

05 July 2019: UPSC Exam Comprehensive News Analysis

TABLE OF CONTENTS

A.GS1 Related

GEOGRAPHY

- 1. Volcano erupts in Sicily, one tourist killed
- B.GS2 Related
- C.GS3 Related

ENVIRONMENT AND ECOLOGY

- 1. Arctic mission to 'trap' researchers in ice to study climate
- 2. EU expertise to wind energy plants
- 3. A Japanese touch to Telangana green drive
- D. GS4 Related
- E. Editorials

ECONOMY

- 1. Expanding India's share in global space economy (Space Sector and Space Commerce)
- 2. Blue-sky visions
- 3. Can Budget steer a rudderless economy?

INTERNATIONAL RELATIONS

- 1. Talking sanctions, endangering peace
- F. Tidbits
- G. Prelims Facts
- 1. Rath yatra
- 2. International Court of Justice
- 3. Borgeet of Assam
- H. UPSC Prelims Practice Questions
- I. UPSC Mains Practice Questions

A. GS1 Related

Category: GEOGRAPHY

1. Volcano erupts in Sicily, one tourist killed

Context:

Eruptions from a volcano on the Sicilian island of Stromboli sent about 30 tourists jumping into the sea for safety.

Details:

- Stromboli is a small island in the Tyrrhenian Sea, off the north coast of Sicily.
- It contains one of the three active volcanoes in Italy.
- It is one of the eight Aeolian Islands, a volcanic arc north of Sicily.
- The volcano at Stromboli has erupted many times and is constantly active with minor eruptions, often visible from many points on the island and from the surrounding sea, giving rise to the island's nickname "Lighthouse of the Mediterranean"
- The volcano is one of the most active on the planet and has been under a regular state of eruption since 1932.



- The last erruption was in 2007.
- Ash and lapilli [rock fragments] were shot up to two kilometres high before landing on the ground and hitting the sides of the mountain.

Strombolian Eruption:

- Strombolian eruptions are relatively mild blasts.
- They are named for the Italianvolcano Stromboli.
- Strombolian eruptions consist of ejection of incandescent cinder, lapilli, and lava bombs, to altitudes of tens to a few hundreds of metres.
- The eruptions are small to medium in volume, with sporadic violence.

B. GS2 Related

Nothing here for today!!!

C. GS3 Related

Category: ENVIRONMENT AND ECOLOGY

1. Arctic mission to 'trap' researchers in ice to study climate

Context:

A team of climate change scientists from 17 nations is preparing for an expedition to the Arctic, where they will anchor their vessel to a large piece of sea ice and allow the water to freeze around them.

Details:

- The scientists will be trapped in the vast white mass that forms over the North Pole every winter.
- The mission aims for a manual observation and measurement, as there has not even been a basic observation of the climate processes in the central Arctic from winter.
- Once the Polarstern is carried into the depth of the Arctic night, far off the coast of northern Greenland, the scientists will be on their own, away from emergency evacuations by air or sea.
- Scientists now believe the cold cap that forms each year is key to regulating weather patterns and temperatures across the Northern Hemisphere. Anything that disrupts the Arctic will be felt further south
- The expedition is receiving funding from U.S. institutions such as the National Science Foundation, the Department of Energy, the National Oceanic and Atmospheric Administration, and NASA.
- The MOSAiC mission, which stands for Multidisciplinary drifting Observatory for the Study of Arctic Climate, comes about 125 years after Norwegian explorer Fridtjof Nansen first managed to seal his wooden expedition ship, Fram, into the ice during a three-year expedition to the North Pole.

Significance:

- The mission is aimed at studying the impact of climate change on the Arctic and how it could affect the rest of the world.
- The polar vortices that blasted cold air as far as Florida and the early heat wave in Europe are cited as the prime examples of the impact that a change in the Arctic weather system might entail.
- By combining measurements on the ice with data collected from satellites, scientists hope to improve the increasingly sophisticated computer models for weather and climate predictions.



• The mission will help in understanding the processes at play in the far north which is crucial for the world leaders to make the right decisions to curb climate change.

Polarstern:

- Research Vehicle Polarsternis a German research icebreaker of the Alfred Wegener Institute for Polar and Marine Research (AWI) in Bremerhaven.
- Polarsternwas commissioned in 1982 and is mainly used for research in the Arctic and Antarctica.

2. EU expertise to wind energy plants

Context:

Tomasz Kozlowski, the ambassador of the European Union (EU) to India, was on a two-day visit to India.

