

31 Aug 2020: UPSC Exam Comprehensive News Analysis

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Category: POLITY AND GOVERNANCE

1. [19 lakh NRC-excluded stuck in limbo](#)

Context:

- Delay in issuing rejection slips to the excluded persons in the National Register of Citizens (NRC)

list.

Background:

- The **Supreme Court monitored National Register of Citizens (NRC) list** was published in 2019. Around 19 lakh people were excluded from the updated list in Assam.

For more information on this issue refer to: [1st September 2019 CNA](#).

- Such excluded persons should be issued the **rejection slip, citing the reasons why they were left out from the NRC**.
- A rejected person would have 120 days from the date of receiving the rejection slip to approach a **Foreigners' Tribunal (FT)** for judging their citizenship status.

Details:

- Despite almost a year since the updated NRC was published, the rejection slips have not been issued as yet.
- There has also been a delay in setting up of the new Foreigners' Tribunals sanctioned for handling the cases of the NRC rejects.

Concerns:

- The delay has kept the entire process in a limbo and has been a cause of anxiety for the excluded people.
- There is also the concern that the delay would only further politicize the issue of "illegal migrants" in the state of Assam.

Administration's arguments:

- The administration has cited the ongoing COVID-19 crisis and the repeated floods in Assam as reasons for the delay in issuing rejection slips to the excluded persons.
- The lack of sufficient personnel and the inability to issue these rejection slips online has led to a situation where the process cannot be started until COVID-19 is brought under control.

2. Premature retirement not a penalty, says DoPT

Context:

- The **Department of Personnel and Training (DoPT)** notification on the **guidelines on premature retirement of government servants**.

Details:

- As per the guidelines the appropriate authority can retire an official by giving a notice of not less than three months in writing or three months' pay and allowances in lieu of such notice.
- The rule will apply to officials who are in Group 'A' or Group 'B' service. The authority can also retire a government servant in the Group 'C' service or post.

- There are **minimum age and service requirements** set for the application of the premature retirement provisions. However non-adherence to the timelines, due to certain administrative exigencies will not take away the powers of the authority to prematurely retire an official.
- At any time after a government servant has completed 30 years' qualifying service, the official being prematurely retired will be **entitled to pension**.
- There would be a **quarterly performance review** of the government servants who are due to attain the age of 50/55 years, or to complete 30 years of service. This would be carried out by a senior officer in the ministry, department or cadre.
- An administrative structure for this purpose has been recommended in the form of **Review Committee and Representation Committee** at the respective ministries.
- The broad criteria to be followed by the Review Committee while making the recommendations for premature retirement includes the issues of **doubtful integrity, ineffectiveness and fitness/competence** to continue in the post held.

Significance:

- Given the proposed grounds for recommendation for premature retirement, this provision will help strengthen the administrative machinery by developing **responsible and efficient administration at all levels**.
- It can lead to higher efficiency, economy and speed in the disposal of government functions and thus **aid in public service**.

Category: GOVERNMENT SCHEMES

1. 'Poor air quality in Smart Cities due to lack of coordination'

Context:

- Evaluation of the Government schemes: National Clean Air Programme and Smart Cities Mission.

Background:

The National Clean Air Programme (NCAP):

- The NCAP was launched in January 2019 to address the issue of urban air pollution.
- The main objective of the NCAP is to **reduce particulate matter (PM2.5 and PM10) pollution by 20-30% by 2024**.

For more information on this topic refer to: [National Clean Air Programme \(NCAP\)](#)

The Smart Cities Mission:

- The Government of India under the **Ministry of Housing and Urban Affairs** launched the Smart Cities Mission in 2015.
- The objective is to promote sustainable and inclusive cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and **application of 'Smart' Solutions**.

- It is mandatory for the smart cities to report on their air quality under the Smart Cities Mission.

Details:

- A survey on the deteriorating air quality in Smart Cities in Maharashtra has pointed out that there is poor convergence between civic bodies and Smart City Corporations on air quality plans prepared under the National Clean Air Programme (NCAP) and the Smart Cities Mission.

Concerns:

Poor convergence:

- The Smart City corporations are often disconnected from the urban local body. This has led to a situation where they lack the capacity to fundamentally conceive and execute “smart solutions” to address multi-sectoral problems like air pollution.

Underutilization:

- There has been the installation of air pollution monitoring systems across the cities.
- However, the focus of air quality management in these cities has been only on displaying air quality measures without thinking about how to use this data to formulate a plan to tackle the problem of air pollution.
- This has led to a situation where there has been severe **underutilization of infrastructure and data generated by the air pollution monitoring systems**. This has not served the purpose of improving the functionality of the city.

