

06 May 2019: UPSC Exam Comprehensive News Analysis

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Category: POLITY AND GOVERNANCE

1. Doctors appearing in ads for hospitals may face action

Context:

A group of doctors working in a prominent corporate hospital in Kochi may be penalised after their photographs and details were featured prominently in a newspaper advertisement of the hospital on May 1. The matter has been brought to the attention of the Registrar of Travancore Cochin Council of Modern

Medicine, for appropriate action.

Background:

- A few years ago, the Medical Council of India (MCI) took punitive action against a group of doctors, who were featured prominently in an advertisement of the hospital they were then working in, by removing their names from the Indian Medical Register/State Medical Register for 15 days.
- In 2013 the MCI took disciplinary action against nine doctors who were featured prominently in an advertisement of Saxena Multispeciality Hospital, Pvt. Ltd., Sonapat, Haryana.
- The MCI took this decisive action because doctors promoting themselves through advertisements with photographs is a violation of the Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002.

What does the code say?

- Section 6.1 of the Code of Ethics states that “...a physician shall not make use of him/her (or his/her name) as subject of any form or manner of advertising or publicity through any mode either alone or in conjunction with others ... as to invite attention to him or to his professional position, skill, qualification ...”
- “Corporate hospitals are free to advertise their facilities and services but they cannot advertise their services making use of the photographs and details of the doctors under their employment.

Council’s mandate:

- The Travancore Cochin Council of Modern Medicine, which met in May last year, brought out a circular that the council would be forced to take suo motu action against doctors if they displayed their photographs in any hospital billboards or advertisements in violation of the Code of Ethics.
- It had asked doctors to remove their names and photographs from such publicity material immediately or to face punitive action, including removal of their names from the State Medical Register.
- The MCI’s Code of Ethics is binding on the doctors and not the hospital.
- The MCI has jurisdiction only over doctors. So, even if it is the hospital that is putting out the advertisements featuring doctors’ photographs, the latter alone will be held liable for the violation of medical ethics.

2. Services to take up concerns on upgrade

Context:

The government has announced the setting up of a high-level expert committee to examine the recommendations of 7th Central Pay Commission (CPC) on Non-Functional Upgradation (NFU). With no Services representative on the committee, the three Services are expected to make a representation to the Ministry of Defence (MoD).

Background:

- The Sixth Pay Commission had granted NFU to most Group ‘A’ officers but not the military.
- Since then, armed forces had been demanding a one-time notional NFU to ensure parity.
- However, the 7th CPC gave a mixed verdict on it and the issue has since been referred to the anomalies committee following strong objection from the three Services.
- The Department of Personnel and Training in an order had announced the setting up of a seven-member high-level expert committee headed by Ratan P. Watal, IAS (retd.) and former Finance Secretary and principal adviser NITI Aayog to “examine various aspects of the recommendation of

7th CPC on NFU.”

- Separately, a case regarding granting NFU to the Services is currently pending in the Supreme Court.
- In the past too, the Services had taken up the matter with the MoD after the 7th CPC recommended NFU for the services.
- In April 2017, Army Chief General Bipin Rawat had written to then Defence Minister Arun Jaitley highlighting the discrepancies in equivalence and parity between armed forces and their civilian counterparts due to the lack of NFU despite military personnel having long service.

Non-Functional Upgradation:

NFU entitles all officers of a batch who are not promoted to draw the salary and grade pay that the senior-most officer of their batch after certain seniority.

Details:

- NFU status under the 7th Central Pay Commission has been a core demand of the military.
- Group A services in the government already enjoy the NFU status and it was recently granted for the Central Armed Police Forces (CAPFs) as well.
- So it is only the armed forces, who really need NFU due to the steep pyramidal structure, who are left out.
- Among the terms of reference, the committee is tasked to examine the administrative issues pertaining to NFU, which is presently admissible to the IPS/Indian Forest Service and OGAS and come out with a comprehensive solution keeping in view the recommendations of pay commission, various judicial pronouncements and administrative and financial exigencies of the government among other factors.
- The other aspect is to suggest a “clear definition of OGAS (Organised Group A Service), to make clear distinction in the processes of cadre review and the procedure for grant of OGAS.
- The committee is requested to submit its report to the Cabinet Secretary within a period of 30 days from its constitution, the order stated.

Category: HEALTH

1. Telangana addresses maternal mortality

Context:

In a week’s time, 30 nurses trained in midwifery would be posted in 12 government healthcare facilities that have recorded a high number of deliveries. The move is expected to bring down C-Section deliveries and maternal mortality rate (MMR) in the State.