Details:

- The ambassador, who visited Chennai, said that India's first major off-shore wind energy power plant would be set up soon in Gujarat with the cooperation of EU nations and private companies.
- His official visit highlights cooperation on clean energy, research, innovation, education and culture under the EU-India strategic partnership.
- He highlighted the fact that EU had extended cooperation to India in developing offshore wind energy projects in Tamil Nadu and Gujarat. Regulatory framework and experiences for the offshore power plants were provided by EU.
- A few years ago, we launched the project to assess the capacity and now it is in the process of implementation.
- By 2022, India has set an ambitious target to have a capacity of 5 giga byte of offshore wind energy in Gujarat and Tamil Nadu.

Namma Auto Project:

- Namma Auto is the environment-friendly electric auto-rickshaw funded by the EU.
- he 'Namma auto project' was launched early in this year to promote the shift to less polluting autorickshaws in Bengaluru and Chennai.
- The overall idea of this project is to create awareness on switching to electric public transport and introduce as many electric vehicles as possible.
- The first set of electric auto-rickshaws in Chennai have already been introduced in collaboration with Chennai Metro Rail to pilot electric rickshaws as a feeder service.

3. A Japanese touch to Telangana green drive

Context:

The Forest department has introduced the famous Japanese "Miyawaki" method of afforestation in the Velugumatla urban park on a pilot basis to supplement the green drive, Telangana Ku Haritha Haram (TKHH).

Details:

- The forest department is entrusted with the huge task of planting around 3.29 crore saplings under the fifth phase of TKHH.
- The Miyawaki method, that has revolutionised the concept of urban afforestation by turning backyards into mini-forests is considered for Velugumatla urban park.



- The method is named after the Japanese botanist and plant ecologist Akira Miyawaki.
- By promoting natural vegetation on land destroyed by natural calamities and man-induced mistakes, Miyawaki managed to raise mini forests along the coastline of Japan.
- Using this, it's possible to grow a variety of native species in as little a space as 600 sq.ft.
- As a side benefit, these forests serve as a natural bulwark against soil erosion and Tsunami.
- The recent move is aimed at creating natural green spaces by gradually extending the method, well-known for growing mini urban forests in limited spaces in a relatively less time.

Telangana Ku Haritha Haram:

- Telangana Ku Haritha Haram or Haritha Haram is a large-scale tree-planting program implemented by the Government of Telangana to increase the amount of tree cover in the state from 24% to 33%.
- It is one of the Telangana Flagship programmes to rejuvenate degraded forests, protecting these forests from threats such as smuggling, encroachment, fire and grazing.

Category: ECONOMY

Please note that the articles relating to Economic Survey will be covered separately.

D. GS4 Related

Nothing here for today!!!

E. Editorials

Category: ECONOMY

1. Expanding India's share in global space economy (Space Sector and Space Commerce)

Note to the Students:

This particular editorial focusses on the opportunity India has to capitalize on the global space economy.

Larger Background:

• Pursuance of Space activities were focused on three major areas namely – i) Space Infrastructure which includes realization of spacecraft for various applications and associated ground infrastructure, ii) Space Transportation systems, which include through realization of various types / class of launch vehicles and associated ground infrastructure including launch facilities, and iii) Space applications for various national requirements through establishment of necessary ground infrastructure and coordination mechanisms.

International Treaty Obligations on Outer Space Activities:

- Internationally, the outer space activities are governed by relevant chapters of international law in general and by United Nations' (UN) Treaties and principles evolved under UN Committee on Peaceful Uses of Outer Space (UNCOPUOS) in particular.
- The obligations of a State Party under international treaties on outer space activities are expected to be complied/ discharged through national mechanisms, namely domestic space legislations.
- Basic tenets of treaty obligations, namely, 'bearing International responsibility' and 'liability for damages caused by space activities and space objects' are more applicable to a State Party, where



- space activities are performed by non-governmental/ private sectors.
- Hence, non-governmental space activities are required to be licenced/ authorized and continuously supervised by a State in order to comply with treaty obligations.
- A few space faring nations such as USA, Russia, Ukraine, Republic of Korea and other nations engaged in space activities, such as, South Africa, United Kingdom, Indonesia, Austria, etc. have formulated domestic space legislations.
- France has a Space Authorization Act for providing commercial space activities through
- India is a State Party to major treaties of UN on outer space activities and has been performing space activities in compliance with the obligations of UN Treaties on Outer Space activities under Governmental envelope.

Need for Space Act in India:

- Over a period, with the logical evolution of space activities in India from conceptual, experimental, operational, commercial and further expansion phases, the demands for space systems, applications and services for national needs and beyond have been rapidly growing.
- This scenario also encourages the participation of Indian industry and service providers at much higher levels in all round space activities under the technical guidance and authorization of the Government through Department of Space.
- Further, a few start-up companies too in India are showing interest in engaging in space systems activities. Commercial opportunities in space activities and services, nationally and internationally demand higher order of participations by private sector agencies.
- This situation demands for a necessary legal environment for orderly performance and growth of the space sector.

