

## 16 Apr 2021: UPSC Exam Comprehensive News Analysis

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### A. GS 1 Related

#### Category: SOCIAL ISSUES

##### 1. [UNFPA's population report launched](#)

##### **Context:**

United Nations Population Fund's (UNFPA) flagship State of World Population Report 2021 titled 'My Body is My Own' has been launched.

**State of World Population Report**

- State of World Population Report is an annual flagship report of UNFPA
- Each edition covers and analyses developments and trends in world population and demographics, as well as shedding a light on specific regions, countries and population groups and the unique challenges they face.

### Details:

- The report turns the **spotlight on bodily autonomy**.
- This is the **first time a United Nations report has focused on bodily autonomy**.
  - Bodily autonomy is defined as the power and agency to make choices about your body without the fear of violence or having someone else decide for you.
- Some examples of violation of bodily autonomy include, child marriage, female genital mutilation, a lack of contraceptive choices leading to unplanned pregnancy, unwanted sex exchanged for a home and food or when people with diverse sexual orientations and gender identities cannot walk down a street without fearing assault or humiliation.
- Under its ambit also fall people with disabilities stripped of their rights to self-determination, to be free from violence and to enjoy a safe and satisfying sexual life.

### Findings:

- **Nearly half the women from 57 developing countries do not have the right to make decisions regarding their bodies**, including using contraception, seeking healthcare or even on their sexuality.
- In countries where data is available, **only 55% of women are fully empowered to make choices** over healthcare, contraception and the ability to say yes or no to sex.
- It also highlights that **only 75% of countries legally ensure full and equal access to contraception**.

## B. GS 2 Related

### Category: INTERNATIONAL RELATIONS

#### 1. U.S. imposes new sanctions on Russia

### Context:

The **United States** has **announced fresh sanctions against Russia**.

### Details:

- In an **executive order**, Mr. Biden **widened restrictions on U.S. banks trading in Russian government debt, expelled 10 diplomats** who include alleged spies, and **blacklisted 32 individuals** accused of **meddling in the 2020 presidential election**.
- The sanctions were announced in **retaliation for Kremlin's U.S. election interference**, a massive **cyberattack** and other **hostile activity**.
  - **Cyberattack refers to** the massive so-called **SolarWinds hack** of U.S. government computer systems.

- The order sends a signal that the U.S. will impose costs in a strategic and economically impactful manner on Russia if it continues or escalates its destabilising international action.
- Department of Treasury, together with the EU, Australia, Britain and Canada, **sanctioned eight individuals and entities associated with Russia's occupation of Crimea in Ukraine.**

### Concerns:

- The development comes in the same week as President Joe Biden offered to meet President Vladimir Putin for **their first summit.**
  - Sanctions would not help build momentum for a summit.
- The latest tension comes amid worries both in the U.S. and its European allies over **Russia's recent troop build- up on the border of Ukraine.**
- **Russia** swiftly denounced the actions and **warned of retaliation.**
- The sanctions are certain to further deteriorate an already tense relationship between the U.S. and Russia.

### Note:

- The actions represent **second major round of sanctions** imposed by the Biden administration against Russia.
- Earlier, **the U.S. sanctioned seven Russian officials**, along with more than a dozen government entities, over Russia's attempts to **kill opposition figure** Alexey Navalny **with a nerve agent** and his **subsequent jailing.**

## 2. Sri Lanka Opposition challenges Bill on Chinese-backed Port City

### Context:

Opposition parties, civil society groups, and labour unions have **challenged a recently-gazetted Bill on the Chinese-backed Port City** in capital Colombo, in Sri Lanka's Supreme Court.

