

21 Oct 2020: UPSC Exam Comprehensive News Analysis

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A. GS 1 Related

Nothing here for today!!!

B. GS 2 Related

Category: INTERNATIONAL RELATIONS

1. ‘Amendment needs referendum’

Context:

The Supreme Court of Sri Lanka has cleared the controversial 20th Amendment for passage.

Background:

- The Rajapaksa administration has introduced the 20th Amendment Bill in order to roll back the 19th Amendment, a 2015 legislation that clipped presidential powers and empowered Parliament.

- The amendment is aimed at enhancing the Sri Lankan President's powers.
- As per the proposed Bill, the President will have unbridled powers, while the Prime Minister's office will be reduced to a ceremonial one.

This topic has been covered in the [23rd September 2020 Comprehensive News Analysis](#).

Details:

- The Supreme Court has identified four clauses that are said would require approval by the people at a referendum.
- Informing Parliament of the top court's position the Speaker said that the proposed sections, including those exempting the President from being answerable to Parliament and providing him immunity from lawsuits, were against public sovereignty, and therefore needed approval in a public referendum, unless the sections are amended in line with the court's determination.

If the four provisions cited by the Supreme Court are suitably amended, the Bill can be passed with a two-thirds majority.

2. China opposes India-Taiwan trade ties

Context:

China has asked India to approach ties with Taiwan prudently and properly.

Details:

- China has asserted that it would firmly oppose any official exchanges between India and Taiwan.

India-Taiwan Relations:

- India and Taiwan are considering going forward with talks on a trade deal.
- India and Taiwan in 2018 already signed a bilateral investment agreement. Trade ties between the two nations have expanded since, and Taiwanese firms are prominent investors in India, although India and Taiwan do not maintain formal diplomatic relations.

One China Policy:

- The One China policy recognizes the long-held position in Beijing that there is only one China, and that Taiwan is a part of that.
- According to the One-China policy: Any country wishing to establish diplomatic relations with Beijing must acknowledge there is only "One China" and sever all formal ties with Taiwan.

C. GS 3 Related

Category: INTERNAL SECURITY

1. Amit Shah meets Nagaland leaders

Context:

- The Union Home Minister had a meeting with the Nagaland Chief Minister and the Leader of the Opposition to discuss the Naga peace pact.
- The National Socialist Council of Nagaland, Isak-Muivah (NSCN(I-M)) has been demanding a separate constitution and a flag for the Nagas and the assimilation of all Naga inhabited areas in Assam, Arunachal Pradesh and Manipur.

This topic has been covered on [11th August 2020](#) and [12th August 2020](#) Comprehensive News Analysis.

Category: ENVIRONMENT AND ECOLOGY

1. Kaleshwaram eco-clearance violates law: NGT

Context:

The [National Green Tribunal \(NGT\)](#) has held that environmental clearance (EC) to the Kaleshwaram Lift Irrigation Project (KLIP) was granted ex post facto, after completion of substantial work, by the Ministry of Environment, Forests and Climate Change (MoEF&CC).

Details:

- It has held that the EC was granted in violation of the law.
- It has also observed that accountability needs to be fixed and remedial measures taken.
- For this, MoEF&CC has been directed to constitute a seven-member expert committee.
- The NGT Principal Bench suggested that the expert committee could assess the extent of damage caused in going ahead with the project without EC — the period from 2008 to 2017 — and identify the necessary restoration measures.

Read more about [Kaleshwaram Lift Irrigation Project](#).

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: GOVERNANCE

1. Offset dilution in defence, a flawed policy turn

Context:

- The government's **dilution of the "offset" policy in defence procurement.**

Background:

What is an offset policy?

- The offset policy, introduced in 2005, **mandates foreign suppliers to spend at least 30% of the contract value in India.**
 - The policy was adopted on the recommendations of the Vijay Kelkar Committee.
- This could involve sourcing a certain percentage of the value of the contract domestically. Additionally, there could also be provisions like indigenization of production in a strict time frame, and training Indian professionals in high-tech skills, for promoting domestic R&D.

