

23 July 2021: UPSC Exam Comprehensive News Analysis

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B. GS 2 Related

Category: POLITY AND GOVERNANCE

1. [‘HC appointments an ongoing process’](#)

Context:

- Information provided by the Law Ministry to the [Rajya Sabha](#) on the process of appointments to the High Courts.

Background:

Constitutional provisions related to appointment to High Courts:

- The Chief Justice and Judges of the High Courts are to be appointed by the President under clause (1) of **Article 217 of the Constitution**.

Appointment process to High Courts:

- High Court judges are appointed by the President under Article 217 of the Constitution read with Supreme Court's decision in **the Second and Third Judges' case**. The **Memorandum of Procedure (MoP)** indicates the process of appointment to be followed.
- The **high court collegium**, which comprises the chief justice of the high court and two senior-most judges, recommends a name for a high court judgeship to the Supreme Court collegium. The **Supreme Court Collegium, which comprises the CJI and two senior-most judges, takes a final call on the high court collegium's recommendations**.
- The Supreme Court Collegium can either approve the recommendation and then transmit the same to the Government of India for giving effect to it, or it can disagree with the high court collegium or defer the proposal.
- The Chief Justice of a High Court is appointed by the President with the consultation of the Chief Justice of the Supreme Court and the Governor of the State. The other judges are appointed by the will of the President, Governor and the Chief Justice of the High Court.

Eligibility for appointment to High Courts:

- There are two requirements for being eligible for a high court judgeship: the person concerned must be a **citizen of India** and have, for **at least ten years, been an advocate of a high court or two or more such courts in succession**. If the person concerned is from the subordinate judiciary, he must have held a **judicial office in the territory of India for at least ten years**.
- Besides, jurists whom the President of India may consider as eminent are also eligible for appointment as High Court judges.

Concerns over high vacancies:

- The total sanctioned strength of judges across the 25 High Courts is 1,098 but the working strength was only 645, **a shortfall of 453 judges**.
- This would adversely impact the functioning of the High Courts.

Details:

- As per the Law Ministry, the Supreme Court Collegium, in the past year, has recommended 80 names to be appointed judges of various High Courts, out of which 45 were appointed as judges and the remaining are under various stages of processing.

- The Law Minister has stated that the time needed for filling up of vacancies of the judges in the higher judiciary cannot be indicated given that filling of vacancies in the higher judiciary was a continuous, integrated and **collaborative process between the Executive and the Judiciary**, requiring consultation and approval from constitutional authorities at the State as well as Central levels.

C. GS 3 Related

Category: ENVIRONMENT AND ECOLOGY

1. Analysis by NGO reveals microplastics in Ganga

Context:

- The study, '**Quantitative analysis of Microplastics along River Ganga**', conducted by the Delhi-based environment NGO, Toxics Link.

Background:

Microplastics:

- Microplastics are defined as **synthetic solid particles sized ranging from 1 micrometre to 5 millimetres (mm)**, which are insoluble in water.
- Microplastics come in a large variety of sizes, colours and chemical compositions, and include fibres, fragments, pellets, flakes, sheets or foams.

Details:

- The study notes pollution by microplastics all along the stretches of the river Ganga.
- The study attributes this observation to the **poor state of solid and liquid waste management in the surrounding areas**. Untreated sewage from many cities along the river's course, industrial waste and religious offerings wrapped in non-degradable plastics pile pollutants into the river as it flows through several densely populated cities. These plastic products dumped in the river break down and are eventually broken down into microparticles.
- The study notes the presence of **both single-use and secondary plastic products** with at least 40 different kinds of polymers as microplastics in the studied samples.
- **Microbeads** were observed along some stretches of the Ganga.
 - **Microbeads are manufactured small solid particles and do not degrade or dissolve in water**. They are added to a range of products, including rinse-off **cosmetics, personal care and cleaning products**. Microbeads are a relatively cheap ingredient and are used in these products for a variety of purposes. This includes as an abrasive or exfoliant, a bulking agent, to prolong shelf-life, or for the controlled release of active ingredients.

Concerns:

- Microplastics are **not captured by most wastewater treatment systems**.
- The river finally transports significantly large quantities of the microplastics downstream into the ocean and as a result, the **ocean acts as a sink to a large amount of such plastic waste**.

