

01 June 2019: UPSC Exam Comprehensive News **Analysis**

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Category: INTERNATIONAL RELATIONS

1. Sri Lanka eager to welcome PM Modi: President Sirisena

What's in the news?

- Prime Minister Narendra Modi will be the first major foreign dignitary to visit Sri Lanka following the Easter Sunday bombings, announced President Maithripala Sirisena recently.
- Addressing a press conference, the Sri Lankan leader sought a joint front to defeat terrorism and



announced the date of the national election.

- The Sri Lankan President mentioned, "Prime Minister Narendra Modi will visit Sri Lanka on June 9. Sri Lanka has recovered from painful terror attacks. We have maintained peace and stability in the country in the aftermath of the Easter bombings,"
- The Sri Lankan President urged regional and global strategies to defeat terrorism.

India- Sri Lanka and what's on the anvil:

- According to available information, Mr. Modi is expected to travel to Maldives in the first week of June and Mr. Sirisena confirmed that Sri Lanka will be the second foreign destination of Prime Minister Modi.
- The Sri Lankan President thanked India for supporting Sri Lankan investigations into the Easter suicide attacks and urged for a global fight against terrorism.
- Further, the Sri Lankan President also extended support to regional frameworks like Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation (BIMSTEC) and South Asian Association for Regional Cooperation as effective mechanisms that can help the dialogue process at regional and bilateral levels on necessary issues.
- It is important to note that Sirisena was one of the BIMSTEC leaders invited to participate in the swearing-in ceremony of Mr. Modi and his Council of Ministers.
- The visiting leader announced that the political process of Sri Lanka will not be interrupted by the terror attacks and subsequent social tension.

Statement Issued by Mr. Sirisena:

- Sirisena made an important remark regarding the elections in Sri Lanka. He said, "Elections in Sri Lanka will be held on December 9, 2019. None of the political parties, both the ruling and those in the Opposition, have decided upon the names of the candidates. Therefore I am not in a hurry either."
- Sirisena assured that his government will ensure stability in the poll-bound country and prevent any backlash against the Muslim community, which has faced violence in recent weeks after the Easter attacks.
- It is important to note that the April 21st, 2019 attacks that killed at least 253 and injured hundreds were among the worst that the country had witnessed in recent years after the end of the war against the Tamil Tigers in 2009.
- Further, Indian security agencies had shared advance information about the attacks but Mr. Sirisena acknowledged that officials in his country had failed to act on the input.
- Investigation into the attacks showed that the suicide bombers and the support group came from wealthy sections of Sri Lankan society.
- Sirisena said the perpetrators did not visit India during plotting of the attacks.
- He went on to add, "The Islamic State has claimed responsibility for the attacks. But I have not received any report from my officials informing that the bombers had visited India."

2. PM stresses close bilateral ties

What's in the news?

- Prime Minister Narendra Modi held meetings with the visiting foreign leaders who had attended the swearing-in ceremony on May 30th, 2019.
- At the meetings, Prime Minister Narendra Modi urged for a closer multilateral and bilateral cooperation.
- President of Kyrgyz Repubic, Sooranbay Jeenbekov, was the first to meet Mr. Modi, hours after the event at the Forecourt of the Rashtrapati Bhavan.
- The visiting side reiterated the invite to him to visit capital Bishkek for the Shanghai Cooperation



Organisation (SCO) summit meeting in June.

• It is important to note that the **Kyrgyz Republic is the current SCO chair**.

May meet Pak. PM

- The SCO summit is significant as it will provide an opportunity for a meeting between Mr. Modi and Chinese President Xi Jinping.
- As a matter of fact, Prime Minister Modi is also expected to come across Pakistan Prime Minister Imran Khan during the ceremonies.

PM Modi's engagement with BIMSTEC:

- Modi met with the leaders of the BIMSTEC grouping recently.
- During his meeting with Sri Lankan President Maithripala Sirisena, both the leaders noted the threat that terrorism poses to humanity. As a matter of fact, **this was the first such high-level meeting between the two sides after the April 21st, 2019 Easter bombings in Sri Lanka.**
- A press release from the MEA said that both sides would cooperate for the Indian Ocean and South Asian region.
- Prime Minister K.P. Sharma Oli of Nepal, Bhutan Prime Minister Lotay Tshering and President of Bangladesh Mohammed Abdul Hamid also met Mr. Modi and discussed issues of bilateral interest.