The Constitution of India too provides for implementation of international treaty obligations, vide Articles 51 and 253.

Thus there is a need for national space legislation for supporting the overall growth of the space activities in India. This would encourage enhanced participation of non-governmental/private sector agencies in space activities in India, in compliance with international treaty obligations, which is becoming very relevant today.

Brief Note on the draft Space Activities Bill, 2017:

• The Government had invited suggestions from the public or stakeholders regarding the draft Space Activities Bill, 2017.

The objective of the Space Bill is to facilitate the overall growth of the space activities in India with higher order of participation of public/ non-governmental/ private sector stakeholders.

The Bill provides for establishment of a regulatory mechanism through an appropriate body, by the Central Government for the purpose of authorization and licensing of space activities.

The provision on liability for damages caused by space activities of licensee, provides for a risk sharing mechanism, by which the central Government may determine the quantum of liability to be borne by the licensee.

Editorial Analysis:

• From a modest beginning in the 1960s, India's space programme has grown steadily, achieving significant milestones. These milestones include the fabrication of satellites, space-launch vehicles, and a range of associated capabilities.



• Today, the Indian Space Research Organisation (ISRO)'s annual budget has crossed ₹10,000 crore (\$1.45 billion), growing steadily from ₹6,000 crore five years ago.

The vast opportunity the Space Sector Presents:

(a) A Case of Demand Exceeding Supply:

- It is important to note that demand for space-based services in India is far greater than what ISRO can supply.
- Private sector investment is critical, for which a suitable policy environment needs to be created.
- Further, there is growing realisation that national legislation is needed to ensure overall growth of the space sector.
- The draft **Space Activities Bill** introduced in 2017 **has lapsed** and the government now has an opportunity to give priority to a new Bill that can be welcomed by the private sector, both the larger players and the start-ups alike.

(b) Looking at ISRO's thrust areas:

- Since its establishment in 1969, ISRO has been guided by a set of mission and vision statements covering both the societal objectives and the thrust areas.
- The first area was of satellite communication, with INSAT and GSAT as the backbones, to address the national needs for telecommunication, broadcasting and broadband infrastructure.
- Gradually, bigger satellites have been built carrying a larger array of transponders.
- About 200 transponders on Indian satellites provide services linked to areas like telecommunication, telemedicine, television, broadband, radio, disaster management and search and rescue services.
- A second area of focus was earth observation and using space-based imagery for a slew of national demands, ranging from weather forecasting, disaster management and national resource mapping and planning.
- These resources cover agriculture and watershed, land resource, and forestry managements. With higher resolution and precise positioning, **Geographical Information Systems**' applications today cover all aspects of **rural and urban development and planning**.
- Beginning with the Indian Remote Sensing (IRS) series in the 1980s, today the RISAT, Cartosat and Resourcesat series provide wide-field and multi-spectral high resolution data for land, ocean and atmospheric observations.
- A third and more recent focus area is satellite-aided navigation.
- The GPS-aided **GEO augmented navigation** (**GAGAN**), which is a joint project between ISRO and Airports Authority of India, augmented the GPS coverage of the region, improving the accuracy and integrity, primarily for civil aviation applications and better air traffic management over Indian airspace.
- This was followed up with the **Indian Regional Navigation Satellite System (IRNSS)**, which is a system based on seven satellites in geostationary and geosynchronous orbits.
- It provides accurate positioning service, covering a region extending to 1,500 km beyond Indian borders, with an accuracy greater than 20 metres; higher accuracy positioning is available to the security agencies for their use.
- In 2016, the system was renamed NavIC (Navigation with Indian Constellation).

(c) Ambitious Space Missions being undertaken by ISRO:

- With growing confidence, ISRO has also started to undertake more ambitious space science and exploration missions.
- The most notable of these have been the **Chandrayaan** and the **Mangalyaan missions**, with a manned space mission, **Gaganyaan**, planned for its first test flight in 2021.



- It is important to note that these missions are not just for technology demonstration but also for expanding the frontiers of knowledge in space sciences.
- Experts have opined that none of this would have been possible without mastering the launch-vehicle technology. Beginning with the **Satellite Launch Vehicle** (SLV) and the **Augmented Satellite Launch Vehicle** (ASLV), ISRO has developed and refined the Polar Satellite Launch Vehicle (PSLV).

