

# 21 Jul 2020: UPSC Exam Comprehensive News Analysis

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## B. GS 2 Related

### Category: INTERNATIONAL RELATIONS

#### 1. U.K. to suspend extradition treaty with Hong Kong

##### Context:

Britain has announced that it would suspend its extradition treaty with Hong Kong in an escalation of a dispute with China over its introduction of a national security law for the former British colony.

##### Strained UK-China ties:

- Britain says the new security law breaches the guarantees of freedoms, including an independent judiciary, that have helped keep Hong Kong one of the world's most important trade and financial centres since 1997.
- According to the Foreign Secretary, the treaty would be suspended immediately and an arms embargo would be extended to Hong Kong.
- Prime Minister Boris Johnson ordered equipment from China's Huawei Technologies to be purged completely from Britain's 5G network by the end of 2027.
- Britain had previously outraged China by offering residents of Hong Kong a pathway to UK citizenship, in response to the security law.
- The ban is another nail in the coffin of what the then Prime Minister David Cameron in 2015 cast as a "golden era" of ties with China, the world's second-largest economy.
- The UK became the fourth nation, after Canada, Australia and the United States, to revoke its extradition agreement with Hong Kong.

#### **China's Response:**

- Officials in Hong Kong and Beijing have said the law is vital to plug gaps in national security exposed by recent pro-democracy and anti-China protests.
- China has repeatedly told Western powers to stop meddling in Hong Kong's affairs.
- It has now accused Britain of pandering to the United States.

## **2. Iran to continue work with India on Chabahar line: Railway chief**

#### **Context:**

In the latest twist to Iran's Chabahar-Zahedan railway project, Iran's Railway Minister has said that Iran and India are determined to continue cooperation on the railway line.

#### **Details:**

- "Considering the history of cooperation between the two countries and the existing potentials and capacities, Iran and India are determined to continue their cooperation in the field of rail transport, especially the Zahedan-Chabahar railway, because of the development of cooperation between the two countries in this area," said the Iranian Railways head, after a meeting with Indian Ambassador to Iran.
- The remarks contradict Iranian officials who had previously said India was not a part of the project.

This topic has been covered in the 14<sup>th</sup> July 2020 Comprehensive News Analysis. [Click here](#) to read.

## **C. GS 3 Related**

### **Category: DEFENCE**

## **1. IAF to induct five Rafales on July 29**

#### **Context:**

Amid continuing tensions on the border with China, the Indian Air Force (IAF) is scheduled to induct the first batch of five Rafale fighter jets from France at the Air Force Station.

### Rafale:

- Rafale is a twin-engine manufactured by Dassault Aviation of France. It is primarily used by the French Air Force.
- Rafale Fighter Jets will be operated by the Indian Air Force.
- A deal was signed for 36 Rafale Fighter Jets in 2016.
- It includes a package of spares and weapons including the highly acclaimed Meteor Beyond Visual Range Air to Air Missile (BVRAAM).
- The induction of Meteor Beyond Visual Range air-to-air missile, widely recognised as a game-changer for air combat, Scalp long-range stand-off attack air to ground missile, and MICA multi-mission air-to-air missiles into the IAF's inventory will give the force an edge in the neighbourhood.
  - According to its manufacturer, Meteor has a no-escape zone many times greater than any other [air-to-air missile](#).
- Apart from the Indian Airforce, Rafale has been chosen by the Egyptian Air Force and the Qatar Air Force.
- Rafale fighter jets were used in combat operations in Afghanistan, Iraq, Syria, Libya, Mali.

## 2. Warships meet U.S. strike group

### Context:

- Naval ships conducted a Passage Exercise (PASSEX) with the U.S. Navy's USS Nimitz carrier strike group near the Andaman and Nicobar Islands.
- The exercise comes amid a high alert by the Navy in the Indian Ocean Region (IOR) due to the stand-off with China along the border in Ladakh.

### PASSEX:

- PASSEX is a passage exercise.
- A passage exercise is normally conducted when there is an opportunity in contrast to pre-planned maritime drills.