### Issue:

- The ruling Rajapaksa administration tabled a Bill, titled '**Colombo Port City Economic Commission**', in Parliament, **outlining proposed laws for the \$1.4 billion-Port City** being built on reclaimed land at Colombo's seafront.
- It is **touted** by the government as an **investment hub for foreign capital.**
- However, opposition argues that it directly **affects Sri Lanka's sovereignty.**
  - They have **challenged the constitutional validity** of the proposed legislation for the Port City.
  - The clauses **prohibit investment in the Port City in Sri Lankan rupees**, which will keep out Sri Lankans.
- In addition to the legal challenge, the government also faces sharp criticism from some of its backers, including sections of Sri Lanka's influential Buddhist clergy.
- They fiercely opposed Indian involvement at the East Container Terminal at the Colombo Port.
  - Sri Lanka then **backed out of an agreement with India and Japan** to develop the **East Container Terminal (ECT) at the Colombo Port.**

This topic has been covered in [3<sup>rd</sup> February 2021 Comprehensive News Analysis](#).

**Note:**

- The **Port City** was **launched** by President Xi Jinping during his state visit to the island nation in September **2014**.
- The successor government, led by President Maithripala Sirisena vowed to develop the site into an **Indian Ocean financial hub**, **despite an election promise to scrap it**, and amid protests from environmentalists and fisherfolk.

## C. GS 3 Related

### Category: ECONOMY

#### 1. Bond yield spikes as RBI's purchase disappoints

**Context:**

The **benchmark 10-year bond yield elevated to its highest level (6.20 per cent)** in a week as the outcome of the first tranche of the Reserve Bank of India's bond-purchase programme disappointed traders while inflation concerns also weighed.

**Background:**

- The Reserve Bank of India recently announced the introduction of the **G-sec Acquisition Programme (G-SAP 1.0)**.

This topic has been covered in [9<sup>th</sup> April 2021 Comprehensive News Analysis](#).

**Why is a rise in bond yields a concern for everyone?**

- A **rise in bond yields** denotes **higher interest rates** in the economy.
  - Higher interest rates **push up the cost of loans** taken by companies and makes it harder for them to borrow additional money to invest.
  - This ultimately affects their profits and hence the returns of shareholders.
- **Rising bond yields** imply a **rise in the risk-free interest rate** and hence **lower equity valuations**.

**Way Forward:**

- RBI has tried very hard to keep the **yields below 6 per cent** in this fiscal (2021-22) to **enable the government to borrow cheaply**.
- The **implications of a bond market strike** can be quite **negative for the economy**.
- **RBI intervention in the debt markets** could **bring down bond yields** and return stocks to their bullish trajectory.

## D. GS 4 Related

*Nothing here for today!!!*

## E. Editorials

### Category: INTERNATIONAL RELATIONS

#### 1. A multipolarity, scripted by the middle powers

##### Context:

- The article analyzes the critical role that the middle powers- Japan, Iran, Turkey and India could play in the **evolving global geopolitical scenario**.

##### Background:

##### **U.S. China Cold War like situation:**

- S. views China as its principal adversary on the world stage.
- The new Cold War like situation between China and the U.S. gained a concrete shape during the Trump presidency. The U.S. has been trying to build an alliance of likeminded countries **to try and curb China's growth, reduce its influence in international institutions**.
- The U.S. has been trying to use the **Quad to challenge China in the Indo-Pacific**, possibly as part of a "new Cold War".

##### **U.S. Russia hostility:**

- Russia's war with Ukraine and the **occupation of Crimea in 2014**, followed by allegations of **Russian cyber-interference in the U.S. presidential elections of 2016** has raised the hostility between U.S. and Russia.

##### **China-Russia partnership:**

- S. animosity has encouraged China and Russia to solidify their relations.
- Besides significantly expanding their bilateral ties, the two countries have agreed to harmonise their visions under the **Eurasian Economic Union sponsored by Russia and China's Belt and Road Initiative (BRI)**. This idea has now been subsumed under the '**Greater Eurasian Partnership**' to which both the countries are committed.
- The new Cold War is now being reflected in a **new geopolitical binary — the Indo-Pacific versus Eurasia**.

##### Details:

- The article analyzes the relation between China, Russia and U.S. with the **middle power nations of India, Iran, Turkey and Japan.**

### **Evolving alignments:**

- The alignments between the rival power groups and the middle powers seem to be crystallizing.
  - **Japan and India are deeply entrenched in the Quad** and have substantial security ties with the U.S.
  - **Iran**, facing a sanction regime from western powers led by the U.S. has found **strategic comfort with the Sino-Russian alliance**. Iran and China recently concluded an economic pact.
  - **Turkey, a NATO member**, has found its interests better-served by Russia and China rather than the U.S. and its European allies.

