

24 Feb 2021: UPSC Exam Comprehensive News Analysis

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A. GS 1 Related



Nothing here for today!!!

B. GS 2 Related

Category: HEALTH

1. Govt. to ensure healthcare for all, says PM

Context:

Stating that the budget allocation for the health sector has been unprecedented, Prime Minister said this indicated the government's commitment to providing healthcare to every citizen.

Details:

- The PM said that India aimed at being better prepared for any health disaster in the future.
- Under the PM AtmaNirbhar Swasth Bharat scheme, it has been decided that a modern ecosystem will be developed for research, testing and treatment in the country itself.
- He announced that the government is working with a four-pronged strategy for a healthy India.
 - Prevention of illness and promotion of wellness, including measures such as <u>Swachh Bharat</u> <u>Abhiyan</u>, yoga, timely care and treatment of pregnant women and children.
 - To provide cheap and effective treatment to the poorest of the poor.
 - To increase the quality of health infrastructure and healthcare professionals.
 - To work on a mission mode to overcome obstacles.

Indradhanush 3.0:

- The States and the Union Territories have rolled out the <u>Intensified Mission Indradhanush</u> (IMI) 3.0 scheme to cover children and pregnant women who missed routine immunisation during the COVID-19 pandemic.
- This is aimed to accelerate the full immunisation of children and pregnant women through a mission mode intervention.

Category: INTERNATIONAL RELATIONS

1. Facebook to end Australia news blackout

Context:

Facebook said that it would lift a contentious ban on Australian news and pay local media companies for content, after a last-gasp deal on pending landmark legislation.

Background:

- Recently, the social media firm sparked global outrage by blacking out news for its Australian users in protest against the proposed legislation.
- It inadvertently blocked a series of non-news Facebook pages linked to everything from cancer charities to emergency response services.



This topic has been covered in the 19th February 2021 Comprehensive News Analysis.

C. GS 3 Related

Category: ECONOMY

1. Govt. to review anti-dumping duty on Chinese steel products

Context:

Following complaints from domestic industry, the Directorate General of Trade Remedies (DGTR) has initiated a probe to review the imposition of anti-dumping duty on certain types of steel products imported from China.

Details:

- Application has been filed before the DGTR for a sunset review of the anti-dumping duty imposed on imports of seamless tubes, pipes and hollow profiles of iron, alloy or non-alloy steel from China.
- It has been alleged that there has been a significant increase in the volume of imports and the dumping of these products from China has continued even after the imposition of anti-dumping duty.

Note:

- The duty on the product was first imposed in February 2017 and is set to expire in May 2021.
- DGTR would review the need for the continued imposition of the duties in force and examine
 whether the expiry of existing duties is likely to lead to the continuation or recurrence of dumping and
 impact the domestic industry.
 - DGTR is the Commerce Ministry's investigation arm.

2. 'Pharma exports to Arab nations cumbersome'

Context:

India has urged Arab countries to make it easier to export pharmaceutical products to the region.

Details:

- India is seeking to diversify the \$160 billion trade basket with the Arab bloc beyond hydrocarbons.
- It has asked Arab countries tap Indian farms to secure food supplies.

Issue:

 The process through which medicines are brought into Arab countries is very elaborate and cumbersome at times.

Diversifying trade with Arab nations:

- India-Arab trade accounts for 20% of India's overall trade.
- It is concentrated in hydrocarbons.



- Agriculture, technology, pharma and tourism are potential areas for diversification in trade for both nations
- Food security is important for India as well as the Arab world, particularly the Gulf region. With the
 new agricultural reforms in India, there is a huge opportunity for many companies in the Arab world
 to set up a base in India.

Category: DEFENCE

1. DAC clears bids worth ₹13,700 crore

Context:

The Defence Acquisitions Council (DAC) headed by Defence Minister Rajnath Singh cleared procurement proposals worth ₹13,700 crore.

Details:

- It includes 118 Arjun MK-1A tanks.
- All these acquisition proposals will be indigenously designed, developed and manufactured.
- These will include inter alia platforms and systems designed and developed by the Defence Research and Development Organisation (DRDO).
- Other proposals from the DRDO cleared by the DAC include Nag missile carrier Namica, Arudhra medium power radars, Armour-Piercing Fin-Stabilized Discarding Sabot (APFSDS) 125mm practice ammunition.
- The DAC also approved that all capital acquisition contracts (delegated and non-delegated) other than design and development cases shall be concluded in two years.

