

23 Nov 2021: UPSC Exam Comprehensive News Analysis

TABLE OF CONTENTS

| A. GS 1 Related |
|--|
| B. GS 2 Related |
| INTERNATIONAL RELATIONS |
| 1. 'Unpredictable norms key impediment to bilateral trade' |
| 2. Australia signs sub deal with U.S., U.K. |
| POLITY AND GOVERNANCE |
| 1. JPC retains exemption clause, adopts personal data Bill |
| C. GS 3 Related |
| D. GS 4 Related |
| E. Editorials |
| INTERNATIONAL RELATIONS |
| 1. Reversing follies in a haunted battleground |
| 2. <u>Dynamism in India-U.S. ties</u> |
| AGRICULTURE |
| 1. Reforming the fertilizer sector |
| F. Prelims Facts |
| 1. Centre allows exporters time till Jan. 31 on origin e-certificate |
| 2. <u>Indore cleanest city five years in a row</u> |
| G. <u>Tidbits</u> |
| 1. Authoritarianism is on the rise, says report |
| 2. <u>Fraud apps</u> |
| 3. SBI lifts GDP growth view to 9.3%-9.6% |
| H. UPSC Prelims Practice Questions |

A. GS 1 Related

Nothing here for today!!!

I. UPSC Mains Practice Questions

B. GS 2 Related

Category: INTERNATIONAL RELATIONS

1. 'Unpredictable norms key impediment to bilateral trade'



Context:

• U.S. Trade Representative is in India for the U.S.-India Trade Policy Forum (TPF) meeting and has expressed her views on the India-U.S. bilateral trade.

Concerns:

- The U.S. Trade Representative lamented that despite having huge potential given the complementarity of the two economies, the bilateral trade between the two countries never seems to quite live up to its significant potential.
 - o There is a huge potential for growth in areas like the digital economy, services, health-related trade and agriculture.
- She also pointed out that the **trade relationship between the two countries had not kept pace** with other areas of engagement like defence and internal security, science and technology, etc.
- The U.S. Trade Representative expressed concerns over India's 'unpredictable' regulatory norms, high tariffs, restrictive trade measures and market access restrictions. These she said acted as major impediments to bilateral trade.

Common interests:

• India and the U.S. have common interests in ensuring the sustainability of vulnerable supply chains and the promotion of market-oriented principles and structures.

Way forward:

• The U.S. trade representative underlined the U.S. commitment to ensuring a **robust and sustainable trade partnership** with India and hoped that the trade policy forum will be able to resolve the pending issues in an amicable manner.

For more related information on this topic refer to the following article:

CNA dated Nov 19, 2021

2. Australia signs sub deal with U.S., U.K.

Context:



Australian Defence Minister signed an agreement with diplomats from the U.S. and U.K. allowing the exchange of naval nuclear propulsion technology know-how between Australia, Britain and the United States.

Details:

- It is the first agreement on the naval nuclear propulsion technology to be publicly signed since the U.S., U.K. and Australia announced the formation of a **defence alliance**, **AUKUS**.
 - Under the AUKUS deal, Australia would obtain eight state-of-the-art, nuclear-powered but conventionally armed submarines capable of stealthy, long-range missions.
- This agreement would improve the three countries' "mutual defence posture" and enable them to better deal with the strategic tensions with China in the Indo-Pacific.

For detailed information on AUKUS trilateral security partnership refer to the following article:

CNA dated Sep 16, 2021: US, UK, Australia form new partnership

Category: POLITY AND GOVERNANCE

1. JPC retains exemption clause, adopts personal data Bill

Context:

• The **report on the <u>Personal Data Protection (PDP) Bill, 2019</u>** was adopted recently at the Joint Parliamentary Committee (JPC) meeting.

Background:

- The draft Bill on personal data protection was prepared by the **Justice Srikrishna Committee** and submitted to the Ministry of Electronics and Information Technology in 2018.
- A **Joint Parliamentary Committee** was set up to scrutinise another version the Personal Data Protection Bill (PDPB), 2019 proposed by the government.

Key recommendations:

Exemption for the government agencies:

• The committee has retained **clause 35** of the PDP bill with a minor change.



