

31 Aug 2019: UPSC Exam Comprehensive News Analysis

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Category: POLITY AND GOVERNANCE

1. West Bengal passes Bill to prevent, punish mob lynching

Context:

The West Bengal (Prevention of Lynching) Bill, 2019 was passed by the West Bengal Assembly to prevent and punish mob assaults and lynching.

Details:

- The bill aims to protect the constitutional rights of vulnerable persons and prevent incidents of lynching. It also proposes action against those involved in perpetrating the crime.
- The legislation has provision for the death sentence.
- It says that nodal officers will be appointed to monitor and coordinate prevention of lynching.

- It proposes a jail term from three years to life for those involved in assaulting and injuring a person.
- In case of death of the victim, persons responsible for the incident would be punished with rigorous life imprisonment and fine up to Rs 5 lakh.
- The bill also has provisions for punishment to those who obstruct the legal process by threatening the victims or witnesses. Those held guilty of such activity can be sentenced to jail for three to five years.
- The Bill, while defining terms such as “lynching” and “mob”, says the West Bengal Lynching Compensation Scheme may be framed under this Act.

Laws to tackle the menace of Mob Lynching:

- Manipur became the first to pass a law against lynching.
- The Protection from Lynching Bill, 2019, made Rajasthan the second State, after Manipur, to introduce a law to tackle the social menace.
- The Madhya Pradesh cabinet has also asserted its will to introduce a provision in the state Assembly, making stringent laws against those convicted in cases of mob lynching.

Conclusion:

The statement of objects and reasons of the Bill referred to a Supreme Court judgment dated July 17, 2018 in the case of Tehseen S. Poonawalla vs Union of India, and said the legislation was an attempt to nip the evil in the bud and to prevent spreading of hatred or incidents of mob lynching. Centre and other State governments must bring in similar legislations.

2. Higher penalties: traffic police anticipate anger, dip in challans

Context:

Amended Motor Vehicles Act is likely to be implemented from September 1.

Concerns:

- According to the road transport and highways ministry, half a million accidents are reported in India every year, in which 150,000 people lose their lives.

Details:

- Delhi Traffic Police officers are anticipating anger from motorists as the increased penalties in challans under the amended Motor Vehicles Act.
- Traffic police officers on the ground are also anticipating a decline in the number of challans because of the increase in the amount of traffic violations.
- The traffic policemen anticipate a decline in deaths in accidents involving bikes because people will be compelled to wear helmets to avoid hefty fines.

Amended Motor Vehicles Act:

President Ram Nath Kovind has given assent to the Motor Vehicles (Amendment) Act, 2019, that aims to make Indian roads safer, reduce corruption and use technology to overhaul the country's transportation system.

1. Compensation for road accident victims:

- The central government will develop a scheme for cashless treatment of road accident victims during

golden hour.

- The Act defines golden hour as the time period of up to one hour following a traumatic injury, during which the likelihood of preventing death through prompt medical care is the highest.
- The Act increases the minimum compensation for hit and run cases as follows: (i) in case of death, from Rs 25,000 to two lakh rupees, and (ii) in case of grievous injury, from Rs 12,500 to Rs 50,000.

2. Compulsory insurance:

- The Act requires the central government to constitute a Motor Vehicle Accident Fund, to provide compulsory insurance cover to all road users in India. It will be utilised for: (i) treatment of persons injured in road accidents as per the golden hour scheme, (ii) compensation to representatives of a person who died in a hit and run accident, (iii) compensation to a person grievously hurt in a hit and run accident, and (iv) compensation to any other persons as prescribed by the central government.

3. Good samaritans:

- The Act defines a good samaritan as a person who renders emergency medical or non-medical assistance to a victim at the scene of an accident.
- Such a person will not be liable for any civil or criminal action for any injury to or death of an accident victim, caused due to their negligence in providing assistance to the

4. Recall of vehicles:

- The Act allows the central government to order for recall of motor vehicles if a defect in the vehicle may cause damage to the environment, or the driver, or other road users.
- The manufacturer of the recalled vehicle will be required to: (i) reimburse the buyers for the full cost of the vehicle, or (ii) replace the defective vehicle with another vehicle with similar or better specifications.

5. National Transportation Policy:

- The central government may develop a National Transportation Policy, in consultation with state governments.
- The Policy will: (i) establish a planning framework for road transport, (ii) develop a framework for grant of permits, and (iii) specify priorities for the transport system, among other things.