Kalyani M4:

- The Kalyani M4 is a multi-role platform, designed for quick mobility in rough terrain and in areas affected by mine and Improvised Explosive Devices (IED) threats.
- It offers best-in-class levels of ballistic and blast protection up to 50kg TNT side blast or IED, roadside bombs due to its innovative design.

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: ECONOMY

1. Being petroleum-independent

Context:

 Speaking on the increase in petrol and diesel prices, Prime Minister had emphasized the need to reduce India's energy import dependence and the need to adopt cleaner sources of energy.



Measures taken to reduce energy import dependence:

Various governments have undertaken several initiatives to increase the energy security of India.

Fuel efficiency standards:

- The formulation of fuel efficiency standards for passenger vehicles was one of the earliest measures
 in this direction. It aimed to reduce fuel consumption by the vehicles while also ensuring lesser
 pollution.
- Heavy-duty vehicles, which consume nearly 60% of the diesel used in the country, are also now subject to fuel efficiency standards.

National Electric Mobility Mission Plan:

- The <u>National Electric Mobility Mission Plan (NEMMP)</u> aims to promote sales of electric and hybrid vehicles in <u>India.</u> NEMMP aims to make hybrid and electric vehicles the first choice for the purchasers so that these vehicles can replace conventional vehicles and thus reduce liquid fuel consumption in the country from the automobile sector.
- National Electric Mobility Mission employs a multi-stakeholder approach through demand-side incentives and supply-side incentives. It also aims to promote R&D in technology including battery technology, power electronics, motors, and battery management system.

FAME scheme:

Under NEMMP 2020, Government launched the Faster Adoption and Manufacturing of (Hybrid &)
 Electric Vehicles in India (<u>FAME India</u>) scheme to promote the manufacturing of electric and
 hybrid vehicle technology. The Faster Adoption and Manufacturing of Electric Vehicles (FAME-II)
 scheme now focuses largely on electric vehicles.

Alternate fuels:

- The share of bioethanol in petrol has been raised to nearly 8% by volume under the 2018 National Policy on Biofuels.
- The government has been encouraging multiple fuels in the transport sector including natural gas. The impetus to use **Biogas** in modified engines could help further decrease import dependency.

Other measures:

• The government has also provided several additional fiscal and non-fiscal incentives to encourage a transition to electric vehicles.

Significance of reducing import dependency:

The government measures aimed at reducing import dependency can give rise to the following benefits:

Consumers will save money due to more fuel-efficient ICE vehicles. Consumers who switch to
electric vehicles will save even more as these consume less energy, and electricity is cheaper
compared to petrol and diesel.



- The reduced import of fossil fuels will help India address its current account deficit in international trade.
- It will help India achieve energy security by insulating India from the volatile fossil fuel market.
- The decreasing use of fossil fuels in the transportation sector will also **help reduce the emissions of Green House Gases** and help meet India's ambitious INDCs as part of the Paris climate deal.
- The measures such as bio-fuel adoption, FAME scheme would also promote economic growth.

Lacunae in efforts:

- While all the above government initiatives are well-intended actions, they fall short as discussed below.
 - India's 2022 fuel efficiency standards for passenger cars are **nearly 20% less stringent** than the European Union's standards.
 - The NEMMP primarily focused on hybrid electric vehicles, and most of the incentives under the NEMMP went towards subsidising mild hybrids instead of electric vehicles. This has failed to incentivize global manufacturers from deploying their electric passenger cars in the Indian market.
 - The target set under the 2018 National Policy on Biofuels would most likely be missed.

Way forward:

• There are many things that the government can and should do to reduce dependence on petroleum.

Zero-emissions vehicle (ZEV) programme:

- The government should formulate a zero-emissions vehicle (ZEV) programme that would require all vehicle manufacturers to start producing electric vehicles across all market segments.
- The zero-emissions vehicle (ZEV) programme is already in effect in China, certain States in the U.S., British Columbia in Canada, and South Korea.
- At present, the electric mobility initiative in India is driven largely by new entrants in the two- and three-wheeler space. Market leaders have adopted a wait-and-watch attitude. The ZEV programme would make sure that they too enter the electric mobility sector.