MMR data:

- According to the Sample Registration System’s special bulletin on ‘Maternal Mortality in India 2014-16’, MMR across India was 130 per 1,00,000 live births.
- It is 81 per 1,00,000 live births in Telangana, the fifth lowest State.
- The lowest MMR of 46 was recorded in Kerala, followed by 61 in Maharashtra.

Details:

- On the occasion of International Day of the Midwife, 30 nurses who completed 18-month Midwifery Nurse Practitioner Diploma Course were presented with certificates by Health Minister.
- The course was funded by the Central government through the National Health Mission (NHM), and

implemented by the government of Telangana in collaboration with Fernandez Hospitals and the United Nations Children's Fund (UNICEF).

- It is claimed that Telangana is the first State to have certified midwives.

Significance:

According to World Health Organisation's (WHO) 'Global Strategic Directions for Strengthening Nursing and Midwifery 2016-2020', there is demonstrable evidence substantiating the contribution of the nursing and midwifery workforce to health improvements, such as increased patient satisfaction, decrease in patient morbidity and mortality, stabilisation of financial systems through decreased hospital readmissions, length of stay, and other hospital-related conditions, including hospital-acquired infections, which consequently contributes to patient well-being and safety.

How did Telangana bring down its MMR through sustained campaign?

- The infrastructure which was implemented, largely focused on making healthcare accessible to all women and also incentivized institutional deliveries which helped attract more women to institutional deliveries.
- The government undertook the gargantuan task of improving public health care facilities, starting with the Public Health Centres (PHCs).
- The state implemented a 24-hour call centre as part of a government initiative.
- The PHCs worked with Accredited Social Health Activists (ASHAs) and collected the expected delivery dates of women in a particular locality and passed it on through the call centres.
- The call centres were set up in conjecture with the government's 'Amma Vodi' (Mother's Lap) programme.
- Under 'Amma Vodi' a few initiatives were taken to ensure that pregnant women were getting regular antenatal check-ups as well as institutional deliveries.
- The call centres helped authorities to keep track of pregnant women and were able to make sure that they were getting regular check-ups.
- The government also introduced the 102 number for women who required transport to and from their check-ups.
- Institutional deliveries were incentivised by providing financial incentives. Women are given Rs 13,000 for girl children and Rs 12,000 for boys which are given in installments.

Conclusion:

According to data released by the Sample Registration System (SRS), Telangana state went from an MMR of 92 in the 2011 to 2013 period to a rate of 81 between 2014 and 2016. The effort of the state government to reduce its MMR has resulted in the entire nation's MMR reducing to 130 from 167. In fact, Telangana is now close to the 70 mark, the Sustainable Development Goal (SDG) set for the country.

Category: INTERNATIONAL RELATIONS

1. India, U.K. in talks to build a naval supercarrier: report

Context:

The talks are under way for the Indian Navy to buy detailed plans for the 65,000-ton British warship to build a so-called "copycat supercarrier" to be named INS Vishal in 2022 - as part of the ongoing 'Make in India' negotiations.

Details:

- The new state-of-the-art aircraft carrier would be built along the lines of Britain's HMS Queen Elizabeth.
- HMS Queen Elizabeth is the largest warships ever built for the Royal Navy and is capable of carrying up to 60 aircraft.
- If a deal can be agreed, the new warship would be built in India but UK companies could supply many of the parts.
- The report noted that such a new Naval carrier would serve alongside India's 45,000-ton carrier INS Vikramaditya — bought from Russia in 2004 and the currently under-construction 40,000-ton INS Vikrant, and could give India a larger carrier fleet than Britain.
- The reported India-UK Naval deal would follow the sale of Britain's Falklands War carrier HMS Hermes to India in 1987, which was renamed INS Viraat and decommissioned two years ago.

2. Kim oversaw testing of tactical weapons**Context:**

North Korea conducted 'strike drills' in violation of UN resolutions.

Background:

- North Korea had maintained a freeze in nuclear and ballistic missiles testing in place since 2017, which U.S. President Donald Trump has repeatedly pointed out as an important achievement from his engagement with Pyongyang.
- The North's last missile launch was in November 2017, when it tested an intercontinental ballistic missile.
- Talks stalled after a second summit between Kim and Trump in Hanoi in February 2019 failed to produce a deal to end Pyongyang's nuclear program in return for sanctions relief.
- North Korea demanded Washington lift the U.S.-led sanctions against it in return for a partial dismantling of its nuclear weapons program, while the United States wanted the quick rollback of the North's entire nuclear weapons program before removing economic sanctions.
- With North Korea never promising to completely stop all missile testing — it only promised a self-imposed moratorium of testing long-range missiles such as ICBMs that can hit the U.S. homeland.

