

# 20 June 2019: UPSC Exam Comprehensive News Analysis

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## A. GS1 Related

### Category: HISTORY

#### 1. U.P. site expected to get 'national importance' tag

#### Context:

The Archaeological Survey of India (ASI) has begun the process to declare a site at Sadikpur Sinauli – a site of national importance.

#### Details:

- The ancient site in Uttar Pradesh's Baghpat district includes chariots, swords and other objects pointing to the presence of a warrior class around 4,000 years ago.
- The site was deemed to have National Importance owing to the finds uncovered during excavation

and preservation activities.

- Three chariots, legged coffins, shields, swords and helmets unearthed indicate the existence of warrior class at the site during 2,000 BCE.
- The ASI in an official statement mentioned that the site was the “largest necropolis of the late Harappan period of the early 2nd millennium BCE”.

## B. GS2 Related

### Category: POLITY AND GOVERNANCE

#### 1. Panel will study the ‘1 nation, 1 poll’ issue

##### Context:

The Defence minister announced that a panel would be constituted to by the government to design a roadmap for “One nation, One election”.

##### Background:

- The push for “One nation, one election” came from Prime Minister Narendra Modi in the year 2016. Ever since, there have been widespread discussions on holding simultaneous polls.
- Many political parties have remained ambivalent and flagged the need for further study the possibility of simultaneous elections.
- It is widely opined that a it is a serious and sensitive subject that requires much deliberation and cannot be rushed.
- The Prime Minister had recently, called for a meeting on the subject with leaders of other political parties.

##### What is Simultaneous Elections?

- At present, elections to the state assemblies and the Lok Sabha are held separately.
- Whenever the incumbent government’s five-year term ends or whenever it is dissolved due to various reasons polls are held.
- The terms of Legislative Assemblies and the Lok Sabha may not synchronise with one another.
- The idea of “One Nation, One Election” is an idea where elections to all states and the Lok Sabha will have to be held simultaneously.
- The election cycle in such a system would have to be restricted in a manner that facilitates synchronicity in election to the states and the centre.
- Simultaneous elections is an idea in which the voters would have to cast their vote for the members of the LS and the state assemblies on a single day, at the same time.

##### Is the system of Simultaneous elections new to India?

- Simultaneous elections were the norm until 1967. However, following dissolution of some Legislative Assemblies in 1968 and 1969 and that of the Lok Sabha in December 1970, elections to State Assemblies and Parliament have been held separately.
- The idea of going back to the system of simultaneous polls was mooted in the annual report of the Election Commission in 1983.
- The Law Commission’s Report also referred to it in 1999.
- In the working paper that the Law Commission brought out in April 2018, it said that at least “five Constitutional recommendations” would be required to get this off the ground.

## How will simultaneous elections be held?

There were two proposals for conducting Simultaneous elections along with 17<sup>th</sup> Lok Sabha Elections. However, both the proposals did not materialise.

1. To make the shift to simultaneous polls in a phased manner, where general elections, 12 State Assemblies (which by themselves face elections in late 2018 or 2019) and a Union Territory may be synchronised in 2019, as the rest of the states are in the middle of their five-year term.
  - These 12 states were Andhra Pradesh, Arunachal Pradesh, Odisha, Sikkim, Telangana, Haryana, Jharkhand, Maharashtra, Chhattisgarh, Madhya Pradesh, Mizoram and Rajasthan.
  - NCT of Delhi (Union Territory with Legislature) also faces polls in 2019.
  - However, for such a synchronisation to happen, besides political consensus and extension of term up to six months in some states, amendments to the Constitution were to be made.
  - Elections to the remaining State Legislative Assemblies and Union Territory with Legislature (Puducherry) will be synchronised by the end of 2021.
  - Thereafter, elections to the Lok Sabha, all the State Legislative Assemblies and Union Territories (with legislatures) would be held simultaneously from 2024.
2. The second option involved synchronisation in two batches.
  - First, elections to the 12 State Legislative Assemblies and one Union Territory would be synchronised with elections to the Lok Sabha in 2019.
  - Next, elections to the remaining State Legislative Assemblies will be synchronised with that of one Union Territory by the end of 2021.
  - This would make elections across the country synchronised in such a manner that they could be held twice every five years.

## Merits of holding Simultaneous Elections:

- Simultaneous Elections will help in reducing huge costs involved in current system of separate elections.
- The system will help ruling parties focus on governance instead of being constantly in election mode.
- According to the Law Commission, it will boost voter turnout.

## Arguments against Simultaneous Elections:

- Holding simultaneous elections is likely to affect the judgment of voters, as the national and state issues are different.
- Repeated elections keep legislators on their toes and increases accountability. Simultaneous elections might reduce government's accountability to the people.
- Imposing Article 356, i.e., President's Rule during the interim period, in the event of an election in a State getting postponed until the synchronised phase, would be a blow to democracy and federalism.