Strengthen fuel efficiency regulation:

- The government should strengthen fuel efficiency requirements for new passenger cars and heavy-duty commercial vehicles.
- The government should also introduce fuel efficiency standards for two-wheelers.
 - Currently, two-wheelers consume nearly two-third of the petrol used in India and are not subject to any fuel efficiency standards. A recent analysis by the International Council on Clean Transportation (ICCT) suggests that a standard requiring a 50% reduction in fuel consumption by new two-wheelers by 2030 will not only lead to internal combustion engine (ICE) efficiency improvements, but also ensure that nearly 60% of all new two-wheelers sold in India are electric driven.



 Adopting stringent fuel efficiency standards and a ZEV programme by 2024 can result in India's petroleum demand peaking by 2030, in spite of tremendous projected growth in economic and vehicular activity.

Extending existing schemes:

• The FAME scheme focuses on two- and three-wheelers, taxis, and buses. It should be extended not only to all passenger cars and commercial vehicles but also to agricultural tractors.

Fiscal incentives:

- Fiscal incentives could promote faster adoption of electric vehicles.
- The GST rates for all passenger vehicles could be made proportional to their fuel efficiency level, instead of the present system that relies on vehicle length and engine size. This would incentivize buying of electric vehicles.

Charging infrastructure:

- The increasing number of electric vehicles will require a proportionate increase in charging infrastructure.
- There is a need to step up investments in charging infrastructure as an essential complementary policy.

Conclusion:

- As the economy recovers from the pandemic, the demand for petroleum products will rise, as will prices.
- Apart from expanding and diversifying the energy supply, India must also work towards managing the demand for petroleum products to help reduce its energy import dependence.

2. The excise duty-fiscal policy contradiction

Context:

• The article analyzes the government's current fiscal policy.

Background:

High Fiscal deficit:

- The COVID-19 pandemic has had an adverse impact on the Indian fiscal condition.
- There has been a substantial fall in receipts from every source of taxation except excise.
- As opposed to a Budget estimate of 3.5% for <u>fiscal deficit</u>, the revised estimates show a 2.7 times larger deficit of 9.5% for FY 2020-21.

Increase in excise duty:



- Traditionally the governments have resorted to increasing sales tax on products such as tobacco products, especially cigarettes and excise duty on petroleum products to help the governments raise revenue.
- The revised Budget shows a rise of Rs. 94,000 crore on account of excise duties alone. Presumably, the increase comes from the **much-debated excise duty increases on petroleum and diesel.**

Concerns associated with increase in excise duty:

Insufficiency of excise duty:

- Despite the excise rise, the fiscal deficit continues to be higher than the Budget estimate.
- However, the excise duty rise will hardly compensate for the huge falls in other tax revenues.
- The larger excise duty collection is not large enough to have significantly reduced the inflated fiscal deficit figure.

Unintended consequences:

- The increase in excise duty on petrol and diesel will lead to the prices of commodities rising in general. This is because the fossil fuels fall either in the category of final goods, which individuals purchase for personal consumption, or in the category of intermediate goods, which are used to produce a variety of essential services such as public transport, agricultural water supply, hotels and restaurants.
- The annual output has shrunk by an estimated 7.7%, and this would have resulted in a significant rise in the unemployment rate. The price rise will have a bigger impact on the unemployed persons and the poorer sections of society. This would further accentuate the existing economic inequality.

Different viewpoints related to fiscal policy:

Fiscal prudence:

- This approach calls for limiting fiscal spending by the governments as is evident from the <u>Fiscal</u>
 <u>Responsibility and Budget Management (FRBM) Act</u>, which aims to control fiscal deficit
 under manageable limits.
- The aim is to limit government debt as such debts along with their servicing liabilities have a tendency to magnify over the years, thereby imprisoning governments in **debt traps**, where present borrowings keep increasing to repay past borrowings and service charges. This leaves little room for growth-enhancing expenditure and reduces a government's creditworthiness in the eyes of lenders.

Increased fiscal expenditure:

- A different viewpoint calls for increased debt-financed fiscal spending as it could well act as a driver of economic growth.
- The government's fiscal expenditure has stronger multiplier effects during recessions than during booms. In an economic boom, state expenditure may crowd out private expenditure on account of a rise in the interest rate. During recessions, private expenditure is low in any case, on account of a rise in precautionary savings and the grim state of long-term expectations. The



government's fiscal expenditure produces positive growth and this in turn can generate a feel-good factor for the private sector over time, raise animal spirits, and improve the state of the economy.