Objective of defence offset policy:

- The key objective of the defence offset policy is to **leverage capital acquisitions to develop Indian defence industry** by fostering the development of internationally competitive enterprises domestically, augmenting capacity for research, design and development related to defence products and services and partially compensating for a significant outflow of the country's resources in the large purchase of foreign goods.

Significance of offset policy:

- Developing country buyers who often lack an industrial base and research and development (R&D) facilities are reliant on the import of critical defence platforms and technologies. The offset clause allows such developing countries like India an **opportunity to acquire the technology to upgrade domestic production and build R&D capabilities.**
- The offset policy would hence help **boost domestic defence manufacturing capabilities.**

Successful example of offset policy:

- The experience in India's aerospace industry is a successful example of the offset policy in India.
- India had been a relatively smaller player in the global civilian aircraft manufacturing, despite the presence of big players like the Hindustan Aeronautics Limited.
- The introduction of the offset policy in 2005 had a positive impact on the aerospace industry in India.
 - Aerospace exports rose exponentially. The offset clause enabled India to join the league of the world's top 10 aerospace exporters; the only country without a major domestic aerospace firm.
 - The policy helped promote a vibrant aerospace cluster, mostly micro, small and medium enterprises (MSMEs) in India.
- The exports, however, plummeted after the offset clause was relaxed, when the threshold for the policy was raised from the hitherto Rs. 300 crore to Rs. 2000 crore, in 2016.

Lacunae in implementation:

- The **Comptroller and Auditor General (CAG) of India's report** tabled in Parliament recently has brought to light severe lacunae in the implementation of the defence offset policy.
 - Despite the relatively large number of offset contracts having been signed via Indian offset partners, or domestic firms, **the actual realised investments have been meagre.**
 - The **technology transfer agreements in the offsets have not been implemented.**

Details:

- The defence offset policy has been diluted.
- Henceforth, **the offset clause will not be applicable to bilateral deals and deals with a single (monopoly) seller**, implying that inter-governmental agreements (IGA) will not have offset clauses anymore.

- For example, the deal to buy 36 Rafale fighter jets, signed between the Indian and French governments in 2016, was an IGA.

Government's stand:

- The government's argument for the removal of the clause has been that vendors would "load" extra cost in the contract to balance the costs, and **doing away with the offsets can bring down the costs in such contracts.**
- The government has also taken note of the **recent CAG criticism of the defence offset policy.** The report laments the low proportion of realized investments from the offset contracts and the lack of transfer of high technology to the Indian industry.

Concerns:

Negative impact on domestic capabilities:

- Given that most defence deals are bilateral or a single supplier deal (given the monopoly over the technology), the proposed changes in defence offset policy would practically amount to giving up the offset clause.
- This would have a **detrimental impact on India's prospects for augmenting domestic capabilities and technological self-reliance** and realising the goal of self-reliance in defence manufacturing.

Unjustified reasoning:

- The government defending the decision by claiming a cost advantage does not seem reasonable given that price is but one of many factors in such deals.
- **The higher (upfront) cost of the agreement due to the offset clause would pay for itself** by reducing costs in the long term by indigenisation of production and the potential technology spillovers for domestic industry.

Conclusion:

- The offset policy can play a vital role in the growth of a vibrant domestic defence sector, if it is designed and executed correctly, as is evident from the experience in the aerospace sector.
- India needs to re-conceive or re-imagine the offset clause in defence contracts with **stricter enforcement of the deals.**

2. The many bright spots on India's innovation horizon

Context:

- The article, authored by Amitabh Kant, CEO of the NITI Aayog, discusses the innovation ecosystem in India and government measures to promote it.

Background:

Significance of Innovation:

- Innovation is important to the **advancement of society.** Innovation helps solve problems, especially as the world's problems continue to evolve.

