

# 17 Mar 2022: UPSC Exam Comprehensive News Analysis

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# A. GS 1 Related

Nothing here for today!!!

# B. GS 2 Related

# **Category: INTERNATIONAL RELATIONS**

1. In times of war, the yuan as a reference currency for interim oil trade

Syllabus: Effect of policies and politics of developed and developing countries on India's interests



Mains: The impact of economic sanctions by the west on Russia, the need for and advantages of using alternate currencies to dollars.

### **Context**

India and Russia are examining ways to use the Chinese yuan as a reference currency to ease the oil trade between them.

## **Impact of economic sanctions on Russia**

- There is a huge drop in the demand for Russia's oil in the western countries post its military operation in Ukraine and the following sanctions.
- Despite there being no explicit ban announced on imports from Russia, traders are hesitant to purchase Russian energy as they fear that further sanctions may leave them holding energy inventory that they cannot sell.
- Russia was expelled from the SWIFT payments as a part of the economic sanctions imposed by the western allies against <u>Russia's invasion of Ukraine</u>.
  - As a result, the energy imports from Russia have reduced significantly.
  - Russian businesses are unable to pay for imports and consumers have not been able to purchase goods.
- The foreign reserves of Russia's Central bank were also frozen, further impacting Russia's ability to use its reserves to support its currency.
- As a result of these, the Russian rouble (the official currency of the Russian Federation) has lost nearly 25% of its value against the U.S. dollar since the war.

### Russia offers oil to India

- Considering its current economic situation, Russia has offered to sell oil to India with remarkable discounts.
- To facilitate oil trade between India and Russia, neither the rouble nor the Indian rupee is suitable as a global currency for trade.
  - Thus, the Chinese yuan is looked at as an alternate option.

### Rise of value of Chinese yuan against U.S. dollars

- A major amount of oil trade across the world takes place in U.S. dollars as it is widely accepted in the global market for goods and services.
- The acceptability of currencies mainly depends on their purchasing power (the amount of goods and services that can be bought).
  - The U.S. has been an economic powerhouse and hence countries across the world have been trading in U.S. dollars, hoping that this will help facilitate their trade with America.
- The U.S. is maximizing its economic power by freezing dollars that belong to its adversaries. Hence, many countries are looking at alternatives to the U.S. dollar.
- As China has emerged as a major economic power in recent times, the value and acceptability of its currency yuan have increased in the global trade circles.

#### Path ahead



- Despite the rise of the Chinese yuan as an alternative, about 90% of the global trade still takes place with the use of U.S. dollars.
- There are still several doubts and questions regarding the feasibility of the use of yuan.
- Russia using yuan as reference currency to trade with India means that,
  - The amount of trade that happens between Russia and India will be in terms of the yuan without the Chinese currency being used.
  - Or yuan could be used to facilitate trade between the countries.
- As the Russian rouble and the Indian rupee are not widely accepted global currencies, there is a problem if there is a trade imbalance between the countries.
  - In 2021, Russia's exports to India stood at \$6.9 billion compared to India's exports to Russia being worth \$3.3 billion.
  - India has a trade deficit of over \$3 billion.
  - Russia cannot accept the rupee instead of the dollar in bilateral trade, as it would be difficult for it to
    get rid of its excess rupee holdings as the rupee's acceptability in global trade is meagre as compared
    to that of the dollar.
  - Hence the use of the yuan, which is more widely accepted, can help solve the issues.
- The use of the yuan might result in a potential fall in the status of the dollar unless the U.S. takes up measures and continues to be the most dominant economic superpower.

#### **Nut Graf**

The use of the dollar as a financial weapon against Russia by the U.S. has resulted in countries taking up accelerated measures to reduce their dependence on the U.S. dollar. Countries now want to hold fewer dollars and euros by switching to alternative currencies such as the yuan.

# C. GS 3 Related

# **Category: SCIENCE AND TECHNOLOGY**

1. Patent rights on COVID-19 jabs may be waived

Syllabus: Issues relating to intellectual property rights

Mains: The relaxation of Intellectual property rights (IPR) on COVID-19 vaccines and its impact on India.