### **The role of middle powers:**

- Japan, Iran, Turkey and India are well set to shape the emerging world order. The “middle powers”, have the capacity to **project power regionally, build alliances**, and support (or disrupt) the strategies of international powers pursuing their interests in the region.

### **Reluctant allies:**

- Despite the allure of joining the rival super power groupings led by the U.S. or China and Russia, the four nations are not yet prepared to join the power alliances.

#### *Japan:*

- Though, Japan has an ongoing territorial dispute with China relating to the **Senkaku islands in the East China Sea, Japan has a strong economic linkage with China.**
  - In 2019, 24% of Japanese imports came from China, while 19% of its exports went to China.
- **Japan’s \$200 billion ‘Partnership for Quality Infrastructure’ initiative** that funds infrastructure projects in Asia and Africa, is willing to work on BRI projects on a selective basis.
- Japan has the security treaty of 1951 with the U.S. making it dependant on the U.S. for much of its security concerns.
  - Notably, Japan has been trying to reduce its security-dependence on the U.S. and pursue an independent role in the Indo-Pacific.

#### *India:*

- As the threats from China at the border and intrusions in its South Asian neighbourhood and the Indian Ocean became sharper, India has moved closer to the U.S. India- U.S. relationship has been on the upswing, marked by **expanding defence ties with the U.S.**, including **defence purchases and agreements on inter-operability and intelligence-sharing and frequent military exercises.**
- Through the border stand-off at Ladakh, China is perhaps indicating to India that its security interests demand close engagement with China rather than a deepening alignment with the U.S.
- The recent Freedom of navigation exercise carried out by the U.S. in India’s EEZ without its consent would undermine India U.S. bilateral relationship
- India will need to manage its ties with China largely through its own efforts, while retaining Russia as its defence partner.



*Iran:*

- Given the strategic culture of Iran that eschews long-term security alignments, it is very likely that the Islamic Republic of Iran will seek to redefine its strategic space and exercise independent options rather than joining either power groups.

*Turkey:*

- Turkey has been witnessing a steady distancing from its western partners and increasing geopolitical, military and economic alignment with Russia and China.
- However, Turkey still wishes to keep its ties with the U.S. intact, and retain the freedom to make choices. Its **“New Asia” initiative**, involves strengthening of east-west logistical and economic connectivity backed by western powers and China.

### **Conclusion:**

- The four middle powers, seem to be vying for **“strategic autonomy” — defined by flexible partnerships, with freedom to shape alliances to suit specific interests at different times.**
- These four middle powers will thus make **multipolarity**, rather than a new Cold War, the **defining characteristic of the emerging global order.**

## **Category: ECONOMY**

### **1. Lessons from the first wave**

#### **Context:**

- Second wave of the COVID-19 pandemic.**
  - Given the fact that India’s second COVID-19 wave is more virulent than the first, many States have restarted enforcing shutdowns of various scales.

#### **Details:**

- The article analyzes the social and economic impact of the first wave of the pandemic and the subsequent lockdown that were imposed. It also suggests suitable actions to be taken in the face of the ongoing second wave of the pandemic.

### **Socio-economic impact of the pandemic:**

*Uneven impact and recovery:*

- Even though India’s overall economic trajectory had been on the upswing after the first phase of the pandemic, **the growth during these times has not been inclusive.**
  - While sectors, including the **technological, pharmaceutical and healthcare sectors, saw record growth**, sectors including **travel and tourism and wellness and hospitality receded to historic**

- **lows.** While the wealth of India's billionaires increased by 35% even during COVID-19 times, the pandemic decimated the informal and MSME sector and **pushed 75 million Indians into poverty.**
- While the migrant workers faced innumerable miseries during the lockdown workers in white collar sectors like IT, consulting and financial services, were minimally affected. COVID-19 has affected the least affluent the most.
- The economic experts have noted that India's revival from the COVID-19-induced downturn would be a '**K-shaped**' curve where only a segment of our population recovers.