## 2. Birla unanimous choice, promises impartiality

### Context:

Om Birla, BJP MP from Rajasthan, was unanimously elected as the Lok Sabha Speaker.

### Lok Sabha Speaker:

- The House of the people is presided over by the Speaker who is elected by the House from among its own members.
- The framers of India's constitution were quite conscious of this role of impartiality of the Speaker is evident from the provisions in the Constitution that deal with the office of the Speaker.

- For instance, Article 94 (c) provides for the removal of the Speaker by a resolution of the House passed by a majority of all the then members of the House.
- Removal of officers from their position in this manner, namely, by such special resolutions and by such special majorities is restricted to only a few officers such as the President, the Vice-President, the Presiding Officers of both House of Parliament, Judges of the Supreme Court, etc, as these officers are expected to discharge their responsibilities without political and party considerations.
- The importance of the office of the Speaker can be seen also from the function that he performs and the powers that he exercises.

1. He presides over the meetings of the House.
  2. He adjourns the House or suspends its meeting if there is no quorum.
  3. While questions are decided in the House, he is not entitled to vote in the first instance (which emphasises his impartiality) but he shall exercise a casting vote in case of a tie.
  4. Any member of the House who resigns his office should address his letter of resignation to the Speaker.
  5. The decision of the Speaker as to whether or not a Bill is a money bill shall be final.
  6. The Speaker will have to endorse or certify it before such a Bill is transmitted to the Council of States or presented to the President for his assent.
  7. He will be consulted along with the Chairman of the Council of States by the President while making rules of procedure with respect to joint sittings of the two House. In such sittings it is the Speaker's right to preside.
  8. In conformity with the Speaker's power to conduct the business of the House, he/she is empowered to allow any member to speak in his mother tongue, if he/she cannot adequately express himself/herself either in Hindi or English.
- With respect to the discharge of his powers and functions, the Speaker is not answerable to anyone except the House.
  - No court of law can go into the merits of a ruling given by the Speaker.
  - In addition to these Constitutional provisions, the Rules of Procedure of the House confer upon the Speaker a variety of powers in the detailed conduct of the business of the House.
  - Under these, the decision to admit notices of questions, motions, resolutions, bills, amendments, etc. is final.
  - There are certain guiding principles which the Rules of procedure lay down for determining the admissibility of notices of motions, etc.
  - The interpretation of these rules as well as their application to specific situations and circumstances is the prerogative of the Speaker.
  - He is the sole authority for giving priority or urgency to a matter so that it may be placed before the House in the national interest.
  - He is not expected to give reasons for his decisions which cannot be challenged by any member.
  - His powers to maintain discipline in the House and to conduct its proceedings in accordance with the rules are formidable. Similarly his powers in connection with the Constitution as well as the working of Parliamentary Committees also are enormous. The Speaker is thus the guardian and Custodian of the rights and privileges of the members, both in their individual capacity and on the group or party basis.
  - The Speaker, in short, is the representative of the House in its powers, proceedings and dignity.
  - Parliament is empowered to fix the salary and allowances of the Speaker and these are charged on the Consolidated Fund of India.

### **Independence and Impartiality of the office of the Speaker:**

1. He is provided with a security of tenure. He can be removed only by a resolution passed by the Lok Sabha by an absolute majority (i.e, a majority of the total members of the House) and not by an

ordinary majority (i.e, a majority of the members present and voting in the House). This motion of removal can be considered and discussed only when it has the support of at least 50 members.

2. His salaries and allowances are fixed by Parliament. They are charged on the Con-solidated Fund of India and thus are not subject to the annual vote of Parliament.
3. His powers of regulating procedure or conducting business or maintaining order in the House are not subject to the jurisdiction of any Court.
4. His work and conduct cannot be discussed and criticised in the Lok Sabha except on a substantive motion.
5. He cannot vote in the first instance. He can only exercise a casting vote in the event of a tie. This makes the position of Speaker impartial.

### 3. Joint election not must, Delhi HC ruled in 2009

#### Context:

- The Gujarat Pradesh Congress Committee (GPCC) has filed a petition in the Supreme Court challenging the Election Commission notification to hold separate polls for the two Rajya Sabha seats.
- The seats fell vacant with its incumbents Amit Shah and Smriti Irani getting elected to Lok Sabha.

#### What are bypolls?

- By-elections, also known as bypolls are conducted to fill in the elected offices that have become vacant between general elections.
- In most cases bypolls are conducted after the incumbent dies or resigns.
- They can also be conducted when the incumbent becomes ineligible to continue in office.

#### Details:

- The issue of holding separate bypolls to two Rajya Sabha seats, had come up before the Delhi High Court in 2009.
- The court had held that it was not mandatory to hold joint election in the case of casual vacancies.
- The same order, which pertained to two casual vacancies from Uttar Pradesh, has been quoted by the Election Commission in its press note for bypolls to fill six casual vacancies in the Rajya Sabha from Bihar, Gujarat and Odisha.
- The EC's note mentions that byelections to all Houses, including the Rajya Sabha, are considered separate vacancies.
- Separate notifications are issued and separate poll is taken for each of the vacancies.