- Microplastics persist in the environment for a long time and have a **damaging effect on marine life, the environment and human health**. This is due to their composition, ability to adsorb toxins and potential to transfer up the marine food chain.
 - Microplastics are recognised as a major source of marine pollution. They cause **plastic particle water pollution**.
 - Microplastics pose an **environmental hazard for aquatic animals** in freshwater and ocean water as these microplastics adsorb toxins.
 - A variety of wildlife, from insect larvae, small fish, amphibians and turtles to birds and larger mammals, mistake microplastics for their food source. The **accumulation of microplastics in their cells and tissues** leads to chronic biological effects in these marine organisms.
 - Microfibres have been identified in the intestinal tract of zooplankton, river-bed organisms, and mussels. They can result in gut blockage and starvation.
 - This ingestion of plastics introduces the potential for toxicity not only to these animals but to **other species higher in the food chain**. The potential hazardous effects on humans by alternate ingestion of microparticles can cause alteration in chromosomes which lead to infertility, obesity, and cancer.

Recommendations:

- The following measures could be considered to help reduce microplastic pollution.
 - It is important to control the excessive use of plastic additives and to introduce certain **legislation and policies** to regulate the sources of plastic litter.
 - Bans on single-use plastics and microplastics in personal care and cosmetic products have already been introduced in some countries.
 - There is a need to set up **adequate plastic recycling plants**.
 - The stakeholders, including industries, governments and civil society organisations, need to collaborate to **improve plastic waste management**.
 - There is a need to **promote plastic awareness programmes** through different social and information media to promote the reduction in usage of plastic.

Additional information:

National Mission for Clean Ganga:

- The National Mission for Clean Ganga envisions measures at the national, state and district levels for **prevention, control and abatement of environmental pollution in river Ganga** and to ensure continuous adequate flow of water so as to rejuvenate the river Ganga.

Category: ECONOMY

1. RBI plans digital currency pilots soon

Context:

- RBI Deputy Governor has stated that the Reserve Bank of India may soon conduct **pilot projects to assess the viability of using digital currency** to make wholesale and retail payments to help calibrate its strategy for introducing a full-scale **central bank digital currency (CBDC)**.

Background:

Central bank digital currency (CBDC):

- A central bank digital currency (CBDC) uses an electronic record or digital token to represent the **virtual form of a fiat currency** of a particular nation (or region). Hence they are also sometimes referred to as digital fiat currencies or digital base money.
- A **CBDC is essentially a legal tender issued by the central bank**. It has the same functional capabilities as a fiat currency and is considered exchangeable in nature with said fiat currency in a one-to-one form. The only notable difference is the form it takes, i.e., a digital form.
- CBDC would coexist with cash and existing digital payment methods.
- The present concept of CBDCs was directly inspired by Bitcoin, but a **CBDC is different from virtual currency and cryptocurrency**, which are not issued by a state and lack the legal tender status declared by the government. **A CBDC is centralized; it is issued and regulated by the competent monetary authority of the country.**
- The growing popularity of cryptocurrencies like Bitcoin and Ethereum poses a possible threat to the traditional banking system. Also, cryptocurrencies are associated with a lot of concerns.

For more information on the concerns associated with cryptocurrencies, refer to the following article:

UPSC Comprehensive News Analysis of 13th June 2021

- The government's inability to control the growth and influence of such cryptocurrencies has led to many leading central banks across the globe working on or contemplating launching their own versions of cryptocurrencies.
- More than 80% of central banks are looking at digital currencies.
 - **China's digital RMB was the first digital currency to be issued by a major economy.**
 - European Central Bank has stated that it will soon begin a 24-month "investigation phase" towards the goal of creation of a **digital euro by 2025.**

Measures taken in India:

- A high-level inter-ministerial committee set up by the Finance Ministry had recommended the introduction of a CBDC with the requisite changes in the legal framework including the RBI Act.