6. Road Safety Board:

- The Act provides for a National Road Safety Board, to be created by the central government through a notification.
- The Board will advise the central and state governments on all aspects of road safety and traffic management including: (i) standards of motor vehicles, (ii) registration and licensing of vehicles, (iii) standards for road safety, and (iv) promotion of new vehicle

7. Offences and penalties:

- The Act increases penalties for several offences under the Act.
- For example, the maximum penalty for driving under the influence of alcohol or drugs has been increased from Rs 2,000 to Rs 10,000.
- If a vehicle manufacturer fails to comply with motor vehicle standards, the penalty will be a fine of up to Rs 100 crore, or imprisonment of up to one year, or both.
- If a contractor fails to comply with road design standards, the penalty will be a fine of up to one lakh

8. Taxi aggregators:

- Taxi aggregators will be issued licenses by state.
- Further, they must comply with the Information Technology Act, 2000.

Category: INTERNATIONAL RELATIONS

1. What's Boris Johnson's Brexit strategy?

Context:

With just over two months before the deadline to leave the European Union, British Prime Minister Boris Johnson has made a dramatic move by asking Queen Elizabeth II to suspend Parliament. The queen has approved his request.

Details:

- British Prime Minister Boris Johnson's move to prorogue or suspend Parliament for over five weeks beginning September (2019) second week has triggered furious responses from opposition leaders, who call the decision a threat to democracy.
- The decision comes at a time when Britain is inching closer towards the October 31 deadline for Brexit.
- The suspension of Parliament between September 9-12 and October 14 would mean that the lawmakers will have less time to debate, scrutinize or to block Mr. Johnson's Brexit plan.

What is prorogation?

- Typically, prorogation is to bring a parliamentary session to end by the monarch on the advice of the government.
- In this case, Queen Elizabeth II approved the Johnson government's request to suspend Parliament.
- Usually, Parliament is prorogued every year.
- But the current session began in 2017 — Theresa May, Mr. Johnson's predecessor, didn't recommend prorogation last year due to Brexit debates.
- Johnson says the prorogation of the current session was long overdue.
- And in the new session, to be opened by the Queen on October 14, the government can present a new legislative agenda.

What does it mean for Brexit?

- By suspending Parliament for over a month, Mr. Johnson has effectively narrowed the lawmakers' opportunities to reject his Brexit plans.
- Now that Parliament will be closed on either September 9 or 12, the time available for MPs in the current session to legislate against a potential no-deal Brexit has shrunk.
- After Mr. Johnson's move, the Queen will reopen Parliament on October 14.
- There's an EU summit on October 17 and 18 in which Mr. Johnson could seek a fresh Brexit deal.
- After the summit, if he has a new deal, he will present that to the lawmakers, which means the MPs will get only nine working days to either pass or reject the deal.

What is next?

- Once Parliament reconvenes, Mr. Johnson would ask the lawmakers either to support his plan or get ready for a no-deal exit.
- When Theresa May was the Prime Minister, MPs rejected her Brexit deal thrice.
- They failed to come up with an alternative plan either.
- The only thing they agreed regarding Brexit was to oppose a no-deal Brexit.
- It is not sure whether Prime Minister Johnson will even have a Brexit deal that's different from Ms. May's deal.
- The EU has rejected any new deal.
- Even if Mr. Johnson repackages Ms. May's deal and presents before Parliament, MPs won't have many options this time. The threat of no-deal will be hanging over them with lesser time.

2. India, Pak. to join SAARC event in U.S.

Context:

India and Pakistan are expected to participate in the Foreign Minister-level meeting of the South Asian Association for Regional Cooperation (SAARC) in New York on September 26, 2019.

Details:

- The meeting has remained on track despite the state of tension between the two countries.
- The meeting is an annual affair that takes place on the side lines of the UN General Assembly's session.
- It will be an occasion where the Foreign Ministers will be seen in a single venue.

Background:

- The 19th SAARC summit was a scheduled diplomatic conference, which was originally planned to be held in Islamabad, Pakistan on 15–19 November 2016 but got cancelled after an attack on Indian army camp in Kashmir.
- The summit was to be attended by the leaders of the eight SAARC member states and representatives of observers and guest states.
- Following the rising diplomatic tensions after the Uri terrorist attack, India announced its boycott of the summit, alleging Pakistan's involvement in the attack.
- Later, Bangladesh, Afghanistan, Bhutan, Sri Lanka and Maldives also pulled out of the summit, culminating in an indefinite postponement of the summit.

SAARC:

- The South Asian Association for Regional Cooperation (SAARC) was established with the signing of the SAARC Charter in Dhaka on 8 December 1985.
- SAARC comprises of eight Member States: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.
- The Secretariat of SAARC is in Kathmandu.

