

22 Dec 2020: UPSC Exam Comprehensive News Analysis

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B. GS 2 Related

Category: HEALTH

1. House panel moots law to keep a check on private hospitals

Context:

- The Parliamentary Standing Committee on Home Affairs' report has echoed the need to have a Public Health Act to keep a track on private hospitals and healthcare centres.

Details:

- The Committee has noted that during the COVID-19 pandemic several private hospitals were indulging in malpractices such as charging exorbitant prices, black marketing of medicines, etc.
- The report by the committee has recommended legislation that would aim to monitor the private health establishments to prevent malpractices.

What the report recommended?

1. **Regulatory oversight**

- A regulatory oversight would compel all the hospitals functioning in the country to abide by the laws.
- One of the major malpractices in private hospitals is to rebuff insurance claims made by patients. In the initial phases of the pandemic, the private hospitals routinely rejected medical insurance cover causing the patients immense financial strain. This can be explained by high out of the pocket expenditure.

2. **Cashless treatment for COVID-19**

- It recommends allowing cashless treatment for COVID-19 for people who are covered by insurance.
- This will be a major relief to patients suffering from COVID-19, as these are difficult times with prevalent job losses and unemployment making it difficult to pay in cash.

3. **A separate wing at the National Disaster Management Authority (NDMA)**

- This separate wing will concentrate and work exclusively in the domain of pandemic handling.
- This move will provide a ready-made taskforce who specialize in handling any pandemics in future and its spillovers.

4. **Dry rations/allowance**

- This should be directed to children who are deprived of mid-day meals due to pandemic.
- This recommendation is in line with what the phase-1 data of National Family Health Survey-5 has revealed, with the increase in undernutrition, wasting and stunting, it is important not to allow the pandemic to further aggravate the situation.

5. **Loan assistance**

- The farmers, non-corporate and non-farm small and micro enterprises have been hit hard by the pandemic and the lockdown that ensued, therefore making credit availability easier would help in reviving several of these economic activities.
- The economic contraction in the first two quarters demands a fiscal package, and the small players in the economy deserve the first priority.

Conclusion

- Access to quality, affordable healthcare should not be made conditional to the ability to pay, the private hospitals have been guilty of several malpractices which aggravated the pandemic's impact on patients.
- The Parliamentary Standing Committee's call for legislation to oversee the functioning of the private hospitals is a step in the right direction provided that monitoring doesn't mean micro-managing private hospitals.

C. GS 3 Related

Category: ECONOMY

1. Suspension of Insolvency Bankruptcy Code extended till March 21

Context:

- The Government has extended the suspension on the [Insolvency and Bankruptcy Code \(IBC\)](#) till the end of the present financial year (March 31 2021).

Background:

- Sections 7, 9 and 10 of the bankruptcy law were suspended for six months from March 25 by way of an ordinance in June.
- Sections 7, 9 and 10 of IBC enable financial creditors to initiate insolvency proceedings against a corporate debtor. Whereas Section 9 grants these powers to operations creditors, Section 10 allows corporate debtors to initiate insolvency proceedings.
- The Parliament has approved Section 10A under the second amendment to the IBC that permits the government to extend the suspension of insolvency proceedings for up to a year from the date of beginning.

Details:

- IBC provides for a time-bound process to resolve insolvency. When a default in repayment occurs, creditors gain control over debtor's assets and must make decisions to resolve insolvency. Under IBC debtor and creditor both can start 'recovery' proceedings against each other.
- COVID-19 has thrown the economy into a tailspin, thus the Government has extended the suspension of IBC till March 31st 2021.

State of economy

- The suspension of IBC being extended till the end of the year is not a surprise since the economy is still recovering from the pandemic.
- Though the second-quarter GDP data has shown a decline in contraction when compared to the first quarter, it is still a long way to go.
- The economy has entered into a recessionary phase, thus resumption of economic activities will take longer than expected.
- Recession is defined as a fall in the overall economic activity for two consecutive quarters (six months) accompanied by a decline in income, sales and employment.