Details:

- North Korea has conducted a "strike drill" for multiple launchers, firing tactical guided weapons into the East Sea in a military drill supervised by leader Kim Jong-un.
- The purpose of the drill was to test performance of large-calibre long-range multiple rocket launchers and tactical guided weapons by defence units according to the Korean Central News Agency (KCNA).
- Photographs released by KCNA showed the tactical guided weapons fired could be a short-range, ground-to-ground ballistic missiles, according to a military expert at Korea's Kyungnam University's Institute of Far Eastern Studies.
- While such a missile launch would be in violation of UN Security Council resolutions, it would not involve long-range ballistic missiles that have been seen as a threat to the U.S.
- The new, solid fuel ballistic missiles can fly as far as 500 km, putting the entire Korean Peninsula within its range and are capable of neutralising the advanced U.S. anti-missile defence system (THAAD) deployed in South Korea, the military analyst said.
- The latest test firing prompted Seoul to call on its communist neighbor to "stop acts that escalate military tension on the Korean Peninsula".

C. GS3 Related

Category: ECONOMY

1. SEBI's 'capital' punishment to NSE, an unprecedented move

Context:

The capital markets watchdog SEBI ordered the NSE to disgorge money totalling ₹1,100 crore for not exercising proper due diligence while offering co-location services that allowed certain entities to gain access to information before others did.

Details:

- Information asymmetry is not allowed under SEBI laws, and this violation led to the regulator acting in a manner hitherto not witnessed in the history of Indian capital markets.
- SEBI has also taken strong action against the former and current top brass of the exchange as well, with two former chief executives being directed to disgorge a part of their salaries and barred from being associated with any exchange or listed company.
- The move assumes significance as NSE is the country's largest bourse in terms of market share in both equity and equity derivatives, where it has a virtual monopoly.
- It features among the top exchanges globally as well in terms of volume in the derivatives segment.
- A lot in terms of money and market safety and efficiency is at stake when it comes to NSE.

Issues:

- While the SEBI action is unprecedented and welcomed by many in the market, it has also raised important questions, the foremost being the rationale of directing NSE to disgorge money at a time when neither the regulator nor the exchange knows who lost money in this game.
- There have been two high profile instances in the past when SEBI came out with disgorgement orders. One was in the IPO irregularities scam and then in the Satyam matter.
- In both matters, the regulatory probe clearly showed that investors lost money due to fraudulent activities done by certain entities.
- In the IPO scam, even cheques were issued to various retail individual investors that were believed to have suffered losses due to the fraud.
- SEBI itself is saying that there is no fraud in this matter, but then goes on to pass a disgorgement order," said a former SEBI official, adding that passing a disgorgement order for not exercising proper due diligence could set a bad precedent.
- Indeed, the SEBI has explicitly stated in its order that there is no sufficient evidence to say that fraud was committed.
- Another issue is that ever since the matter came out in the open, it was widely believed that a set of brokers — predominantly OPG Securities — made the most of the gains due to preferential access to information.
- OPG Securities and its directors have been barred from the market for five years, though the amount to be disgorged is only around ₹15 crore.
- "Disgorgement orders are passed in cases where you are able to establish that money or gains were made in a manner in which it shouldn't have been made," said another former SEBI official.
- "If SEBI is able to identify the entities that lost money in the process, then it needs to disgorge the money to such entities or else the money can go to the Consolidated Fund of India. In this particular case, the money will go to the government fund," he added.

Way forward:

- It is widely believed that the best way forward for the stock exchange is to disgorge the money and move on instead of stretching the matter by challenging the order at the Securities Appellate Tribunal or the high court.
- Incidentally, the exchange already has more than the required amount of money kept in a separate bank account in which — based on a SEBI directive — revenues from co-location services were being credited since September 2016.
- “SEBI has directed that pending completion of investigation to the satisfaction of SEBI, all revenues emanating from co-location facility, including the transaction charges on the trades executed through co-location facility with effect from September 2016, be transferred to a separate bank account,” the NSE stated, as part of the notes with its financial statements.
- This probe was also the biggest overhang in NSE’s plans of going public to raise funds.
- So, clearing the matter by disgorging the money would pave the way for the exchange to get listed in the coming months.

2. No guarantee that bank privatisation will be a panacea

Issue:

The banking system is overburdened with non-performing loans. Much of the problem lies in public sector banks, but private sector banks like ICICI and Axis Bank have not been immune. Some of the malaise comes from a general need to improve governance, transparency and incentives in the system.