- Clause 35 of the PDP bill allows for an exemption for any agency under the Union Government from all or any provisions of the law in the name of "public order", "sovereignty", "friendly relations with foreign states" and "security of the state".
- The report while acknowledging the need to balance between the concerns regarding national security, liberty and privacy of an individual, notes that only a secure nation can provide an atmosphere that ensures personal liberty and privacy of an individual and hence places security and public order as a higher priority.
- The report argues that the clause 35 is for certain legitimate purposes and it is justifiable given the **provision for reasonable restrictions** imposed upon the liberty of an individual, as guaranteed under Article 19 of the Constitution and the Puttaswamy judgment.
- However acknowledging the potential for misuse, the committee, emphasizes that this power must be used only under exceptional circumstances and subject to conditions as laid out in the Act.

Social media platforms:

- The committee calls for stricter regulations for social media platforms.
 - o It recommended that all social media platforms, which did not act as intermediaries, should be treated as publishers and be held accountable for the content they host meaning they should be held responsible for the content from unverified accounts on their platforms.
 - It recommends a statutory media regulatory authority, on the lines of the Press Council of India for the regulation of the contents on the social media platforms.
 - o It also recommended that no social media platform should be allowed to operate unless the parent company sets up an office in India.

Other recommendations:

- It recommends the setting up of a dedicated lab for **certification of all digital devices in the country.**
- The committee suggests that in case of cross border transfer of data, a mirror copy of sensitive and critical personal data needs to be mandatorily maintained in India.
- The committee recommends the development of an **alternative indigenous financial system for cross-border payments** on the lines of Ripple (U.S.) and INSTEX (European Union).

Concerns:

• Some members of the committee have expressed concerns over clause 35 of the bill. This they argue could be **ultra vires of the Fundamental Right to privacy** as laid down in the Puttaswamy (2017) judgment as the bill did not provide adequate safeguards to protect the <u>right to privacy</u> and gave **unqualified powers to the Government which could be misused**.



- The PDP bill also considerably diverges from the Justice Srikrishna Committee's draft Bill.
 - The selection of the chairperson and members of the Data Protection Authority (DPA) will be made by members of the executive.
- Suggestions by some members of the committee to remove "public order" as a ground for exemption, suggestions for "judicial or parliamentary oversight" for granting of exemptions and the mandatory written orders for granting exemptions have been overlooked.

Way forward:

- The recommendations made during the **Global Privacy Assembly** could be an ideal way forward on this issue.
 - There should be clearly laid principles based on a legal basis for government access to personal data.
 - There should also be clear and precise rules, proportionality and transparency, data subject rights, independent oversight, and effective remedies and redress to the individuals affected.

C. GS 3 Related

Nothing here for today!!!

D. GS 4 Related

Nothing here for today!!!

E. Editorials

Category: INTERNATIONAL RELATIONS

1. Reversing follies in a haunted battleground

Context

This editorial explains the idea of Institutionalised Neutrality in the context of Afghanistan and its geopolitical significance.

Background:

• 'Amir' Abdur Rahman Khan warned his country against Tsarist incursions in the 1880s.



- As per the Anglo-Russian Convention of 1907, the two imperial powers pledged not to make any changes to Afghanistan's political status.
- 'Afghanistan is of little or no strategic relevance to the United States,' determined the Joint Chiefs of Staff in Washington in 1953.
- 'Instead of asking for weaponry, Afghanistan should settle the Pashtunistan problem with Pakistan,' Secretary of State J.F. Dulles urged a high-ranking Afghan diplomat in 1954.
- 'Show me a way out of Afghanistan,' Soviet President Leonid Brezhnev asked Prime Minister Indira Gandhi in 1982; her response was simple: 'The way out is the same as the way in.'
- The Treaty of Rawalpindi, signed in August 1919, recognised Afghanistan as a fully autonomous state, and the Amir agreed to recognise the Durand Line and renounce the British payment.