Significance:

Reduce cost of currency management:

- The use of an official digital currency will reduce cash usage in the economy.
- Thus official digital currency would reduce the **cost of currency management (cost of printing, transporting and storing paper currency)** in a country like India characterized by a **fairly high currency-to-GDP ratio.**

Expedite real-time payments:

- An official digital currency will **enable real-time payments without any inter-bank settlement**.
- Transacting with CBDC would thus be an instantaneous process as the need for inter-bank settlement would disappear.

Ease foreign trade transaction:

- The adoption of a CBDC will help speed up foreign trade transactions between countries. The CBDC will also **enable a cheaper and more real-time globalisation of payment systems, without the need for any intermediary or the risks of dollar-rupee transactions**.

Alternate to the volatile cryptocurrencies:

- The digital currency, which will be backed by the sovereign, will help protect people from the market volatility of private cryptocurrencies.

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: POLITY AND GOVERNANCE

1. Limits of cooperation

Context:

- Formation of a new Ministry of Cooperation.

Background:

Co-operatives:

- The Cooperative Societies can be defined as an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a **jointly-owned and democratically-controlled enterprise**.
- Co-operatives are usually formed at the grassroots level by people to harness the **power of collective bargaining** towards a common goal.
 - **In agriculture, cooperative dairies, sugar mills, spinning mills**, etc. are formed with the pooled resources of farmers who wish to process their produce. India has 1,94,195 cooperative dairy societies and 330 cooperative sugar mill operations.
 - **In banking and finance**, cooperative institutions are spread across rural and urban areas. Village-level primary agricultural credit societies (PACSS) formed by farmer associations are the best example of grassroots-level credit flow.

National Policy on Co-operatives:

- The government of India announced a **National Policy on Co-operatives in 2002**. The ultimate objective of the National Policy is to:
 - Provide support for promotion and development of cooperatives
 - Reduction of regional imbalances
 - Strengthening of cooperative education, training and human resource development

97th Constitutional amendment:

- The 97th constitutional amendment dealt with issues **relating to the effective management of co-operative societies in the country**. It amended Article 19(1)(c) to give protection to the cooperatives and inserted Article 43 B and Part IX B, relating to them.
- The 97th Constitution Amendment was a major step towards **infusing autonomy, democratic functioning and professional management**.

Recent Supreme Court verdict:

- The three-judge bench of the Supreme Court while upholding **the validity of the 97th constitutional amendment** has **struck down a part related to the setting up and functioning of cooperative societies working within a state**.
- The Supreme Court judgement was based on the reasoning that the concerned subject matter of co-operative fell in the state list and hence it belongs wholly and exclusively to the State legislatures to legislate upon and any change would require the ratification by at least one-half of the state legislatures as per Article 368(2) of the Constitution which was not carried out for the 97th constitutional amendment.
 - **Cooperative Societies is a State Subject** under Entry 32 of the State List of Seventh Schedule of the Constitution of India.
- This development has been hailed by the constitutional experts as a **boost to the principle of federalism – part of the basic structure of the Indian Constitution**.

For detailed information on this topic refer to the following article:

[UPSC Comprehensive News Analysis of 21st July 2021](#)

Challenges in the co-operative sector:

Political interference:

- The major problem of cooperatives in India is the political interference in the functioning of the co-operatives.
- **Powerful politicians have been using the co-ops for their political advantage**. They have been using cooperatives to increase their vote bank. They also get their own people on the boards of such co-ops so that they are in control of these cooperatives.
- Many cooperative societies **do not hold elections regularly**, while some are superseded frequently.

Vested interests:

- There have been innumerable examples of people in top positions of the cooperatives reaping personal benefits from the co-operatives' functioning.
- This amounts to a **conflict of personal interests with the interest of the cooperatives** which in turn impacts the performance of the cooperatives in a negative way.

Non-accountability:

- Despite many benefits offered to the co-operatives by the government like reservation of items, access to cheap finance facilities, the co-operatives have remained inefficient. The lack of accountability is a major impediment to the effective functioning of the co-ops.

Lack of Balanced Growth:

- The **cooperatives in northeast areas and in areas like West Bengal, Bihar, Orissa are not as well developed** as the ones in Maharashtra and Gujarat.

Lack of transparency in functioning:

- A key challenge within co-operatives is a lack of transparency between the governing board and the general members. There is mistrust among co-operative members as well as amongst general members and the management/board. This invariably leads to **dormant membership** and has a negative impact on the effectiveness of such co-ops.