Counter views to suspension of IBC

- IBC's suspension has been justified as a relief measure but actually, the IBC process provides for the revival of the corporate debtor and all stakeholders of the corporate debtor in a time-bound manner.
- The suspension of IBC will not end the creditors' attempt to recover their capital, but the alternative means the creditors would resort to might lack the efficiency of the IBC process.
- Those mechanisms may not lead to an efficient resolution of stress which is the need of the hour during this economic slowdown.

Conclusion

- The suspension of the IBC appears to be the right move taking into context the current economic landscape in the country, every industry has had to deal with stresses induced on account of COVID-19.
- The moratorium will give the businesses the much-needed breathing space to get their businesses up and running and not expend their energy worrying about fulfilling creditors requirements.

2. Markets plunge on the news of mutant virus

Context:

- The news of the spread of the new strain of COVID-19 virus in the United Kingdom (UK) has caused a slump in the Indian equity markets.

Details:

- The key benchmark indices in the Indian equity market slumped upon the news of a new strain in the COVID-19 virus.
- The rupee too saw a slide against the dollar, standing currently at 73.79 against the dollar.

Mutation

- The new variant, which UK scientists have named "VUI – 202012/01" includes a genetic mutation in the "spike" protein that the SARS-CoV-2 coronavirus uses to infect human cells.
- Certain sections of the scientific community believe that these changes, in theory, could lead to a faster spread of COVID-19 between people.

Market reaction

- The re-imposition of lockdown in the UK has sparked fears of another lockdown in India.
- The National Stock Exchange (NSE) fell by 3.14%, declines were witnessed across several sectors like oil and gas, auto, banks, real estate, public sector stocks.
- The market saw the worst single-day loss in more than seven months.

Conclusion

- The news of a new strain in the UK has been the reason for the renewed pessimism in the Indian market and also the global markets.
- This news has poured cold water on some of the optimism that was generated with the development of the COVID-19 vaccine.

Category: SPACE

1. Jupiter-Saturn conjunction

Context:

- In a once-in-a-lifetime coming together, Jupiter and Saturn will cross within 0.1 degrees of each other (a fraction of the width of the full moon), overlapping to form a double planet.
- December 21st witnessed Jupiter and Saturn appear closer in the Earth's night sky than they have since 1226.

Details:

- It is aptly described as a once-in-a-lifetime event and it has been termed as the 'Great conjunction' and the next occurrence of this event is estimated to be in the year 2080.
- The two giant planets of the Solar System will lie a mere six arc minutes (0.1 degrees) apart, only one-fifth of the diameter of the Full Moon, when they become visible in the south-south-western sky or soon after sunset.
- The planets were separated by just one-tenth of a degree, however, despite the appearance, they were still separated by a distance of 730 million kilometers.

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: HEALTH

1. Virus variant

Context:

- A new strain of the novel coronavirus has been found in the United Kingdom.

Details:

- The new strain has made countries including India to temporarily suspend flight operations with the United Kingdom (UK).
- The UK government as a part of mitigative measures imposed tight restrictions in London and parts of south-east England.

The new strain

- The new strain has been named VUI-202012/01 (the first 'variant under investigation' in December 2020).
- The new strain has 23 variations, a few of these mutations are seen in the vicinity of the region of the virus that binds to the human receptor. A single mutation — N501Y — has been found to increase the binding affinity, making the variant more transmissible.

Transmission

- The COVID-19 Genomics UK Consortium, which identified the variant on September 20, said the variant has been “growing in frequency” since November 2020 and is “responsible for an increasing proportion of SARS-CoV-2 cases in the UK”.
- Based on modelling, it has been found to be 70% more transmissible but this is yet to be confirmed in lab experiments.
- The European Centre for Disease Prevention and Control says that in a preliminary study, the variant has the potential to increase by over 0.4 the number of people a person can infect.
- There is no evidence as yet that it can cause any change in disease severity or increase the risk of reinfection.
- Increased transmissibility is one more reason to follow non-pharmaceutical interventions.

Would the vaccines developed be rendered ineffective?

- There have been concerns raised that the new strain will not be attenuated by the vaccines that have been developed or on the cusp of being ready for use.
- Though there appear to be several mutations found in the spike protein region of the virus including the N501Y and other mutations, it is questionable as to whether the mutations would make the two COVID vaccines that have secured emergency use approval and the ones in final stages of testing less effective.
- The reason behind such an assumption is that the vaccines produce antibodies against many regions of the spike protein, and there is also the T-cell immunity that would come into play to clear the virus.