Significant Aspects of Afghanistan's Geopolitics:

- New Geopolitical Realities and China as the New Player in the Great Game
- New geopolitical realities are altering global politics, with China becoming more assertive and influential in South Asia, Southeast Asia, and Africa.
- It is posing a challenge to the unilateral world that the US has ruled since the conclusion of the Cold War for more than two decades.
- Similarly, the United States is attempting to regain its worldwide hegemony.
- New Strategy, New Alignment of the Regional Players
- Afghanistan has long been vulnerable to undesired foreign influences, particularly from opportunistic neighbours.
- Each of them maintains connections to client networks capable of fragmenting and incapacitating an emerging Afghanistan.
- Each nation has its own set of interests and plans for gaining maximum strength in the area, and each country is critical to the conclusion of the Afghan situation.
- China's Policy Contrasts the US Policy in Afghanistan
- Apart from major collaboration in other areas like climate change, it looks doubtful that they would conduct a war to offset each other's impact due to their economic interdependence.
- However, there's a chance they'll engage in strategic manoeuvring, with the US attempting to restrict Chinese influence in the area and the Chinese attempting to limit US control in Afghanistan.
- India is the Answer to China, not Pakistan



- India, like the United States, has a lot invested in the area and would be uncomfortable with the political solution that China offers Pakistan.
- In an ideal world, India would like the Chinese to solve the Afghan crisis without the help of Pakistan, which has already been exposed for its ties to rebel organisations operating in the region.

• Geographic Strategic Points: Wakhan corridor, Durand Line

- The Wakhan corridor, which runs through China's Pamir Mountains, is the clearest indication of the two countries' desire to avoid an armed clash.
- China's border might play an important role as an energy corridor in the future.
- On the Durand Line, a creative approach with some type of formal but soft boundary that accommodates the area's history, topography, and population appears to be the best option.

Idea of Institutionalised Neutrality:

What does Institutionalised Neutrality mean?

- The principle of institutional neutrality requires schools to refrain from taking a political or ideological stance, allowing for a nonpartisan pursuit of the facts wherever they may lead.
- It is intended to create an environment in which no one feels compelled to conform to their own political convictions.

Institutionalised Neutrality in Afghanistan:

- Audrey K. Cronin, an American scholar, studied recent cases of 'Neutralization as a Sustainable Approach' in 2016 and concluded that, in the case of Afghanistan, such an approach could be negotiated by the US, China, Iran, Russia, Saudi Arabia, the Central Asian republics, and the North Atlantic Treaty Organization (NATO).
- A proposal for 'Neutralization' as a concept and an attainable objective must be considered both in terms of philosophy and practicality.
- The notion of externally guaranteed institutionalised neutrality was floated, but the Mujahideen were not enthusiastic.
- It was viewed as a potential solution for reducing or eliminating conflict between competing countries, as well as preventing Afghanistan from becoming a geopolitical hub for contending powers and a source of extremism and terrorism.
- In the near future, and given domestic cohesiveness, it does not appear that the Taliban leadership will break from it for ideological or practical reasons.

Essential ingredients of such Neutralisation would be:



- A formal Afghan declaration in constitutional terms;
- A legally binding declaration by each and every immediate and proximate neighbour;
- A United Nations Security Council declaration calling on the P5 and interested powers to refrain from any form of power politics in Afghanistan;
- A United Nations General Assembly resolution recognising Afghanistan as a neutral state.

Indian Perspective on Institutionalised Neutrality:

- India believes that its diplomatic mission in Afghanistan, as well as its economic support and public health assistance, should remain.
- It was also determined that it "should make contact with leaders of all organisations and maintain relationships with them so that India can deal with whoever comes to power in the future."
- Afghans must state explicitly that they would maintain absolute neutrality in their dealings with other countries, and foreign powers must commit to respecting Afghanistan's neutrality.

Conclusion:

With Afghanistan's dire need for accommodation with external powers, aid providers, and economic assistance, the situation is ripe for political adjustment of basic perceptions. Institutionalised Neutrality allows friendly countries to provide assistance without being constrained by competition and power politics.

2. Dynamism in India-U.S. ties

Context

The editorial focuses on the trajectory of <u>India-U.S. bilateral ties</u>.