Lack of smart solutions:

- The action plans made by the cities under the NCAP are **very generic and not city-specific**.
- This goes against the ‘smart’ principle of preparing plans based on the actual parameters of the city.

Lack of access to information:

- A key characteristic of a ‘Smart City’ would be the **reliance on data and technology-driven solutions**. This would require the availability of freely accessible data.
- While Smart Cities were supposed to bring data and transparency to urban development projects, there is lack of easily accessible information for the public resulting in the **absence of accountability**.

C. GS 3 Related

Category: AGRICULTURE

1. ‘Haladi’ loses its flavour amid pandemic

Context:

- Issues faced by the cultivators of Kandhamal Haladi.

Background:

- More than 60% of the geographical area of the Kandhamal district is covered with hills and forest, offering ideal conditions for cultivation of various spices including turmeric, ginger, mustard and tamarind.
- Given the uniqueness of the organic turmeric of **Odisha's Kandhamal district**, it was granted a geographical indication (GI) tag in 2019.
- Kandhamal Haladi is a **pure organic product**. It is grown without applying fertiliser or pesticide.
- It is mostly **grown by the tribals of the region**.
- The **aromatic value and golden yellow colour** is a unique trait of 'Kandhamal Haladi'.
- The cultivation of Kandhamal Haladi begins in the summer months of April and May. It is harvested during December to February. The raw turmeric is then boiled and sun-dried.

Concerns:

- The COVID-19 pandemic and the subsequent restrictions in place have led to **poor procurement of the produce**. Less than 20% of raw turmeric has been sold so far, leaving the rest of the produce with the farmers.
- For about 60,000 families in the region, turmeric is the only cash crop with the collective production exceeding 26,000 tonnes annually in the Kandhamal district.
- **The procurement prices have declined drastically**. Some farmers in urgent need for cash are having to distress sell their produce. The price recovery has been very low for such farmers.
- Unscrupulous traders taking advantage of the situation have been quoting very low prices for the produce.
- The **government-backed cooperative agency of the Kandhamal Apex Spices Association for Marketing (KASAM)** has also lowered its procurement.

Way forward:

- The Kandhamal Apex Spices Association for Marketing (KASAM) should step forward to offer better procurement prices for the farmers.
- The government could announce **supportive policy measures** like Minimum procurement price and procurement of all the produce and one time financial support to help the farmers tide over the current crisis.

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: POLITY AND GOVERNANCE

1. For the weakest

For information on this issue refer to: [28th August 2020 Comprehensive News Analysis](#).

Category: ECONOMY

1. A development that will hardly put India at ease

Context:

- The **World Bank's** decision to halt its annual '**Doing Business**' report on data authenticity issues.

Background:

- India has consistently sought to improve its [ease of doing business index](#) ranking, as a means to attract foreign investments into India. Since 2015, India has invested considerable political and administrative capital to improve India's global ranking, with impressive success.
- **India's has achieved remarkable progress in its ease of doing business ranking** by registering a steep improvement from 142nd position in 2014 to 63rd rank in 2019.

Details:

- The World Bank has proposed the conducting of a **systematic review and assessment of data changes** that occurred subsequent to the institutional data review process for the last five Doing Business reports.

Concerns:

- The World Bank's own internal watchdog, **the Independent Evaluation Group**, in its 2013 report, has widely questioned the reliability and objectivity of the index.
- The article discusses the many flaws in the 'Doing Business' report:

Lack of correlation:

- Available evidence point to the **lack of correlation between the improvement in ranking and other critical economic indicators**.
 - Despite impressive improvement in the ease of doing business rankings for India, there has not been proportionate improvement in foreign investment inflows or other important economic indicators like **capital formation and output growth**. China, on the contrary, attracted one of the highest capital inflows even though its ease of doing business ranking was low.

Design flaws:

- There are many shortcomings in the design and implementation of the index.
- The data used for computing the index are obtained from larger enterprises in two cities, Mumbai and Delhi, by lawyers, accountants and brokers and not from entrepreneurs who are the primary stakeholders.

Deviation from other similar surveys:

- Also there is very little correlation between the rankings obtained from ease of doing business and

the global enterprise survey conducted by the World Bank based on information collected from the companies.

- There is huge deviation in the findings of the doing business report and global enterprise survey on issues like the ease of legal and regulatory processes for new industries.

