

12 May 2021: UPSC Exam Comprehensive News Analysis

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B. GS 2 Related

Category: INTERNATIONAL RELATIONS

1. What's happening in Jerusalem?

Context:

- The **Israeli armed forces stormed Al-Aqsa Mosque in the Haram esh-Sharif in Jerusalem**, ahead of a march by Zionist nationalists commemorating Israel's capture of the eastern half of the city in 1967, injuring more than 300 Palestinians in the raid.
- **In retaliation, Hamas**, the Islamist militant group that runs Gaza, **fired dozens of rockets**.
- **Israel launched an airstrike on Gaza in response**.

What led to escalation?

- Tensions have been building up since April 2021 when the **Israeli police set up barricades** at the Damascus Gate outside the occupied Old City, **preventing Palestinians from gathering there**.
- The **threatened eviction of dozens of Palestinian families in the East Jerusalem** neighbourhood of Sheikh Jarrah **escalated the crisis further**.

Sheikh Jarrah dispute:

- **Hundreds of thousands of Palestinians were forced out of their homes when the State of Israel was created in historic Palestine in 1948** (the Palestinians call the events 'Nakba', or catastrophe).
 - **Twenty-eight** of those **Palestinian families moved to Sheikh Jarrah in East Jerusalem** to settle there.
- In **1956**, when East Jerusalem was ruled by Jordan, the **Jordanian Ministry of Construction and Development and the UN Relief and Works Agency facilitated the construction of houses** for these families in Sheikh Jarrah.
 - But **Israel captured East Jerusalem from Jordan in 1967**.
 - By the early **1970s**, **Jewish agencies started demanding the families leave the land**.
 - **Jewish committees** claimed that **the houses sat on land they purchased in 1885** (when Jews, facing persecution in Europe, were migrating to historic Palestine that was part of the Ottoman Empire).
 - In 2021, the **Central Court in East Jerusalem** upheld a decision to **evict four Palestinian families** from their homes in Sheikh Jarrah in favour of Jewish settlers. The Israeli Supreme Court is yet to hear the case. The **issue remains unresolved**.

Why Jerusalem?

- **Jerusalem has been at the centre of the Israeli-Palestinian conflict**.
- According to the original **1947 UN Partition Plan**, **Jerusalem was proposed to be an international city**.
 - But in the **first Arab Israel war of 1948**, the **Israelis captured the western half** of the city, and **Jordan took the eastern part**, including the Old City that houses Haram esh-Sharif.
 - **Al-Aqsa Mosque (Islam's third holiest site)** and the **Dome of the Rock** are situated within **Haram esh-Sharif**.

- One side of the compound, called Temple Mount by the Jews, is the Wailing Wall (**Western Wall**), which is **believed to be the remains of the Second Jewish Temple, the holiest site in Judaism**.
- **Israel captured East Jerusalem from Jordan in the 1967 Six-Day War** and annexed it later.
- Since its annexation, Israel has expanded settlements in East Jerusalem. It is now home to some 220,000 Jews.
 - Jews born in East Jerusalem are Israeli citizens.
 - Palestinians in the city are given conditional residency permits.
- Palestinians in East Jerusalem, unlike other parts of the occupied West Bank, can apply for Israeli citizenship. Very few Palestinians have done so.
- **Israel sees the whole city as its “unified, eternal capital”.**
 - This **claim was endorsed by Donald Trump** when he was U.S. President but **not recognised by most other countries**.
 - Palestinian leaders across the political spectrum have maintained that they would **not accept any compromise formula for a future Palestinian state unless East Jerusalem is its capital**.

What Next?

- In a further sign of rising tensions, Israel signalled it is **widening its military campaign**.
- The military said it is sending **troop reinforcements to the Gaza border** and the Defence Minister ordered the mobilisation of 5,000 reserve soldiers.
- But, in a potentially positive sign, Egyptian and Palestinian officials said **Egypt was working on brokering a cease-fire**.