- The debt-to-GDP ratio can be prevented from exploding if the rate of growth of GDP happens to be higher than the sovereign rate of interest. In such a case, the debt-financed government expenditure will create a positive primary surplus (defined as the total government receipts minus expenditure net of interest payments) out of which interest payments can be made to keep the debt-GDP ratio under control.
 - According to the <u>Economic Survey</u>, India's average interest rate and growth rate over the last 25 years (leaving out FY 2020-21) have been 8.8% and 12.8% respectively.
- This approach emphasises maintainable debt and expenditure as the vehicle of development as opposed to increased tax burdens.

Conclusion:

- The article notes certain lacunae in the current fiscal policy framework.
 - The fiscal spending would help improve the standard of living of the entire population, without necessarily removing inequality. Government expenditure causes growth, rather than distributional equality. COVID-19-linked income inequities ought to have been addressed through higher taxation of the rich.
 - The article argues that there appears to be a contradiction between the government's announced fiscal policy stance and the fiscal regime it is actually running. The increased tax burden due to excise duties goes against the fiscal policy stance of the government which emphasises maintainable debt and expenditure as the vehicle of development as opposed to increased tax burdens. The increased tax burden due to excise duties cannot help growth.

Category: GOVERNANCE

1. A proper transfer policy needed

Context:

The article analyzes the issue of frequent transfers of civil servants.

Details:

Frequent transfers of civil servants:

- The issue of frequent transfers of civil servants is a significant issue across India.
 - The analysis of the SUPREMO (Single User Platform Related to Employees Online)
 database of the Department of Personnel and Training, Government of India, shows that
 the average posting spell of civil servants in India is only about 15 months. This is
 despite an increase in the median tenure since 2014 at the national level.
 - The Union Minister of Personnel, Public Grievances and Pensions, has publicly accepted the issue of frequent transfer of officers in States.



 Ashok Khemka and Pradeep Kasni are two Haryana-based IAS officers whose cases symbolise the issue of frequent transfers. Mr. Khemka has been transferred more than 50 times in his career and Mr. Kasni 65 times.

Recommendations:

- The **Fifth Pay Commission** had recommended that no premature transfer should be allowed and that there should be a fixation of a minimum tenure for each post.
- The Second Administrative Reforms Commission too has highlighted this issue.
- The Hota Committee had argued against frequent transfers.

Concerns:

• Despite multiple recommendations there continues to be the continued undermining of transfer guidelines and this has become a **major shortcoming of personnel administration in India**.

Effect on public servants' morale:

• Frequent transfers have a deleterious impact on officer morale, leading to a **reduction in efficiency** and **effectiveness**.

Weakens administration:

- Frequent transfers deny the civil servants the opportunity to settle down into an official role. This could weaken the administration.
- The absence of a fixed tenure of officials is one of the most important reasons for the tardy
 implementation of government policies, for lack of accountability of officers, for the waste of
 public money because of inadequate supervision of programmes under implementation and for
 large-scale corruption.
- The lack of administration impacts development and governance and acts as a collective punishment to the population of that place. This could **cause distrust**, **disconnect and alienation** in the region.

Against core civil service values:

- The frequent transfer of officials is mostly blamed on the interference of local politicians.
- Transfers often reflect administrative favouritism and create divisions among civil servants.
- If they are done on a political basis, this impacts the neutrality of the civil services. The core values of the civil services neutrality, impartiality and anonymity are bound to be affected.

Conclusion:

- Good governance and better administration of development is a sine qua non in present times.
- Civil servants, no matter how dedicated, innovative and efficient they may be, need **stability of tenure** to govern well and this necessitates an **efficient transfer policy.**

F. Prelims Facts

Nothing here for today!!!



G. Tidbits

1. Mizoram group seeks asylum for coup-hit Myanmar villagers

What's in News?

Mizoram's apex students' body has asked the State government to provide asylum to some villagers in Myanmar affected by the military coup there.

Issue:

- People belonging to Myanmar's Chin community were seeking to migrate to Mizoram to escape a military crackdown.
- The Chin National Army (CAN) an extremist group is seeking self-determination in Chin State across the border.
- Claiming that the Chins have been affected by the civil unrest in Myanmar, the Mizo Students' Union
 has appealed to the State government to play a proactive role and accept those affected as
 refugees.