(d) Taking a Look at the PSLV and the GSLV:

- It is important to note that the PSLV is India's workhorse for placing satellites in low earth and sun synchronous orbits.
- As a matter of fact, with 46 successful missions, the PSLV has an enviable record.
- The Geosynchronous Satellite Launch Vehicle (GSLV) programme is still developing with its MkIII variant, having undertaken three missions, and is capable of carrying a 3.5 MT payload into a geostationary orbit.
- In comparison, the French Ariane 5, has undertaken more than 100 launch missions and carries a 5 MT payload, with an Ariane 6 in the pipeline for 2020.
- Over the years, ISRO built a strong association with the industry, particularly with Public Sector Undertakings (PSUs) like Hindustan Aeronautics Limited, Mishra Dhatu Nigam Limited and Bharat Electronics Limited and large private sector entities like Larsen and Toubro, Godrej and Walchandnagar Industries. However, most of the private sector players are Tier-2/Tier-3 vendors, providing components and services.
- In contrast, the Assembly, Integration and Testing (AIT) role is restricted to ISRO, which set up Antrix, a private limited company, in 1992 as its commercial arm to market its products and services and interface with the private sector in transfer of technology partnerships.

(e) Valuing the Global Space Industry:

- Today, the value of the global space industry is estimated to be \$350 billion and is likely to exceed \$550 billion by 2025.
- Despite ISRO's impressive capabilities, India's share is estimated at \$7 billion (just 2% of the global market) covering broadband and Direct-to-Home television (accounting for two-thirds of the share), satellite imagery and navigation.
- Already, over a third of transponders used for Indian services are leased from foreign satellites and this proportion will rise as the demand grows.
- It is important to note that the developments in Artificial Intelligence (AI) and big data analytics has led to the emergence of 'New Space' a disruptive dynamic based on using end-to-end efficiency concepts.
- A parallel is how the independent app developers, given access to the Android and Apple platforms, revolutionised smartphone usage.
- New Space entrepreneurship has emerged in India with about two dozen start-ups who are not enamoured of the traditional vendor/supplier model but see value in exploring end-to-end services in the Business-to-Business and Business-to-Consumer segments.
- However, these start-ups have yet to take off in the absence of regulatory clarity.

(f) Taking a look at 'New Space' start-ups:

- The New Space start-ups discern a synergy with government's flagship programmes like Digital India, Start-Up India, Skill India and schemes like Smart Cities Mission.
- They see a role as a data-app builder between the data seller (ISRO/Antrix) and the end user, taking advantage of the talent pool, innovation competence and technology know-how.
- Importantly, they need an enabling ecosystem, a culture of accelerators, incubators, Venture Capitalists and mentors that exists in cities like Bengaluru which is where most New Space start-ups



have mushroomed.

- Equally, clear rules and regulations are essential. ISRO can learn from its 1997 SatCom policy which neither attracted any FDI in the sector nor a single licensee.
- A similar situation exists with the Remote Sensing Data Policy of 2001, amended in 2011, which too has failed to attract a single application.
- The 2017 draft Bill raised more questions because it sought to retain the dominant role of ISRO/Antrix as operator, licensor, rule-maker and service provider.

(g) Another revolution in the pipeline:

- Another revolution under way is the small satellite revolution.
- Globally, 17,000 small satellites are expected to be launched between now and 2030.
- ISRO is developing a small satellite launch vehicle (SSLV) expected to be ready in 2019.
- It is a prime candidate, along with the proven PSLV, to be farmed out to the private sector.
- This requires giving it responsibility for Assembly, Integration and Testing (AIT) activities.

Concluding Remarks:

- Years ago, ISRO launched the idea of Village Resource Centres to work in collaboration with local panchayats and NGOs but only 460 pilots have begun.
- Expanding this for rural areas is a formidable challenge but has the potential to transform rural India if properly conceived as a part of the India Stack and the Jan Dhan Yojana.
- Lastly, with the Ministry of Defence now setting up a Defence Space Agency and a Defence Space Research Organisation, **ISRO should actively embrace an exclusively civilian identity.**
- A new Space law for India should aim at facilitating the growth of India's share of global space economy to 10% within a decade.
- This requires a new kind of partnership between ISRO, the established private sector and the New Space entrepreneurs.

2. Blue-sky visions

Editorial Analysis:

- The **Economic Survey for 2018-19** reflects the views of its principal author, Chief Economic Adviser (CEA) Krishnamurthy Subramanian.
- As a matter of fact, the CEA has made bold to use the new government's first economic assessment-cum-agenda setting exercise to posit a range of ideas that he attributes to "blue sky thinking".
- From an embrace of a "world that is in constant disequilibrium", and the need therefore to adapt to it, to the stress on drawing upon Richard Thaler's work in the behavioural economics of 'nudge' for addressing issues including gender equality, savings and tax compliance, the survey attempts to reset multiple paradigms.