Dynamism in India-US Ties:

- In essence, the bilateral dynamic between India and the United States is unusual in that it is based on both strategic and commercial interests.
- With regions and cities becoming individual markets requiring specific solutions, state-state and city-city collaboration could be the way forward.
- The United States' alignment with India's Blue Economy goals opens up a wide range of collaboration prospects, including all types of energy, technology, and infrastructure required to achieve this aim.



- With enormous natural resources and an untapped target population, the Indo-Pacific region
 offers tremendous synergies for both countries to promote a market-driven Blue Economy
 framework for growth and development.
- Grid modernization, energy efficiency, and renewable technology are all clear potential areas that are becoming more tangible every day.



Way Forward

- India, the world's most populous democracy, is dedicated to representative government and the rule of law.
- The alliance between the United States and India is built on common ideals such as democracy, pluralism, and the rule of law.
- A slew of economic, security, and geopolitical initiatives are in the works, including groundbreaking ideas for civilian nuclear cooperation.
- The increasing convergence of strategic interests between India and the U.S. would promote global peace and stability.

For detailed information on the above topics refer to the following article:

RSTV: The Big Picture - India - US Ties

Category: AGRICULTURE

1. Reforming the fertilizer sector



Context

This editorial discusses multiple goals of fertilizer policy and four key areas India needs to work on.

What is a Fertiliser Subsidy?

- Farmers purchase fertilisers at MRPs (maximum retail prices) that are lower than their regular supply-and-demand market rates or the cost of production/importation.
- Non-urea fertiliser MRPs are deregulated or set by the firms.
- The Centre, on the other hand, pays a fixed per-tonne subsidy to guarantee that these nutrients are priced at "reasonable levels."

Background:

- Since 1991, when economic reforms began in India, several attempts have been made to reform the fertilizer sector to keep a check on the rising fertilizer subsidy bill.
- The Government of India established the "Central Fertilizer Pool" in 1944 to ensure equitable distribution of all fertilizers at fair prices all over the country.
- For 2021-22, the Union Budget has estimated fertilizer subsidy to reach a much higher level due to the recent upsurge in the prices of energy, the international prices of urea and other fertilizers, and India's dependence on imports.

Government Measures:

- 1. **Nutrient Based Subsidy (NBS):** The government introduced the <u>Nutrient Based Subsidy (NBS)</u> in 2010. It aims to address the growing imbalance in fertilizer use in many States, which is skewed towards urea (N). The Centre announces Nutrient Based Subsidy (NBS) rates for P&K (Phosphatic & Potassic) fertilisers every year.
- 2. **Di-Ammonium Phosphate (DAP) Subsidy:** Recently, the government had increased subsidies by 140% on DAP because of the surge in global prices.
- 3. **Urea Subsidy:** In the case of urea, the government has fixed the maximum retail prices (MRP) of urea. The difference between the MRP and the cost of production is reimbursed to manufacturers in the form of a subsidy.

Challenges in Fertilizer Subsidy:

- 1. **Policy Change:** Farmers tended to move towards balanced use, but policy and price changes reversed the favourable trend a couple of times in the last three decades.
- 2. **Improper Use**: The almost freezing of the MRP of urea in different time periods and its rising sale led to an increase in an indiscriminate and imbalanced use of fertilizers.



- 3. **Environment Impact:** Concerned with the adverse environmental impact of certain chemical fertilizers, some sections of society suggest the use of organic fertilizers and biofertilizers instead.
- 4. **Inter-State Disparities:** There are also implications of inter-State disparities in fertilizer subsidy due to high variations in subsidy content, which is highly biased towards urea and thus nitrogen. As a result, the magnitude of fertilizer subsidy among the major States ranges in the ratio of 8:1.
- 5. **International Prices:** The international prices of fertilizers are volatile and almost directly proportional to energy prices. These extraordinary price rises are on account of a sharp upsurge in international energy prices and supply constraints in major producing countries due to robust domestic demand, production cuts and export restrictions.
- 6. **Fiscal Concerns:** In order to minimise the impact of the rise in prices on farmers, the bulk of the price rise is absorbed by the government through enhanced fertilizer subsidy. This is likely to create serious fiscal challenges.

The way forward

In order to address the multiple goals of fertilizer policy, we need to simultaneously work on four key policy areas.

