a totally indigenous mission comprising of an Orbiter, Lander and Rover.
- The mission will carry a six-wheeled Rover which will move around the landing site in semi-autonomous mode as decided by the ground commands.
- The instruments on the rover will observe the lunar surface and send back data, which will be useful for analysis of the lunar soil.
- The Chandrayaan-2 weighing around 3290 kg and would orbit around the moon and perform the objectives of remote sensing the moon.
- The payloads will collect scientific information on lunar topography, mineralogy, elemental abundance, lunar exosphere and signatures of hydroxyl and water-ice.

Retroreflectors:

- Retroreflectors are sophisticated mirrors, that reflect laser light signals sent from Earth.
- The signals can help pinpoint precisely where the lander is, which scientists can use to precisely calculate the Moon's distance from Earth.
- Those analyses could become so detailed that scientists could see the daily rise and fall of any lander surface the device is resting on as that surface expands and contracts with the Moon's dramatic temperature changes.

3. India pride project

- India Pride Project (IPP) is a group of art enthusiasts who uses social media to identify stolen religious artefacts from Indian temples and secure their return.
- Co-founded in 2014 by two Singapore-based art enthusiasts, S. Vijay Kumar and Anuraag Saxena, it now has activists from all over the world.
- The impending auction in London of eight artefacts from the armoury of Tipu Sultan has raised concerns among heritage activists, who have protested the sale of India's national treasures.
- The artefacts are said to have been "discovered" sometime ago in the attic of a house in Berkshire, England, having been unnoticed for more than 200 years.

- The website of the auctioneers, lists the artefacts as “Tipu Sultan’s effects being the Allocation received by Major Thomas Hart of the East India Company following the fall of Seringapatam on the 4th of May 1799.”

Read more about the Anglo Mysore Wars

[First and second Anglo Mysore Wars](#)

[Third and fourth Anglo Mysore Wars](#)

H. Practice Questions for UPSC Prelims Exam

Q1. Consider the following statements:

1. Odisha is home to 50 percent of the total world's population of Olive Ridley Turtles.
2. Olive Ridley Turtles are herbivores.

Which of the following statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Ans: a

Explanation:

Odisha is home to 50 percent of the total world's population of Olive Ridleys and about 90 percent of Indian population of sea turtles. They are mostly carnivorous and feed on creatures like jellyfish, snails, crabs, and shrimp. However, they occasionally consume algae and seaweed.

Q2. Consider the following statements:

1. Strait of Hormuz is a strait between Malaysia and Indonesia
2. It is one of the world’s most strategically important choke point

Which of the following statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Ans: b

Explanation:

Strait of Hormuz is a maritime choke point off Iran. It lies between the Persian Gulf and the Gulf of Oman. It provides the only sea passage from the Persian Gulf to the open ocean and is one of the world's most strategically important choke points.

Q3. Consider the following statements with respect to Monkey Fever:

1. Flaviviridae is a family of bacteria that causes Monkey Fever.
2. The disease was first reported from Kyasanur Forest of Karnataka

Which of the following statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Ans: b

Explanation:

Flaviviridae is a family of viruses that cause Monkey Fever. Also known as Kyasanur forest disease (KFD), it is a tick-borne viral haemorrhagic fever endemic to South India. The disease was first reported from Kyasanur Forest of Karnataka in India in March 1957.

Q4. Consider the following statements:

1. The tradition of Vasantotsav, meaning Spring Festival was started by Rabindranath Tagore at Shantiniketan
2. Rabindranath Tagore was awarded the Nobel Prize for Literature for his book Gitanjali.

Which of the following statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 nor 2

Ans: c

Explanation:

Holi by the name of Basant Utsav is celebrated with fervour in the state of West Bengal. The tradition of Vasantotsav, meaning Spring Festival was started by poet and Nobel laureate Rabindranath Tagore at Shantiniketan. In 1913, he was awarded the Nobel Prize for Literature for his book Gitanjali. He wrote Gitanjali in 1910. This book is a collection of poems.

Q5. Consider the following statements:

1. Chenchus are designated Scheduled Tribes in the states of Gujarat and Goa
2. Garo, Khasi and Jaintia tribes inhabit the state of Meghalaya

Which of the following statement/s is/are correct?

- a. 1 only
- b. 2 only
- c. Both 1 and 2

Ans: b

Explanation:

The Chenchus are Adivasi, a designated Scheduled Tribe in the Indian states of Andhra Pradesh, Telangana, Karnataka and Odisha. The Garos inhabit western Meghalaya, the Khasis central Meghalaya and the Jaintias eastern Meghalaya.

I. UPSC Mains Practice Questions

1. Explain the Venezuela Presidential crisis. Also comment how the chaos in Venezuela will impact oil prices. (15 Marks)
2. Ending TB by 2025 is impossible but pulling the TB curve down by 2025 and sustaining the decline ever after is in the realm of reality. Analyse the statement and suggest suitable measures. (15 Marks)