

# 08 Jul 2020: UPSC Exam Comprehensive News Analysis

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## A. GS 1 Related

### Category: SOCIAL ISSUES

#### 1. Extend working days under MGNREGA

##### Context:

Quoting that MGNREGA is the only hope left for a majority of the migrant workforce, a CPI MP has urged the Prime Minister to extend the quota of working days under the [MGNREGA](#) scheme to a minimum of 200 days and to extend the limitations of the scheme to per adult individual rather than per household.

This topic has been covered in the 7<sup>th</sup> July 2020 Comprehensive News Analysis. [Click here](#) to read.

## B. GS 2 Related

## 1. U.S. stance on CAATSA unchanged

### Context:

The U.S state department spokesperson has said, “We urge all of our allies and partners to forgo transactions with Russia that risk triggering sanctions under the Countering America’s Adversaries Through Sanctions Act (CAATSA).”

### Details:

- Despite a change in the ground realities following the clash between India and China along the Line of Actual Control (LAC) in June 2020, the U.S’s message to countries, including India, on sanctions for the purchase of Russian arms has not changed.
- This message was reiterated in the context of India’s planned jet fighter deal with Russia at an estimated ₹18,148 crore.

This topic has been covered in the [3rd July 2020 Comprehensive News Analysis](#).

### What is CAATSA?

- The Countering America’s Adversaries Through Sanctions Act (CAATSA) is a United States federal law that imposed sanctions on Iran, North Korea and Russia.
- It includes sanctions against countries that engage in significant transactions with the Russian defence and intelligence sectors.

Read more about [CAATSA](#) and [How will purchases from Russia affect India-U.S ties](#).

## 2. F-1 visa students cannot take all classes online: U.S.

### Context:

Foreign students in the U.S., including thousands of Indians, are left facing the possibility of falling out of valid immigration status following a Department of Homeland Security rule about attending online classes.

### What is the new rule?

- The U.S. rule, announced by Immigration and Customs Enforcement (ICE), an agency within the Department of Homeland Security (DHS), says those F-1 and M-1 (non-academic and vocational students) visa holders planning to take only online classes in the fall (autumn) will not be allowed to remain in the U.S. Due to COVID-19, a number of universities are planning to shift all their classes online for the fall semester.
  - Nonimmigrant F-1 and M-1 students attending schools operating entirely online may not take a full online course load and remain in the U.S.
  - Those whose colleges and universities were moving to an online-only model would, therefore, have to leave the country or find another way to stay in status.
  - Normally F-1 students are allowed to take one class or three credit hours online.

- According to ICE, active students currently in the United States enrolled in such programs must depart the country or take other measures, such as transferring to a school with in-person instruction to remain in lawful status. If not, they may face immigration consequences including, but not limited to, the initiation of removal proceedings.

**Details:**

- With at least 200,000 Indian students in the U.S, the country is the second-largest source of foreign students, China being the first.
- This difficult situation for students is exacerbated by the unprecedented disruption to international travel.
- The U.S. announcement comes weeks after U.S. President Donald Trump suspended H1-B highly skilled worker visas through the end of the year.
  - Most of these visas go to Indian citizens each year.

## C. GS 3 Related

**Category: DEFENCE**

### 1. 'Top priority' to complete strategic roads

**Context:**

At a meeting convened to review the progress of the construction activities in the border areas with Border Roads Organisation (BRO) Director-General, the Defence Minister has directed the BRO that work on the strategic Darbuk-Shyok-Daulat Beg Oldi (DSDBO) road be completed by October 2020.

**Issues:**

- China has been objecting to Indian road and infrastructure development at several points along the Line of Actual Control (LAC).
- A road branching from the DSDBO road towards the Galwan Nalah is believed to be one of the reasons for their objections here.

**Details:**

- India has also been building 61 strategic Indo-China Border Roads (ICBRs), measuring 3,323.57 km, under the direction of the China Study Group (CSG).
  - 75% of the construction is complete.
  - Of these, 12 roads are in the Union Territories of Jammu and Kashmir and Ladakh, while three roads are in Sikkim.
- The Darbuk-Shyok-Daulat Beg Oldie (DSDBO) road has been in the making for around two decades. It is expected to be completed in 2020.
- DBO is India's northernmost corner, which in army parlance is called Sub-Sector North.