Engagement with Mauritius:

- Modi also met with the Prime Minister of Mauritius Pravind Jugnauth.
- A press release from MEA noted that both leaders agreed to work together to achieve the shared vision of security and growth of the two countries and the Indian Ocean region.

3. U.S. reiterates threat of sanctions over Triumf deal

- The U.S. has recently made it clear to India on not assuming that it will get a waiver from U.S. sanctions if it goes ahead with its purchase of the S-400 Triumf missile shield from Russia.
- As a matter of fact, the purchase could also hamper the future of Indo-U.S. defence relationship.

Statement according to a senior U.S. State Department Official:

• "The [U.S.] President has been very clear that the acquisition of advanced Russian technology sends the wrong message to Russia at a time when it continues its aggressions in Ukraine, has interfered in our internal elections...And so those concerns...we hold high."

A \$5 billion deal that is on the line:

- India had committed in October 2018 towards purchasing a Russian S-400 Triumf long-range missile defence shield for about \$5 billion.
- The deal has run the risk of attracting sanctions from the U.S. under a 2017 law the **Countering America's Adversaries Through Sanctions Act (CAATSA)**.
- It is important to note that while sanctions can kick in only when payments start being made for the S-400, the U.S. Congress's annual defence budget authorisation, the National Defence Authorisation Act (NDAA) passed last year (2018), allows the President to grant waivers from CAATSA sanctions under certain conditions.
- The State Department official emphasised, however, that a CAATSA waiver was not automatic and it was for the President to grant waivers on a case-by-case basis.
- This view that India should not bank on a waiver appears to be consistent across U.S. government



departments.

Specific Concerns of the U.S.

• The U.S. has serious concerns about the S-400, and maintains a position that it would not encourage any country to rely on waiver status for the purchase of any prohibited Russian items, especially the S-400.

Opinions of some strategic thinkers:

- Some experts have pointed out an irony, i.e. of the U.S. pressing India on the S-400. The mention that several former U.S. defence officials have praised the military utility of Russian platforms like Brahmos cruise missiles and the S-400 system enabling India to face off against China.
- Moreover, the U.S. can't offer comparable anti-access/area denial capabilities.
- Some U.S. officials have remarked that purchasing the S-400 would prevent a deep and broad defence relationship with the U.S.
- It is important to note that India is currently in discussions to buy various other U.S. defence equipment including combat aircraft and the Sea Guardian drones.

4. India to lose preferential trade terms with U.S.

What's in the news?

- According to a Senior State Department official, India will lose access to preferential trade terms with the U.S. under the latter's Generalised System of Preferences (GSP) programme.
- The official, who did not want to be named, said that the restoration of benefits remained a possibility if underlying trade issues were resolved, but the withdrawal of India's GSP eligibility, was "a done deal".

Access to markets

- It is important to note that President Donald Trump had written to the U.S. Congress on March 4th, 2019 stating his intention to withdraw GSP benefits for India, saying **India had failed to assure** Washington that it would provide "equitable and reasonable access to the markets of India".
- As a matter of fact, **Trump had issued a similar notification for Turkey as well, on the same day.**
- Now that the statutory 60-day notification period since Mr. Trump's notification is over, GSP can and is expected to be terminated via a Presidential proclamation. Trump terminated Turkey's GSP program effective May 17.

Intervention by U.S. Lawmakers:

- However, U.S. lawmakers had written to the administration, asking that a final decision be put on hold until the Indian elections concluded.
- Twenty-five lawmakers also wrote to the administration in May 2019 to request that GSP benefits not be cancelled as it would represent "a step back, not forward" and harm U.S. companies.
- As a matter of fact, the lawmakers had urged further negotiations with India.

Concluding Remarks:

- It is important to note that Indian exports to the U.S. worth \$5.6 billion are covered by GSP, although India gets only \$190 million in tariff savings.
- Nevertheless, the programme impacts crucial Indian sectors including textiles, leather, engineering



goods, gems and jewellery.