## B. GS2 Related

### Category: HEALTH

#### 1. Cancer cell detection 'dots' developed from coal

#### Context:

A biomedical 'dot' to help detect cancer cells has been developed by a team of scientists in Assam.

#### Details:

- A chemical process has been developed – which turns 'dirty' coal into a biomedical 'dot'.



- The method produces carbon quantum dots (CQDs) from cheap, abundant, low-quality and high-sulphur coals.
- Carbon quantum dots are carbon-based nanomaterials. Their size is less than 10 nm, or nanometre.

#### **Advantages of the CQD developed:**

- The CQD developed by the team is fluorescent carbon nanomaterials at one-twentieth the cost of imported CQDs
- It emits a bluish colour with high-stability, good-conductivity, low-toxicity, environmental friendliness, and good optical properties.
- The source material used is abundant, low-quality Indian coal not directly suitable for thermal electricity production, much cheaper than the imports.
- The CSIR-NEIST technology can produce approximately 1 litre of CQDs per day at a low cost to become an import substitute.
- Environment-friendly reagents are used in the process of development.

#### **Uses of Carbon based nanomaterials:**

- Carbon-based nanomaterials are used as diagnostic tools for bio-imaging.
- Specifically, they are used in detecting cancer cells.
- They are also used in chemical sensing and in opto-electronics.

## **C. GS3 Related**

### **Category: ECONOMY**

#### **1. Banks' association tweaks inter creditor agreement**

##### **Context:**

To stay in line with the RBI's recently announced guidelines on stressed assets resolution, The Indian Banks' Association has tweaked the inter-creditor agreement (ICA).

##### **Details:**

- The Inter Creditor Agreement was framed by the Sashakt Committee.
- The revised norm had mandated that if there was a default by any lender, all lenders should review the borrower account within 30 days of the default, which is termed 'review period', and to chalk out a resolution plan. It has been made mandatory for all the lenders to enter into an ICA within the review period.
- RBI had said ICA must "provide that any decision agreed to by lenders representing 75% by value of total outstanding credit facilities and 60% of lenders by number shall be binding upon all the lenders."
- IBA has now drafted the ICA in consultation with Cyril Amarchand Mangaldas, who also advised on the ICA recommended by the Sashakt Committee.
- As many as 36 banks and financial institutions had endorsed the Sashakt Committee recommendations.
- The revised ICA has been circulated by the IBA to the member banks and financial institutions.

To know more about Sashakt Committee, watch: [Project Sashakt](#).

## D. GS4 Related

*Nothing here for today!!!*

## E. Editorials

### Category: ECONOMY

#### 1. What a \$5 trillion economy would look like

##### What's in the news?

- The Governing Council of the NITI Aayog met recently. At this meeting, Prime Minister Narendra Modi announced the target of a \$5 trillion economy for India by 2024.

##### Editorial Analysis:

- Having said this, it is necessary to think big when seeking to make a difference, for transformation does not come from modest plans.
- It is hoped that the Prime Minister will also use the drive to growth to place India's official statistics on a firmer footing, so that we can be sure that economic policy-making is based on reality.
- However, experts point out that getting the numbers right will not ideally end the task.
- There are important questions that emerge as far as plans for growing the economy is concerned. For example, **what would we like to see in the proposed \$5 trillion economy?**
- Moreover, it is important to point out that a quantum leap in the size of the economy is not so easily achieved. **It will require design, funding and governance.**

##### Looking back at 'Make in India':

- Experts point out that the importance of funding, and to an equal extent, design, may be seen in the failure of 'Make in India'.
- Though technically applicable to every sector, 'Make in India' was clearly focussed on manufacturing.
- Also, 'Make in India' was articulated very early on in Mr. Modi's first term (2014-19), and was accorded a certain prestige in the pronouncements that followed. However, it played out as a damp squib.

##### (a) Reasons attributed towards the failure of 'Make in India':

- One of the reasons for this was the absence of commensurate investment outlay.
- To raise the share of manufacturing in the economy from its present 16% to 25%, which was an ambition declared by both the United Progressive Alliance and National Democratic Alliance governments, **requires a scaling up of investment.** However, this did not come about.
- Whether this was due to the corporate sector, Mr. Modi's chosen vehicle, not having the wherewithal or due to it not being convinced of the plan is beside the point.
- If the private sector is, for whatever reason, not coming forward to invest, then the government must.

##### (b) A Brief Look at History:

- The first attempt to make in India was in the 1940s.
- Finance Minister **Shanmukham Chetty's first budget speech** had identified increasing "internal

production” as the economic priority. And this was achieved quite soon.