C. GS 3 Related

Category: **ECONOMY**

1. **MFI sector urges RBI backing for emergency credit support**

Context:

In the backdrop of the second wave of the pandemic, the microfinance sector has reached out to the Reserve Bank of India (RBI) for support.

Recommendations:

- Sa-Dhan has sought an **emergency credit line of up to 25% of their outstandings** with the lending banks to enable microfinance institutions (MFIs) to mobilise ₹15,000 crore.
- It has also sought help **in creating awareness** among State governments on the ill effects **of loan waivers**.
- It recommended the introduction of a partial **Credit Guarantee Scheme 3.0**.
 - This may help boost the confidence of banks in uncertain times' to lend to the microfinance sector, especially MFIs with relatively lower credit ratings.

- Other recommendations include **assessment of MFI cash flow by banks and developmental finance institutions** and **providing them moratorium or restructuring support for 6-12 months**.

Sa-Dhan:

- Sa-Dhan is an **association of microfinance institutions (MFIs)** recognized by the RBI.
- It is also recognized as a **National Support Organization (NSO)** by **National Rural Livelihood Mission (NRLM)**.
- Sa-Dhan was founded in 1999 as the Association of Community Development Finance Institutions by SEWA Bank, BASIX, Dhan Foundation and others.
- Its mission is to build the field of community development finance in India to help its members better serve low-income households, particularly women, in both rural and urban India.
- It was **given the status of a self-regulatory organization (SRO) by RBI** in 2015.
 - This gave it the powers to monitor MFIs and ensure the lenders are in compliance with the rules.
 - In October 2010, RBI had formed a committee under financial sector expert Y.H. Malegam that recommended an SRO framework for MFIs to regulate the sector.
- Sa-Dhan was the second association in the business of micro-lending to be given the SRO status by RBI.
 - The **first one to be given SRO status was the Microfinance Institutions Network (MFIN)**.
 - MFIN is an association of MFIs operating as non-banking financial companies (NBFCs).

Note:

MFIs advance small loans to low-income borrowers who typically are not covered by the formal banking system.

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: HEALTH

1. A matter of concern

Context:

- The **Indian variant, B.1.617** and its family of related coronaviruses have been categorized as a **Variant of Concern (VOC)** by the **World Health Organization**.
 - The present 'variants of interest', include the U.K. variant (B.1.1.7), the South Africa variant (B.1.351) and the Brazilian variant (P2).

Background:

Factors that are considered to categorize as VOC:

- A variant of concern (VOC) is classified so if it has been demonstrated to be associated with:
 - Increase in transmissibility or detrimental change in COVID-19 epidemiology (associated with **increased transmission**)
 - Increase in virulence or change in clinical disease presentation (associated with more **severe disease**)
 - Decrease in effectiveness of public health and social measures or available diagnostics, vaccines, therapeutics (**evading detection by diagnostic tests, ineffectiveness of the available medicines**)

Significance of classification as VOC:

- The classification as a variant of concern helps **focus attention and resources on the variants with the highest public health implications**, while reducing noise and unwarranted diversion of limited resources.
- The classification as a Variant of Concern (VOC) will now prompt **greater international scrutiny** of those who test positive overseas.

Double mutant virus:

- The **Indian SARS-CoV2 Genomic Consortia (INSACOG)** had flagged a variant with two concerning mutations, E484Q and L452R, that separately had been found in other variants elsewhere.
- Later these two mutations appeared together on a variant that began to be called 'double mutant' or even 'triple mutant' (as it also had another important mutation, P614R).
- In early April this variant became formally classified as a lineage, B.1.617.

Details:

- The WHO has said the predominant lineage of B.1.617 was first identified in India last December, although an earlier version was spotted in October 2020.
- It was found to be **transmitting more easily** than the original version of the virus. Leading scientists have expressed concerns that the B.1.617 may be playing a role in disease spread in India.
- The variant has already spread to other countries, and many nations have moved to cut or restrict movements from India.