**Significance of DSDBO:**

- DBO is located only 9 km away from the Line of Actual Control with China and the road will help manage the border and the areas adjoining Aksai Chin, Chip Chap River and Jiwan Nalla.
- It will also ensure faster deployment of troops in the area.

- Before the laying of the road, the only way to reach the area was via the ALG, where heavy-lift aircraft, such as the C-130J, can land.
- From the DSDBO road, a road branches off towards Galwan Valley, a hill feature, which India wants to protect because it overlooks the area around the main road.
  - The branch road has prompted the stand-off in Galwan Valley.
  - Indian troops have been patrolling up to this area, but the idea now is to have road access and presence here.
  - China has objected to this and doesn't want India to utilise the DSDBO road to its full potential, which led to the confrontations.

## Category: ENVIRONMENT AND ECOLOGY

### 1. Mining giant told to pay \$2 bn for Arctic spill

#### Context:

Russia's state environmental watchdog said that metals giant Norilsk Nickel should pay an unprecedented \$2 billion in damages over a huge Arctic fuel spill.

#### Details:

- Russia had declared a national emergency after a spill of 21,000 tonnes of diesel fuel.
- President Vladimir Putin has said he expects Norilsk Nickel to fully restore the environment.
- Norilsk Nickel is the world's largest producer of nickel and palladium.

Oil Spill in Russia's Arctic region has been covered in the 5th June 2020 Comprehensive News Analysis. [Click here](#) to read.

## Category: ECONOMY

### 1. 'Centre won't extend deadline for levy on foreign e-com firms'

#### Context:

The government has made it clear that it is not considering extending the deadline for payment of Equalisation Levy by non-resident e-commerce players, even though a majority of them are yet to deposit the first installment of the tax.

#### Details:

- The 2% equalisation levy was introduced in the [2020-21 Budget](#) and came into effect from April 1, 2020.
- The 'equalisation tax' is designed to provide a level playing field for resident marketplaces or providers who are subject to Indian income taxes.
- Providers subject to the tax obligations include non-resident who owns, operates, or manages a digital or electronic facility or platform for online sales of goods, online provision of services, or both.
- The provider is liable to the tax if they are providing their own goods or service, and if facilitating the sales on their electronic platforms of other sellers.

- The tax applies to e-commerce transactions on websites such as Amazon.com. Google in particular has been worried as the tax applies to advertising revenue earned overseas if those ads target customers in India.
- The levy is seen as aimed at taxing foreign companies which have a significant local client base in India but were billing them through their offshore units, effectively escaping the country's tax system.
- As per law, late-payment would attract interest at the rate of 1% per month or part of the month. Non-payment could result in a penalty equal to the amount of equalisation levy, along with interest.

#### Issues:

- Tax experts point out that there are practical difficulties in getting PAN and many companies are not paying the equalisation levy as there is still considerable confusion and lack of clarity on the applicability of the same.
  - It is believed that the requirement of having a PAN and an Indian bank account could cause administrative delays in remittance by non-residents.
- The levy has several issues that primarily include very wide coverage (even non-e-commerce companies could be covered), lack of clarity on how consideration needs to be determined especially in cases where the income is minuscule compared to the transactions facilitated by the non-resident e-commerce operators.
- Even transactions between non-residents are covered and this according to tax experts would be an extraterritorial overreach along with practical difficulty in implementation.

## D. GS 4 Related

*Nothing here for today!!!*

## E. Editorials

### Category: INTERNAL SECURITY

#### 1. In stand-off, keeping an eye on the nuclear ball

##### Context:

- India-China tensions along the LAC.

##### Background:

- There is growing evidence that the People's Republic of China (PRC) has been expanding its nuclear arsenal and missile capabilities.

##### Nuclear weapons:

- The **Stockholm International Peace Research Institute (SIPRI)** observes that China's nuclear arsenal has risen from 290 warheads in 2019 to 320 warheads in 2020.
  - Though the increase might not seem large relative to the size of the nuclear arsenal of the U.S. and Russia, it indicates a gradual shift toward a larger arsenal. Even as the U.S. and Russia are attempting to reduce the size of their respective arsenals, **China is in an expansionist mode.**

- China also possesses a **sizeable inventory of fissile material**. According to the International Panel on Fissile Materials (IPFM), China is estimated to possess 2.9+-0.6 metric tonnes of Weapons-grade Plutonium (WGP) compared to India's 0.6+-0.15 tonnes of WGP.
- **China's Lop Nur has been the site of Chinese sub-critical testing** since China adopted a moratorium on hot testing in 1996. China has been able to miniaturise warheads and develop new designs that have been progressively integrated into its nuclear arsenal.