Due caution has to be exercised

- However, the possibility of the virus completely evading the vaccine cannot be completely ruled out in the future, because as the virus accumulates more mutations, there is a possibility that vaccines might require minor tweaking.
- The emergence of the new variant underlines the compulsion to undertake surveillance following vaccination to track vaccine effectiveness and to look for the appearance of vaccine-escape mutants.

RNA-virus

- RNA viruses have high mutation rates—up to a million times higher than their hosts—and these high rates are correlated with enhanced virulence and evolvability, traits considered beneficial for viruses.
- Mutations are the building blocks of most of the evolution—they are the variation upon which natural selection can act, and they are the cause of much of the novelty we see occur in evolution.
- SARS-CoV-2 being an RNA virus tends to have a higher mutation rate, but the presence of 23 mutations strongly suggests that the variant has not emerged through a gradual accumulation of mutations.
- As per the COG-UK, the new strain can be probably due to prolonged infection in a single patient, potentially with reduced immunocompetence.
- The evidence regarding the worldwide spread of the new strain is not established yet.
- Since far fewer SARS-CoV-2 genomes are sequenced at regular intervals in India, it cannot be conclusively ruled for or against if the variant is already present here.

Conclusion

- The news of the new strain has received a mixed response, while one response has been that the new strain will be tackled by the vaccines being developed, the other response has been that mutations will make the virus more transmittable and thus cause more infections.
- However, there is a need to have a strict vigilance and surveillance network to ensure the new strain doesn't create more damage.

Category: GOVERNANCE

1. Humans are still core to Digital India

Context:

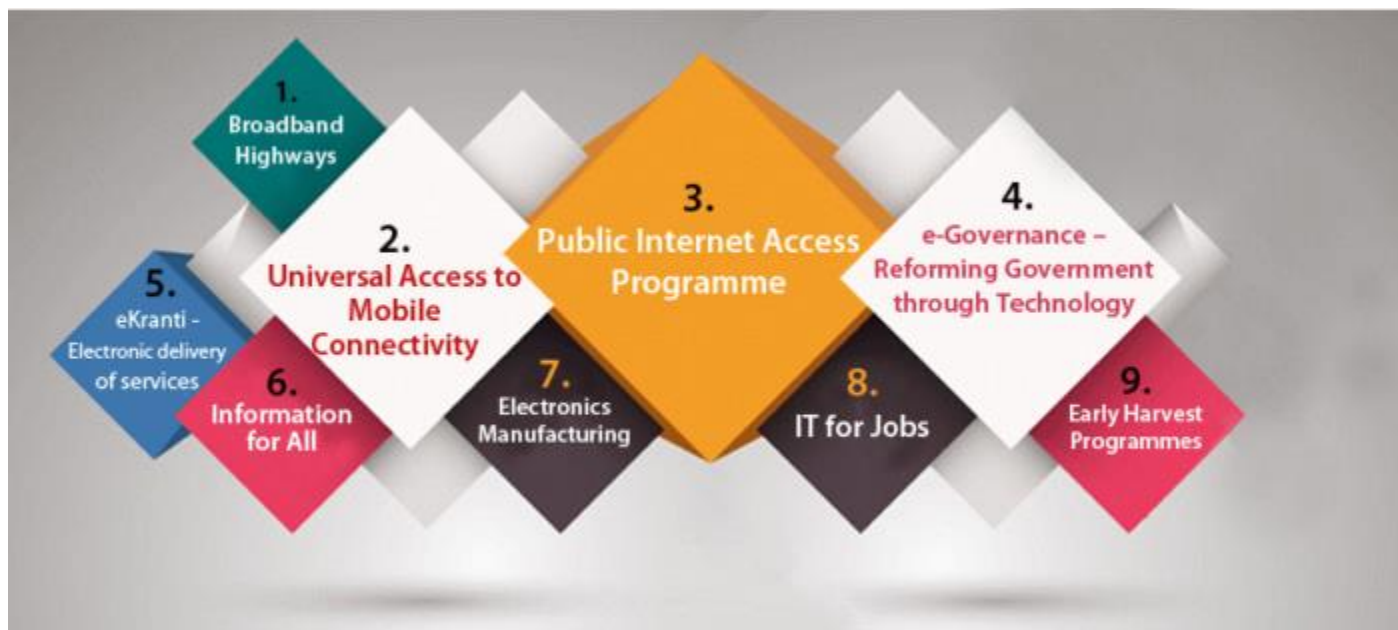
- The role of intermediaries in achieving better governance outcomes.