The solutions

- The P.J. Nayak Committee recommended a path to greater independence for public sector banks, and its ideas should be implemented. Eventually, public sector bank boards should be independent and accountable, and allowed to choose the banks' CEOs
- Banks need to build up more in-house talent for such specialised tasks as managing project finance. Public sector banks may have to start paying more to attract world-class talent
- Some mid-sized public sector banks should be privatised as a test case

■ Banks should not be forced to implement the government's policy priorities. In particular, an all-party agreement that loan waivers should be avoided is in the national interest

Details:

- The difficulties in even some private banks suggest that ‘simple’ solutions like privatising all public sector banks may be no panacea.
- At any rate, banking reforms should tackle four broad areas:
 1. Clean up banks by reviving projects that can be revived after restructuring debt.
 2. Improve governance and management at public sector banks.
 3. De-risk banking by encouraging risk transfers to non-banks and the market.

4. Reduce the number and weight of government mandates for public sector banks, and for banks more generally.

Privatise or not?

- Certainly, if public sector banks are freed from some of the constraints they operate under (such as paying above the private sector for low-skilled jobs and paying below the private sector for senior management positions, having to respond to government diktats on strategy or mandates, or operating under the threat of CVC/CBI scrutiny), they might perform far better.
- However, such freedom typically requires distance from the government. So long as they are majority-owned by the government, they may not get that distance.
- At the same time, there is no guarantee that privatisation will be a panacea.
- Some private banks have been poorly governed. Instead, it has to be recognised that ownership is just one contributor to governance, and look at pragmatic ways to improve governance across the board.
- There certainly is a case to experiment by privatising one or two mid-sized public sector banks and reducing the government stake below 50% for a couple of others, while working on governance reforms for the rest.
- Some political compromises will be needed to allow the process to go through, but so long as the newly privatised banks are not totally hamstrung in their operational flexibility as a result of these compromises, this will be an experiment worth undertaking.
- An alternative proposal to improve governance is to merge poorly managed banks with good banks. It is uncertain whether this will improve collective performance.
- When combined with differences in management capabilities, much will depend on whether the good bank's management is strong enough to impose its will without alienating the employees of the poorly managed bank.
- There are two experiments under way: State Bank has taken over its regional affiliates, and Bank of Baroda, Vijaya Bank and Dena Bank have been merged. The performance of the latter merger will be more informative. Thus far, market responses suggest scepticism that it will play out well.

De-risk banking by encouraging risk transfers to non-banks and the market

- Too many risks devolve on to banks, including risks such as that of interest rate volatility that banks elsewhere typically lay off in markets.
- Too much project risk stays with banks because other financial instruments such as equity and subordinate debt cannot be issued cheaply.
- Risk also returns through the back door.
- For example, banks do not make loans to housing developers because of their intrinsic risks.

But they do make loans to non-bank financial companies, which make loans to developers. To prevent risk from returning to bank balance sheets, NBFCs must be able to raise money directly from markets.

- Banks will have to complement financial markets rather than see them as competition. The use of financial technology will be especially helpful to them in this endeavour.

Reduce the number and weight of government mandates for PSBs:

- Uncompensated government mandates have been imposed on public sector banks for a long time. This is lazy government – if an action is worth doing, it should be paid for out of budgetary resources.
- Mandates also are against the interests of minority shareholders in public sector banks.
- Finally, it does not draw the private sector in to compete for such activities. The government should incentivise all banks to take up activities it thinks desirable, not impose it on a few – especially as the privileges associated with a banking licence diminish.

- Along these lines, requirements that banks mandatorily invest in government bonds (the SLR requirement) should continue to be reduced, substituting them instead with the liquidity coverage ratios and net stable funding ratios set by Basel.
- Among the more dangerous mandates are lending targets and compulsory loan waivers.
- Government-imposed credit targets are often achieved by abandoning appropriate due diligence, creating the environment for future NPAs.
- Loan waivers, as the RBI has repeatedly argued, vitiate the credit culture and stress the budgets of the waiving state or Central government. They are poorly targeted, and eventually reduce the flow of credit.
- Agriculture needs serious attention, but not through loan waivers. An all-party agreement to this effect would be in the nation's interest.
- Finally, the government should keep its banks well capitalised, conditional on improvements in governance and management efficiency. This is simply good accounting practice, for it prevents the government from building up contingent liabilities on bank balance sheets that a future government will have to pay for.

Category: ENVIRONMENT AND ECOLOGY

1. Anantapur villages welcome winged visitors

Context:

For six months in a year, the Veerapuram and Venkatapuram villages of Anantapur district turn home to beautiful Painted Storks who fly here from far-off places for their breeding season.