### **Concerns with regard to new lockdown:**

- Introducing even partial lockdowns again will constrain the movement of goods and labourers. It will significantly bring down our industrial productivity and create avenues that will **widen our economic and social inequalities.**

### **Recommendations:**

#### **Regulation:**

- Stringent **health and safety regulations** should be formulated and implemented. Non-essential gatherings should be restricted or banned.

#### **Ensuring economic activity:**

- Industries should be allowed to function at maximum possible capacity in multiple shifts.

#### **Preventing distress:**

- Given the fact that demand contraction has been the biggest contributor towards the economic downturn during the pandemic, governments can focus on ensuring **cash stimulus packages at both individual and institutional levels.** This will boost consumption and investments. Government must emphasize **direct cash transfer and employment guarantee schemes.**
- The government will have to focus on industries and sectors most affected by the pandemic.

#### **Vaccine roll-out:**

- India will have to accelerate vaccine production, procurement and distribution. Vaccination should be opened up for all age groups.

### **Conclusion:**

- Given the fact that introducing even partial lockdowns again will widen economic and social inequalities, **India should work towards saving lives without compromising on our population's livelihood,** or without letting people fall into poverty.

## **F. Prelims Facts**



## 1. RBI sets up authority to review regulations

### What's in News?

The Reserve Bank of India (RBI) has set up the **Regulations Review Authority 2.0**.

### Details:

- Considering the developments in regulatory functions of the Reserve Bank over the past two decades, it is proposed to undertake a **review of the Reserve Bank's regulations and compliance procedures** with a view to **streamlining/rationalising** them and making them **more effective**.
- The authority will **review regulatory prescriptions internally** as well as by **seeking suggestions from RBI-regulated entities** for simplification and ease of implementation.
- **Deputy Governor Rajeshwar Rao** has been **appointed as the Regulations Review Authority**.
- The authority would have validity for a period of **one year from May 1, 2021**.

### Note:

- The RBI had set up a **similar authority in 1999** for reviewing regulations, circulars, reporting systems.
- The recommendations enabled streamlining and increasing the effectiveness of several procedures, paving the way for issuance of master circular and reducing reporting burden on regulated entities.

## 2. CoWIN

- COVID Vaccine Intelligence Network (CoWIN) system is a **digitalised platform** to be used to **effectively roll out and scale up the mechanism for COVID Vaccine Distribution System**, nationally.
- It was **launched by MoHFW** to help agencies keep a track of Covid-19 vaccination and allow Indians to apply for the vaccine.
- It is a **repurposed** version of **Electronic Vaccine Intelligence Network (eVIN)**.
- It is a **100% government-run system**.

## 3. India restores e-visa for 156 countries

### What's in News?

The Union **Home Ministry** has **restored** the electronic visa (**e-visa**) **facility for foreigners from 156 countries** who intend to visit India for business, conferences and medical reasons, including for medical attendants.

### E-visa:

- An e-visa is provided in **five categories** — tourist, business, conference, medical, and medical attendant.
- Under the arrangement, a foreigner can apply online four days prior to travel.
- **Entry through e-visas is allowed** only at **28 designated international airports** and **five major seaports** in India.

Also read on [air bubble agreements](#).

#### 4. Centre eases guidelines for OCI cardholders

##### What's in News?

The Home Ministry has announced that the [Overseas Citizens of India](#) (OCI) will **not be required to register for a fresh OCI card every time a new passport is issued** in their name.

- At present, the OCI card is required to be reissued each time a new passport is issued up to 20 years of age and once after completing 50 in view of biological changes in the face of the applicant.
- Going forward, if a person has **obtained registration as OCI cardholder after attaining the age of 20** years, there will be **no requirement of reissue of the OCI card**.

#### 5. National task force to combat air pollution, monitor remedial steps

##### What's in News?

The National Green Tribunal (NGT) **has constituted an eight-member National Task Force** to combat air pollution and monitor remedial steps to improve air quality.