- New and innovative products/technologies have **increased the standard of living** and provided people with opportunities to improve their lives.
 - Example: The application programming interface (API) infrastructure start-up, Setu, is helping realize the vision of financial inclusion by ensuring easier access to financial services for the people. It allows customers to make small ticket payments without going to the bank.
 - Example: Yelo is offering neo-banking payment and money transfer services online for workers in the gig economy.
- **Breakthroughs in medicine and technology** have had a dramatic impact on individuals and communities.
 - Example: Niramai (or Non-Invasive Risk Assessment with Machine Intelligence) uses an AI-based thermal imaging portable tool that carries out non-invasive breast cancer screening for women for early detection.
 - Example: Qure.ai uses AI for health-care diagnostics in rural India, tackling challenges such as [tuberculosis](#) and COVID-19.
- Innovation plays a very important role in terms of economic growth. Innovation is the cornerstone of sustained **economic growth and prosperity**.
 - Example: Gramophone offers pricing information from mandis, advice on soil and crop health and access to agricultural inputs via micro-entrepreneurs to farmers in Madhya Pradesh, aiding their operation efficiency.
 - The focus on celebrating innovation has led to several start-ups disrupting the Indian market and emerging as unicorns.
 - Machine learning and Blockchain technology can make commerce robust and resilient.
- New technologies promise a **better future for mankind**.
 - AI can help transform the education sector by ensuring personalized attention.
 - Gene-editing would help us bring back extinct species and reinvigorate depleted ecosystems.
 - Quantum computing will raise exponentially processing capability.

Measures to promote Innovation:

- The [Global Innovation Index](#) recognizes the following aspects as parameters for the calculation of the GII and these can serve as important policy measures to promote innovation:
 - Improving **human capital** through better education
 - Incentivizing **Research and Development**
 - Ensuring the availability of **adequate and ecologically sustainable infrastructure facilities**
 - Ensuring the availability of **credit and investment avenues**
 - Innovation needs risk capital in terms of resources.
 - Ensuring a **light regulatory environment**

Potential in India:

- India could act as a **fertile ground for technology-led innovation growth and development**.
 - It is the fastest-growing country in terms of Internet usage, with over 700 million users and the number projected to rise to 974 million by 2025. There are around 1.2 billion mobile subscribers.
 - There is a potential to add over \$957 billion to India's GDP by 2035 with [artificial intelligence \(AI\)](#), according to a recent report by Accenture.

Government measures:

- Recognising the potential of innovation in India, the government has been building a **comprehensive framework to incentivize innovation in India**.
- The Indian government is putting in place a framework of collaboration, facilitation and responsible regulation.

Collaboration:

- There has been a focus on advancing cross-disciplinary collaboration.
- The Government of India recently organized the **Vaishvik Bharatiya Vaigyanik (VAIBHAV) summit** for collaborative knowledge creation. At the summit, more than 3,000 overseas Indian-origin academicians and scientists from 55 countries, and about 10,000 Indians participated to ideate on innovative solutions to the current challenges.

Facilitation:

- Recently, the **Responsible AI for Social Empowerment (RAISE) 2020 summit** was held, with the aim to charter a course to effectively use AI for social empowerment, inclusion, and transformation in key sectors such as health care, agriculture, finance, education and smart mobility.
- Schemes such as Innovation in Science Pursuit for Inspired Research (INSPIRE) scholarships, the Ramanujan Fellowship, the Knowledge Involvement in Research Advancement through Nurturing (KIRAN) scheme, Smart India Hackathons (SIH), [Atal Innovation Mission \(AIM\)](#), the Biotechnology Ignition Grant (BIG) scheme, Scheme for Transformational and Advanced Research in Sciences (STARS), Scheme for Promotion of Academic and Research Collaboration (SPARC) and Impactful Policy Research in Social Science (IMPRESS) aim to **promote research and development in India**.
- The **National Mission on Interdisciplinary Cyber-Physical Systems** aims to ‘catalyse translational research across “AI, IoT or the Internet of Things, Machine Learning, Deep Learning, Big Data Analytics, Robotics, Quantum Computing, Data Science”’.