- 1. **Self-Reliance:** We need to be self-reliant and not depend on the import of fertilizers. In this way, we can escape the vagaries of high volatility in international prices.
- 2. **Expanding Nutrient Based Subsidy (NBS) Programme:** The present system of keeping the price of urea fixed and absorbing all the price increases in subsidy needs to be replaced by the distribution of price change. We need to extend the Nutrient Based Subsidy (NBS) model to urea and allow for price rationalisation of urea compared to non-nitrogenous fertilizers and prices of crops.
- 3. **Alternative sources of nutrition:** There is a strong desire to shift towards the use of non-chemical fertilizers as well as a demand for bringing parity in prices and subsidies given to chemical fertilizers with organic and biofertilizers. This also provides the scope to use a large biomass of crop that goes waste and enhance the value of livestock by-products. We need to scale up and improve innovations to develop alternative fertilizers.
- 4. **Improving fertilizer efficiency:** India should pay attention to improving fertilizer efficiency through need-based use rather than scattering fertilizer in the field.

Conclusion:

Fertilizer Subsidy changes will go a long way in enhancing the productivity of agriculture, mitigating climate change, providing an alternative to chemical fertilizers and balancing the fiscal impact of fertilizer subsidy on the Union Budgets in the years to come.



1. Centre allows exporters time till Jan. 31 on origin e-certificate

Certificate of Origin (CoO):

- A Certificate of Origin is a document used in international trade transactions which attests
 that the product listed therein has met certain criteria to be considered as originating in a
 particular country.
- In India, the <u>Directorate General of Foreign Trade (DGFT)</u> is vested with powers to oversee the CoO system.

Context:

- The Union government has temporarily suspended a mandatory obligation imposed on exporters to obtain online Certificates of Origin (CoO) for every outbound consignment.
- The online CoO system was made mandatory for exports to countries with whom India had a **preferential trade pact.**

2. Indore cleanest city five years in a row

- Indore has been named the cleanest city in the country by the Centre in its annual **Swachh Survekshan rankings**. Chhattisgarh was named the cleanest State for the third year in a row, among States with more than 100 urban local bodies (ULBs).
- The Swachh Survekshan survey and rankings were started in 2016 as a part of the **Housing and Urban Affairs Ministry's** flagship scheme, <u>Swachh Bharat Abhiyan</u>. Currently, it is one of the world's largest urban cleanliness surveys.
- The exercise is carried out by the Ministry of Urban Affairs and the Quality Council of India.
- The various parameters included in the ranking include:
 - o **Service level progress** Segregated collection of garbage, sustainable sanitation, processing and disposal.
 - o Citizens' voice and certifications like Open Defecation Free+, Star Garbage Free City and Water+ certifications.

G. Tidbits

1. Authoritarianism is on the rise, says report



- The Global State of Democracy Report, 2021 released by the International Institute for Democracy and Electoral Assistance notes with concern that a higher number of countries are moving towards authoritarianism as compared to countries moving towards democracy. The report notes the impact of the COVID-19 pandemic on this trend.
- India is in the category of a mid-level performing democracy since 2000.

2. Fraud apps

- A report by a Reserve Bank of India (RBI) Working Group (WG) points to the high number of illegal loan apps operating in India.
- Sachet, the portal established by the Reserve Bank, has been receiving several complaints about digital lending apps.

3. SBI lifts GDP growth view to 9.3%-9.6%

- State Bank of India (SBI) has upgraded its GDP growth projection for the ongoing fiscal to a 9.3% to 9.6% range, from 8.5%-9% forecast earlier, citing an improved pace of vaccination and lower incidence of COVID-19 cases in the country.
- This upward revision is based on the reference to **high-frequency indicators** factored into their 'Nowcasting' model.
 - Nowcasting in economics is the prediction of the very near future based on the very recent past state of an economic indicator. Nowcasting models have been applied most notably in Central Banks, who use the estimates to monitor the state of the economy in real-time as a proxy for official measures.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements:

- 1. Minimum support price (MSP) is the price that government agencies pay whenever they procure the particular crop.
- 2. The Centre currently fixes MSPs for 23 farm commodities.
- 3. The Govt. is legally bound to pay MSP when the open market price of the crop falls below the announced price.