Details:

- The pandemic and the lockdown that followed threatened to bring the curtain down on many businesses.
- Darwin's theory of evolution of survival of the fittest can be seen in how the businesses to first survive and then thrive shifted their mode of operation to online.
- This transformation in service delivery is evolving in public services as well.

Digital India

- Digital India is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy.



- Among the nine pillars of the [Digital India](#) initiative, eKranti- electronic delivery of services is a key component.
- The 'digital divide' is a term that refers to the gap between demographics and regions that have access to modern information and communications technology, and those that don't or have restricted access.
- However, the digital divide has meant that there are certain digitally excluded communities and there is a need for a human element to take the governance to the doorsteps of these excluded communities.

Role of intermediaries

1. Accessibility and ability issues.

- Intermediaries are those people that work to narrow the distance between the governments and the people.
- Though the contours of Digital India was to exclude the human link and bring about a direct citizen to government interaction, the role of intermediaries cannot be understated.
- Intermediaries help citizens overcome obstacles to awareness and ability. The awareness about digital services is lacking in many of the intended beneficiaries, thus preventing them from claiming what is rightfully theirs.
- The ability can be expressed in terms of the digital divide, therefore, the role of intermediaries becomes crucial in this context.
- The barriers are at their worst for marginalized sections like women, poor, elderly, caste and gender minorities.

2. A vital cog in the wheel of governance.

- Intermediaries are important offline architecture, they will enable the state to deliver better.
- A case in point is the recent Andhra Pradesh government's ward secretariat programme with over 16,000 ward secretaries and volunteers for delivering government services at citizen's doorstep.
- The intermediaries are seen as 'delivery agents'
- The intermediaries can also be a part of a feedback mechanism that will enable the government in designing the programmes better.

3. Diversified nature of form and functions of intermediaries.

- A variety in the nature of intermediation has been evolved, a universal model will not succeed.
- A model that is in line with the regional, social, cultural and economic context will be more likely to deliver better.

Way forward

- Intermediaries are a natural extension of the governance model, there is a need to have a formalized structure of intermediation like the one seen in the case of mutual funds.
- The traditional markets where intermediation is formalized have benefitted from formal governance mechanisms, structured capacity building, widespread awareness campaigns, and process re-engineering enabled growth and usage, something that can be borrowed to the domain of governance.
- At a broader level, increasing digitization of governance across domains including healthcare, financial inclusion, justice and social services is inevitable.
- We need to ensure that during this transition, we work with intermediaries to raise citizens' awareness, build intermediaries' skills and capabilities, and establish governance frameworks with suitable feedback loops. In doing so, we will be able to support the process of responsible, responsive and data-driven governance across domains.

Category: INTERNATIONAL RELATIONS

1. Nepal in turmoil

Context:

- The Nepal Prime Minister K.P. Oli's recommendation to dissolve Parliament has paved way for a constitutional crisis.

Details:

- The PM's call to dissolve the parliament when the house had two more years to serve has befuddled many.
- While the reason behind such a drastic move may not yet be known, it has surely plunged the infant democracy into yet another constitutional crisis.
- K.P. Oli has been criticized for putting his greed for power over the interests of democracy and political stability.

Pressure on the Prime Minister was mounting

- Prime Minister K.P. Oli was facing criticism from both within the party and from the opposition.
- The criticism was relentless especially from the senior leaders in the central committee and standing committee. These committees in conjunction work as a Polit bureau of a typical communist party.
- The growing discontentment was also on the account of poor handling of the COVID-19 pandemic and its spillover problems and also over the handling of the Kalapani issue.