5. India lifts restrictions on its airspace

Larger Background:

- It is important to note that Pakistan had shut its airspace for all flights on February 27th, 2019 following the IAF airstrike at a Jaish-e-Mohammad camp in Balakot.
- Further, according to Indian officials, 11 entry and exit points, which are located between Jammu and Kashmir and Gujarat, were also closed for flights to and from Pakistan as a reciprocal measure.

What's in the news?

- In a recent development, temporary restrictions on all air routes in the Indian airspace imposed by the Indian Air Force on 27th February 2019 have been removed.
- The IAF communicated its decision in a letter to the Airports Authority of India (AAI).
- As a matter of fact, the Airports Authority of India (AAI) has written to U.N.'s aviation watchdog, International Civil Aviation Organisation, as well as countries like Pakistan, Afghanistan, Oman and Iran informing them of the decision.

Analysis:

- Since the imposition of its ban, Pakistan has gradually opened its airspace for most airlines, barring those that enter the country from its eastern border after traversing India. On May 29th, 2019, Pakistan extended its three-month long ban for flights from and through India until June 15th, 2019.
- As many as six international airlines have been forced to cancel a total of 33 weekly flights to Delhi due to the ban.

6. Riyadh seeks firm action against Iran

What's in the news?

- In a recent development, Saudi Arabia's King Salman told an emergency Arab summit that decisive action was needed to stop Iranian "escalations" following attacks on Gulf oil assets, as U.S. officials said a military deployment had deterred Tehran.
- It is important to note that the right of Saudi Arabia and the UAE to defend their interests after the attacks on oil pumping stations in the kingdom and tankers off the UAE were supported in a Gulf Arab statement and a separate communiqué issued after the wider summit.
- Currently, Tehran denies any involvement in the attacks. However, Iraq, which has good ties both with neighbouring Iran and the U.S., said it objected to the Arab communiqué, which stated that any cooperation with Tehran should be based on "non-interference in other countries".
- As a matter of fact, King Salman said that "The absence of a firm deterrent stance against Iranian behaviour is what led to the escalation we see today."
- King Salman said, "The Kingdom is keen to preserve the stability and security of the region, to spare it the scourge of war and to realise peace and stability,"

Oil price:

- It is important to note that King Salman is also the ruler of the world's top crude exporter.
- He also underlined Shia Iran's development of nuclear and missile capabilities and its threats on world oil supplies posed a risk to regional and global security.
- Further, U.S. Secretary of State Mike Pompeo recently said that the attacks on four vessels near a major bunkering hub, just outside the Strait of Hormuz, were **"efforts by Iranians to raise the price**



of crude oil around the world".

What did Saudi Arabia accuse Iran of?

- Riyadh accused Tehran of ordering the drone strikes.
- The attacks were claimed by the Iran-aligned Houthi group, which has been battling a Saudi-led military coalition in Yemen for four years.
- S. National Security Adviser John Bolton said that evidence of Iran being behind the tanker attacks would be presented to the UN Security Council as early as next week.

Iraq's plea:

- Iraqi President Barham Salih, asking the gathering to support Iraq's stability, said that rising tensions with Iran could spark a war if not managed well and voiced hope that Iran's security would not be targeted.
- Further, Mr. Pompeo has warned Iraqi leaders that if they failed to keep in check Iran-backed militias, which now form part of Baghdad's security apparatus, the U.S. would respond with force.

Concluding Remarks:

- Tensions have risen between the U.S. and Iran after President Donald Trump a year ago withdrew Washington from a 2015 international nuclear deal with Iran, re-imposed sanctions and boosted its military presence in the Gulf.
- Bolton has said Iranian mines were "almost certainly" used in the tanker attacks.
- The final communiqué said regional stability required the establishment of an independent Palestinian state along 1967 borders to include Gaza, the West Bank and East Jerusalem.
- U.S. special envoy for Iran, Brian Hook, said recently that a repositioning of U.S. military assets in the region had deterred Iran, but that the U.S. would respond with military force if its interests are targeted.