- Along with the quickening of the economy as a whole, the share of manufacturing had risen, the mocking epithet ‘Hindu rate of growth’ notwithstanding.
- Experts point out that this had not emerged as part of the moral victory of an oppressed people. **The reason was that it had resulted from a surge in investment, led by the government.**
- The fact that resources could have been mobilised on such a scale in so short a time in an economy devastated by colonial rule is testimony to the availability of the three ingredients.
- These ingredients are: a) design, b) resources and c) governance.
- These ingredients are necessary when contemplating a move to the next level, which is what aiming at a \$5 trillion economy amounts to.

### A Look at the wish list:

- While lauding the efforts of leaders of early independent India, however, we would do well to remember their follies.
- Principal among them was the failure to articulate, possibly even adequately imagine, the contents of the economy that was being raced towards.
- If this is repeated now, it would amount to not having learned the lessons of history.
- Experts point out that at least in the 1940s, the priority was to get the economy moving in the first place. This is no longer the issue.
- Today the economy must be evaluated in terms of how much it contributes to the ease of our living. An important question emerges: what would be some of the characteristics of a valuable economy?

### Some characteristics of a valuable economy:

- Firstly, Indians should feel empowered by the economy.
- We know that currently they do not feel so.
- India is placed very low in the United Nations’ World Happiness Report.
- Happiness, best understood as a sense of well-being, is directly related to empowerment, or being able to undertake the functionings we value.
- This is, in the first instance, related to being educated and experiencing good health.
- Currently in India, one faces an education sector that is broken down and the majority are battling with almost non-existent public health infrastructure. The private sector has some worthy initiatives in these areas but they await an effective public presence on a gigantic scale.
- Hence, the first attribute of the valuable economy would be access to quality health and education for all.
- The second attribute of a valuable economy would be equality of opportunity.
- It is important to note that for over three decades now income inequality has been rising in India.
- According to some measures, India is today more unequal than China, which itself is a society widely perceived as highly unequal.
- Now some part of inequality of opportunity is related to unequal distribution of income but a part of it is not.
- Gender inequality manifested as women having less opportunity in life is not going to go away with a re-distribution of income along class lines or across social groupings.
- India is a serious outlier in this regard, and becoming richer as a society may do little to change the status quo.
- Shockingly, a sex ratio, which is already unfavourable to women, has shown a secular worsening since 1947.
- Experts opine that inequality in India can only be ended by equalising capabilities across individuals.
- Concerted public action via education is the means to this outcome.
- Income transfers, pushed relentlessly by policy entrepreneurs, evade the issue altogether.



### Perspective on Conserving nature:

- Till now, by referring to the imperative for growth, to eradicate poverty, any effort to conserve nature has not just been ignored but treated with derision, by both right and left.
- Experts opine that this is no longer a credible political stance.
- Two-thirds of the world's most polluted cities are in India, when we accept less than a fifth of its population.
- Air pollution shortens lives and lowers productivity, reducing the capacity to earn a living when alive.
- The poor are the most affected as they cannot afford to live in gated communities that somehow manage to commandeer scarce natural resources.

### Concluding Remarks:

- Some part of environmental depletion in India is due to the pursuit of unbridled growth.
- This implies that any improvement in the life of the majority would require a re-alignment of the growth process so that it is less damaging.
- This would very likely require that we have slower growth but the process can be configured to channel more of it towards poorer groups.
- We may end up in a situation of less tangible goods in the aggregate than otherwise but one in which more people are happier than in the past. Such an economy is more valuable.

## 2. The forgotten funds

### Editorial Analysis:

- Experts point out that the season of filing tax returns brings with it an increased emphasis on the accountability of the private sector towards the government.
- In this period of accounting and accountability, as citizens, it is equally important to apply the same principles to the working of the government.
- **A key area is the social accounting of the education cess**, which is a compulsory contribution made by all taxpayers, both individuals and firms.

### A Closer Look:

- It is important to note that **a cess is levied on the tax payable and not on the taxable income.**
- Thus, in a sense, for the taxpayer, it is equivalent to a surcharge on tax.
- Further, direct taxes on income are compulsory transfers of private incomes (both individual and firm) to the government to meet collective aims such as the expansion of schooling infrastructure, an increase in health facilities, or an improvement of transportation infrastructure.
- **A cess can be levied on both direct and indirect taxes.**
- The revenue obtained from income tax, corporation tax, and indirect taxes can be allocated for various purposes.
- **It is important to note that unlike a tax, a cess is levied to meet a specific purpose; its proceeds cannot be spent on any kind of government expenditure.**
- Recent examples of cess are:
  1. infrastructure cess on motor vehicles,
  2. clean environment cess,
  3. Krishi Kalyan cess (for the improvement of agriculture and welfare of farmers), and
  4. education cess.

Thus, to make the point clear, **the proceeds from the education cess cannot be used for cleaning the**

environment and vice versa.