### Details:

- As part of this, four frontline naval ships, Shivalik, Sahyadri, Kamorta and Rana including a stealth corvette, teamed up with carrier USS Nimitz and three other U.S. ships in the eastern Indian Ocean near the islands.
  - USS Nimitz is the U.S. Navy's largest aircraft carrier.
  - It is returning from the South China Sea through the Malacca Straits.
- The PASSEX was conducted even while the [Malabar exercise](#) is fast approaching.
- The Indian Navy had conducted similar PASSEXs with the Japanese Navy and the French Navy in the recent past.
  - With regular large-scale exercises deferred due to the COVID-19 pandemic, the Navy has undertaken several PASSEXs, which is described as an opportunity to improve interoperability on the high seas.
- The Navy is keeping a close watch on the movement in the IOR of Chinese naval ships, whose presence has gone up considerably over the years in the name of anti-piracy patrols.
- In 2017, China opened its first overseas military base in Djibouti in the [Horn of Africa](#).

### Category: ECONOMY

## 1. Tough, new e-commerce rules kick in next week

### Context:

The Consumer Protection Act, 2019 came into force on 20<sup>th</sup> July 2020.

### Details:

The Consumer Protection (E-commerce) Rules, 2020, which fall under the Consumer Protection Act, will be notified within a few days.

Read more about the [salient features of the Consumer Protection Act, 2019](#).

### The Consumer Protection (E-commerce) Rules, 2020, under the Consumer Protection Act:

- The e-commerce portals will have to set up a robust consumer redressal mechanism as part of the rules under the Consumer Protection Act, 2019
- The e-commerce entities will have to provide every detail relating to return, refund, exchange, warranty and guarantee, delivery and shipment, modes of payment, grievance redressal mechanism, payment methods, security of payment methods, charge-back options and so on.
- They will also have to mention the country of origin which is necessary for enabling the consumer to make an informed decision at the pre-purchase stage on its platform.
- The rules also prohibit the e-commerce companies from manipulating the price of the goods or services to gain unreasonable profit through unjustified prices.
- The sellers cannot refuse to take back goods or withdraw services or refuse refunds, if such goods or services are defective, deficient, delivered late, or if they do not meet the description on the platform.
- The e-commerce platforms also have to acknowledge the receipt of any consumer complaint within 48 hours and redress the complaint within one month from the date of receipt under this Act and will also have to appoint a grievance officer for consumer grievance redressal.

These rules are mandatory and not merely advisories as issued earlier. This is the first time that such detailed rules have been published by the Government of India for e-commerce entities.

## 2. India aims to pare PSU bank count to just five: sources

### Context:

India is looking to privatise more than half of its state-owned banks to reduce the number of government-owned lenders to just five as part of an overhaul of the banking industry.

### Details:

- The Centre is working on a privatisation plan to help raise money by selling assets in non-core companies and sectors when the country is strapped for funds due to lack of economic growth caused by the [COVID-19](#) pandemic.
- India expects bad loans at its banks to double after the crisis brought the economy to a standstill.
- According to officials, the first part of the plan would be to sell majority stakes in Bank of India, Central Bank of India, Indian Overseas Bank, UCO Bank, Bank of Maharashtra and Punjab & Sind Bank, leading to an effective privatisation of these state-owned lenders.

- Several government panels and the [RBI](#) have recommended a maximum of five state-owned banks.
- At present, India has 12 state-owned banks.

## Category: SCIENCE AND TECHNOLOGY

### 1. Arab 'Hope' to Mars takes off from Japan

#### Context:

The first Arab space mission to Mars, an unmanned probe called Al-Amal, or Hope blasted off from Japan.

#### Details:

- The project is one of three racing to Mars, including Tianwen-1 from China and Mars 2020 from the United States, taking advantage of a period when the Earth and Mars are nearest.
  - According to NASA, in October 2020, Mars will be a comparatively short 38.6m miles (62m km) from Earth.
- It is expected to enter Mars orbit by February 2021, marking the year of the 50th anniversary of the unification of the UAE, an alliance of seven emirates.
- It is on a mission to reveal more about the atmosphere of Mars.
- While the objective of the Mars mission is to provide a comprehensive image of the weather dynamics in the red planet's atmosphere, the probe is a foundation for a much bigger goal – building a human settlement on Mars within the next 100 years.
- It will not land on the planet, but instead orbit it for a whole Martian year, or 687 days.