Concerns:

- While laboratory studies show that vaccines continue to be effective, some of the emerging variants do **seem to be better at evading antibodies**.
- The **inability to diagnose the new variant** in some cases will lead to the **unimpeded spread of the disease** and also lead to a sense of false assurance for such patients which can add to the number of mortalities.
- The new variant can lead to **new pandemic waves in other countries**.
- The emergences of such variants of concern indicate that while vaccines are an important defence in the fight against the pandemic it might not be the ultimate solution for stemming the pandemic.

Recommendations:

- The vaccine companies will have to **check whether their vaccines continue to be effective against the new variant**.
- Along with monitoring reinfections and cases of breakthrough infections (testing positive after being double inoculated), flagging variants must be seen as a crucial health response.
- Though the detection of new variants may not always merit radical changes in public health response, they are a strong indication of the need for the people and the health authorities to remain vigilant.

Category: INTERNATIONAL RELATIONS

1. Evaluate the Ladakh crisis, keep China at bay

Context:

- Ongoing Ladakh stand-off between India and China.

Background:

Unresolved issues:

- After over a year, the stand-off between Indian and Chinese troops in eastern Ladakh shows no signs of resolution. **Disengagement has stalled**, China continues to reinforce its troops, and talks have been fruitless.

Implications on the bilateral relation:

- The India-China bilateral relationship has **ruptured** and is marked by **increasing hostility and distrust**.
- India has reversed its long-held policy and has stated that it will no longer overlook the problematic border dispute for the sake of a potentially lucrative wider relationship with China.
- Even if disengagement happens it is very likely that the relationship will remain vulnerable to destabilising disruptions along the LAC.

Details:

- The Ladakh crisis offers India **three key lessons in managing the intensifying strategic competition with China**.

Revamping military strategies:

- The Indian military's standing doctrine calls for deterring adversaries with the threat of massive punitive retaliation for any aggression, capturing enemy territory as bargaining leverage in post-war talks.
- However, the experience from the Ladakh stand-off seems to indicate that **military strategies based on denial are more useful than strategies based on punishment**.
 - The threat of retaliation did not deter China from launching unprecedented incursions in May 2020.

- The Indian military's occupation of the heights on the Kailash Range on its side of the LAC in late August, an act of denial, helped deny key terrain to the Chinese People's Liberation Army (PLA), and gave the Indian Army a stronger defensive position from which it could credibly defend a larger segment of its front line.
- The doctrine of denial will serve the following benefits for India.
 - The focus on denial will give the Indian military greater capacity to **thwart future land grabs across the LAC.**
 - This strategy is also more likely than punishment to **preserve crisis stability.**
 - In the long term, improved denial capabilities may allow India to **reduce the resource drain of the increased militarisation of the LAC.**

Imposing political costs on China:

- Given the fact that **China's defence budget is three to four times larger than India's**, the material burden of the crisis is unlikely to disrupt China's existing priorities along the LAC, which is aimed at making small tactical gains along the disputed border to ensure a stronger say in the negotiations.
- **China is more likely to be deterred or coerced with the threat of political costs, rather than material costs.**
- India successfully raised the risks of the crisis for China through its threat of a political rupture by **restricting bilateral trade and investment** while also indicating India's inclination towards **greater participation with the Quad.**
- The prospect of a permanently hostile India seems to be a very high price for China given the rising anti-Chinese sentiments.
- Given the limits of individual nations, even large powers such as India, to tackle the increasing assertiveness of China, should **focus on coordinated or collective action with other like-minded countries.**

Focus on Indian Ocean Region:

- The Ladakh crisis, by prompting an increased militarisation of the LAC, may prompt India to defer long-overdue military modernisation and maritime expansion into the Indian Ocean. This is a cause of concern.
- India should rather consider accepting more risk on the LAC in exchange for long-term leverage and influence in the Indian Ocean Region due to the following reasons.
 - **India has traditionally been the dominant power in the Indian Ocean Region** and stands to cede significant political influence and security if it fails to counter the rapid expansion of Chinese military power in the region.
 - The difficult terrain and more even balance of military force means that China could only eke out minor, strategically modest gains at best.