- From the point of view of the government, **the proceeds of all taxes and cesses are credited in the Consolidated Fund of India (CFI), which is an account of the Government of India.**
- It constitutes all receipts, expenditures, borrowing and lending of the government.
- The CFI details are published annually as a part of the Union Budget documents. And **the approval of Parliament is necessary to withdraw funds from the CFI.**
- While the tax proceeds are shared with the States and Union Territories according to the guidelines by the Finance Commission, the cess proceeds need not be shared with them.
- It is important to note that **to meet specific socioeconomic goals, a cess is preferred over a tax because it is relatively easier to introduce, modify, and abolish.**
- As a matter of fact, **the education cess, at 2%, which was first proposed in 2004, was aimed at improving primary education.**
- In 2007, an additional cess of 1% was introduced to fund secondary and higher education (SHEC).
- And recently, in the 2019 Union Budget, a 4% health and education cess was announced which incorporates the previous 3% education cess as well as an additional 1% to provide for the health of rural families.

**What does the data show:**

- Data from various years of the Union Budget show an increase in the amount of education cess collected via corporation tax and income tax.
- Initially, the education cess was also levied on customs, excise, and service taxes.
- **When tax proceeds increase, the cess collected also rises.** From the inception of the education cess until 2019, the total proceeds have been ₹4,25,795.81 crore.
- **It is important to note that in order to utilise the cess proceeds lying in the CFI, the government has to create a dedicated fund.** As long as a dedicated fund is not created, the cess proceeds remain unutilised.
- The dedicated fund for primary education is the ‘**Prarambik Shiksha Kosh**’, or PSK, (created in October 2005, a year after the cess was introduced) while that for higher and secondary education is the ‘**Madhyamik and Uchhtar Shiksha Kosh**’ (set up in August 2017).
- Experts point out that it is baffling as to why the government set up the dedicated fund for higher and secondary education in 2017, 10 years after the introduction of SHEC; it is also shocking that this fund has remained dormant as of March 2018.
- Moreover, data from the 2017-18 annual financial audit of government finances conducted by the Comptroller and Auditor General (CAG) show that ₹94,036 crore of SHEC proceeds is lying unutilised in the CFI.
- In fact, it appears that the government finally set up the ‘Madhyamik and Uchhtar Shiksha Kosh’ after consecutive CAG reports, repeated Lok Sabha queries, and newspaper articles.
- Further, experts point out that the degree of economic injustice becomes sharper when the unspent account is seen in conjunction with the Central government’s expenditure on education.
- For example, in 2017-18, **the public expenditure on school and higher education was estimated to be ₹79,435.95 crore.** In other words, the cumulative unutilised SHEC funds far exceeded the expenditure on both school and higher education for the year 2017-18.

**Concluding Remarks: The Way Forward**

- Taxes in democratic societies indicate the presence of a collective socioeconomic vision aimed at improving livelihoods.
- Just as taxpayers have a responsibility to pay taxes, the government ought to ensure that tax proceeds are appropriately utilised.
- Since a cess is introduced with a specific purpose, it is completely unjustified when the proceeds

remain unutilised for so many years.

- Moreover, **in the current context of self-imposed fiscal discipline and the consequent reduction of public expenditure, the opportunity cost of unutilised education cess proceeds is significantly high.**
- Finally, it is imperative that the government immediately begins utilising cess proceeds and also publishes an annual account of the manner in which they have been utilised.

### 3. Beyond Mayday: On bankruptcy code for aviation sector

#### Editorial Analysis:

- Two months after Jet Airways halted all flight operations, lenders to the beleaguered full service airline have decided to refer it to the **National Company Law Tribunal and initiate insolvency proceedings.**
- This is being done in a bid to recover the money owed to them.
- The lenders' consortium arrived at this conclusion after unsuccessfully trying to rope in a white knight.

#### Who is a 'white knight'?

- A 'white knight' an investor who would have helped put the airline's flights back in the air, thus saving thousands of jobs and potentially helping turn around the carrier.
- It is important to note that while, **theoretically, the Insolvency and Bankruptcy Code was conceived to help achieve a resolution that could potentially protect a running business and help revive it through capital restructuring under a new promoter, in Jet's case the chances of a resolution seem rather remote now.**

#### Why does Jet's chances of revival seem remote?

- The lenders have to shoulder a fair share of the blame as the delay in initiating the insolvency process has drastically eroded some of the airline's key assets, including customer goodwill, its aircraft fleet, routes and landing slots and even its experienced flight crew.
- Ironically, while the banks may have viewed Jet's request for emergency lines of credit in the run-up to the suspension of operations as 'good money chasing bad money', **nothing could potentially kill an airline more effectively than protracted grounding.**
- As a matter of fact, one doesn't even need to look too far back in time to recall what happened to Kingfisher Airlines.