Flawed basis:

- The article questions the theoretical underpinning of the ease of doing business index.
- The article argues against simplistic generalisations that minimally regulated markets for labour and capital always produce superior outcomes in terms of output and employment. The article notes that the economic history shows rich variations in performance across countries and policy regimes as against the **simplistic generalisation as assumed in the ease of doing business index.**

Unwarranted implications:

- The focus on reducing regulations based on the “**minimum government and maximum governance**” principle has had unwarranted implications.
- For instance, to meet the ease of doing business targets, mandatory inspections are being done away with and “third party” inspection and employers’ self-certification are being promoted. This could severely **compromise safety standards of factories.**
- The relaxing of labour laws in a move to further ease doing business, could go **against the interest of workers.**

Authenticity of data:

- There have been concerns raised about the **authenticity of the country-level data** and also the changes in underlying methodologies made recently.
- Just the methodological changes have said to have impacted the rankings of many countries without any actual change in the ground realities.

Conclusion:

- Apart from relying completely on the WB’s ‘Doing Business’ report guidelines, India should also work towards coming up with a **domestic policy measure** to not only **encourage foreign investments** but also **empower the already existing domestic players with easier business opportunities.**

Additional information:

‘Make in India’:

- The ‘Make in India’ initiative has the main objectives of raising the **manufacturing sector’s share in GDP to 25%** (from 16-17% per cent) and **creating 100 million additional jobs in the manufacturing sector by 2022.**
- The share of the manufacturing sector has stagnated at around 16-17% of GDP. Annual GDP growth rate in manufacturing fell from 13.1% in 2015-16 to zero in 2019-20, as per the National Accounts Statistics.

2. Despite the messaging, it is still advantage China

Context:

- The article analyzes the strengths and weaknesses of **India as an alternative destination for foreign investments leaving China**

Background:

- **The U.S.-China trade war** has led to a scenario where U.S. companies are planning to shut their manufacturing bases in China and are looking to shift it to other countries.
- India is looking to become an alternative supply source and investment destination to China.

Challenges:

- Despite the strong messaging from the U.S. administration, fewer U.S. companies than predicted might quit China. Companies focused on the Chinese domestic market rather than as a base for exports will likely remain in China given China's huge domestic market potential.
- The companies that do leave China have a variety of other options to choose from. There are now many more **competitor investment destinations, both within and outside of Asia.**

Weaknesses:

- The **lack of an established industrial base and expertise** unlike China is a weakness for India in attracting foreign investments.
 - The large and robust manufacturing infrastructure and higher skill level in China allows innovations to move quickly from prototype to product.
- Lack of strategic planning. **Domestic political compulsions and the need for inclusive development** have to be balanced with the economic growth objective. This often does not yield an optimal solution.
 - China's specialised industrial zones are massive, collocating companies, factories, logistics, and even research and universities. This ensures better synergy between the correlated sectors.
 - The Special economic zones envisaged by India are too small and involve too many locations.
- **Protective economic policies** that seemingly disadvantage foreign investors to protect domestic industries and players do not augur well to attract foreign investments.

Strength:

- India's identity as a democratic nation is one of India's strongest selling points. India's open and vibrant press, independent judiciary, and other advantages of **democratic governance provide a favourable contrast to China.**
- India's **large and increasingly well-off domestic market** is a major incentive for foreign investments into India.

Steps taken by the government:

- There has been impressive improvement in India's own planning, with the government identifying key sectors; surveying major companies about perceived roadblocks to Indian investments; and increasing **Invest India's outreach.**
- **The National infrastructure pipeline** envisages huge investments in the critical infrastructure sector with focus on time bound implementation and quality of the infrastructure. This would make India an attractive investment destination.

- India has invested considerable political and administrative capital to improve India's global ease of doing business ranking by **relaxing the regulations with respect to aspects such as insolvency, dispute redressal and labour laws.**
- India has reduced regulations with respect to foreign investment which has helped reduce the number of investments needing approval by the Centre. There is also a marked improvement in **intra-Ministry coordination on foreign direct investment policies.**

Way forward:

- India needs to show foreign investors it has the benefits of China with fewer risks as a relocation destination.

Strategic planning

- Despite impressive improvements in India's own planning, there is the need for better strategic planning. The government could **consider linking the southeast of the country to supply chains in Southeast Asia.**

Focus on performing States

- Given the scarce resources at disposal, India can start by focusing development in those Indian States that have already demonstrated the ability to produce and export in key sectors.

Infrastructure spending:

- India should aid the flow of foreign capital to augment financial resources available to the infrastructure sector

Policy framework:

- There is the need to ensure that any and all proposed economic policy changes are consistent with the goal of attracting foreign investment.
- The policy framework must be **transparent, predictable, and provide for increased consultations** with existing and potential foreign company stakeholders before introducing new economic policies in India.