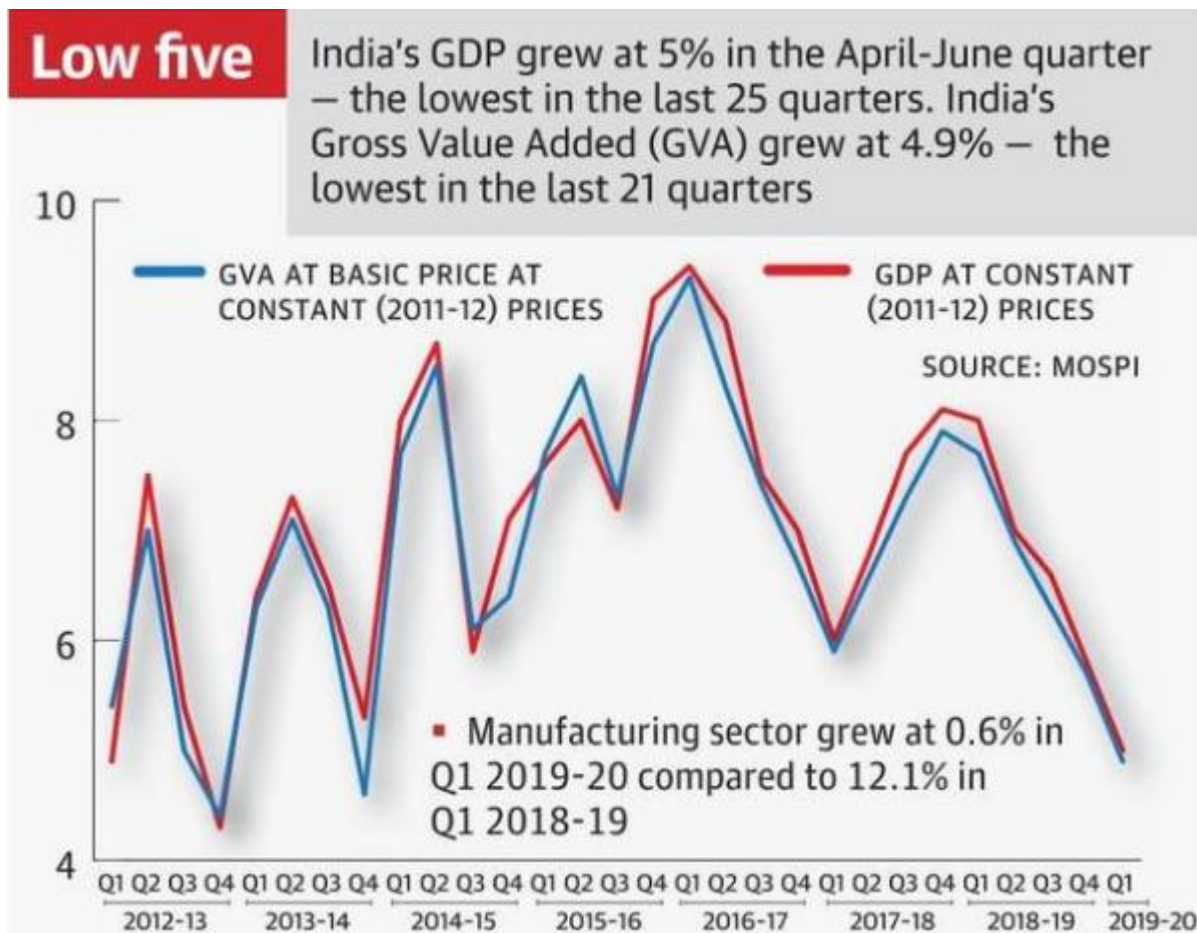
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Category: ECONOMY

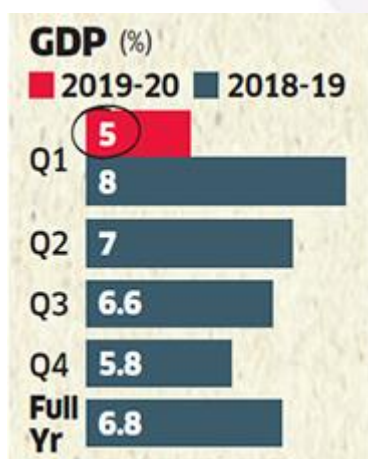
1. GDP growth down to 6-year low in Q1

Context:

India's gross domestic product (GDP) growth rate slowed to a six-year low of 5% in the first quarter of the 2019-20 financial year, the government announced.



Concerns:



- India's economy grew at its slowest pace in over six years in the June quarter following a sharp deceleration in consumer demand and tepid investment.
- Nominal GDP growth, a measure of GDP without adjusting for inflation, at 8%, lowest since Financial Year 2002-03.
- The GDP slowdown is led by a dramatic slowdown in the manufacturing sector.
- The slowdown in investment and consumer demand derailed manufacturing, which grew just 0.6%.

A meagre 2% rise in farm sector added to the demand slowdown.

- Consumption, the bedrock of growth in the past few years, collapsed to an 18-quarter low of 3.1% from 10.6% in the March quarter, pointing to fragile sentiment.
- Investments grew 4%, up from 3.6% in the previous quarter.
- Automobile sales, a barometer of the economy, have declined sharply in recent months, forcing production cuts and jobs losses.
- Regardless of the monetary easing and the measures announced so far by the government to support the economy, some of the constraints to economic growth, including the moderate capacity utilisation levels, cost of land acquisition, and weak outlook for farm incomes, persist.