Category: POLITY AND GOVERNANCE

1. Conjugal visits in jail: HC seeks Delhi govt. response

Editorial Analysis:

- The Delhi High Court recently sought the response of the Delhi government and the Director General of Prisons on a petition seeking to hold conjugal visits in jail as a fundamental right of prisoners and their spouses.
- A Bench of Chief Justice Rajendra Menon and Justice Brijesh Sethi asked the authorities to submit their response on the plea filed by lawyer and social activist Amit Sahni in four weeks.
- For now, the Bench has posted the case for further hearing on August 2, 2019.

What did Mr. Sahni say in his petition?

- Sahni, in his petition, said that conjugal visitation rights were not provided in prisons in the State though most of the prisoners fall under the sexually active age group.
- The plea said, "Despite courts taking a progressive approach and various countries allowing conjugal visit, considering it an important human right and also in the light of studies backing conjugal visit as a factor to cut down crimes in jail and reform inmates, the Delhi Prison Rules, 2018 are totally silent on the issue."



What's in the news?

- The Delhi High Court recently issued notice to the Centre on a petition seeking the framing of a uniform civil code to promote "unity, fraternity and national integration."
- A Bench of Chief Justice Rajendra Menon and Justice Brijesh Sethi passed the order on the petition filed by Bharatiya Janata Party leader Ashwini Kumar Upadhyay.

A Look at Specifics:

- Upadhyay has asked for direction to the Central government to constitute a Judicial Commission or a High Level Expert Committee to draft a Uniform Civil Code in the spirit of Article 44 of the Constitution within three months.
- This, Mr. Upadhyay said, should be done "while considering the best practices of all religions and sects, Civil Laws of developed countries and international conventions."

C. GS3 Related

Category: ECONOMY

1. Farm focus at first Cabinet meet

What's in the news?

- Farmers welfare was at the top of the agenda at the first meeting of the new Union Cabinet, led by Prime Minister Narendra Modi, fulfilling major promises in the BJP's election manifesto.
- It is important to note that the Cabinet cleared proposals to extend the ₹6,000 annual income support scheme to all land-owning farm families, create contributory pension schemes for small farmers and traders on the lines of the existing scheme for workers in the unorganised sector and control and ultimately eradicate foot-and-mouth disease among livestock.

A Possible Game changer:

- The **Pradhan Mantri Kisan Samman Nidhi** (**PM-KISAN**) was originally the big-ticket announcement of the last Budget before the election, acknowledging that farmers faced declining incomes, and was meant to cover 12 crore beneficiaries.
- Further, in its manifesto, the BJP had promised to extend the scheme to all eligible farm families, irrespective of the amount of land they owned.
- The newly inducted Agriculture Minister Narendra Singh Tomar said, "A number of States have not sent the information on their farmers, so they have not got the benefits. However, more than three crore farmers have already received benefits under the scheme."
- The extension to a total of 14.5 crore farmers means that the scheme will now cost the exchequer ₹87,000 crore a year.
- Small farmers and retail traders will now benefit from new contributory pension schemes, similar to the scheme for unorganised sector workers which was introduced in the last Budget.

For small farmers:

- The Pradhan Mantri Kisan Pension Yojana aims to cover five crore small and marginal farmers, with the government expecting to spend ₹10,774.5 crore on the scheme over a three-year period.
- The traders' pension scheme will cover three crore shopkeepers, retail traders and self-employed



persons with a Goods and Services Tax (GST) turnover below ₹1.5 crore.

- Both schemes have an entry age of 18-40 years, and subscribers will contribute between ₹55 to ₹100, with the government matching the amount.
- Once they cross 60 years, they will receive a pension of ₹3,000 per month.

2. GDP growth slumps to 5.8%

What's in the news?

- India's GDP grew at 5.8% in the January-March 2019 quarter, dragging down the full year growth to a five-year low of 6.8%.
- The unemployment rate in the country rose to a 45-year high of 6.1% in 2017-18, as per official data released on the first day of the second term of the Modi government.
- It is important to note that the Economic Affairs Secretary Subhash Chandra Garg said that the slowdown, caused by temporary factors such as liquidity crunch, is likely to continue in the April-June 2019 quarter, with the demand picking up from the second quarter onwards.