Painted Storks:

- Painted storks - large birds, along with Black, White and Grey Ibis, migrate from southeast Asia to the Indian subcontinent in November-December, and occupy almost every tree in the area.
- The birds are distinct due to their colourful plumage and slightly bent yellow beaks with long legs that differentiate them from other birds.
- It is found in the wetlands of the plains of tropical Asia south of the Himalayas in the Indian Subcontinent and extending into Southeast Asia.
- They nest colonially in trees, often along with other waterbirds.
- IUCN Conservation status: Near Threatened

Issue:

- The number of migratory birds is on the decline, as availability of water and fish has become scarce.
- Though the village is known to be a destination for these migratory birds for over 100 years, it was only in 1982 that the Forest Department formally identified it for protection.
- No tangible efforts to protect the birds have been taken so far. Tourists and photographers too make a beeline here on the weekends as the place is close to the famous stone-carved Nandi of Lepakshi.
- Uric acid found in the droppings of these birds is causing damage to trees, with many people not taking any interest in planting new ones.

Proposals:

- Only the tamarind tree seems to be able to withstand the effects of the acidic droppings.
- District Forest Officer told that the department had sent a ₹80 lakh proposal to the State Government to plant two-meter tall trees around the dry tank, desilt it and begin a veterinary care service.

- Several small tanks recently developed in the 3-4 km range from Veerapuram have received good rain and the Fisheries Department had released small fish seedlings.
- There is a proposal to build some huts/guest houses around this place for the tourists and the District Collector was looking for a proper place to acquire land for the Tourism Department to develop the facility.
- A bird rehabilitation centre and an Awareness Creation Centre was proposed while a 30 m x 20 m water tank with a depth of 3 m has been built by the Forest Department close to Veerapuram tank.

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: DISASTER MANAGEMENT

1. Surviving Fani

Context:

Cyclone Fani has left a trail of destruction across a large part of coastal Odisha, but its management has emerged as a global example of how timely weather alerts, preparedness and informed public participation can dramatically reduce loss of life. The toll from the extremely severe cyclonic storm on May 3 stood, at last count, at 34 deaths. The Odisha government has shown by example how to manage a natural disaster.

Cyclone Fani:

- Extremely Severe Cyclonic Storm Fani was the strongest tropical cyclone to strike the Indian state of Odisha since Phailin in 2013.
- It originated from a tropical depression that formed west of Sumatra in the Indian Ocean.
- Fani originated quite close to the Equator, around latitude 2°, well below the Sri Lankan landmass.
- It was initially headed northwestwards, towards the Tamil Nadu coast, but changed course midway, and swerved northeast away from the coastline to reach Odisha.
- Cyclone Fani, was named by Bangladesh.

Details:

- The toll from the extremely severe cyclonic storm on May 3 stood, at last count, at 34 deaths.
- There has been an extensive damage to the telecommunications and power infrastructure in Puri, Bhubaneswar and other areas due to the cyclone.
- However, due to advance precautionary measures taken and large-scale evacuation, the loss of human lives was minimal.
- In terms of material losses, several districts were battered, houses flattened and electricity and telecommunications infrastructure destroyed, but the relatively low mortality shows a dramatic transformation from the loss of over 10,000 lives in 1999 when super cyclone 05B struck.
- Odisha then worked to upgrade its preparedness, which was tested when very severe cyclonic storm Phailin struck in 2013.
- It was able to bring down the number of deaths to 44 then, in spite of a wide arc of destruction: 13 million people were hit and half a million houses destroyed.

The challenge:

- The Odisha government and the Centre now have the task of rebuilding infrastructure.
- They should use the opportunity to upgrade technology, achieve cost efficiencies and build resilience to extreme weather, all of which can minimise future losses.
- Given the vulnerability of Odisha and Andhra Pradesh to cyclones, the frequency and intensity of which may be influenced by a changing climate, the Centre should press for global environmental funding under the UN framework to help in the rebuilding.
- Both States have received funding from the World Bank in cyclone risk mitigation efforts since 2011.
- The priority in Odisha is to restore electricity and telecommunications, which will require massive manpower. This should be treated as a national mission.
- Public health interventions are paramount to avoid disease outbreaks.
- The State government has been able to restore some physical movement by opening up highways and district roads; the Centre has relieved tension among students by postponing the National Eligibility-cum-Entrance Test in Odisha.
- Overall, there is a sense of relief that in the midst of a national election the toll was effectively contained.

Way forward:

- Looking ahead, India must prepare for many more intense and frequent cyclones along the coastal States.
- Preparedness has to focus on building resilience and strengthening adaptation.
- Better-designed houses and cyclone shelters, good early warning systems, periodic drills and financial risk reduction through insurance is needed.
- Early weather warnings hold the key to better management, and during the Fani episode the India Meteorological Department played a crucial role. Its commendable performance has been recognised by the UN as well.

Odisha's experience, which coincides with similar devastation along east Africa this year, will be keenly followed at the UN Disaster Risk Reduction conference at Geneva.

Category: ECONOMY**1. Talking fair trade in Delhi**

At the WTO mini-ministerial meet, developing countries must make a case for stable and transparent multilateral trade

Context:

India will host the second mini-ministerial meet of the World Trade Organisation (WTO), on May 13-14, 2019.