#### An International Perspective:

- Experts point out that it would surely have been instructive for the creditors to revisit the Chapter 11 bankruptcies that a clutch of U.S. legacy airlines opted for in the early 2000s.
- As a matter of fact, this protection helped Delta and United to not only survive the crisis of confidence in aviation triggered by the terrorist attacks of September 11, 2001, the surge in jet fuel and labour costs and the intense competition from low-cost carriers, but emerge stronger and rank among the top five contemporary American carriers.

#### Looking at a key metric:

- A look at some of Jet's industry-specific operational metrics, at least until the recent cash-starved implosion, show an airline that had consistently posted growth in terms of **revenue passenger kilometres** and **cargo tonnage** till the 2017-18 financial year.

- Thus, it wasn't a lack of business that led to Jet's stall and crash.

#### Need for reviewing several key issues:

- For the health of India's airline industry, it will be crucial for policymakers to review several issues that affect viability: **from the way aviation turbine fuel is taxed, to the charges airports levy.**
- The carriers too need to reappraise their pricing strategies and ensure that in the quest for market share they don't end up in a race to the bottom.

#### Concluding Remarks:

- The government must take a closer, harder look at the IBC and examine the viability of a framework akin to Chapter 11 that may ultimately be more suited to industries like aviation.

### Category: INTERNATIONAL RELATIONS

#### 1. Deadlock in Libya

##### What's in the news?

- Recently, Libya's UN-recognised government decided to launch a peace initiative aimed at stabilising the civil war-stricken country.
- Experts have opined that this is a welcome move.
- Prime Minister Fayeze al-Sarraj of the Tripoli-based government has proposed setting up a national peace forum with help from the UN, to be followed by simultaneous presidential and parliamentary elections.
- al-Sarraj made the offer at a time when the rebel army of warlord Khalifa Haftar was fighting the Tripoli government troops on the outskirts of the capital.

##### Concerns that remain:

- Experts opine that an offer for peace alone won't make any difference in the complex, war-torn polity.
- The country descended into chaos after protests against dictator Muammar Qadhafi in 2011.
- A NATO invasion helped oust Qadhafi, but neither the foreign powers nor their local allies managed to fill the vacuum left by the regime that had been in power for four decades.
- Today there are two governments in Libya. One is based in Tobruk and the other in the capital Tripoli.
- The self-styled Libyan National Army, commanded by Mr. Haftar, backs the Tobruk government and has captured huge swathes of territory, while the Tripoli government, which has international recognition, is defended by a host of militias, including Islamist groups.
- It is important to note that Mr. Haftar claims he is fighting terror groups and wants to unify Libya under his leadership, while Mr. al-Sarraj says his government is legitimate.

##### A Closer Look at the Current Crisis:

- The current crisis was triggered when Mr. Haftar moved his troops to Tripoli in April 2019 to oust the government of Mr. al-Sarraj.
- However, in contrast to other battles Mr. Haftar's forces had fought in the east and the south, they were stopped on the outskirts of the capital by forces loyal to the government.
- It is important to note that hundreds of people have already been killed, but both sides have refused

to agree to a ceasefire despite international calls.

(a) Perspective on regional dynamics:

- The regional dynamics are also at play in the Libyan crisis.
- Egypt, Saudi Arabia and the UAE are backing Mr. Haftar's forces, while Turkey and Qatar back the Tripoli government.
- When Mr. Haftar launched the Tripoli offensive, the U.S. had also taken a favourable view, President Donald Trump having talked to him on the phone.

(b) What does the situation in Libya illustrate?

- Libya illustrates what regime change wars could do to a country.
- Changing a regime using force could be easy as the examples of Iraq and Libya suggest, but rebuilding a new state is not, and it can't be done with the aid of military power.

### Concluding Remarks:

- All the countries that invaded the oil-rich north African nation and backed its paramilitary groups, including the U.S., Britain and their Gulf allies, should share some responsibility for Libya's crisis today.
- At least now, they should look beyond their narrow geopolitical interests and use their influence to rein in the militias the war has unleashed and help establish order in the country.
- Prime Minister al-Sarraj's offer could be a new beginning only if a ceasefire is reached, and respected, by all sides.

## 2. Game of Chicken in the Gulf (Geopolitics in the Gulf Region)

### Editorial Analysis:

What is a "Game of Chicken"?

- **When two powers are heading towards each other in an escalating game for leverage, the situation is often referred to as a Game of Chicken.**
- This is a concept in game theory.
- The strategic calculus of the Game of Chicken is that each player thinks the other will either slow down or swerve away and therefore become the "chicken".
- This will not only avoid a crash, but also give the persistent player an advantage over the other.
- The risk of the game, of course, is that if no player backs off, a crash is certain.