Factors Contributing to the Slowdown:

- Slowdown in the fourth quarter GDP was due to temporary factors, like stress in the NBFC sector affecting consumption finance.
- The first quarter of the current fiscal will also see relatively slower growth.
- However, from the second quarter onwards, one expects that growth and consumption to pick up.
- Although India has lost the fastest growing nation tag to China with a quarterly growth of 5.8%, it is important to note that Quarterly numbers don't matter- it is basically annual growth- and at 6.8% annual growth, India is still the fastest growing nation. China is still lower.
- During the year, the slowdown in the economy was led by sluggish growth in the agriculture, forestry and fishing sector (2.9% growth), the mining sector (1.3% growth) and in manufacturing (6.9%).
- The sectors which saw a growth rate of over 7% were public administration, defence and other services, construction, financial, real estate and professional services, and electricity, gas, water supply and other utility services.
- The unemployment data, which was released a day after Prime Narendra Modi took oath for the second term, confirms an earlier leaked version of this survey that claimed that joblessness was at a 45-year high.

3. NITI for policy framework for infra projects

What's in the news?

- A task force on project management, headed by NITI Aayog CEO Amitabh Kant, has suggested the development of a National Project Management Policy Framework for the effective execution of public sector and public-private partnership infrastructure projects.
- It has also recommended the setting up of a nodal body for the certification of chartered project management professionals to create world-class infrastructure.
- The report says, project management, with a view to deliver on time and within budget, is a learnable capability that can be institutionalised as demonstrated by the experiences of the U.S., the U.K., the UAE and China.

Category: DEFENCE

BYJU'S The Learning App **1. Admiral Karambir Singh takes over as Navy chief**

What's in the news?

- Admiral Karambir Singh recently assumed office as the 24th Chief of the Naval Staff (CNS).
- He took over from Admiral Sunil Lanba who stepped down upon retirement.
- Admiral Singh told the media after reviewing a guard of honour outside South Block, "My predecessors made sure that the Navy has a solid foundation and has reached new heights. It'll be my endeavour to continue with their efforts and provide the nation with a Navy that's strong, credible and ready to meet security challenges in the maritime domain."
- Admiral Singh was the Flag Officer Commanding-in-Chief (FOC-in-C) of the Eastern Naval Command, headquartered in Visakhapatnam.

Brief Note on Admiral Singh's Profile:

- Admiral Singh is the most senior naval aviator.
- He is the first helicopter pilot of the Navy to become the CNS.
- During his long and distinguished service spanning nearly 39 years, Admiral Singh served in a variety of Command, Staff and Instructional appointments.
- However, Admiral Singh's appointment was overshadowed by a petition filed by another senior officer challenging it.

Note on the Petition Challenging Admiral Singh's Appointment:

- Vice Admiral Bimal Verma, chief of the Andaman and Nicobar-based tri-Service Command, had approached the Armed Forces Tribunal (AFT), questioning the appointment as he was the most senior naval officer after Admiral Lanba.
- However, the Defence Ministry rejected his petition.
- Following this, the Tribunal asked the government to submit all files related to the selection process.
- The Armed Forces Tribunal (AFT) set July 17th, 2019 as the next date of hearing as the government sought more time and allowed Admiral Singh to assume charge.
- The Army and the Air Force too will see a change of guard at the helm later this year (2019).

Category: ENVIRONMENT AND ECOLOGY

1. NGT raps States for not curbing pollution in Ganga

What's in the news?

- In a recent development, the National Green Tribunal (NGT) has imposed a penalty of ₹25 lakh each on the States of Bihar, Jharkhand and West Bengal for not taking adequate steps to curb pollution in the river Ganga.
- A Bench headed by NGT Chairperson Justice Adarsh Kumar Goel observed that while in Bihar there was no progress in terms of completion of sewage treatment infrastructure projects, in West Bengal only three out of the 22 projects had been completed.
- The Bench observed, "The States of West Bengal, Bihar and Jharkhand are not represented in spite of orders of this Tribunal by which we recorded strong disapproval to such attitude of the said States. Such insensitivity in a serious matter is a matter of concern."
- It went on to add, "We direct the [three] States to deposit ₹25 lakh each by way of interim compensation for continued damage to Ganga and inaction of the said States even in responding to this Tribunal..."
- It is important to note that the States were directed to deposit the penalty within a month with



the Central Pollution Control Board, and the amount "may be spent on restoration of the environment."