Details:

- To discuss the interests of developing and least developed countries in global trade, this informal meet will also focus on the accusation by the U.S. that these economies benefit from exemptions meant for the poorer nations.
- Overall, it could be a preparatory meeting to set a common agenda at the 12th Ministerial Conference, scheduled for June 2020 at Astana, Kazakhstan.

- The 11th Ministerial Conference (Buenos Aires, December 2017) collapsed despite efforts by 164 WTO members to evolve a consensus on several issues.
- The U.S. has refused a reduction in subsidies and also pulled back on its commitment to find a perennial solution to public stockholding — an issue central to developing and less developed countries.
- The deadlock left many trade analysts wondering whether this was the beginning of the end for the WTO.

Issues:

Disciplining the farm regime:

- The economies of the developing and less developed world (with little bargaining power) were unable to gain market access in most of the developed economies (which were influential in negotiations), especially when it came to agricultural commodities.
- The deadlock on the issue of agricultural trade negotiations, first in the late 1980s and then in 2017, was no surprise.
- The disagreements between developed countries (the European Union and the U.S.) and developing countries (Malaysia, Brazil and India) to discipline the farm regime in their favour continue, thereby threatening the WTO's comprehensive development agenda.
- The expectations of developing countries from trade also get belied due to sizeable support by the developed nations to their farmers in a situation of market failure and other uncertainties.
- The support through subsidies tends to bring distortions in commodity prices.
- The Organisation for Economic Cooperation and Development estimates the quantum of subsidies by developed nations to vary from \$300 to \$325 billion annually, which is much higher than that estimated for developing countries. This has become a bone of contention in trade talks as farm lobbies in the U.S., Europe and Japan have steadily exercised political clout to influence officials and lawmakers to continue giving subsidies to farmers.

Non Tariff Measures (NTMs):

- Another point of concern is that developed countries design and implement stringent non-tariff measures (NTMs) which exacerbate the problems faced by poor countries that are willing to export.
- NTMs significantly add to the cost of trading.
- However, the costs of acceptance with many NTMs are asymmetrical across exporters because compliance depends on production facilities, technical know-how and infrastructure — factors that are usually inadequate in developing economies.
- These countries are, therefore, unable to compete in international markets and hardly gain from sectors with comparative advantage such as agriculture, textiles and apparels.

Developing countries are willing to break the deadlock on these issues and are preparing a common ground to jolt the mandate of the global trade body. India, in particular, seeks amendment of laws on unilateral action by members on trade issues and a resolution of the WTO's dispute settlement system.

Breaking the deadlock:

Importantly, if the interests of developing and less developed countries are not addressed, other things being constant, complicated negotiations and dictums will become trivial now and in the future.

- For example, the 10th Ministerial Conference (Nairobi, December 2015) laid emphasis on agriculture trade. But it was a setback to most agrarian economies, including India and in Africa, when developed countries directly challenged their models of food security designed for the poor.
- The outcome eloquently showed the constraints of a 'multilateral negotiation system where the need

for agreement and not compromise prevails and allows any member, no matter how small, to block any progress on all issues.

- There was a similar outcome at Buenos Aires in 2017. Developed nations created alliances to prepare the ground to push nascent issues such as investment facilitation, rules for e-commerce, gender equality and subsidy on fisheries, while most developing nations were unable to fulfil or implement rudimentary dictums.
- For instance, e-commerce has been a key agenda following the second ministerial conference, in Geneva in 1998. It was agreed to 'establish a work programme to examine global e-commerce, with a focus on the relationship between e-commerce and existing agreements. It generated a sizeable debate on the fringes of the conference as many accredited NGOs opposed it and raised concerns that it was a push by dominant global players. The underlying fear was it might allow unfettered access to data, which could then be processed and exploited for profit' by developed nations, mainly the U.S.

Significance of the Mini-ministerial meet:

- Despite the earlier outcomes of the ministerial meetings, the Delhi meet has created some hope of it being a platform to resuscitate the WTO.
- The issues under discussion will relate to protectionist measures, digital trade, fisheries, subsidies, environmental goods, standardisation and implementation of sanitary and phytosanitary measures, and other matters ripe for negotiation and agreement, mainly investment facilitation.
- From a plurilateral approach toward multilateralism, members may also ensure the sanctity and 'drivability' of the WTO.
- It is, therefore, indispensable to bring mutual accord, mainly on the timelines, to implement policies as an outcome of talks.
- The expectation is that the meeting may lead to policy guidance on issues such as global norms to protect traditional knowledge from patenting by corporates, protection through subsidies, e-commerce, food security and continuation of special and differential treatment to poor economies.