Regulation:

- The government has been facilitating **light-touch regulatory practices**, balancing commercial freedom and principles adherence, to **promote innovation and incentivise risk-taking**.
- The Reserve Bank of India, Securities and Exchange Board of India (SEBI) and the Insurance Regulatory and Development Authority of India allow for **regulatory sandboxes** for piloting new ideas.

Conclusion:

- There is a need for a relentless focus on innovation given the significance of innovation in a country like India.

Additional information:

- **Recently, the Global Innovation Index 2020 was released by the World Intellectual Property Organisation ([WIPO](#)). India is at the 48th position.**
- India has shown improvement in its innovation ranking for the last 5 years.
- India ranks in the top 15 in indicators such as the Information and Communication Technology (ICT) services exports, government online services, graduates in science and engineering, and Research and Development-intensive global companies.
- The consistent improvement in the index rankings is owing to the immense knowledge capital, the vibrant start-up ecosystem in India, and the commendable work being done by the public and private research organisations.

F. Prelims Facts

1. Wildlife Institute of India

What's in News?

Finance Ministry has recommended that the Wildlife Institute of India (WII) be divested of its status as an autonomous body of the Ministry of Environment, Forests and Climate Change (MoEFCC).

- The WII is an autonomous body under the Ministry of Environment, Forests and Climate Change.
- It is based in Dehradun and was established in 1982.
- The major responsibility of this institute is to provide advice to MoEFCC based on scientific information on policy and management of the country's wildlife resources.
- It offers training programmes, academic courses and advisory in wildlife research and management.

2. Feluda tests to be available by Oct. 31

- FELUDA is a Corona Virus detection test developed by the Council of Scientific and Industrial Research (CSIR).
- FELUDA is India's first CRISPR technology test for [COVID-19](#).

Read more about the FELUDA Test covered in [19th September 2020 PIB](#).

G. Tidbits

1. Russia offers U.S. freeze on N-warhead numbers

What's in News?

Russia has said that it is ready to offer the U.S. a mutual one-year freeze on the number of nuclear warheads held by both countries in order to extend a landmark arms reduction deal due to expire in 2021.

- Russia has offered to extend the New START by one year.
- The New START Treaty caps the number of nuclear warheads held by Washington and Moscow.

This topic has been covered in [17th October 2020 Comprehensive News Analysis](#).

2. Govt. increases poll spend ceiling by 10%

What's in News?

The Law Ministry has increased the ceiling on poll expenditure for Assembly and [Lok Sabha](#) elections. The notification has been issued amending the Conduct of Elections Rules.

- The ceiling on poll spending has been increased by 10%.
- The move follows a recommendation by the Election Commission in view of curbs imposed during the coronavirus (COVID-19) pandemic.
- The last time the expenditure ceiling was enhanced was in 2014 just ahead of the Lok Sabha polls.

Note:

- The ceiling on poll expenditure varies across States.
- Candidates in Assembly elections in bigger States like Bihar, Uttar Pradesh, and Tamil Nadu are now allowed to spend up to ₹30.8 lakhs as against ₹28 lakhs earlier.
- Goa, Arunachal Pradesh, Sikkim and a few Union Territories, based on the size of their constituencies and population, have a lower ceiling on poll expenditure.

3. Punjab formally rejects farm laws

What's in News?

Punjab became the first State to formally reject the Centre's three recent agriculture sector laws, with its Assembly unanimously passing three Bills to negate the Union legislation.

Read about the Agricultural Reforms covered in [27th September 2020 Comprehensive News Analysis](#).

Details:

- The Assembly passed a resolution rejecting the Central legislation and the proposed Electricity Amendment Bill and demanding their immediate annulment.
- It also sought an ordinance to protect the minimum support price (MSP) regime and ensure the continuance of procurement by the Centre.
- The three State Bills provide for imprisonment of not less than three years and fines for sale-purchase of wheat or paddy under a farming agreement below the MSP, besides prevention of hoarding and black-marketing of agricultural produce, among other things.