Note:

• The Chin community and the Mizos in India belong to the Zo ethnic group, which share the same ancestry.

Zo Ethnic group:

- The Zo people are an ethnic group of India, Bangladesh and Myanmar.
- The word Zo is used to describe an ethnic group, also known as the Mizo, the Kuki, the Zomi, the Chin and a number of other names based on geographic distribution.
- They are a large group of related Tibeto-Burman people spread throughout the northeastern states of India, north-western Myanmar and the Chittagong Hill Tracts of Bangladesh.

2. Shipments to China rose 16.2% in 2020

What's in News?

India's exports to China rose 16.2% in 2020 compared with the preceding year.

- This is due to the healthy growth in shipment of ores, iron and steel and aluminium and copper.
- The trade deficit fell 19.4% as India's imports from China shrank 10.9%.
- In agriculture, the main export commodities that recorded healthy growth include cane sugar, soybean oil, and vegetables fats and oils.
- Exports of mangoes, fish oil, tea, and fresh grapes declined.

Note:

The trend is believed to reflect the rising competitiveness of domestic exporters.

3. Languages in danger



- According to the latest edition of the UNESCO atlas of the world's languages in danger, as many as 197 of India's indigenous languages were endangered, vulnerable or extinct as of 2017- the highest in the world.
- More than half of India's endangered languages have fewer than 10000 speakers.
- Nearly 60 % of them originated in Northeast and Andaman and Nicobar islands.
- The UN has declared the 10 year period between 2022 and 2032 as the decade of indigenous languages.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements:

- 1. The UN has declared the period between 2022 and 2032 as the decade of indigenous languages.
- 2. Ahom, Andro, Rangkas, Sengmai, Tolcha are among the extinct languages of India.
- 3. In India, there are 22 scheduled languages.

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

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

Answer: c

Explanation:

- 197 languages in India are either vulnerable, endangered or extinct.
- Among the extinct languages are Ahom, Andro, Rangkas, Sengmai, Tolcha all spoken in the Himalayan belt.
- 8th Schedule of the Constitution consists of 22 languages & these 22 languages are called Scheduled languages.
- The UN has declared the 10 year period between 2022 and 2032 as the decade of indigenous languages.

Q2. Consider the following statements with respect to Black-necked crane:

- 1. It has a key role in Buddhist culture.
- 2. It is listed as Vulnerable in the IUCN Red-List.
- 3. It is listed in Schedule I of Wildlife (Protection) Act 1972.

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

a. 1 only



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

Answer: b

Explanation:

- The Black-necked Crane is central to Buddhist mythology and culture. Locals in Assam call this bird "Deu Korchon", signifying its key role in Buddhist culture.
- In 2020, a re-assessment of the crane's population led its status to change from Vulnerable to Near Threatened on the IUCN Red List.
- It is listed in Schedule I of Wildlife (Protection) Act 1972.

Q3. Consider the following statements:

- 1. Mission Indradhanush aims to immunize all children under the age of 2 years and pregnant women.
- 2. Intensified Mission Indradhanush (IMI) 3.0 is a campaign to reach the children and pregnant women who were left out of the Routine Immunisation Programme during the pandemic.

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

Answer: c

Explanation:

Both the statements are correct.

Q4. Blue Mormon is the state butterfly of:

- a. Karnataka
- b. Tamil Nadu
- c. Maharashtra
- d. Andhra Pradesh

Answer: c

Explanation:

Blue Mormon is the state butterfly of Maharashtra.



• By declaring Blue Mormon as its state butterfly, in 2015, Maharashtra became the first state in India to have a 'State butterfly'.

I. UPSC Mains Practice Questions

- In light of the continued increase in petrol and diesel prices, analyze the government initiatives to reduce India's energy import dependence and also suggest what additional measures are needed in this direction. Also enumerate the benefits that would accrue to India from such a policy. (15 marks, 250 words)[GS-3, Economy]
- 2. Civil servants, no matter how dedicated, innovative and efficient they may be, need stability of tenure to govern well and this necessitates an efficient transfer policy. Comment in the light of the issue of frequent transfers of civil servants in India. (10 marks, 150 words)(GS-2, Governance)