Conclusion:

The Delhi meeting can be a breakthrough if members negotiate these issues in a convergent manner. The time is opportune for developing countries to voice their concerns and push for a stable and transparent environment for multilateral trade. India must work towards and focus on the unresolved issues and address the newer ones which are of interest to developed nations, mainly investment facilitation. The WTO needs to be sustained as countries need an international platform to formulate trade rules and bring convergence on divergent matters.

Category: SOCIAL JUSTICE

1. What we need today is social justice

Context:

In the present election campaign to the Lok Sabha, the Left parties have been raising several ideological and political questions in order to save the Republic of India so that it ensures a dignified life to all the people and empowers them in every respect. But it is ironical that several ideological questions are being raised over the relevance of the Left and its future in India. While admitting the widespread influence of communist ideology, some people say communism is dead and the Left as a political force is dead.

Karl Marx:

- The world celebrated the 200th birth anniversary of Karl Marx, which was on May 5, 2018, for a year.
- Marx was not like other philosophers who interpreted the world in various ways; he made it a point to change it.
- Marx and Friedrich Engels laid the formulations for the theory and practice of scientific socialism.
- They applied dialectics to the study of human society and human consciousness.
- They strove for the liberation of humanity from all forms of discrimination and exploitation.
- They argued that Parliament should be used as a forum to articulate the concerns of the working people.
- Marxism as a science, as an ideology, and as a methodology keeps demonstrating its relevance every day.

The march of capitalism:

- After the disintegration of the Soviet Union, some proclaimed that there was no alternative to neoliberalism.
- Since then, the so-called triumphant march of neoliberal capitalism has seen many hurdles, such as the 2008 financial crisis.
- The worst victims of this march and its consequent crises have always been the disadvantaged sections.
- This shows the presence of class conflict in society.
- Needless to say, the vulnerabilities of the disadvantaged are a creation of capitalism itself.
- The French economist Thomas Piketty exposed the essence of neoliberalism, which leads to unprecedented inequalities and disparities.

The Indian context:

- In the Indian context, liberalisation of the economy was initiated on the premise that the seemingly socialist and centrally planned economy had outlived its utility and that private ownership and market forces would efficiently replace public sector undertakings and provisions.
- Such an opening up of the economy was also tried in other parts of the world with only one consequence — unprecedented concentration of wealth in the hands of a few and a marked shift in the actual centres of power.
- Crony capitalism was soon making fast inroads into the policymaking sects of India, and this new-found confidence of the private sector bore fruits.
- But definitely not for the masses, as shown in a recent study which named India as the second most unequal society in the world.

Issues:

- According to Credit Suisse Research Institute's Global Wealth Report, 1% of the Indian population owns 51.5% of the wealth in the country, and the top 10% own about three-fourths of the wealth.
- On the other hand, the bottom 60%, the majority of the population, own 4.7% of the total wealth.
- Public-funded education and health are the worst hit by capitalism. Education spending by the Centre has been showing a downward trend — from 6.15% in the 2014-15 Budget to 3.71% in the 2017-18 Budget.
- Instead of expanding higher education horizontally (to more far-flung areas) and vertically (to the disadvantaged sections of society), the Central government is allowing the Higher Education Financing Agency to allow the private sector to dominate the education sector and make higher education a distant dream for the deprived classes.
- In the health sector too, the government has chosen private insurance companies and private healthcare lobbies as its partners, taking away the attention from public healthcare infrastructure and its upgradation.

- In India, in this election season, real issues of the people are considered secondary to vague appeals of nationalism and national security.
- The ruling elites of India favour improvement in 'Ease of Doing Business' to improvement in the Human Development Index.
- India is doing badly on many parameters — nutrition, peace, human development, and press freedom — while a section of the media is celebrating improvement in the Ease of Doing Business Index.
- In other words, ensuring that people live a decent life is subordinate to ensuring that business becomes easier for crony capitalists.
- The tying of national interest to global capital has not only produced adverse and livelihood-threatening consequences for the masses of the country, it has also deprived India of the higher moral pedestal in foreign policy. Deep-rooted socialism is the only true alternative to this 'post-truth' world where rhetoric has dislodged real issues.

Way forward:

- As Noam Chomsky wrote, "It is easy to be carried away by the sheer horror of what the daily press reveals and to lose sight of the fact that this is merely the brutal exterior of a deeper crime, of commitment to a social order that guarantees endless suffering and humiliation and denial of elementary human rights."
- Marx and Engels wrote in The Communist Manifesto: "The history of all hitherto existing society is the history of class struggles... [where] oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight."
- In a country like India, which is plagued with social problems such as widespread poverty, a deepening agricultural crisis, a very high unemployment rate, and abysmal health indicators, giving away public sector assets to private players and shifting the discourse away from realising socialism could prove fatal for a vast majority of the population.
- It is the duty and the responsibility of socialism to carry on that struggle for humanity, and to bring politics back to where it belongs — to the people.
- Only by saying a big 'no' to brutal capitalism and by following what the Constitution envisages in its Preamble — social justice, can we remedy the problems that we face today.