F. Tidbits

1. India can become a global toy hub: Modi

- Prime Minister has called upon start-ups and entrepreneurs to tap into the **₹7 lakh crore global toy industry** asserting that India has the potential to be a hub for the industry.
- This would be in line with the current administrations focus on the **themes of Aatmanirbhar Bharat and the 'vocal for local' campaign.**
- Currently, India's share in the global toy market is minuscule.

2. Panel looks at lockdown impact on mental health

- The **31-member Parliamentary Standing Committee for Home Affairs** is examining the impact of the lockdown on collective psychology and individual mental health.
- The committee will also look into the issue of the “adverse” health impact on children from prolonged exposure to online classes; the issue of digital divide and the difficulties faced by students belonging to families that are not economically well off.

G. Prelims Facts

1. In toy city of Channapatna, artisans await govt. assistance

- Channapatna toys are a form of wooden toys and dolls that are manufactured in the town of Channapatna, Karnataka. As a result of the popularity of these toys, Channapatna is known as Gombegala Ooru (toy-town) of Karnataka.
- Traditionally, the work involved lacquering the wood of the *Wrightia tinctoria* tree (**ivory-wood**). However of late, wood from other trees have also been used to manufacture Channapatna toys.
- This traditional craft has been granted as **a geographical indication (GI) tag**.
- The origin of these toys can be traced to the **reign of Tipu Sultan** who invited artisans from Persia to train the local artisans in the making of wooden toys. According to most accounts, the manufacturing of toys in Channapatna goes back at least 200 years.

2. 14 lakh affected, 17 killed in Odisha floods

- Over 14 lakh people were affected due to floods in five river systems of Odisha falling under **Mahanadi, Subarnrekha, Burhabalanga, Baitarani and Brahmani river systems**.
- The Hirakud Reservoir is built across the Mahanadi River.

H. UPSC Prelims Practice Questions

Q 1. Which of the following is/are correctly matched?

1. Kandhamal Haladi: Odisha
2. Channapatna toys: Karnataka
3. Tirur Betel leaves: Tamil Nadu
4. Tawlhlohpuan : Mizoram

Options:

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

CHECK ANSWERS:-

Answer:

Explanation:

a

- Tirur Betel leaves is from the state of Kerala.

For more information on recent GI tags awarded refer to: [GI tags in India](#)

Q 2. Which of the following statement/s is/are correct with respect to National Clean Air Programme?

1. The main objective is to reduce carbon monoxide, sulphur dioxide and nitrous oxide levels by 20-30%.
2. The target of emission reduction is to be attained in all the cities and towns with a population of above 2 lakhs by the year 2024.

Options:

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

CHECK ANSWERS:-

Answer: d

Explanation:

- The main objective of the National Clean Air Programme is to reduce particulate matter (PM2.5 and PM10) pollution by 20-30% by 2024.
- Currently the reduction targets are limited to the 102 non attainment cities listed under the NCAP.

Q 3. Which of the following statement/s is/are INCORRECT?

1. The members of the parliamentary standing committees are always elected from among the members of the legislature.
2. The members of the parliamentary standing committees have a term of 5 years.

Options:

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

CHECK ANSWERS:-

Answer: c

Explanation:

- The Parliamentary committees are of two kinds – standing or permanent committees and ad hoc committees. The former are elected or appointed periodically and they work on a continuous basis. The latter are created on an ad hoc basis as the need arises and they are dissolved after they complete the task assigned to them.
- While the members of the financial standing committee are elected, the members of the departmental related standing committees are nominated by the Speaker of Lok Sabha or the Chairman of Rajya Sabha.

- There are 24 department-related standing committees (DRSCs). Each of these committees have 31 members – 21 from Lok Sabha and 10 from Rajya Sabha.
- The term of office of these committees does not exceed one year.

Q 4. Which of the following rivers originate in Odisha?

1. Mahanadi
2. Subarnrekha
3. Burhabalanga
4. Baitarani
5. Rushikulya
6. Sabari

Options:

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

CHECK ANSWERS:-

Answer: b

Explanation:

- Burhabalanga, Baitarani, Rushikulya and Sabari originate in the state of Odisha.
- Mahanadi has its origin in Chhattisgarh.
- Subarnrekha has its origin near Ranchi, Jharkhand.

I. UPSC Mains Practice Questions

1. In the light of the World Bank's decision to halt its annual 'Doing Business' report to undertake a systematic review and assessment, discuss the concerns regarding the flaws of the index. (15 marks, 250 words)(GS paper 3/economy)
2. Evaluate India's strengths and weaknesses as an alternative destination for foreign investments leaving China. Also suggest suitable measures to promote India as an attractive foreign investment destination. (15 marks, 250 words)(GS paper 3/Economy)