- The NTF will comprise senior officials from the Ministry of Environment, Forests and Climate Change, Ministries of Housing and Urban Affairs, Petroleum, Transport, Power, Agriculture, Health and the Central Pollution Control Board.
- The NTF may also **monitor enforcement of laid down air quality standards beyond non-attainment cities** in other identified air polluted areas where air quality is poor and above.
- The Chief Secretaries of all States and Union Territories will continue to monitor progress in execution of action plans at the State-level with the assistance of monitoring cells in their offices and the Air Quality Monitoring Committee.

## G. Tidbits

#### 1. Annuity clause goes for NPS subscribers

##### What's in News?

The **Pension Fund Regulatory and Development Authority** Chairman has said that the National Pension System (NPS) **will no longer compel investors to convert 40% of their accumulated retirement corpus into an annuity.**

- The decision comes as **poor yields** and **high inflation** are **translating into negative returns.**
  - Since **annuities are taxable**, deducting the tax and factoring in inflation means annuities are yielding negative returns.
- The regulator will soon allow those saving up to ₹5 lakh to take the whole amount at retirement, up from ₹2 lakh at present.
- It is also hoping to **launch the first guaranteed return NPS scheme.**
- The Finance Ministry has announced plans to **amend the PFRDA law** since Budget 2019-20 and to **make legislative changes to override the statutory annuitisation provision.**

## H. UPSC Prelims Practice Questions

**Q1. State of World Population Report is published by:**

- a. United Nations Population Fund
- b. World Bank
- c. UN-Habitat
- d. United Nations Development Programme

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

- State of World Population Report is the annual flagship report of the United Nations Population Fund.
- United Nations Population Fund is a UN agency aimed at improving reproductive and maternal health worldwide.

**Q2. Consider the following statements:**

1. Bond yields are directly proportional to the interest rates in the economy.
2. Rising bond yields lower equity valuations.
3. A bond's price moves inversely with its yield or interest rate of such bond.

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

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

**CHECK ANSWERS:-**

**Answer: d**

**Explanation:**

- All the statements are correct.
- Bond yields are directly proportional to the interest rates in the economy.
- Rising bond yields imply a rise in the risk-free interest rate and hence lower equity valuations.
- A bond's price moves inversely with its yield or interest rate; the higher the price of a bond, the lower its yield.
- The reason for the inverse relationship between price and yield is due, in part, to bonds being fixed-rate investments.

**Q3. Consider the following statements with respect to National Internet Exchange of India (NIXI) :**

1. It was set up for peering of internet service providers among themselves for the purpose of routing the domestic traffic within the country.
2. It is statutory body functioning under the Ministry of Communications.

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

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

**CHECK ANSWERS:-**

**Answer: a**

**Explanation:**

- NIXI is a not-for-profit organization under Section 8 of the Companies Act, 2013, formed in 2003.
- It was set up for peering of internet service providers among themselves for the purpose of routing the domestic traffic within the country, instead of taking it all the way to US/abroad.

**Q4. Consider the following statements:**

1. Tangkhuls are a major ethnic group living in the Indo-Burma border area occupying the Ukhrul and Kamjong districts in Manipur.
2. Highest number of Particularly Vulnerable Tribal Groups are found in Manipur.

**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: b**

**Explanation:**

- Tangkhuls are a major ethnic group living in the Indo-Burma border area occupying the Ukhrul and Kamjong districts in Manipur.
- Among the 75 listed Particularly Vulnerable Tribal Groups (PVTGs) the highest number are found in Odisha (13), followed by Andhra Pradesh (12).
- Maram Naga Tribe of Manipur is listed as Particularly Vulnerable Tribal Groups (PVTG).

## I. UPSC Mains Practice Questions

1. In the light of the Cold war like situation between The U.S. and China, analyze the critical role that could be played by the so called middle powers- India, Japan, Turkey and Iran in the evolving global geopolitical scenario. (15 marks, 250 words)[GS-2,International Relations]
2. Given the socio-economic impact of the first wave of the pandemic and the subsequent lockdown that was imposed, suggest what measures may be required in the face of the second wave of the COVID-19 pandemic. (10 marks, 150 words)[GS-3,Economy]