### Missile modernization:

- The Peoples Liberation Army Rocket Force (PLARF) fields a range of Medium Range Ballistic Missiles (MRBMs) and Short-Range Ballistic Missiles (SRBMs).
- China is arming its missiles with **Multiple Independently Targetable Re-entry Vehicles (MIRVs)** capabilities to neutralise the multi-layered missile defence capabilities of the United States.
- China's DF-31As, which are road mobile Intercontinental Ballistic Missiles (ICBMs), are equipped with MIRVs and potent penetration aids.

### Details:

- China's nuclear modernisation and diversified nuclear capabilities present India with challenges.

### Nuclear upper hand:

- On a comparison based on nuclear capabilities, China has an upper hand over India. **China has a higher number of nuclear warheads and a higher amount of Weapons-grade Plutonium.**

### China's Missile force:

- India also needs to take into consideration the PLARF's **land-based missile forces**.
  - China is believed to base a part of its nuclear arsenal in inland territories such as in the Far-Western Xinjiang Region, which is close to Aksai Chin.
  - China's land-based missiles are primarily **road mobile** and could play a key role in any larger conventional offensive the PLA might mount against Indian forces along the LAC. Their mobility gives them a **high degree of survivability**.
  - Korla in Xinjiang is believed to host DF-26 IRBMs with a range of 4,000 kilometres, which can potentially strike targets across most of India. The DF-26 IRBMs can be armed with either a conventional or nuclear warhead.

### The Pakistan factor:

- India has to contend with a nuclear-armed Pakistan as well.
- The Indian nuclear arsenal, according to the SIPRI, stands at roughly 150 nuclear warheads while Pakistan has 160 warheads.

### Instrument of coercion:

- This development would also have **implications for the conventional military escalation along the China-India boundary**.
- The conventional military balance between Indian and Chinese forces along the Line of Actual Control (LAC) presents significant challenges for Indian decision-makers. The variegated and highly sophisticated nature of Chinese nuclear capabilities relative to India could **give China considerable coercive leverage**. China could commit further aggression under the cover of its nuclear arsenal.

### Way forward:

- In the conventional escalation along the LAC, India cannot afford to ignore China's expanding nuclear arsenal. India needs to factor in the role of nuclear weapons and their impact on military operations executed by the Indian Army and the Indian Air Force.

**Short term measures:**

- **India's Strategic Forces Command (SFC)** needs to be on a heightened state of alert to ward off Chinese nuclear threats as well as be prepared to support India's conventional forces.
  - The Strategic Forces Command (SFC), also referred to as the Strategic Nuclear Command, forms part of India's Nuclear Command Authority (NCA). It is responsible for the management and administration of the country's tactical and strategic nuclear weapons stockpile.

**Long term measures:**

- India should start **assessing its extant nuclear doctrine** and redouble efforts to get a robust triadic nuclear capability for deterrence.
  - The basic principle of India's nuclear doctrine of 2003 is "**No First Use**". According to this policy, nuclear weapons will only be used in retaliation against a nuclear attack on the Indian Territory or on Indian forces anywhere.
  - **A nuclear triad** consists of land-launched nuclear missiles, nuclear-missile-armed submarines and strategic aircraft with nuclear bombs and missiles. The purpose of having this three-branched nuclear capability is to significantly reduce the possibility that an enemy could destroy all of a nation's nuclear forces in a first-strike attack, ensuring a **credible threat of a retaliatory strike**, and thus increasing a **nation's nuclear deterrence**.

For more information on this issue, refer to:

[CNA dated August 17, 2019](#)

**Category: INTERNATIONAL RELATIONS**

**1. More sabre-rattling, more isolation**

**Context:**

- South China Sea dispute.

**Background:**

For information on the [South China Sea dispute](#), click on the linked article.

**PCA's award:**

- The Philippines on the issue of the disputed **Spratly Islands** invoked the dispute settlement mechanism of **the UN Convention on the Law of the Sea (UNCLOS)** in 2013 to test the legality of **China's 'nine-dash line'**.
- In response, the **Permanent Court of Arbitration (PCA) at The Hague** decreed in its 2016 judgment that the 'nine-dash line' had no legal basis.
  - The PCA in its judgment held that none of the features of the Spratlys qualified them as islands, and there was no legal basis for China to claim historic rights and to the resources within the 'nine-dash line'.