The Broad Goal of the Economic Survey:

- The broad goal is to help drive economic strategy to achieve sustained real GDP growth of 8% so as to enable fulfilment of the government's grand vision of making India a \$5 trillion economy by 2025.
- For that, the first task is to take stock of the economy's current state.

Opinions and concerns expressed in the Economic Survey:

• The CEA is cautiously confident that the slump in investment, which he rightly identifies as the key



- driver of growth, jobs and demand, has bottomed out.
- Setting the huge electoral mandate for the government as an enabler that would "push the animal spirits of the economy", the survey projects real GDP growth to rebound to 7% in 2019-20.
- However, the CEA doesn't shy away from flagging 'consumption' as being crucial in determining the growth trajectory in the current fiscal year, and in pointing out its vulnerability to the health of the monsoon-dependent rural economy.
- Further, it is important to note that with rainfall as on July 3 about 28% less than average and large parts of southern and western India in the grip of a crippling drought, clearly the circumspection appears well warranted.
- On the fiscal front, the survey is even less optimistic.
- On the fiscal front, the survey lists several challenges to achieving the fiscal deficit target of 3% of GDP by March 2021.
- In specific terms, it points out the **apprehensions of slowing of growth** and the implications for revenue collections; the shortfall in GST collections and the imperative that it places on revenue buoyancy this year; the hunt for resources to fund the expanded PM-KISAN scheme, Ayushmaan Bharat and other government initiatives; and the impact on oil purchase prices due to the U.S. sanctions on import of crude from Iran.
- As far as policy prescriptions are concerned, the CEA makes a few recommendations. As a matter of
 fact, central to the recommendations is the focus on triggering a self-sustaining "virtuous cycle"
 of savings, investment and exports.
- To achieve which, he suggests, presenting data as a 'public good', ensuring policy consistency and reducing the cost of capital.
- The Economic Survey also points out that Micro, small and medium enterprises must be nourished, especially firms that are most likely to boost both job creation and productivity, and labour laws made flexible.

3. Can Budget steer a rudderless economy?

Note to the Students:

• This article has been taken from the Hindu Business Line edition, published on the 5th of July, 2019. The article has been critically worded, and looks into trends and facts around the present state of the Indian Economy which can be used while writing Mains level answers whenever the need arises.

Editorial Analysis:

- Coming at the backdrop of a much bigger mandate garnered by the Modi government, the upcoming Union Budget comes at a time when the nation faces multiple challenges amidst high expectations.
- As a matter of fact, the significance of this Budget is that it is coming at a time when there is a growth crisis looming large on the economy amidst a 45-year high unemployment and high farm distress.
- Challenges confronting the Finance Minister and her team are manifold, but key among them are:

1. Growth pangs:

Lower GDP growth in the fourth quarter of FY 2019 and the early indications of this continuing in the first quarter of FY 2020.

- The automobile sector recorded a 10-month consecutive de-growth in June 2019 and this is not expected to improve despite indications of a much dovish stance of the RBI.
- Core sector growth fell to 5.1 per cent in June 2019 despite upward revision of the May 19 growth percentages.
- Services sector contracted for the first time in more than a year in June, 2019 while the



composite index of factory and services declined for the first time in 13 months indicating much pain in store for the economy in the coming months.

• RBI Governor has accepted that the slowdown in the economy is for real.

2. **Deficit worries:**

Fiscal deficit target is not likely to be maintained at the targeted 3.4 per cent of the GDP as 52 per cent of the budgeted fiscal deficit target has already been breached in the first two months. This clearly is on account of the revenue situation not being in line with projections. The reasons are:

- GST collections falling below the ₹1 trillion mark in June 2019, the first time in the last 4 months.
- GST collection was budgeted to grow at 31 per cent whereas the actual growth has been 10.05 per cent in April, 6 per cent in May and 4.5 per cent in June, 2019.
- Corporate tax revenue has been budgeted at 15 per cent higher than 2018-19, which could be much lower considering the pain in various sectors.
- Personal tax revenue targeted at 34 per cent growth is unlikely to be achieved despite higher tax base. Lower consumption indicates lower disposable cash with the end consumer.

3. Onus on non-tax revenue, disinvestment

- There is probability of high dependence on non-tax revenue and disinvestments at a time when unemployment rate is peaking month-on-month.
- Disinvestment is likely to face stiff resistance from trade unions due to the probability of displacement of staff to make the sale attractive to the buyer.
- High public debt to GDP already at 68.7 per cent of the GDP despite being lower than 69.6 per cent in FY 2016, indicating that in order to achieve the many promises that this government had made during the elections, this number is only expected to go higher.