Which of the above statements is/are incorrect?



- a. 1 & 2
- b. 1 & 3
- c. Only 3
- d. None of the Above

Answer: c

Explanation:

- Minimum Support Price (MSP) is a form of market intervention by the Government of India to insure agricultural producers against any sharp fall in farm prices. The minimum support prices are a guaranteed price for their produce from the Government.
- The minimum support prices are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP).
- Currently, MSP for 23 crops is recommended by CACP, which comprise seven cereals (paddy, wheat, maize, sorghum, pearl millet, barley and ragi), five pulses (gram, tur, moong, urad, lentil), seven oilseeds (groundnut, rapeseed-mustard, soyabean, sesamum, sunflower, safflower, nigerseed), and four commercial crops (copra, sugarcane, cotton and raw jute).
- However, currently, MSP does not have any legal backing.

Q2. Consider the following statements:

- 1. Article 22 of the Constitution deals with protection against arrest and detention in certain cases.
- 2. All laws in India assume an accused to be innocent until proven otherwise.

Which of the above statements is/are correct?

- a. Only 1
- b. Only 2
- c. Both
- d. None

Answer: a

Explanation:

• Article 22 of the Constitution deals with protection against arrest and detention in certain cases. It states that no person who is arrested shall be detained in custody without being informed, as soon as may be, of the grounds for such arrest nor shall he be denied the right to consult, and to be defended by, a legal practitioner of his choice.



 Not all laws in India assume an accused to be innocent until proven otherwise. Example -Atrocity act.

Q3. Committee of Experts under the Chairmanship of Justice B.N. Srikrishna deals with:

- a. Agricultural reforms and the MSP
- b. Privatization of Public Sector Banks
- c. Adoption of a Uniform Civil Code
- d. Personal data protection

Answer: d

Explanation:

• The draft Bill on personal data protection was prepared by the Justice Srikrishna Committee and submitted to the Ministry of Electronics and Information Technology in 2018.

Q4. Which of the following statements is/are correct?

- 1. Param Vir Chakra, Maha Vir Chakra and Vir Chakra were instituted by the Government of India on 26th January, 1950.
- 2. These gallantry awards are announced twice in a year first on the occasion of the Republic Day and then on the occasion of the Independence Day.
- 3. The recommendation for gallantry awards is invited by the Ministry of Defence twice in a year from the Armed Forces and Union Ministry of Home Affairs.

Select the correct option from below:

- a. 1 & 2
- b. 2 & 3
- c. 1 & 3
- d. All of the Above

Answer: d

Explanation:

Gallantry Awards have been instituted by the Government of India to honour the acts of bravery
and sacrifice of the officers/personnel of the Armed Forces, other lawfully constituted forces and
civilians.



- Post-independence, three gallantry awards namely the Param Vir Chakra, the Maha Vir Chakra and the Vir Chakra were instituted by the Government of India on 26th January 1950 which were deemed to have effect from 15th August 1947.
- These gallantry awards are announced twice a year first on the occasion of Republic Day and then on the occasion of Independence Day.
- Ministry of Defence invites recommendations twice a year from the Armed Forces and Union Ministry of Home Affairs for gallantry awards.

Q 5: Under the Indian Constitution, concentration of wealth violates

- a. the Right to Equality
- b. the Directive Principles of State Policy
- c. the Right to Freedom
- d. the Concept of Welfare

Answer: b

Explanation:

The concentration of wealth violates the directive principles of state policy. Under Article 39 of
the Constitution of India, the State shall direct its policy towards securing that the operation of
the economic system does not result in the concentration of wealth and means of production to
the common detriment.

I. UPSC Mains Practice Questions

- 1. Discuss the various issues facing the fertilizer sector in India and suggest remedies to resolve these issues. (250 words; 15 marks)(GS Paper 3/Economy)
- 2. In order to have a meaningful dialogue, India must be an active player in the Afghanistan reconciliation process. Throw light on the evolving paradigm of India's foreign policy with respect to Afghanistan. (250 words; 15 marks)(GS Paper 2/International Relations)