#### Note:

Only the United States, India, the former Soviet Union, and the European Space Agency have successfully sent missions to orbit Mars - the fourth planet from the sun, while China is preparing to launch its first Mars rover in 2020.

## D. GS 4 Related

*Nothing here for today!!!*

## E. Editorials

## Category: ECONOMY

### 1. Big reform on the wrong track

#### Context:

- The article analyzes the **planned privatization of some services of the Indian Railways.**

#### Background:

- Indian Railways has launched the process of opening up train operations to **private entities on select routes**, with private train operations expected to begin in 2023 in 12 clusters.
- Indian Railways has invited Request for Qualifications proposals, for scrutiny of vendor capabilities.

#### **Details:**

#### **Proposed model:**

- The selection of private parties using the tendering process proposes two-stage competitive bidding. The shortlisting will be based on financial capacity (with sharing of gross revenue), the **selected parties can fix fares by themselves**.
- According to the project information memorandum issued by the Railway Board, railway crew will work the trains (151 trains in 109 routes) which will be maintained by the private investor. All the other **infrastructure (track and associated structures, stations, signalling, security and their daily maintenance) owned by the Railways will be fully utilised in running trains**.
- The concessionaire will have to procure coaches and form them into rakes of 16 coaches each, with maintenance at 10 major stations from where the trains will operate to their destinations. For maintenance, existing depots and yard facilities at different stations will be made use of.
- The concessionaire will have to **pay fixed haulage charges, energy charges based on actual consumption, and a share in gross revenue** as per the bid.

#### **Arguments in favour of privatization:**

- As per the Railway Board, the objective of the initiative is to introduce modern technology rolling stock with reduced maintenance, reduced transit time, boost job creation, provide enhanced safety, provide world-class travel experience to passengers, and also reduce demand supply deficit in the passenger transportation sector.

#### **For more information on the significance of privatization of Indian Railways, refer to:**

[CNA dated July 5, 2020](#)

#### **Arguments against the envisaged model:**

- The planned privatisation of some services of the Indian Railways and the proposed model could **impact maintenance, operations and welfare**.

#### **Conflict situation:**

- The **sharing of existing depots and yard facilities** between the Indian railways and the concessionaire might result in conflict and have repercussions in terms of maintenance and operation. This could also have a detrimental impact on the safety of operations.
- Provision of an independent regulator to resolve disagreement, discords and disputes will not solve day-to-day problems of dichotomy unless the basic issues are resolved.

#### **Split responsibility:**

- In the envisaged structure, the responsibility of the private investor ends with investment in the procurement and maintenance of coaches. Train operation, safety and dealing with everyday problems rest with the Railways.
- In such a scenario when the coaches are owned by the investor but operated by the Railways and its staff, it would be difficult to fix responsibility. The envisaged structure as per the current provisions will lead to dual control and split responsibility.

### Social welfare:

- In the current proposal, the **Railways or government have no role in fixing passenger fares**. Full liberty is being given to the concessionaire to unilaterally fix fares for these proposed trains that are on a par with air and air-conditioned bus fares.
- **This might result in higher fares**, depriving the common man of travel by these trains. Fare concessions extended to several categories of people will not be made available by the private investor.
- The article argues that the Indian Railways is not just a mere transporter of passengers and goods but also a **social welfare organisation**. Higher prices might defeat the very objective of commissioning the Railways as a public welfare transport organisation.
- Railways should not be judged solely on its profit-generating capability or market-based return on investment.

### Financial viability:

- In cases where adequate yard facilities are not available, the concessionaire has to invest in creating the required facilities. The project entails a total investment of Rs. 30,000 crore by private enterprises.
- The lack of profit would affect the financial viability of the project leading to loss of confidence for private investors and would also have an impact on the financial system of the economy.

### Other issues:

- In the private sector, operations are run with an eye on staff costs which can endanger safety.
- Also, the private investor is **not bound to follow reservation regulations in employment**, in turn depriving employment opportunities for those who are on the margins of society.

### Way forward:

#### PPP model of metro railway services:

- The article argues that the government need not take a dual role of a facilitator as well as a participant and instead follow the PPP model employed in metro railway services.
  - Under this model, the **concessionaire is solely responsible for daily maintenance, operation, passenger amenities and staff issues**. The State government steps in when it comes to land, power, permissions, law and order, etc.
  - **Fare determination is in consultation with the government**.