Details:

- Independent experts, expect the slowdown to persist for a while and see another rate cut by the central bank in October after the 110 percentage points slashed in this round of monetary easing.
- In its annual report, the Reserve Bank of India (RBI) had said that the slowdown was cyclical, rather than structural, which would have required deeper reforms.
- Bibek Debroy, chairman of the Economic Advisory Council to the PM, stressed that those who seek to spread a message of gloom and doom are doing a great disservice.
- The government has, has announced a whole host of measures to help revive the economy, aimed at
 - easing tax rules for foreign portfolio investors, start-ups
 - increasing credit outflows by the banks and NBFCs
 - increasing demand for the auto sector
 - liberalising FDI for select sectors
 - liberalising the foreign direct investment rules for single-brand retail etc
- Finance Minister Nirmala Sitharaman also announced a slew of banking reform measures, including merging 10 banks into four entities.
- The government has offered incentives on auto purchases to help revive demand. Weak global economy and trade tensions have kept export growth muted.

What lies ahead?

- As the Economic Survey 2019 shows, investment is a critical driver of the economy with consumption being a key force multiplier.
- Further rate cuts and sentiment boosters are the need of the hour.
- Windfall gain from the RBI may boost government expenditure.
- Finance Minister's stimulus package may propel demand.
- Faster rate cut transmission is needed to revive demand.

Conclusion:

Together with steps taken by the government for the banks and the financial sector, and structural reforms, investment should continue improving and drive economy to higher growth.

2. PNB gets lion's share of recapitalisation

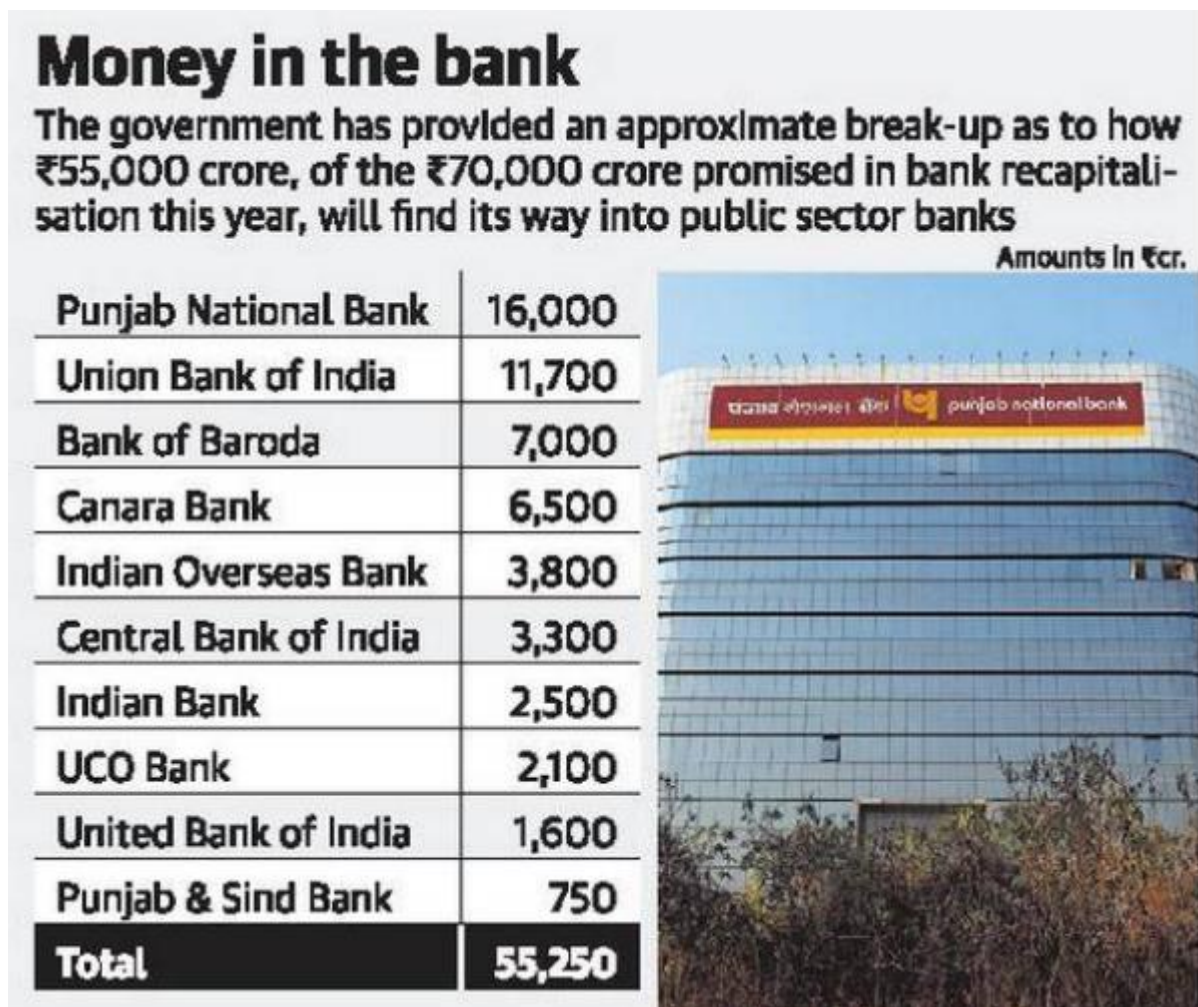
Context:

Finance Minister Nirmala Sitharaman has laid out the broad strokes for the recapitalisation plan for public sector banks, providing the approximate allocation breakup for about Rs.55,000 crore of the Rs.70,000 crore promised in the Budget.

Background:

- India's economy has sagged in the past year partly because many small and medium-sized businesses and consumers have found it tough to borrow from the banks, or from the shadow lenders, officially known as non-banking financial companies (NBFCs).
- The government had announced a fresh capital infusion of about \$10 billion (Rs. 70,000 crore) into debt-burdened state banks and credit guarantees to support shadow lenders in a bid to boost lending and revive the economy.
- The government had proposed to infuse capital in state-run banks, helping many of them to come out of the prompt corrective action (PCA) framework and facilitate higher lending to small-and medium enterprises.
- The Finance Minister had said that given the stronger financials of the banking sector, this amount would be used as growth capital and to increase credit outflow.

Details:



- Punjab National Bank will, post-merger, become the second-largest bank in the country, after State Bank of India.
- The amalgamated Union Bank of India will become the fifth-largest bank.
- Bank of Baroda, which had earlier been merged with Dena Bank and Vijaya Bank, will likely receive Rs. 7,000 crore, and will be the third-largest bank in India.
- Canara Bank, to be merged with Syndicate Bank, will receive about 6,500 crore of the capital infusion. It will be the fourth-largest bank in India, post-merger.
- Indian Bank, which will be merged with Allahabad Bank, will receive about 2,500 crore, and will be the seventh-largest bank.
- The government also announced the tentative recapitalisation breakup for the remaining smaller banks.

- This comes as a major relief for public sector banks that are in dire need for capital amid higher provisioning against bad loans.

Concerns:

Experts have warned that given the weak credit demand from corporates and the lingering NBFC crisis, the upfront recapitalisation will not deliver on the key objectives of higher lending and recovery in their fortunes.

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E. Editorials

Category: ECONOMY

1. Merger of Banks

Context:

Finance Minister Nirmala Sitharaman has announced the **merger of 10 public sector banks** into four entities as an effort to **revive the economy**.

Current Economic Status of India:

- India's **Gross Domestic Product (GDP)** growth rate dropped to **5%** in the April-June quarter due to a sharp deceleration in manufacturing output and **farm sector**
- The **Gross Value Added (GVA)** growth in the **manufacturing sector** dropped to **6%** in the first quarter from 12.1% a year ago.

Details of the Bank Merger:

- With the merger of these banks, the total number of PSU banks will come down to **12**.
- The date by which these mergers are to be completed will be decided after further consolidation with the relevant banks.
- Following are the mergers announced:
 1. The largest of the mergers announced is that of **Punjab National Bank** with **Oriental Bank of Commerce and United Bank**. The amalgamated entity will **become the second-largest public sector bank** in India in terms of its branch network, after the State Bank of India.
 2. Canara Bank and Syndicate Bank merger would make the merged entity the **fourth-largest** public sector bank.
 3. Merger of Union Bank of India with Andhra Bank and Corporation Bank would make the merged entity the **fifth largest** public sector bank.
 4. Indian Bank and Allahabad Bank.
- The reforms is significant due to its **sheer magnitude**, its ability to **disrupt the status quo** and is also a **major change since nationalisation** of banks.

History of Bank Mergers:

- In the late 1990s, **Narasimham Committee** recommended consolidation through a process of merging strong banks.
- Successive governments since then have been considering the issue.
- In **2016**, the government has already merged **State Bank of India** with its 5 affiliate banks and Bharatiya Mahila Bank. **Bank of Baroda** was merged with Vijaya Bank and Dena Bank.
- Before it, the number of public sector banks in India was **27**.

What were the Criteria for Selection of Banks?

- These banks were chosen for the mergers ensuring that there is **no disruption in the banking services**.
- Another basis for selection was that the banks should **benefit from increased CASA [current account savings account] and greater reach**.
- To ensure that their activities are not disrupted, those banks are chosen which **operate on the same or very similar platforms**.