4. Stress in financial sector:

- The failure of shadow banking institutions and NBFCs amidst high liquidity concerns indicates more pain in store for the MSME sector
- The 31-per cent credit contraction of NBFCs will impact automobile, agriculture and MSMEs in an unprecedented manner
- Property related loans have reduced by 50-80 per cent, farm credit reduced by 55 per cent while education loans and housing loans fell by 43 per cent and 23 per cent respectively, indicating that the slowdown is for real (CRIF Highmark and Finance Industry Development Council).
- The support that NBFCs had provided to the banking sector in providing additional working capital, assisting consumption loans and penetration to low-banked areas is expected to be significantly muted due to early indications of high stress and low trust of banks in lending to NBFCs.
- This situation is also likely hurt banks' efforts to lower NPAs than what it was during the last 2 years.

5. A Look at Farm sector distress:

- Early indications of a much below normal monsoon endanger the much distressed agricultural sector further.
- Erratic monsoons have been more or less the norm in the last five years and this has increased significant water scarcity in high producing States like Maharashtra, Uttar Pradesh and Tamil Nadu.
- With El Nino effect not showing any signs of relenting, farmers are in for having a much bigger hole in their pockets and the doubling of farm income in five years being a distant dream for the government.
- Unemployment is at its highest in 45 years and the government too has finally acknowledged it.



- Investment interest has been at its lowest in 14 years.
- Capital investments have depleted.
- New private sector projects fell by 62 per cent in December (CMIE capex).
- New public sector projects dipped 41 per cent YOY, 14-year low (CMIE capex).
- This is clearly dampening the efforts at job creation.

Experts point out that despite the grim situation facing the economy, the expectations from the Finance Minister are of high pragmatism focused on the following key elements:

- Announcement of stimulus for key segments like automobiles, MSME and agricultural sector.
- Focusing on better credit flow through easing of liquidity concerns to these segments on high priority basis
- Prodding RBI to consider aggressive reduction in interest rates.
- Reconsider the imposition of LTCG on listed equities and capital market instruments while considering faster implementation of the Direct Tax Code recommendations.
- Incentive based approach to increase the tax base which otherwise could further push the country to Inspector Raj due to aggressive direct tax targets.
- Higher tax exemptions for the lower end of the tax base prompting them to spend more and save more which could improve capital formation seriously required for investments.
- Reduction in corporate tax to improve sentiments as well as increase investments.
- Seriously consider revamping the Start-up Fund objectives since not even 10 per cent of the outlay has been achieved. This could enable higher job creation.
- Emphasis on River Linking and Irrigation projects to seriously focus on reducing the distress of the agriculture sector while paving the way for higher employment generation and capital investment.
- Even if the above increases fiscal deficit to 4 per cent in a quest to increase GDP growth to 7.5 per cent levels, it would be a decision taken in the right direction.

Category: INTERNATIONAL RELATIONS

1. Talking sanctions, endangering peace

Editorial Analysis:

- It is important to note that more than a year ago, the U.S. unilaterally abrogated the Joint Comprehensive Plan of Action (JCPOA).
- After this, the U.S. began to squeeze the Iranian economy using sanctions.
- The latest round of sanctions were announced in June 2019.
- Post this, Iran announced that it had exceeded a limit set by the JCPOA on its stockpile of nuclear fuel.
- The U.S.-Iran conflict is often portrayed in the media as one that involves two flawed actors struggling for supremacy on a complex West Asian stage.
- However, a closer look reveals a simpler underlying reality: the Donald Trump administration is using the U.S.'s clout in an old-fashioned attempt to assert the country's hegemony; Iran is just doing whatever it can to resist U.S. pressure.

A Brief Look at History:

- The roots of this dispute can be traced back to 1953, when the Central Intelligence Agency orchestrated a coup to remove Iran's elected Prime Minister, Mohammad Mossadegh.
- After instituting the rule of Shah Mohammad Reza Pahlavi, the U.S. encouraged him to establish a nuclear programme.
- The U.S. built Iran's first nuclear reactor in 1967.