#### Involving IRCTC:

- Instead of a private entrepreneur, the existing **Indian Railway Catering and Tourism Corporation (IRCTC)** can be utilized to realize the objectives sought under the current proposals. This would entail several advantages.
  - As per the Eligibility Conditions specified in “Request for Qualification (RFQ)”, Public Undertakings such as the IRCTC are eligible to participate in tendering for this project. A government investment in the IRCTC, a government undertaking, will help the **government retain control of the Indian Railways as a strategic resource for the nation and provide a vital public good**.
  - The eligibility condition also stipulates operation & maintenance experience in maintaining rolling stock. **IRCTC has gained experience in running the Tejas Express trains**. The IRCTC is well-suited for this role.
  - There will be **‘unity of command’ in maintenance, operation and passenger services** under the single administration of the Railways and its undertaking.

### Technology upgradation:

- Coaches in India are not of international standard (ICF Design – 1955 Swiss design or LHB Design (German 2000 design)). There have been sea changes in coach designs and the Indian Railways should go in for state-of-the-art coach designs using 'transfer of technology' (ToT) with world leaders. **Domestic coach building units should be enabled with requisite resources and technology through ToT.**
- This would enable the realization of the goal of raising the maximum running speed to 160 kmph.

For more information on this issue, refer to:

[RSTV: Changing Indian Railways](#)

### Category: GOVERNMENT SCHEMES

#### 1. Community canteens 2.0

##### Context:

- The article analyzes the **potential benefits of introducing a community canteen scheme.**

##### Background:

##### Existing schemes:

- Given the fact that the lack of access to food during the lockdown period caused immense hardship to some sections of the society, the government has recently announced a three-month extension to the **Pradhan Mantri Garib Kalyan Ann Yojana**. The government would provide 5 kg of grains and 1 kg of chickpea monthly to about 800 million beneficiaries across the country.

For more information on Pradhan Mantri Garib Kalyan Ann Yojana, refer to:

[CNA dated July 1, 2020](#)

- The implementation of the **'One Nation, One Ration' (ONOR) scheme** has also helped improve access to subsidised grains for migrant workers.

For more information on the issue of food security during the pandemic, refer to:

[CNA dated June 30, 2020](#)

##### Details:

##### Inadequate measures:

- The article argues that while the existing measures are welcome, they may fall short of reaching all sections of the vulnerable population.
- Most migrant workers do not live with families and many do not cook their meals and a significant number rely on roadside vendors and dhabas. **Without access to cooking arrangement or fuel, only subsidised grains are not a sufficient solution to ensure nourishment.**



- The announced measures would be insufficient to attract the migrant workers back to the urban areas as access to affordable food remains a major concern.

### **Community Canteens:**

- The article argues for the implementation of the community canteen scheme.
  - **More than 10 States have run community canteens.** Some notable examples include the Amma Canteens in Tamil Nadu and Indira Canteens in Karnataka. A **major drawback** of the existing community canteens is that these canteens **rely on continuous government support for their sustenance** as meals are usually priced unsustainably low at Rs. 5-10 per plate.
- The **Central Government could extend initial capital support** while the implementation at the State level should be led by urban local bodies or municipal corporations, in **collaboration with private entities as service providers.**

### **Arguments in favour of community canteens:**

- A renewed approach to community canteens would not only help achieve nutritional security for migrant workers but would also create new jobs, save fiscal resources, support economic growth and promote sustainable diets and agriculture.

### **Nutritional security:**

- Community canteens could be operationally self-sustainable by pricing the nutritious meals at Rs. 15-20 per plate. This would still be lower than what most dhabas and roadside vendors charge for a meal.
- Hence with an initial social investment of around Rs. 26,500 crore towards existing canteens and kitchens, it would be possible to **serve three nourishing meals a day to the 30 million urban poor workers.**
- The community canteens would also help **bridge the nourishment gap among poor urban workers.**

### **Saving fiscal resources:**

- If all urban migrant workers rely on community canteens instead of ONOR, the initial investment in the community canteens pays back itself in less than six years, as it **helps avoid the potential food subsidy outlay due to ONOR**, leading to annual savings of about Rs. 4,500 crore thereafter.