Factors that will determine the Success of Mergers:

- Success of mergers is determined by a number of factors that can produce a **combined effect greater than the sum of their separate effects**. The major factors are:
 - **Costs:** The most important factor. It can be realised through branch and staff rationalisation.
 - **Geographical locations:** The fourth set also has geographical synergies. Allahabad Bank, headquartered in Kolkata, is stronger in east and north India, while Indian Bank has a strong presence in the south. This geographical synergy is somewhat missing in the other three sets.
 - **Technology:** In all the four sets of merger, there is technological synergy as all the banks in a particular bucket have similar core banking solution platforms.
 - **Banking Products and business model.**

Positive Outcomes of the Move:

- Out of the total 12 public sector banks, 6 will be able to compete at a **global level** that can leverage economies of scale. There are too many banks in India that are very small in size with respect to global standards. It constricts their growth by making them unable to expand.
- These bank mergers will lead to the creation of big banks with an **enhanced capacity to give credit**.
- The merger has the potential to lead to **large cost reductions** due to branch network overlaps.
- Similar **business cultures** of the banks would also facilitate a smooth transition.
- The mergers would also increase the post-merger **business** by 2-4.5 times.
- It will enable the consolidated entities to meaningfully improve scale of operations and help their **competitive position**.
- India industries hails decision since it aims to consolidate public sector banks and **address the slowdown in GDP growth**.
- The decision is lauded for reflecting the government's commitment to provide the country the financial base on which we can grow and move towards the **\$5-trillion mark**. It will equip banks to manage balance sheet size to serve the needs of a \$5-trillion economy by 2025.

Challenges:

- Due to high bad loans of the merged entities, profitability could be impacted in the near term.
 - Nine out of the ten banks have net **Non Performing Assets (NPAs)** of over 5%.
 - More than 6% net NPA is one of the risk threshold of **Prompt Corrective Action (PCA)**, the breach of which could invite restrictions by RBI.

- United Bank of India is under the PCA framework of the RBI due to high NPA.
- Oriental Bank of Commerce came out of the PCA framework earlier this year.
- **Asset quality** of the fourth set of merger is much better. The combined net NPA is 4.39%.
- **Rating agencies** have raised concerns over the merger citing weak asset quality.
- **The Narasimham Committee** had recommended to **shut down weaker banks** and not to merge them with strong banks. But, the recent merger goes against that recommendation.
- There will **not be any immediate improvement in credit availability** as all of the banks have relatively weak NPA profiles.
- The **Provision Coverage Ratio (PCR)** of the banks are also much lower than the compliance level of 70%. PCR measures the provisioning for bad loans from the profit generated by the banks.
- Punjab National Bank (PNB) has a net NPA of 6.55% and it also suffered a loss of about ₹14,000 Cr. last year in the **Nirav Modi scam**.
- In handling **staff rationalization** which is a sensitive issue, the efficiency of banks is questioned.
- There are concerns among employees that the proposed merger would result in **closure of large number of branches** (as happened in the case of State Bank of India) reducing employment opportunities. The All India Bank Employees' Association has opposed the move.
- **Bank branch rationalisation** is another challenge. There is overlap of bank branches in same area. Ex.: Canara Bank and Syndicate Bank merger (in Karnataka and other southern states), Punjab National Bank and Oriental Bank of Commerce (in the north and the west India).
- Another issue is the **IT related synchronisation** between banks.
- It is possible that the current mergers may face **more friction than the last ones** in which a large and strong bank absorbed much smaller entities.
- A larger issue is that the **government nominees** on the boards of banks are **often political appointees** who have little exposure to the banking sector.

Other Reforms announced along with the Merger:

- A number of smaller reforms to the boards of the banks were also announced aimed at improving their **efficiency and accountability**.
- A **Board Committee** would be made in charge of appraising the performance of officers of the rank of general managers and above, including the managing director. It is aimed at making the management accountable to the boards of the banks.
- The banks will be allowed to recruit **chief risk officers** from the market at market-linked compensation. It will attract the best available talent.
- Bank boards will be allowed to reduce or rationalise the **number of committees**.
- The effectiveness of the directors on the **Management Committees of Boards** will be increased by increasing the length of their terms. It is aimed at increasing the engagement of **non-official directors**.
- The government has announced that the 10 banks will get **₹55,250 Cr. capital** out of the ₹70,000 Cr. that has been allocated for the current year.
- In addition, Bank of India and Central Bank of India will be able to **expand their national presence** and Indian Overseas Bank, UCO Bank, Bank of Maharashtra, and Punjab and Sind Bank will be able to **strengthen their regional focus**.

Implementation of Earlier Announcements:

- The government had last week announced a **transparent one-time policy** that will be issued by banks to enable **MSME and retail borrowers** to settle their dues. Instructions for this had been issued to the banks.
- Eight public sector banks have launched **repo rate-linked loans** ensuring the transmission of **rate cuts** by the RBI to end consumers.
- Earlier, it was said that banks would **return loan documents within 15 days** of the closure of the loan. This mechanism would be done through the core banking system and regional managers would

be responsible.