- The Shah was clear that his ambitions went beyond nuclear energy, and extended to nuclear weapons.
- In 1974, he explained that Iran would acquire nuclear weapons. Nevertheless, the West continued to provide nuclear technology to his government.
- After the Shah was toppled in 1979, the new government, under Ayatollah Ruhollah Khomeini, cancelled his plans for a large nuclear-energy sector, retaining only those facilities that had already been established.
- Khomeini also declared that nuclear weapons and other weapons of mass destruction (WMDs) were haram forbidden in Islam. Whatever one may think about Khomeini's government, his spiritual injunctions were taken very seriously.
- As a matter of fact, when Iraq attacked Iran with chemical weapons, with the tacit support of the Ronald Reagan administration, Tehran refrained from responding in kind despite having the requisite technology.
- Experts opine that it is possible that during the Iran-Iraq war, some elements within the Iranian establishment started exploring the possibility of developing a nuclear deterrent.
- Even if this was the case and the evidence on the matter is far from conclusive these activities were definitely stopped by 2003. In the same year, Khomeini's successor, Ayatollah Ali Khamenei, issued an unambiguous fatwa against nuclear weapons.
- It is also important to note that soon after invading Iraq on the false pretext that it had WMDs, the U.S. attempted to build a similar narrative around Iran, which had established a modest programme to enrich uranium to fuel its existing reactors.
- The U.S. alleged that the fuel was intended for a bomb. These allegations were undercut by U.S. intelligence agencies themselves who reported that "in fall 2003 Iran halted... nuclear weapons... activities".
- In 2015, after a multi-year investigation, the International Atomic Energy Agency (IAEA) went further, declaring that "activities relevant to... a nuclear explosive... did not advance beyond feasibility and scientific studies" and, as a "coordinated effort", were only carried out "prior to the end of 2003".
- In spite of these facts, successive U.S. administrations imposed sanctions on Iran, demanding that it completely halt uranium enrichment. It was only during President Barack Obama's second term that the U.S. sought a temporary truce, leading to the JCPOA.

What did the JCPOA recognize?

- The JCPOA recognised Iran's right to maintain a civilian nuclear programme, but placed significant restrictions on its size and scope for 10 to 15 years.
- Most importantly, Tehran reiterated that under no circumstances would it seek nuclear weapons.
- Further, the IAEA was granted unprecedented powers to inspect Iran's nuclear activities, and has repeatedly verified Tehran's compliance.
- So, when the Trump administration ceased to abide by the JCPOA in the year 2018, this could only be interpreted as a message that the U.S. was not interested in arms control, but rather in initiating a direct conflict with Tehran.

An economy that lies devastated:

- It is important to note that over the past year, the U.S. has made threats, mobilised troops and warships, and provoked Tehran by flying military planes dangerously close to its border.
- However, Washington's primary strategy has been to use economic measures as a weapon. It has prevented foreign entities from trading with Iran, devastating the Iranian economy.

Impact on India:



- As a matter of fact, India has also been hurt by these policies. **Until recently, Iran was one of India's largest oil suppliers.** Even though Iranian oil came with discounts on freight, and favourable terms of payment, the Indian government obeyed Washington's dictates and stopped purchasing oil from Iran in May, 2019.
- India's investments in Iran's Chabahar port are nominally exempt from U.S. sanctions, but they have been damaged anyway since suppliers are reluctant to deliver equipment.
- The sanctions have also prevented ONGC Videsh, which discovered the Farzad B gas field off Iran's coast, from pursuing its investments there.
- Further, New Delhi has refused to explore several available strategies that could ameliorate the impact of sanctions.

Concluding Remarks:

- China has maintained some commercial ties with Iran by routing transactions through the Bank of Kunlun. U.S. sanctions on this bank have been ineffective since it is carefully insulated from the U.S. financial system.
- European countries have attempted to bypass sanctions through a special mechanism called INSTEX.

What is INSTEX?

- INSTEX acronym of Instrument in Support of Trade Exchanges is a project of the three governments of UK, France and Germany to bypass US sanctions on Iran.
- INSTEX is a special payment system which will help to save the Iran nuclear deal by allowing Tehran to keep trading with EU companies despite Washington re-imposing sanctions.

F. Tidbits

Nothing here for today!!!

G. Prelims Facts

1. Rath yatra

- Rath Yatra is a festival dedicated to Lord Jagannath (Lord Krishna), Goddess Subhadra (his sister) and Lord Balaram (his elder brother).
- Rath Yatra is widely celebrated and one of the biggest festivals of India.
- The term particularly refers to the annual Rath yatra in Odisha, Jharkhand, West Bengal and other East Indian states, particularly the Odia festival.
- Jagannath Rath Yatra festival as per the traditional Oriya calendar begins on the second day of Shukla Paksha of the Hindu lunar month of Ashadha.
- The nine-day-long festival marks the annual journey of Lord Jagannath, his brother Lord Balbhadra and sister Subhadra to the Gundicha temple.
- Rath Yatra is also celebrated in Ahmedabad.
- Unlike its parent version in Odisha's Puri, which happens at the Bada danda, a largely Hindu stretch, the Ahmedabad Rath Yatra passes through predominantly Muslim areas.
- Apart from this, the Ahmedabad yatra is different from its Puri counterpart on other counts the idols Lord Jagannath, Baldev and Subhadra are blindfolded ahead of the procession day, as part of the netrotsav ceremony, but remain open to public view.
- In Puri, they are given a bath and kept out of public view till the procession.
- Known as 'Chaka dola' (the one with the large round eyes) in Odisha, Jagannath is believed to be the Lord who watches over the world and never sleeps.