Applying the "Game of Chicken" theory to Iran-U.S. tensions:

- There is no better theoretical description to understand the Iran-U.S. tensions that are unfolding now.
- S. President Donald Trump began the escalation by pulling the country out of the Iran nuclear deal in May 2018.
- He then reimposed crippling sanctions on Iran, termed a branch of the Iranian armed forces a terrorist group, and sent more troops to West Asia in a bid to force "behaviour change" in Tehran.
- **The U.S. administration calls this strategy the "maximum pressure" approach.**
- However, with Iran now threatening to breach the nuclear deal and increasing anti-U.S. military rhetoric, this strategy appears to be failing.
- As a result, war clouds have gathered over the Gulf with U.S.-Iran ties sinking to levels seen in the final years of George W. Bush's presidency.



### Returning to talks:

- Unlike some members of his administration, Mr. Trump has said he doesn't want a war with Iran.
- But he was unhappy with the nuclear deal reached between Iran and world powers in 2015 under his predecessor, Barack Obama.
- The deal, its critics argued, paid Iran for not making a nuclear bomb, while leaving unaddressed critical issues such as its ballistic missile programme and its "disruptive" activities in the region.
- **Currently, Mr. Trump wants Iran to return to talks on terms set by the U.S. so that they can renegotiate the nuclear issue.** He may have hoped that the "maximum pressure" the U.S. has put on Iran would force it to return to the table.

### A Look at some Specifics:

- It is important to note that **the sanctions have been effective in isolating and choking Iran's economy.**
- After the U.S.'s pullout, the nuclear deal was practically a dead agreement.
- The other signatories to the deal — **the U.K., France, Germany, Russia, China and the European Union (EU)** — did nothing concrete to save Iran from U.S. sanctions.
- Corporations that had shown interest in investing in Iran, including Chinese companies, pulled out after the sanctions.
- Furthermore, the U.S. also scared off the top-buyers of Iran's oil, including India, **resulting in a massive drop in Iran's oil exports.**
- However, experts opine that where Mr. Trump erred was in his calculation that economic misery would force Iran to give up its resistance and return to talks.

### A Return to Hostility:

- Iran has cooperated with the U.S. in the past.
- After the September 11, 2001 attacks, it assisted the U.S. war in Afghanistan.
- It arrested and deported Taliban members who crossed into its territory and also conducted search and rescue operations for downed U.S. aircrew members.
- **Iran also played a critical role in the formation of the first post-Taliban Afghan government.** But thereafter, the U.S. turned hostile to Iran, with President Bush lumping the country together with Iraq and North Korea as the "**Axis of Evil**".
- With help from the European powers and Russia and China, President Obama got the Iranians to the table.
- After months-long painstaking diplomatic engagement, all sides agreed to the nuclear deal, which scuttled Iran's nuclear programme in return for the lifting of international sanctions.
- **After the deal was signed, the U.S. and Iran cooperated in Iraq in the fight against the Islamic State (IS).**
- However, once the direct war against the IS in Iraq was over, Mr. Trump pulled the U.S. out of the deal.

### A Look at Iran's options:

- Broadly, Iran had a choice of tactical pathways.
- One was to return to talks on the U.S.'s terms and negotiate another nuclear deal for sanctions relief. However, **this would have been humiliating for nationalist Ayatollahs who have built their political capital on anti-Americanism since 1979.**
- The second option was to wait out Mr. Trump's presidency and hope that his successor would take the U.S. back to the nuclear deal. Experts opine that this is still not impossible as there are Democratic presidential candidates who back the deal.
- But with sanctions biting, Iran can't wait till the next U.S. presidential election.

- Also, there's no certainty that Mr. Trump will not be re-elected.
- The third option was to force the EU to defy U.S. sanctions and save the deal. **Iran, in fact, waited for a year after the U.S. pullout for the other members to come up with a solid mechanism to save the deal.** But, this did not materialise.
- It is important to note that the EU has set up a channel with Iran called **Instex (Instrument in Support of Trade Exchanges)**, but this is used mainly for transacting essential goods, not high-value exports such as oil and gas.

#### **Iran moving to the option of “maximum resistance” to “maximum pressure”:**

- Iran moved to the last option, “maximum resistance” to “maximum pressure”.
- Iran's response has been gradual. In May, 2019, it gave a 60-day deadline to other signatories to fix the deal and also vowed to keep unspent enriched uranium and heavy water, which it had been exporting ever since the deal was sealed.
- Recently, in the month of June, 2019, and as the deadline is soon set to expire, Tehran said it will keep the low-enriched uranium and threatened to begin enriching the uranium to higher levels of purity.
- It is important to note that **under the agreement, Iran is allowed to enrich uranium to 3.67%, which it plans to raise to 20%, taking the country closer to weapons-grade level (90%).**
- If Iran starts producing high-enriched uranium, it would be a breach of the nuclear deal.
- This may sound dangerously aggressive, but it is not totally irrational.
- Firstly, it proves that Mr. Trump's “maximum pressure” doesn't work.
- Secondly, it holds Mr. Trump primarily responsible for the collapse of the deal and seeks to deprive the U.S. of any help from Europe in the event of a conflict.
- Thirdly, if Iran is actually responsible for the tanker attacks in the Gulf, it is an indication to countries dependent on oil that flows through the Strait of Hormuz what disruption caused by war would look.