4. Hybrid model of 'smart' fence being tested along the LoC

What's in News?

The Army is working on converting the existing border fence into a smart fence integrated with several sensors.

Details:

- Instead of converting the entire fence into a smart border with a hi-tech fence, a hybrid model is now being adopted in order to cut down costs.
- The fence will be integrated with LIDAR (Light Detection and Ranging) sensors, infrared sensors and cameras among others.

Steps taken to reduce infiltration:

- The Army has beefed up troops close to the LoC to plug gaps.
 - This measure has been instrumental in decreasing border infiltrations this year.
- The Army has significantly improved its electronic surveillance along the Line of Control (LoC) to check infiltration.
- While the multi-tier anti-infiltration grid remains in place, the first tier has been strengthened.

- Troops have also been given drones, both big and small, to monitor the ground.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements with respect to Kaleshwaram Lift Irrigation Project:

1. It is in Andhra Pradesh.
2. It is being built at the confluence of the Pranhita and Godavari rivers.

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: a

Explanation:

- Kaleshwaram Lift Irrigation Project is being constructed in Telangana.
- It is being built at the confluence of Pranhita and Godavari Rivers.

Q2. Consider the following statements with respect to FELUDA:

1. It is a paper-strip test for SARS-CoV-2 diagnosis.
2. The test uses an indigenously-developed, cutting-edge CRISPR technology.
3. The test will deploy Cas9 protein.

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

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

CHECK ANSWERS:-

Answer: d

Explanation:

- FELUDA has been so named because technically it is an acronym and stands for FNCAS9 Editor Linked Uniform Detection Assay.
- It is a paper-strip test for SARS-CoV-2 diagnosis.
- The test uses an indigenously-developed, cutting-edge CRISPR technology. CRISPR is a genome-editing technology to diagnose diseases.
- The test will deploy a specially adapted Cas9 protein.

Q3. "Sunflower Movement" is associated with:

- a. Hong-Kong
- b. Tibet
- c. Taiwan
- d. Nepal

CHECK ANSWERS:-

Answer: c

Explanation:

- The Sunflower Movement or the Sunflower Student Movement is associated with a protest movement driven by a coalition of students and civic groups in the Legislative Yuan and, later, also the Executive Yuan of Taiwan.
- A controversial trade agreement sparked the “Sunflower Movement” in 2014 where students and activists occupied Taiwan’s parliament protesting against what they call China’s growing influence over Taiwan.
- The term “Sunflower Student Movement” referred to the use of sunflowers by the protesters as a symbol of hope.

Q4. Consider the following statements:

1. Global Innovation Index (GII) is published by the World Economic Forum.
2. India has shown no improvement in its GII ranking for the last 5 years.
3. India has never been among the top 50 in the Global Innovation Index.

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

- a. 1 only
- b. 2 and 3 only
- c. 1, 2 and 3
- d. None of the above

CHECK ANSWERS:-

Answer: d

Explanation:

- Global Innovation Index is published by a specialized agency of the United Nations – the World Intellectual Property Organisation (WIPO) in association with Cornell University and graduate business school INSEAD.
- In the Global Innovation Index 2020, India is at the 48th position.
- India has shown improvement in its innovation ranking for the last 5 years.
- India ranks in the top 15 in indicators such as the Information and Communication Technology (ICT) services exports, government online services, graduates in science and engineering, and Research and Development-intensive global companies.

I. UPSC Mains Practice Questions

1. Discuss the significance of the defence offset policy in India and also evaluate the impact of the recent amendments on the policy objectives. (10 marks, 150 words)(GS Paper 2/Governance)

2. There is a need for a relentless focus on innovation given the significance of innovation in a country like India. Comment. Also enumerate the government measures in this direction. (10 marks, 150 words)(GS Paper 2/Governance)