- Finally, noting that the discharge of effluents is an offence, the green panel directed the Uttar Pradesh government to prohibit industrial activity that resulted in pollution.
- The Bench said, "The U.P. Chief Secretary may personally monitor and ensure zero tolerance approach to the pollution of the Ganga."

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: INTERNATIONAL RELATIONS

1. A second election (Another Round of Elections in Israel)

Editorial Analysis:

- When the results of the April 2019 elections in Israel were announced, Benjamin Netanyahu, whose Likud party won 35 seats in the 120-member Parliament, was the winner.
- As a matter of fact, he was set to form a government with support from right-wing and religious parties to kick off a record term as Prime Minister.
- However, his plans crumbled as the ultra-orthodox Jewish parties and right-wing nationalist Yisrael Beiteinu failed to come on board.
- When the deadline to form the government expired on May 29, 2019, Mr. Netanyahu had the support of 60 lawmakers, one short of majority.

A Significant Point to be noted:

• For the first time in Israel's history, a Prime Minister-designate failed to form a government, and the country will go to the polls again in September, 2019.

The Issue at Stake:

- The issue at stake is a military service bill.
- It is important to note that the ultra-orthodox Jews, the Haredim, are exempt from mandatory military service.
- Yisrael Beiteinu leader Avigdor Lieberman, a former Netanyahu aide, has submitted a bill to the Knesset (the national legislature of Israel) that would enable the government to draft them.
- Lieberman, who has five lawmakers, made it a precondition for his support that the bill be passed.
- On the other side, the orthodox parties, which have 16 legislators, wanted the bill to be amended. Mr. Netanyahu's right-wing religious coalition collapsed before his eyes.

What the future holds for Netanyahu:

- Netanyahu is a survivor.
- He will continue to lead the Likud in the September, 2019 elections and appears better-placed than his rivals to form a coalition government.
- However, his challenges are rising. The new election will be held around two weeks before his preindictment hearing on corruption charges.



- The allegations have already dented Mr. Netanyahu's image.
- As a matter of fact, for decades, he had presented himself as a stronger, better alternative to Israel's old establishment elite.
- His war rhetoric, strongman policies and appeasement of orthodox Jews all burnished his appeal at a time when the Israeli electorate was steadily moving to the right.

Changing Political Paradigm in Israel:

- The April 2019 elections, and the subsequent rift within Mr. Netanyahu's coalition suggest that the political landscape may be changing.
- The Israeli left is no longer Mr. Netanyahu's main political threat.
- The Labor party won only 4.43% votes and six seats in the April 2019 elections, while the Blue and White, a centrist coalition that is as hawkish on national security as the Likud, won 35 seats.
- The Blue and White didn't stand a chance to form the government this time because it lacked allies.
- Experts opine that by refusing to back Mr. Netanyahu over the conscription bill, Mr. Lieberman is further trying to weaken this left-right battle and bring into focus secular-versus-religious issues.
- Lieberman says he is fighting to prevent Israel becoming a religious state, and by saying so he is attacking Mr. Netanyahu's ties with religious parties.

Concluding Remarks:

• The challenge before Mr. Netanyahu is to fight growing political and legal odds in an election just months away.

Category: GOVERNANCE

1. Outlining the first 100 days (Prescriptive 100-day agenda for the new government)

Editorial Analysis:

- A full majority government has been re-elected in India after many years.
- As a matter of fact, a young, aspirational India has identified itself with Prime Minister Narendra Modi and his "idea of India".

A Prescriptive agenda for Mr. Modi's first 100 days:

- India is on the cusp of overtaking the United States to becoming the world's second largest economy, with a consumer spending of \$5.7 trillion, 77% of the population under 44 (80% among the middle class), and a billion Internet users, all by 2030, according to the World Economic Forum.
- Experts suggest that in mission mode, Modi needs to expand his "home delivery of services" model (cooking gas, health care, multiple citizens' services) to cover major government services.
- Apart from this, separating the "point of decision" of a government service from "point of delivery" will be a necessary condition to get red tape out of the way.
- Technology as the lifeblood has to flow through every major government programme, especially in agriculture and health care, through the ambitious 'Digital India' programme, which cannot remain a stapled-together version of the schemes of previous years; it needs to become genuinely transformational.
- Apart from this, an 'AAA' Government or "Anytime-Anywhere-Anyhow" (or on any device or platform) delivery of services is still far away, which Mr. Modi needs to accelerate in deep collaboration with the private sector.
- Further, loan waivers and input subsidies have not ameliorated rural distress, so the key policy shift



is to move away from production to income.