- A system had been initiated to facilitate **online tracking of loan documents** in which borrowers can track their loans.
- **Partial credit guarantee schemes** have been executed, particularly for the **NBFCs** including housing finance corporations. It will ensure that liquidity is reaching them.
- The plan for **the co-origination of loans between banks and NBFCs** had already initiated through with bank-NBFC tie-ups.

Future Prospects:

- It should be ensured that the proposed merger will **not result either in cost cutting, closure of branches or retrenchment of employees**.
- The employees should receive the best of the employee benefits and the admin staff need to be redeployed for business.
- The merger need to be supported with **adequate reforms in governance** and management of these banks.
- Key reforms with respect to appointments, especially of **government nominees**, need to be made at the board level.
- The amalgamation will require **harmonisation of asset quality** (related to NPA) and provisioning levels among the merging banks so as to increase the credit provisions.

Conclusion:

The definition of global banks is not only about the size but also about the **professionalism in its governance**. The government will have to promptly manage the implementation and outcome of four simultaneous mergers which may **disrupt the industry**.

Category: INTERNATIONAL RELATIONS

1. Question of Human Rights and Liberalism

Context:

- Just before the G-20 meeting in Osaka in June this year, Russian President **Vladimir Putin** stated that **liberalism** had “**become obsolete**”. He also accused the approach of western countries towards **human rights**.

What are the Different Kinds of Liberalism?

- Liberalism has been the dominant socio-political ideology in western countries from the end of the **Second World War until recently**.
- The term liberalism is widely used in three versions:
 1. **Economic liberalism** emphasising **free competition and self-regulation of market**. It is commonly associated with globalisation and minimisation of state intervention in the economy.
 2. **Political liberalism** founded on a ‘belief in **progress**, the essential goodness of the human being, the **autonomy of the individual**, and standing for political and civil **liberties**’. It is followed in a number of **United Nations Covenants**.
 3. **Social liberalism** is associated with the protection of **minority groups**, and issues such as **LGBTQ rights, same-sex marriage**, etc.

Putin's Remarks against Western Ideas of Liberalism:

- He criticised the approach of some western governments towards **refugees, migration and LGBTQ**
- The rights of such groups are now **opposed by** an overwhelming majority of the **population**.
- Even some western nations privately admits that '**multiculturalism**' is no longer acceptable. Multiculturalism is the presence and acceptance of distinct cultural or ethnic groups within a society.
- The Russian President's position is that his country has a specific and different kind of civilisation where **sovereignty, national unity and stability** outplays **democracy and human rights**.
- Putin also said that **Germany** made a mistake by **admitting more than one million refugees**.
- He alleged that western style liberalism **prioritises individual rights over those of society**.
- The same views are shared by **China**.
- Russia and China believe that **unauthorised demonstrations against government** reforms open the way to **foreign interference and 'colour revolutions'**.
- The President of the European Council, Donald Tusk responded that if liberal democracy is obsolete, then **freedoms, human rights and the rule of law** are also obsolete.

Challenges to Liberal Ideas:

- The leaders of India, China, Turkey, Brazil, the Philippines and some European countries, are **accused of** undertaking highly centralised political systems that work better for **political stability and economic progress** than western liberal democracies.
- Liberalism is suspected to be declining as illustrated by the following factors:
 - Support for **Brexit** in the United Kingdom.
 - Support for **populist leaders** such as Donald Trump in the U.S., Viktor Orban in Hungary etc.
 - Trump is using the issues of **immigration and minorities** with a **racial undertone**, to maintain his support among voters.
 - Voters everywhere are increasingly **distrusting elected representatives** because western democracy has failed to work or deliver their needs.
- **Globalisation** allows markets to determine everything and leads to major questions of identity and culture. Now globalisation is **being opposed** by following reasons:
 - Tendency of **protectionism**.
 - Priority for **local solutions** for problems.
 - Increasing **strength of nation states**.
 - Its failure in addressing issues of **inequality** and the loss of a sense of community.
- Since 2014, attitudes towards **immigrants** have hardened in European countries such as Greece, Germany and Italy that have been entry points for the recent wave of **asylum seekers**.
 - Poland and Hungary do not favour the admission of refugees even **fleeing from violence and war**.
 - Nearly all European Union members are convinced that the **EU has badly mismanaged** the question of **admission of refugees**. It has also led to questioning the relevance of EU.
- Millions of people oppose the **LGBTQ values and their rights**.
 - Recently, a controversy arose in England over the teaching in primary schools of same sex relationships and gender identity.
 - **Same sex marriage** is recognised only in some countries, others have the death penalty for homosexuality, and laws regarding LGBTQ rights vary widely across jurisdictions.
 - They are disfavoured in the vast majority of the **non-western non-secularised world**.
- The desire for **liberty is a universal right**.
 - However, the freedom to protest in **unauthorised demonstrations** is often controversial and proves that liberty has limitations. Ex.: **Hong Kong** (it disturbed the economy and tourism), French **Charlie Hebdo** case (it was observed blasphemous), The U.S. Constitution provides for the **freedom to bear arms** (it has resulted in mass shootings).