F. Tidbits

1. A helping hand in the time of natural calamities

- The Ganjam District Disaster Response Forum (GDRF), a joint front of 47 NGOs, has continued to be a major relief force during natural calamities, like the recent cyclone Fani, in this district of Odisha.
- The GDRF has reach in all the 22 blocks of Ganjam district.
- Their volunteers have direct contact with people living in remote and vulnerable areas.
- They help the administration in evacuation of people to safe places before any cyclone.
- Since 2015, the GDRF has trained up over 400 volunteers in 27 villages that are prone to cyclones and floods.
- The volunteers are also trained to report about losses to the local revenue officials. In most cyclone prone coastal villages, literacy rate is low and inhabitants find it hard to report their losses to administration.
- Members of the GDRF also reach the vulnerable villages near the coast to urge fishermen and their families to leave their dwellings and shift to cyclone shelters.
- Members of the GDRF also monitor cyclone preparedness in slums of Berhampur city.
- GDRF had arranged its own dry food stock and was ready to reach out to affected people immediately if any major devastation would have occurred in any part of Ganjam district due to

2. Anti-dumping duty put on saccharine

- The Finance Ministry has, on the recommendations of the Commerce Ministry, imposed an anti-dumping duty of \$1,633.17 per tonne on the import of saccharine from Indonesia.
- Saccharine is a compound most commonly used in sugar-substitute sweeteners.
- Indonesia, until recently, accounted for a large chunk of India's saccharine imports. In 2017-18, India imported 43% of the total imports of the sugar-substitute compound from Indonesia.
- However, imports from Indonesia have declined since then. In the April 2018 to February 2019 period, India imported only about 20% of its total imports from around the world.
- "The product under consideration has been exported to India from subject country below their normal values and consequently, the domestic industry has suffered material injury," the Department of Revenue notification said.

3. Assistance to cyclone-hit Odisha

- Extending a helping hand to cyclone-hit Odisha, the Tamil Nadu government has announced financial assistance of ₹10 crore as an immediate relief contribution.
- The Uttar Pradesh government announced ₹10 crore as relief from the Chief Minister's Relief Fund for those affected due to Cyclone Fani in Odisha.
- Gujarat government offered an assistance of ₹5 crore to the cyclone-battered State.
- Maharashtra Chief Minister said his government will contribute ₹10 crore to Odisha for relief and rehabilitation measures post cyclonic storm Fani.
- Chhattisgarh Chief Minister announced ₹11 crore to help the State.
- The Mysuru, (Karnataka)-based Central Food Technological Research Institute (CFTRI), a premier CSIR food laboratory, has sent the relief food to Odisha.
- Five tonnes of ready-to-eat food packets as a part of the mission for supplying one lakh meals or 25 tonnes of food to the affected people was despatched to Bengaluru by trucks from the CFTRI premises for airlifting them to Bhubaneswar.

G. Prelims Facts

Nothing here for today!!!

H. Practice Questions for UPSC Prelims Exam

Q1) Which of the following are the tributaries of River Ganga?

1. Alaknanda
2. Mandakini
3. Son
4. Manas

Choose the correct option:

- a. 1, 2 and 3 only
- b. 2, 3 and 4 only
- c. 1, 2 and 4 only
- d. 1, 2, 3 and 4

Answer: a

Explanation:

Manas is a tributary of River Brahmaputra

Q2) Garo, Khasi, Jaintia hills are in

- a. Assam
- b. Meghalaya
- c. Tripura
- d. Arunachal Pradesh

Answer: b

Explanation:

The state of Meghalaya comprises Khasi, Garo and Jaintia hills.

Q3) Consider the following statements:

- 1. Maternal Mortality Rate is the recorded maternal deaths per one lakh live births
- 2. Infant mortality is the number of deaths of children under 1 year of age per one lakh live births.

Which the given statement/s is/are correct?

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

Answer: a

Explanation:

Infant mortality is defined as the number of deaths of children under 1 year of age **per 1,000** live births.

I. UPSC Mains Practice Questions

- 1. US sanctions on Venezuela will have impact on a global scale as well as on India. Explain in reference to the current crisis that is embroiling in Venezuela. (15 Marks, 250 Words)
- 2. Odisha has set an example for handling major disasters in the most efficient manner. In the light of Cyclone Fani, explain how principles can be drawn for Disaster Management from the state of Odisha, which can act as a template for other states. (15 Marks, 250 Words)