Lacunae in Co-operatives:

- **Poor infrastructure, lack of leadership and managerial and financial management skills, lack of strong human resources and overdependence on government** have adversely impacted the effectiveness of the co-operatives in India.

Reforms in the Co-operative movement in India:

- Given the numerous challenges and concerns associated with the functioning of the cooperative movement in India, it certainly needs reform and revitalisation.

Ministry of Co-operation:

- The Ministry of Co-operation has been newly formed under the Government of India in July 2021.
- The ministry has the following main objectives:
 - To realize the **vision of “Sahkar se Samridhhi” (prosperity through cooperation)**.
 - To streamline processes for “Ease of doing business” for co-operatives and enable the **development of Multi-State Co-operatives (MSCS)**.
 - To provide a separate **administrative, legal and policy framework** for strengthening the cooperative movements in the country.
 - To deepen the cooperative as a true people-based movement reaching up to the grassroots level.

Concerns:

- While the formation of the new Ministry of Co-operation is expected to provide a new lease of life to the co-operative movement in India by helping remove impediments in their progress, some sections have expressed concerns over the **new cooperation ministry becoming an infringement upon the federal rights of the state governments**.
- They have cautioned that even well-intentioned efforts towards reforms like the new ministry on cooperation cannot be at the cost of the quasi-federal principles underlying the Constitution.

Conclusion:

- Though **democratising the functioning of cooperative societies** and enhancing their autonomy remains a priority, the reforms in the cooperative sector should not be at the cost of federal principles.

Category: ECONOMY

1. Will the new e-commerce rules really favour consumers?

Context:

- The Union Ministry of Consumer Affairs, Food and Public Distribution's **proposed amendments to the Consumer Protection (e-commerce) Rules, 2020**.

Details:

- The main amendments include:
 - Appointment of a Chief Compliance Officer and a Resident Grievance Officer
 - Provisions of **fallback liability**
 - Registration of e-commerce entities
 - Ban on **flash sales**.

For detailed information on this topic refer to the following article:

[UPSC Comprehensive News Analysis of 22nd June 2021](#)

Concerns:

- Despite claims by the central government that these amendments are an **effort to rein in unfair trade practices adopted by e-commerce companies and intend to take care of the interests of consumers**, the article argues that the intended rules would do more harm than good in the long run.
 - The regulation seems more of an effort to regulate the hold of dominant foreign entities in the sector and to push the government's 'Make in India' initiative and **favour small and medium scale enterprises, all under the veil of consumer protection**. This kind of protectionism will only harm the domestic Indian firms in the long run.
 - The move to involve all goods and services bought or sold over a digital or electronic network under the scope of the rules may lead to the **issue of overlapping jurisdictions**.

- The new rules seem to be **creating an extra layer of bureaucracy** over and above the already existing provisions for resolution of customer complaints. This will impact the functioning of the platforms.
- The provisions on **fallback liability are going to increase costs for e-commerce**. This could have a detrimental impact on the **livelihood opportunities of a large number of gig workers in the e-commerce sector**.

Significance:

- The measures taken to regulate monopolist tendencies in the sector are welcome. The **provisions on deep discounting and flash sales are welcome** as they help mitigate the possibility of long term monopoly in the sector and concerns associated with it.

Recommendations:

- Rather than employing the new Consumer Protection (e-commerce) Rules to regulate the platform entities, the already existing regulations and systems should be used in this direction.
 - The regulation of dominant firms should actually come within the ambit of the **Competition Commission of India**.
 - The issue of data privacy should be addressed by a suitable **data protection law**.

F. Prelims Facts

1. Govt. portal for children orphaned by COVID-19

PM CARES for children:

- The scheme under the **PM CARES fund** was meant for children who have lost both parents or the lone surviving parent or a legal guardian or an adoptive parent due to COVID-19.
- PM CARES for Children envisages **support and empowerment of COVID affected children**.
 - Such children to get a monthly stipend once they turn 18 and a fund of Rs 10 lakh when they turn 23 from PM CARES
 - Free education to be ensured for such children
 - The children will be assisted to get an education loan for higher education & PM CARES will pay interest on the loan
 - The children will get free health insurance of Rs 5 lakh under **Ayushman Bharat** till 18 years & premium will be paid by **PM CARES**

Context:

- The central government has introduced a web portal through which anyone can share the details of a child orphaned by COVID-19 and help the child claim benefits under the PM CARES for children scheme.