Conclusion:

- The measures as recommended on the Line of Actual Control (LAC) and beyond, will help ensure that India is better postured to meet the challenge posed by an increasingly assertive China and manage the strategic competition with it.

F. Prelims Facts

1. How to adopt a child legally

- According to UNICEF, India has over 30 million orphan and abandoned children.
- The prospective adoptive parents must register on the **Child Adoption Resource Information and Guidance System (CARINGS)**.
- The **Central Adoption Resource Authority (CARA)** is a statutory body for the regulation, monitoring and control of all intra-country and inter-country adoptions.
 - The Juvenile Justice Rules of 2016 based on the **Juvenile Justice (Care and Protection of Children) Act** and the Adoption Regulations of 2017 mandate the creation of CARA.
- CARA grants a 'no objection' certificate for all inter-country adoptions, pursuant to India becoming a signatory to the **Hague Convention** on Protection of Children and Co-operation in Respect of Inter-country Adoptions.
- Rehabilitation of all orphaned, abandoned and surrendered children is regulated by the strict mandatory procedures of the Adoption Regulations.
- India is a signatory to the **UN Convention on the Rights of the Child**.

G. Tidbits

1. Saudi aid worth \$123 mn announced for Pakistan

What's in News?

Imran Khan's 2-day visit to Riyadh.

- **Saudi Arabia has announced 118 humanitarian projects** worth over \$123 million for Pakistan in food security, health, education and water.
- It has **provided medical and preventive aid** worth over \$1.5 million to combat the pandemic.
- Also, the Pakistan Prime Minister met the Secretary-General of the Organisation of Islamic Cooperation (OIC) and discussed developments in the Islamic world, the situation of Muslims in non-OIC countries and the issues on the OIC's agenda, in particular combating Islamophobia.

Read more on **OIC**.

2. Rajasthan to use MLA fund for vaccination

What's in News?

As part of the efforts to mobilise financial resources for the COVID-19 vaccination of people in the age group of 18 to 44 years, Rajasthan Chief Minister **has approved a proposal to provide ₹3 crore each from the MLA Local Area Development (LAD) Fund**.

- For meeting the expenses, the **fund for each legislator has been increased from ₹2.25 crore to ₹5 crore a year**.
- The **200 MLAs in the State will contribute a total of ₹600 crore to the vaccination fund account under the Chief Minister's Relief Fund**.

- From the remaining ₹2 crore in the MLA-LAD Fund, ₹1 crore will be spent on strengthening the medical infrastructure, purchase of equipment and setting up of model community health centres.

3. Moody's lowers India's growth projection to 9.3%

What's in News?

Moody's Investors Service has **sharply scaled down the growth projection for India to 9.3%** from its earlier estimate of 13.7%.

- Moody's cited the **negative impact of the second wave of the COVID-19 pandemic** for scaling down the growth projections.
- It has warned that the **spread of the coronavirus, as well as the rate of vaccinations, will have a direct impact on economic outcomes.**

It suggested that **spending will have to be redirected towards healthcare and virus response** relative to what the government had budgeted for the FY-2021-22.

4. Not all crises are opportunities for reforms

- In its recent research report, **Pew Research Center** observes that a large section of India's population would be pushed into poverty as a fallout of the economic crisis driven by the novel coronavirus.
- **The number of people who are poor in India (with incomes of \$2 or less a day) is estimated to have increased by 75 million because of the COVID-19 recession.**
- **This accounts for nearly 60% of the global increase in poverty.**

H. UPSC Prelims Practice Questions

Q.1 What are S&P, Moody's and Fitch, which are often seen in news and referred to as the 'Big Three'?

- a. Multinational private banks
- b. Legal consulting firms
- c. Credit rating agencies
- d. Multilateral lending institutions

Answer: c

Explanation:

- S&P, Moody's and Fitch are referred to as the 'Big three Credit rating agencies'.
- A credit rating agency assigns credit ratings that rate a debtor's ability to pay back debt by making timely principal and interest payments as well as the likelihood of default.
- An agency may rate the creditworthiness of issuers of debt obligations, of debt instruments, and in some cases, of the servicers of the underlying debt, but not of individual consumers.