- Apart from this, having promised \$85 per small farmer as a direct transfer, PM Modi needs to move from an inefficient, hardened cross-sector subsidy regime to an income-support model.
- This is possible by expanding this to cover all farmers in terms of both value and volume.
- This unconditional cash transfer should be an electronic transfer (banks, primary agricultural credit societies and post offices, with an area cap) keeping an eye on the fiscal deficit.

Harnessing data:

- India is emerging as a major 'data economy' with over 800 million mobile phone users, half of whom own a smartphone.
- Having said this, India needs to leverage the enormous data it produces and deepen use of an 'India Stack' everywhere.
- However, India is way behind the U.S. and China in terms of artificial intelligence, data analytics and blockchain. It needs to pump in millions of dollars to make itself future ready, perhaps by first completing the fibre optic pipe that it begun to lay five years ago.
- Apart from this, India needs to make it extremely simple for startups to start and die (should they wish to). It is important to note that India received about \$11 billion in venture capital through 748 deals in 2018 (of \$29 billion private equity inflows) but there is much more capital waiting to come if its unicorns and 'soon'icorns (soon to be unicorns) benefit from an easier regulatory framework.
- Next, some experts suggest that PM Modi needs to set up an "India First" Investment Agency directly in his office which should reach out to select 'Fortune 1000' companies to set up shop in India.

For example, why shouldn't a Tesla set up its next gigafactory in India if it can be done at half the cost of doing it in Nevada?

- Next, after a deep dive into their annual reports, PM Modi needs to send empowered envoys to attract them for marquee investments (in exchange for assured job creation).
- Credible incentives must include an exemption from India's notoriously opaque land laws and bureaucratic maze.
- This should not and must not be outsourced to any Ministry, for only the credibility of the highest office will make investors take such calls and commitments seriously.
- It is also important to note that there are 200-odd labour laws that mandate companies with 100 or more workers to get government permission to lay off or even change job descriptions (which never comes).
- Thus, India does not get the benefits of scale of huge factories with over 75% firms employing less than 50 workers, to escape such regressive laws.
- Experts point out that there is a golden opportunity to compete with and take business away from Bangladesh (garments), China (toys, electronics and manufacturing) as their wages rise.
- India can turn attractive by abolishing such restrictive labour laws, which will enhance employment by erasing a key factor that throttles India's global competitiveness.
- Further, there are an estimated three million vacancies in government jobs in India and these are often left unfilled to keep the fiscal deficit low.
- While many of these jobs are redundant for a "New India" in overstaffed sectors such as railways, recruitment needs to start now through employment exchanges to buttress the dismal number of doctors, teachers, police officials to keep the ship moving.

Fast tracking privatisation:

• In addition, there must be a start to the privatisation of Air India and the other top 10 public sector entities without the restrictive covenants that discouraged bidders the last time.



- It should not be a tinkering on the margins with privatisation as has been the case so far.
- Experts opine that the bold reclassification of bad loans (of about \$190 billion) to reveal their true picture needs to be followed by recapitalisation, a merging of banks, narrowing down priority-sector lending, and, finally, at least some privatisation.
- This will stop bleeding coffers and send out a strong signal to the world that the Modi government means business.

Concluding Remarks:

- Last but not the least, the focus needs to be on execution and delivery.
- Experts opine that Mr. Modi should set up a delivery unit inside the Prime Minister's Office using modern technology tools (OmniFocus and Slack), for deep monitoring and follow-up, programme-wise and office-wise.
- The government's relentless focus should be on results and not only on process and effort.
- This can be the next avatar of the **Pro-Active Governance And Timely Implementation** (**PRAGATI**) system.
- It is important to note that a surging 1.3 billion-strong "New India" identifies itself with Mr. Modi.
- Economic super performance should become a causal effect for election victories and the perpetual intellectual and execution gridlock needs to be broken.
- Modi has to deliver India victory in its war against poverty, the bureaucracy and every antiprosperity force that holds it back.
- This mandate is for transformational and not incremental change.