The ordinance issue

- Mr Oli, whose Nepal Communist Party has a near two-thirds majority in Parliament, took the drastic step as he came under increasing pressure from his own party to withdraw an ordinance his government issued last week.
- The opposition to the ordinance that gave unbridled powers in the matters of certain appointments to public office came from different quarters, cutting across party lines.
- The ordinance sought to amend the Constitutional Council Act that would undermine the checks and balances in the system and empower the Prime Minister in making crucial appointments.
- In a party meeting that was convened a few days back, it was reported that the PM was willing to withdraw the ordinance.
- But there was more drama to unfold when the Cabinet made the unexpected move to recommend dissolution of Parliament. Elections are now scheduled to be held in April-May 2021, a year ahead of schedule.

Legalities of the move to dissolve

- Constitutional experts have challenged the legality of the dissolution order.
- Nepal's 2015 Constitution permits the dissolution of the House before its five-year term ends only if there is a hung assembly and no party manages to form a government.
- Since the President has cleared his recommendation, the issue will now be decided by the apex court.

A promise that failed to fructify

- The promise that Mr Oli's Communist Party of Nepal (UML) and its alliance partners displayed when they came to power in 2017 with a huge majority, has been proved to be false.
- There were many who hoped that it would be the beginning of a new dawn for the young democracy.
- Nepal was in a transition from a monarchy to republican democracy, this changeover was a long drawn painstaking journey.
- In less than a year, the CPN-UML and the Communist Party of Nepal (Maoist Centre), led by former Prime Minister Pushpa Kamal Dahal, merged to form the country's largest communist force, the NCP.
- It was a historic opportunity for the NCP, especially for Mr Oli, to steer the nascent democracy out of its many crises. But the merger failed to succeed in dissolving the fundamental differences between the NCP's two factions.
- Mr Oli's authoritarian impulses and refusal to share power with the Maoist faction made matters worse.

PM Oli's role

- The recent months have seen Mr Oli's support dwindle. He has come under the attack from his own party. The calls for him to quit only grew louder.
- The loss of internal support was made public when the party asked him to step aside.
- Mr Oli's hunger and greed for power have meant that the political dialogue within the Nepal Communist Party has ceased to exist.
- The PM's decision to dissolve with some assistance from the President is seen by a few as a political manoeuvre to avert a no-confidence motion that was suggested by some of his colleagues.

Conclusion

- Given the severity of the crisis, a split cannot be ruled out. And if that were to happen, Nepal would be pushed back to political instability, at a time of multiple challenges, from a slowing economy to the coronavirus crisis.
- Mr Oli could have gone down in history as a statesman that steered the country through a pandemic. Instead, his greed for power and lack of statesmanship is steering the nation into a path of chaos and confusion.

F. Prelims Facts

Nothing here for today!!!

G. Tidbits

Nothing here for today!!!

H. UPSC Prelims Practice Questions

Q1. River Patuxent flows in which of the following countries?

- a. Finland
- b. France
- c. United States of America
- d. Hungary

Q2. Consider the following statements about Electronically Transmitted Postal Ballot System:

1. Electronically Transmitted Postal Ballot System is jointly developed by ECI and DRDO.
2. Electronically Transmitted Postal Ballot System is currently restricted to 'Service voters'.

Choose the correct option:

- a. 1 only
- b. 2 only
- c. Both 1 and 2
- d. Neither 1 and 2

Q3. Consider the following statements about Subhas Chandra Bose:

- 1. He founded the All India Forward Bloc in the year 1939.
- 2. He along with Jawaharlal Nehru criticized the Nehru Report over the issue of dominion status.
- 3. Subhas Chandra Bose was elected as the President of the Indian National Congress (INC) in 1938.

Which of the above are correct?

- a. 1 and 2 only
- b. 2 and 3 only
- c. 1 and 3 only
- d. All of the above

Q4. The English Channel separates which of the following countries?

- a. The United Kingdom and Spain
- b. The United Kingdom and France
- c. The United Kingdom and Belgium
- d. The United Kingdom and Portugal

I. UPSC Mains Practice Questions

- 1. In the light of the recommendations of the New Education Policy 2020, critically examine the role of foreign universities opening branches in Indian soil. (15 marks, 250 words) [GS 2, Education]
- 2. Explain the role of intermediaries and their importance in delivering last mile governance. (10 marks, 150 words) [GS 2, Governance]