#### **Concluding Remarks:**

- If Iran is not behind the attacks, the “maximum pressure” strategy has raised the stakes so high that even a third party is capable of carrying out false flag attacks to trigger an all-out conflict.
- Either way, Iran is using counter-escalation for deterrence.
- But the danger in the Game of Chicken is that the risk of a crash is always there unless one power swerves away.
- Important questions arise: Will Mr. Trump do so after realising that his “maximum pressure” approach has failed?
- Or will Iran be able to sustain its “maximum resistance” in the wake of continued U.S. targeting? If not, there will be war.

## **F. Tidbits**

### **1. Rajasthan to train youth in job-oriented skills**

- The government in Rajasthan has launched a major initiative to establish livelihood business incubators (LBIs).
- LBIs have been established in all districts to promote employment-oriented skills training for the youth in a big way.
- The State, for the first time, is replicating the model adopted by the National Small Industries Corporation.
- The LBIs would be set up with the help of Centre's assistance.

- It would impart training to the youth and encourage them to take up new ventures.

## 2. Ozone pollution higher this summer, says CSE

- An analysis by the Centre for Science and Environment, Delhi, has found that the Ozone pollution has increased in Delhi-NCR this summer in comparison to previous year.
- The rate of production of ozone also increases with the increase in the temperature.
- Such an increase can cause fatigue, breathlessness, and asthma.
- Surface ozone is not a primary pollutant, but it is produced due to chemical reactions of nitrogen oxides and carbon monoxide in the presence of sunlight.
- The situation demands a strong action to cut down gaseous emissions from combustion sources, vehicles and industries.

## 3. Hydrotherapy to soothe elephants' feet and joints

- India has opened its first specialised hydrotherapy treatment for elephants suffering from arthritis, joint pain and foot ailments near the Wildlife SOS' Elephant Conservation and Care Centre (ECCC),
- The facility has been opened on the banks of the Yamuna in Mathura.
- The pool creates water pressure that massage the elephants' feet and body and help in increasing blood circulation.
- The hospital started in 2018. It offers state-of-the-art modern facilities including wireless digital X-ray, laser treatment, dental X-ray, thermal imaging and ultrasonography to treat injured, sick and geriatric elephants.
- The elephants at the Wildlife SOS have been rescued from extreme distress.

## 4. India has highest data usage: report

- According to a study by Swedish telecom equipment maker Ericsson, India has the highest average data usage per smartphone.
- The average data usage per smartphone was found to be reaching 9.8 GB per month at the end of 2018.
- The forecasts have it that the figure could double by 2024.
- The high data usage is driven by increased numbers of LTE subscriptions, attractive data plans and youth's changing video viewing habits.
- It was also found that more than half of smartphone users in India expect their own provider to switch to 5G or are willing to wait for a maximum of six months before moving to another provider that does.

## G. Prelims Facts

*Nothing here for today!!!*

## H. Practice Questions for UPSC Prelims Exam

Q1. Consider the following statements:

1. India is a member of World Meteorological Organization (WMO).
2. WMO originated from the International Meteorological Organization.
3. Its secretariat is headquartered in Geneva.

Which of the statement/s is/are correct?

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

**Answer: d**

**Explanation:**

WMO It is an intergovernmental organization which originated from the International Meteorological Organization, with its secretariat headquartered in Geneva. It provides world leadership and expertise in international cooperation in the delivery and use of high-quality, authoritative weather, climate, hydrological and related environmental services by its Members, for the improvement of the well-being of societies of all nations.

**Q2. The Gini coefficient is used to measure:**

- a. Inflation
- b. Unemployment
- c. Economic Growth
- d. Income inequality

**Answer: d**

**Explanation:**

The Gini coefficient is used to measure income inequality.

**Q3. Consider the following statements:**

1. The Economist Intelligence Unit publishes the Democracy Index.
2. India is classified as a 'flawed democracy' in Democracy index 2018.

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

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

**Answer: c**

**Explanation:**

The Economist Intelligence Unit publishes the Democracy Index. The list has been divided into four broad categories—full democracy, flawed democracy, hybrid regime and authoritarian regime. In the list compiled by the Economist Intelligence Unit (EIU)- 2018, India has moved down from 32nd place last year to 42<sup>nd</sup> place and remains classified among flawed democracies.

## I. UPSC Mains Practice Questions

1. Critically examine the various facets of economic policies of the British in India from mid-eighteenth

century till independence. (15 Marks, 250 Words)

2. India has a major problem of Malnutrition among children. In the light of rising toll of deaths due to acute encephalitis syndrome (AES) in Bihar's Muzaffarpur, discuss the need to address the problem of malnutrition in the country and suggest measures. (15 Marks, 250 Words)