Rays of Hope:

- Media and entertainment industry are increasingly **supporting the inclusion and acceptance of minorities**.
- **Boycotts of various kinds**, including of major sporting events, have been conducted against anti-gay sentiments or legal restrictions.

Conclusion:

Governments across the world and civil society need to **uphold basic human rights**, including that of **minority communities**. The ideology and political agenda followed by the ruling governments should not undermine the greater objective of human rights.

F. Tidbits

1. Canal completed in 42 years, washed away in 24 hours

- A Jharkhand irrigation project which took 42 years to build was washed away within 24 hours of its inauguration.
- The canal was meant to provide water to 85 villages across Giridih, Hazaribagh and Bokaro districts.
- In 1978, the then Governor of undivided Bihar, Jagannath Kaushal, had laid the foundation of the project, but due to several reasons the project got delayed.
- The cost of the project also escalated from 12 crore in 1978 to Rs.2,500 crore.
- The State administration has found rodents to pin the blame on.
- A major breach developed in the canal, causing extensive flooding in several
- Following the breach in the canal and damage caused to the crops, a highlevel team, led by chief engineer of advanced projects in the department, has been constituted.

2. J&K children to get psychological first aid

- Doctors at the Srinagar Government Medical College's Institute of Mental Health and Neuro Sciences (IMHANS) have said that the lockdown and communication blockade in Jammu and Kashmir can potentially inflict short- or long-term psycho-social trauma in children.
 - The children have no access to schools, any means of entertainment or the Internet, making them vulnerable to psycho-social abnormalities.
 - It is believed that the blockade is taking a toll on the mental health of children with their eight-hour routine completely disturbed.
 - The need for the contingency plan was felt after the number of the children visiting IMHANS fell by one-fifth the numbers.
- The IMHANS has come up with a contingency plan and in the first phase, will reach out to children (up to the age of 16) in distress.
- The UNICEF-backed Child Guidance and Wellbeing Centre at the IMHANS has identified child-friendly centres (CFCs), set up in schools, private homes and anganwadi centres, in some districts to provide psychological first aid.

G. Prelims Facts

Nothing here for today!!!

H. Practice Questions for UPSC Prelims Exam

Q1. Which of the following states was the first to introduce a law against "Mob Lynching"?

- a. Manipur
- b. Madhya Pradesh
- c. West Bengal
- d. Rajasthan

Answer: a

Explanation:

Manipur became the first to pass a remarkable law against lynching, by passing the act in December 2018. The Protection from Lynching Bill, 2019, made Rajasthan the second State, after Manipur, to introduce a law to tackle the social menace.

Q2. Consider the following statements:

- 1. Nominal GDP is GDP evaluated at current market prices.
- 2. Nominal GDP is called inflation-adjusted GDP.

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: a

Explanation:

Real GDP is the sum-total of the economic output produced in a year values at a pre-determined base market price. Nominal GDP is GDP evaluated at current market prices. Nominal GDP doesn't take inflation into account. Real GDP takes inflation into account; it's called inflation-adjusted GDP.

Q3. Consider the following statements with respect to South Asian Association for Regional Cooperation (SAARC)

- 1. SAARC comprises of eight Member States
- 2. Maldives was the last country to join SAARC
- 3. The Secretariat of SAARC is in Kathmandu

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

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

Answer: b

Explanation:

Statement 1 and 3 are correct. Afghanistan was the last country to join SAARC as a member in 2007.

Q4. Consider the following statements:

1. The Prompt Corrective Action (PCA) is triggered by RBI when banks breach certain regulatory requirements like minimum capital, return on asset and quantum of non-performing assets.
2. PCA is taken, so as to restore the financial health of banks.

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 Prompt Corrective Action (PCA) is triggered by RBI when banks breach certain regulatory requirements like minimum capital, return on asset and quantum of non-performing assets. PCA is intended to achieve – to intervene early and take corrective measures in a timely manner, so as to restore the financial health of banks.

I. UPSC Mains Practise Questions

1. On the wider regional role on interstate conflicts that threatens regional peace and security, the inability of SAARC to play any role beyond issuing a cautionary statement tells a lot about the low level of SAARC as an actor in promoting peace and preventing conflict. Examine (15 Marks, 250 Words)
2. What are Non-Banking Financial Companies? Discuss the issues currently being faced by the NBFCs in India. (15 Marks, 250 Words)