Q.2 Which of the following statements is/are correct?

1. Cyclonic activity is comparatively less intense in the Arabian Sea, as compared to the Bay of Bengal.
2. Arabian Sea cyclones are also relatively weak compared to those emerging in the Bay of Bengal.
3. But the number of cyclones that form in the Arabian Sea in a year is roughly the same as the number of cyclones that form in the Bay of Bengal.

Options:-

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

Answer: b

Explanation:

- While cyclonic activity is comparatively less intense in the Arabian Sea, high-intensity severe cyclones originate frequently in the Bay of Bengal.
- Arabian Sea cyclones are also relatively weak compared to those emerging in the Bay of Bengal.
- Bay of Bengal witnesses more cyclones in a given year as compared to the Arabian Sea. This is because:
 - The Bay of Bengal is warmer than the Arabian Sea, it is able to provide the heat energy needed to sustain the low-pressure system.
 - The Bay of Bengal receives higher rainfall and a constant inflow of fresh water from the Ganga and Brahmaputra rivers. This means that the Bay's surface water keeps getting refreshed, making it impossible for the warm water to mix with the cooler water below, making it ideal for depression.
 - The absence of a large landmass between the Pacific and the Bay, allows cyclonic winds to easily move into the Bay of Bengal.
 - Low-pressure system originating from the Pacific Ocean also travel towards the left to the Bay of Bengal.

Q.3 Which of the following statements is/are correct?

1. Central Adoption Resource Authority (CARA) is an autonomous and statutory body mandated to monitor and regulate in-country and inter-country adoptions.
2. CARA is responsible for granting a 'no objection' certificate for all inter-country adoptions, pursuant to India becoming a signatory to the 1993 Hague Convention on Protection of Children and Co-operation in Respect of Inter-country Adoptions.
3. India is also a signatory to the UN Convention on the Rights of the Child.

Options:-

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

Answer: d

Explanation:

All the statements are correct.

- Central Adoption Resource Authority (CARA) is an autonomous and statutory body mandated to monitor and regulate in-country and inter-country adoptions.
- It is responsible for granting a 'no objection' certificate for all inter-country adoptions, pursuant to India becoming a signatory to the 1993 Hague Convention on Protection of Children and Co-operation in Respect of Inter-country Adoptions.
- India is a signatory to the UN Convention on the Rights of the Child.

Q.4 Which of the following are located to the west and east of Strait of Hormuz respectively?

- a. Persian Gulf and Gulf of Oman
- b. Arabian Sea and Iran
- c. Saudi Arabia and Kuwait
- d. Iran and Qatar

Answer: a

Explanation:

OIL TRANSIT ROUTE THROUGH THE STRAIT OF HORMUZ



Q.5 Which of the following countries are members of the Organisation of Islamic Cooperation (OIC)?

1. Saudi Arabia
2. Pakistan
3. India
4. Turkey

Options:-

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

Answer: c

Explanation:

The Organisation of Islamic Cooperation founded in 1969 has 57 members, with 42 countries being Muslim majority countries. India is not a member of OIC.

Q6. Consider the following statements: (UPSC 2016)

The India-Africa Summit

1. held in 2015 was the third such Summit.
2. was actually initiated by Jawaharlal Nehru in 1951.

Which of the statements given above is/are correct?

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

Answer: a

Explanation:

- India-Africa summits started in 2008 with New Delhi as its first venue. It is the key diplomatic initiative of India to reach out to the African countries, especially the members of the African Union.
- Since then, it was decided to hold these summits every three years, alternately in India and Africa.
- The second summit was held in Addis Ababa in 2011.
- The third summit, scheduled to be held in 2014, was postponed because of the Ebola outbreak and took place in October 2015.

I. UPSC Mains Practice Questions

1. Examine in detail the latest Israel-Palestinian clashes. (250 words; 15 marks) [GS-2, International Relations]
2. The character and consequences of the economic crisis of 1991 and 2021 are different. Analyse. (250 words; 15 marks) [GS-3, Economy]