G. Tidbits

1. Inflation situation very alarming: Basu

- Former World Bank chief economist Kaushik Basu has expressed concerns over the alarmingly **high wholesale price-based inflation in India which is currently at a 30-year high**.
- The economist though brushed aside fears of hyperinflation, has warned that if retail inflation follows wholesale prices, it might lead to an **“inflationary crisis” in India**.
- The economist has called for the **intertwining of monetary policy and fiscal policy** to address the high inflation rates.

H. UPSC Prelims Practice Questions

Q1. PRAGYATA guidelines issued by the government of India refer to a set of guidelines issued for:

- a. Protection of women at workplace.
- b. Provision of shelter, rehabilitation and care to children orphaned due to COVID-19.
- c. Promotion of traditional indigenous practices in agriculture.
- d. Planning and implementation of Digital Education.

Answer: d

Explanation:

PRAGYATA guidelines issued by the government of India refer to a set of guidelines issued for the planning and implementation of Digital Education.

Read more on [PRAGYATA: Guidelines on Digital Education released by HRD Ministry](#)

Q2. Which of the given statements is/are INCORRECT?

1. The 97th Constitutional amendment act dealt with the issues related to the effective management of co-operative societies in the country.
2. The Parliament alone can enact laws with regard to cooperative societies including multi-State co-operative societies.
3. The subject “co-operative societies” falls in the concurrent list.

Options:

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

Answer: b

Explanation:

- The 97th Constitutional amendment act dealt with the issues related to the effective management of co-operative societies in the country.
- Only the states can enact laws with regard to cooperative societies.
- The subject “co-operative societies” is enumerated in Entry 32 of the State List of the Seventh Schedule of the Constitution.

Q3. Which of the given statements is/are correct?

1. As money supply in the economy falls the interest rate also has the tendency to fall.
2. An expansionary monetary policy is implemented by lowering key interest rates.
3. The policy interest rate required to achieve the inflation target is decided by the Reserve Bank of India.

Options:

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

Answer: a

Explanation:

- As money supply in the economy falls the interest rate also has the tendency to rise.
- An expansionary monetary policy is implemented by lowering key interest rates.
- The policy interest rate required to achieve the inflation target is decided by the Monetary Policy Committee.

Q4. The Democracy Index is published by

- a. World Bank
- b. Reporters Without Borders
- c. Economist Intelligence Unit (EIU)
- d. Varieties of Democracy (V-Dem) Institute

Answer: c

Explanation:

- The **Democracy Index is published by** Economist Intelligence Unit (EIU).
- There is a range of 60 indicators within the five categories on which the Democracy Index is based.
Five indicators:
 1. Electoral Process and Pluralism

2. The Functioning of the Government
3. Political Participation
4. Political Culture
5. Civil Liberties

Read more on [Democracy Index 2020](#).

Q5. Consider the following pairs of Terms sometimes seen in news vs Context/Topic: (UPSC 2018)

1. Belle II experiment: Artificial Intelligence
2. Blockchain technology: Digital/ Cryptocurrency
3. CRISPR — Cas9: Particle Physics

Which of the pairs given above is/are correctly matched?

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

Answer: b

Explanation:

- The Belle II experiment conducted in Japan dealt with particle physics.
- Digital/Cryptocurrency is based on blockchain technology.
- CRISPR-Cas9 is a genome-editing tool.

I. UPSC Mains Practice Questions

1. Reforms in the cooperative sector should not be at the cost of federal principles. Explain the statement in reference to the recent Supreme Court judgment on cooperative Societies. (10 Marks, 150 Words) [GS-2, Polity and Governance]
2. Microplastics pollution in the Ganga River may accumulate up the food chain, potentially impacting whole ecosystems. Discuss. (10 Marks, 150 Words) [GS-3, Environment and Ecology]