- The Puri yatra to the maternal uncle's place is also called the Gundicha yatra, named after Gundicha devi, the maternal aunt of Lord Jagannath.
- The siblings spend at least seven days at their aunt's and return to the main temple in Puri in what is called the 'bahudi yatra' (the return journey).

2. International Court of Justice

- The International Court of Justice or the ICJ, is the principal judicial organ of the United Nations.
- The International Court of Justice was established in 1945 by a UN Charter and it began work in 1946, as a successor to the Permanent Court of International Justice.
- It settles legal disputes between member countries and gives advisory opinions to authorized UN organs, and specialized agencies.
- The ICJ comprises a panel of 15 judges, elected by the General Assembly and the Security Council. These judges are elected for 9 year terms.
- The Court sits in the Peace Palace in the Hague, Netherlands.
- Chapter 14 of the UN Charter authorizes the UN Security Council to enforce court ruling. However, such enforcement is subject to the veto power of the 5 permanent members of the Security Council.
- The Court's jurisdiction is two-fold:
 - o It decides in accordance with the international law, disputes of a legal nature that are submitted to it by States.
 - o It also gives advisory opinions on legal questions at the request of the organs of the United Nations, specialized agencies or one related organization authorized to make such a request.

3. Borgeet of Assam

- Borgeets are a collection of lyrical songs that are set to specific ragas but not necessarily to any tala.
- These songs were composed by Srimanta Sankardeva and Madhavdeva in the 15th-16th centuries.
- Borgeets are practiced in Sattras, the monasteries of Ekasarana Dharma.
- They were written in Brajaboli language.

H. Practice Questions for UPSC Prelims Exam

Q1. Consider the following statements:

- 1. Chhau is a classical dance form from eastern India
- 2. It is included in UNESCO's intangible cultural heritage list.
- 3. Chhau Mask of Purulia has been granted the Geographical Indication tag

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

a. 1 only

b. 1 and 2 only

c. 2 only

d. 2 and 3 only

Answer: d

Explanation:

Chhau is a semi classical Indian dance with martial, tribal and folk traditions which finds its origin in Eastern India. The Chau mask of Purulia has been presented with the Geographical Indication (GI) tag by the Geographical Indication Registry and Intellectual Property India. The dance is included in UNESCO's



intangible cultural heritage list.

Q2. Consider the following statements:

- 1. Gomira Mukh Nach is from West Bengal.
- 2. The dancers performing Gomira Mukh Nach are all male.

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 Gomira dance is also part of the ritualistic dance forms that prays the Adi-Shakti or the primordial energy. Though Gomira is celebrated in jalpaiguri and Dinajpur, it's originated from Malda (West Bengal). Traditionally the Gomira starts four days prior to the end of Chaitra and ends in the first day of Baisakh. The Gomira dances or Mukha Khel are organised to propitiate the deity to usher in the 'good forces' and drive out the 'evil forces' during the harvesting season. The play is only performed by the males but they also enact the character of the females.

Q3. Consider the following statements:

- 1. Salween River Passes through China, Myanmar and Thailand.
- 2. The river empties into the Gulf of Martaban.

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:

Salween River is a major river in Southeast Asia. It flows through parts of China, Thailand, and Myanmar. The river empties into the Gulf of Martaban of the Andaman Sea at Moulmein.

Q4. Ishwar Chandra Vidyasagar fought for/against which of the following social cause?

- a. Untouchability
- b. Abolition of Sati
- c. Education of Women
- d. Widow Remarriage

Answer: d



Explanation:

Ishwar Chandra Vidyasagar is a social reformer and a key figure of the Bengal Renaissance. He was the most prominent campaigner for Hindu widow remarriage.

I. UPSC Mains Practice Questions

- 1. What do you understand by inheritance tax? Would the reintroduction of such a tax serve as a measure to prevent the concentration of income and wealth in the hands of a few? (15 Marks, 250 Words).
- 2. Indian Aluminium Scrap policy needs a revisit by the Indian Government. Failing which, India will be dumpyard of scrap waste. Discuss the measures that need to be taken. (15 Marks, 250 Words).