### **Jobs and growth:**

- Community canteens could also contribute to jobs and growth.
- The 60,000 canteens, each serving about 500 beneficiaries on average, would **generate more than 1.2 million jobs** to serve 90 million meals a day.

### **Sustainability:**

- The government could leverage community canteens to **shift diets and agriculture production towards more sustainable and sustainably harvested food crops.**
- These canteens can incorporate low-cost yet nutritious and environmentally sustainable food items in the people's diet by bringing in coarse grains such as millets and sorghum into the dietary patterns.
- These canteens would create the demand signals for the **farmers to diversify their crops** and focus on sustainably harvested produce.

### **Conclusion:**

- Providing access to **nutritious, affordable and safe food for all** should be a top priority for the administration and a renewed approach to community canteens could help the administration in this direction.

## F. Prelims Facts

### 1. Pakistan resumes anti-polio drive

#### What's in News?

Pakistani vaccinators resumed an anti-polio drive that had been halted due to the COVID-19 outbreak.

- According to official figures, 60 polio cases have been reported in 2020 thus far in Pakistan.
  - Cases fell to eight in 2017 and 12 in 2018, but then spiked up to 147 in 2019, according to the [World Health Organization](#).
- Pakistan is just one of two countries in the world where polio remains endemic, along with neighbouring Afghanistan.

## G. Tidbits

### 1. India will never be a part of an alliance system: Jaishankar

- According to External Affairs Minister S. Jaishankar, India will never be a part of an alliance system.
- Speaking about the consequences of global shifts, including the United States and the assertiveness of China, he said they were opening spaces for middle powers like India, Japan, the European Union and others.
- He opined that India must now take more risks, as the world expected it to take a more proactive stance on the big issues of the day, including connectivity, maritime security, terrorism, climate change and terrorism.

Read more about [Basic Principles Governing India's Foreign Policy](#).

## H. UPSC Prelims Practice Questions

Q1. Consider the following statements with respect to Maldharis:

1. They are religious pastoral communities living in Gir forests.
2. Their settlements are called Nesses.

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.

**Q2. In which of the following country/ies does Polio continue to be endemic?**

1. Pakistan
2. Iran
3. Afghanistan
4. Sri Lanka
5. Bangladesh
6. Maldives

**Choose the correct option:**

- a. 1 and 3 only
- b. 3 and 6 only
- c. 2, 3, 4 and 5 only
- d. 1, 2, 3, 4, 5 and 6

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

- Polio does still exist, although polio cases have decreased by over 99% since 1988.
- Polio remains endemic in Pakistan and Afghanistan.
- There is no cure for polio, it can only be prevented.

**Q3. Consider the following statements with respect to "Al-Amal":**

1. It is the first Arab space mission to Mars.
2. Its objective is to land on Mars and provide a comprehensive image of the weather dynamics in the planet's atmosphere.

**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

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

- While the objective of the Mars mission is to provide a comprehensive image of the weather dynamics in the red planet's atmosphere, the probe is a foundation for a much bigger goal – building a human settlement on Mars within the next 100 years.
- It **will not land on the planet**, but instead orbit it for a whole Martian year, or 687 days.

Q4. IUCN Red List classifies Asiatic Lion as:

- a. Vulnerable
- b. Endangered
- c. Critically Endangered
- d. Near Threatened

**CHECK ANSWERS:-**

**Answer: b**

**Explanation:**

- Asiatic Lion (*Panthera leo persica*) is classified as Endangered in the IUCN Red List.
- It is listed under Appendix I of CITES and Schedule I of the Wildlife Protection Act, 1972.

## I. UPSC Mains Practice Questions

1. The planned privatization of select services of the Indian railways though well intended, the model envisaged for this privatization is a cause for concern. Comment. (15 marks, 250 words)(GS paper 3/Economy)
2. Analyze how a renewed approach to community canteens would, apart from helping achieve nutritional security for migrant workers, also help create new jobs, save fiscal resources, support economic growth and promote sustainable diets and agriculture. (10 marks, 150 words) (GS paper 2/Government Schemes)