- The UNCLOS provides that islands must sustain habitation and the capacity for non-extractive economic activity. Reefs and shoals that are unable to do so are considered low-tide elevations.
  - The Judgment also noted that China had aggravated the situation by undertaking land reclamation and construction, and had harmed the environment and violated its obligation to preserve the ecosystem.
- The PCA judgment undermined the Chinese claim and implied that **China violated the Philippines' Exclusive Economic Zone (EEZ)**.
- China dismissed the judgment as “null and void.” Given the power equations, the Philippines did not press for enforcement of the award and accepted the status quo. No country challenged China.
- China agreed to settle disputes bilaterally and to **continue work on a Code of Conduct with countries of the ASEAN**.
  - Given that their economic ties with China are deepening, the ASEAN countries were seen **bandwagoning with China**.

### Details:

#### **Growing Chinese assertiveness:**

- Growing Chinese assertiveness in the SCS is visible in the increased patrolling and live-fire exercising by Chinese naval vessels; ramming and sinking of fishing vessels of other claimant countries; renaming of SCS features; and building of runways, bunkers, and habitation for the possible long-term stationing of personnel on the atolls claimed by China.
- Chinese exploration and drilling vessels compete aggressively with those of other littoral countries in the disputed waters.

#### **Growing discontent against the Chinese:**

- The growing assertiveness of the Chinese in the South China Sea is leading to growing discontent against the Chinese.
  - While avoiding military confrontation with China, countries in the region are **strengthening their navies and deepening their military relationships** with the United States and other powers to balance China.
    - A complicating factor for China is **Russia's growing military and economic equities in the SCS**. Russia and Vietnam have a defence cooperation relationship, which they are committed to strengthening. Russian oil firm Rosneft along with Vietnam has been prospecting within the Chinese defined ‘nine-dash line.’
  - The festering regional resentment against China resulted in an ASEAN response at its recent 36th Summit. For more information on this issue, check [CNA dated June 28, 2020](#).
  - Though Vietnam, Japan and the U.S. have been vocal about Chinese activities in the SCS, the Philippines and the ASEAN beginning to protest is new, even if their criticism is restrained. This points to **China's growing isolation**.
    - Indonesia protested to China about Chinese vessels trespassing into its waters close to the Nantua islands, towards the south of the SCS.
    - The Philippines protested to China earlier this year about violations of Filipino sovereignty in the West Philippine Sea. It has also written to the UN Secretary-General (UNSG) repeatedly on the issue.

#### **India's stakes:**

- The South China Sea (SCS) is important not just to its littoral countries. It has been a transit point for trade since early medieval times, contains abundantly rich fisheries, and is a repository of mineral deposits and hydrocarbon reserves.

- **The SCS carries merchandise to and from India.** It follows that India has a stake in the SCS, just as China has in the Indian Ocean.
- From India's perspective, **foreign and security policy in its larger neighbourhood** covers the entire expanse of the Asia-Pacific which includes the SCS.

### **Way forward for India:**

#### **Building military capacity:**

- India must improve the **military capacity of the tri-service Andaman and Nicobar Command** given its immense geostrategic value, as it overlooks Asia's maritime strategic lifeline and the world's most important global sea lane.

#### **Regional diplomatic outreach:**

- India must continue to actively pursue its **defence diplomacy outreach in the Indo-Pacific** region through the following measures:
  - Increasing military training and conducting exercises and exchanges at a higher level of complexity
  - Extending Humanitarian Assistance and Disaster Relief activities
  - Sharing patrolling responsibilities of the Malacca Strait with the littoral countries
- The **Comprehensive Strategic Partnerships** that India has concluded with Australia, Japan, Indonesia, the U.S. and Vietnam could be extended to Malaysia, the Philippines, Thailand and Singapore.

## **F. Prelims Facts**

### **1. Big flap: golden birdwing is India's largest butterfly**



- A Himalayan butterfly named golden birdwing is now India's largest butterfly (wingspan of 194 mm).
  - While the male golden birdwing (*Troides aeacus*) is much smaller at 106 mm wingspan, the female of the species is marginally larger than the southern birdwing.
- The record was earlier held by southern birdwing (wingspan of 190 mm) for 88 years.
- The smallest is the quaker (*Neopithecops zalmora*) with a wingspan of 18 mm.