F. Tidbits

Nothing here for today!!!

G. Prelims Facts

Nothing here for today!!!

H. Practice Questions for UPSC Prelims Exam

Q1. The provision for a 'Uniform Civil Code' is contained in which Article of the Indian Constitution?

a. Article 44b. Article 38c. Article 46d. Article 39

Answer: a

Explanation: The provision for a 'Uniform Civil Code' is contained in Article 44 of the Indian Constitution.

Q2. Consider the following statements:

- 1. The National Green Tribunal is a specialized body equipped with the necessary expertise to handle environmental disputes involving multi-disciplinary issues.
- 2. The Tribunal is not be bound by the procedure laid down under the Code of Civil Procedure, 1908, but shall be guided by principles of natural justice.



3. The Tribunal's dedicated jurisdiction in environmental matters is aimed at providing speedy environmental justice and help reduce the burden of litigation in the higher courts.

Which among the above statements is/are *incorrect*?

a. 1 and 2 onlyb. All 1, 2 and 3 onlyc. 2 and 3 onlyd. Neither 1 nor 2 nor 3

Answer: d

Explanation:

- The National Green Tribunal is established under the National Green Tribunal Act 2010 for effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources including enforcement of any legal right relating to environment and giving relief and compensation for damages to persons and property and for matters connected therewith or incidental thereto.
- The National Green Tribunal is a specialized body equipped with the necessary expertise to handle environmental disputes involving multi-disciplinary issues.
- The Tribunal is not be bound by the procedure laid down under the Code of Civil Procedure, 1908, but shall be guided by principles of natural justice.
- The Tribunal's dedicated jurisdiction in environmental matters, is aimed at providing speedy environmental justice and help reduce the burden of litigation in the higher courts.

Q3. Consider the following statements:

- 1. PM KISAN is a Central Sector scheme with 100% funding from Government of India.
- 2. Under the scheme an income support of Rs.6000/- per year in three equal instalments will be provided to small and marginal farmer families having combined land holding/ownership of upto 2 hectares.

Which among the above statements is/are *correct*?

a. 1 onlyb. Both 1 and 2c. 2 onlyd. Neither 1 nor 2

Answer: b

Explanation:

- PM KISAN is a Central Sector scheme with 100% funding from Government of India.
- It has become operational from 1.12.2018.
- Under the scheme an income support of Rs.6000/- per year in three equal instalments will be provided to small and marginal farmer families having combined land holding/ownership of upto 2 hectares
- Definition of family for the scheme is husband, wife and minor children.
- State Goverment and UT Administration will identify the farmer families which are eligible for support as per scheme guidelines.



• The fund will be directly transferred to the bank accounts of the beneficiaries.

Q4. Consider the following statements:

- 1. The Bab-el-Mandeb is a strait located between Yemen on the Arabian Peninsula, and Djibouti and Eritrea in the Horn of Africa. It connects the Red Sea to the Gulf of Aden.
- 2. The Strait of Hormuz is a strait between the Persian Gulf and the Gulf of Oman. The Strait of Hormuz is one of the most critical sea lanes in the world today.

Which among the above statements is/are *correct*?

a. 1 onlyb. Both 1 and 2c. 2 only

d. Neither 1 nor 2

Answer: b

Explanation:

- The Bab-el-Mandeb is a strait located between Yemen on the Arabian Peninsula, and Djibouti and Eritrea in the Horn of Africa. It connects the Red Sea to the Gulf of Aden.
- The Strait of Hormuz is a strait between the Persian Gulf and the Gulf of Oman. The Strait of Hormuz is one of the most critical sea lanes in the world today.

I. UPSC Mains Practice Questions

- 1. Addressing rural distress is an important priority area that needs to be remedied urgently if the government's vision of doubling farmer's income by the year 2022 is to be realized. Comment. (12.5 Marks, 250 Words)
- 2. To what extent can Indo-Israel relations be a defining partnership for India. Elaborate keeping in mind the changing geopolitical situation in the Middle East. (12.5 Marks, 250 Words)