### **2. Software Technology Parks of India (STPI)**

- STPI is an autonomous society set up by the Ministry of Electronics and Information Technology in 1991.
- It was set up with the objective of encouraging, promoting and boosting software exports.
- STPI maintains internal engineering resources to provide consulting, training and implementation of IT-enabled services.
- The STPI's Governing Council's Chairperson is the Union Minister for Electronics & Information Technology.

#### **STP Scheme:**

- STP Scheme is a 100 percent Export Oriented Scheme for the development and export of computer software, including the export of professional services using communication links or physical media.

## **G. Tidbits**

### **1. Centre to lay down vaccine trial norms**

- The COVID-19 pandemic has prompted regulators across the world to issue emergency use authorisation for certain drugs and trials on potential vaccines.
- This is done to accelerate the approval process without compromising on objectively assessing whether the potential vaccine or investigational drug provides some additional benefit or reprieve over being defenceless.
- The government is readying a document that will lay down guidelines for companies and institutions working on potential COVID-19 vaccines.

### **2. China censors Internet in Hong Kong**

- China has unveiled new powers to censor Hong Kong's Internet and access user data using its national security law.
- The U.S. tech giants have put up some resistance citing rights concerns.
- The online censorship plans released in a government document also revealed expanded powers for police, allowing warrantless raids and surveillance for some national security investigations.
- Despite assurances that only a small number of people would be targeted by the law, the new details show it is the most radical change in Hong Kong's freedoms and rights since Britain handed the city back to China in 1997.

## **H. UPSC Prelims Practice Questions**

**Q1. Which of the following is India's largest butterfly?**

- a. Female golden birdwing
- b. Southern birdwing
- c. Quaker
- d. Elusive Prince

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

- A Himalayan butterfly named golden birdwing is now India's largest butterfly (wingspan of 194 mm).
- While the male golden birdwing (*Troides aeacus*) is much smaller at 106 mm wingspan, the female of the species is marginally larger than the southern birdwing.
- The record was earlier held by southern birdwing (wingspan of 190 mm) for 88 years.
- The smallest is the quaker (*Neopithecops zalmora*) with a wingspan of 18 mm.

**Q2. Consider the following statements with respect to Daulat Beg Oldie:**

1. It is the northernmost corner of Indian Territory in Ladakh.
2. It has the world's highest airstrip.
3. It is to the west of the Line of Actual Control at Aksai Chin.

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

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

**CHECK ANSWERS:-**

**Answer: d**

**Explanation:**

- Daulat Beg Oldie (DBO) is the northernmost corner of Indian Territory in Ladakh.
- DBO has the world's highest airstrip, originally built during the 1962 war but abandoned until 2008, when the Indian Air Force (IAF) revived it as one of its many Advanced Landing Grounds (ALGs) along the LAC, with the landing of an Antonov An-32.
  - It is located at an altitude of 16,614 ft.
- DBO is less than 10 km west of the LAC at Aksai Chin. A military outpost was created in DBO in reaction to China's occupation of Aksai Chin, and is at present manned by a combination of the Army's Ladakh Scouts and the paramilitary Indo-Tibetan Border Police (ITBP).

**Q3. "Idlib Province" frequently in the news is located in:**

- a. Syria
- b. Iran
- c. Israel
- d. Afghanistan

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

Idlib is a province in Syria. Its proximity to the Turkish border makes Idlib strategically important to the Syrian government.

**Q4. Consider the following statements with respect to Strategic Forces Command (SFC):**

1. It works on the directives of the Nuclear Command Authority.
2. It is responsible for the management and administration of India's tactical and strategic nuclear weapons stockpile.

**Which of the given statement/s is/are incorrect?**

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

**CHECK ANSWERS:-**

**Answer: d**

**Explanation:**

Both statements are correct.

## I. UPSC Mains Practice Questions

1. Discuss how China's nuclear modernisation and diversified nuclear capabilities present challenges to India and suggest what should be India's short and long term measures to counter this looming threat. (15 marks, 250 words)
2. Discuss what is India's stake in the South China Sea (SCS) dispute and analyze what should be India's response to the evolving situation in the region. (10 marks, 150 words)