## Context

Intellectual property rights (IPR) on COVID-19 vaccines held by international pharmaceutical companies may be relaxed for 5 years.

#### **Background**

- India and South Africa were the earliest proponents of the waiver of IPR restrictions on essentials to fight against COVID-19 in 2020.
- About 100 countries, including the U.S., supported India's proposals.
- India, along with many other developing countries, already has a system of compulsory licensing, wherein the government if needed can authorise the production of drugs or vaccines despite the protection by patents.

Read more about Compulsory licensing and TRIPS Waiver for COVID-19 vaccines in the link.



#### Waiver of IPR

- In the backdrop of a continuing dispute in the World Trade Organization involving India, South Africa, the European Union (EU) and the U.S., the EU proposed a waiver of IPR on COVID-19 vaccines.
- The waiver will not apply to COVID-19 drugs and diagnostic devices.
- The EU also rejected India's demand to relax IPR restrictions on COVID therapeutics.

### The impact of waiver of IPR on COVID-19 vaccines

- It permits the pharmaceutical companies in developing countries to make and export vaccines without explicit permission from the patent holders.
- However, it is still not known as to what extent this move will benefit Indian manufacturers, who have licensing arrangements with global pharmaceutical companies and also have developed indigenous vaccines.
- A clause in the proposal states that these "waivers" would apply to developing countries that have not exported
  more than 10% of the COVID-19 vaccine doses in 2021 and there is no clarity if India is included in this
  definition.
- The proposals apply to patented products only and since firms like Moderna and Pfizer have not patented their vaccines in India, it would not help in their manufacturing in India.
- The manufacturing know-how, which is more important than the patents, would still be considered a trade secret that continues to be withheld.

#### **Key concerns**

- Experts believe that the proposals have the same essence as that of compulsory licensing in India and hence believe that there is no real push by India which might have serious consequences in future negotiations.
- Experts also believe that the Indian industry is worried more about the supply lines being cut off by the West if we are adamant on a complete waiver and hence India is "playing it safe".
- The waiver has to be extended to COVID-19 drugs and diagnostic devices as India currently has plenty of vaccines but not the drugs and therapeutics.

#### **Nut Graf**

After months of negotiations on the acceleration of COVID-19 vaccine production in developing countries, the U.S., the EU, India and South Africa have reached a consensus on key elements of a long-sought intellectual property waiver for COVID-19 vaccines.

### 2. 'EV sales will rise 10 times by 2022-end'

Syllabus: Developments and their applications and effects in everyday life.

Mains: The advantages and need to adopt alternative fuels and the recent trends in the sale of electric vehicles.

# **Context**

The Union Road Transport and Highways Minister appealed for adopting alternative fuels.

## Rise in the sale of electric vehicles (EVs)

• The minister said that the sales of <u>electric vehicles (EVs)</u> would increase by 10 times in the country by the end of 2022.



- Between 2019-20 and 2020-21,
  - The sale of two-wheeler EVs increased by 422%
  - The sale of three-wheelers increased by 75%
  - The sale of four-wheelers increased by 230%
  - The number of electric buses also saw an increase of about 1,200%
- The minister further added that the cost of petroleum vehicles will be the same as that of electric vehicles.
- According to the reports, the number of EVs registered in 2021 was 1.7% of petrol and diesel vehicles registered.

## The need to adopt alternative fuels

- India at present imports crude oil worth ₹8 lakh crores.
- According to the current trends, the imports are expected to touch ₹25 lakh crores.
- In the economic as well as the ecological and environmental interest of the country, it has become necessary to adopt alternative fuels like electricity, ethanol, methanol, biodiesel, bio-CNG, and green hydrogen.

## Advantages of hydrogen

- Hydrogen is said to be the "fuel for the future".
- Hydrogen is a clean source of alternative fuel that can be used to power the fuel cells of zero-emission vehicles.
- Hydrogen has a high potential for domestic production that can help in reducing the imports of fossil fuels.
- Hydrogen has high efficiency i.e. about 2 to 3 times more efficient than gasoline.
- Hydrogen can also be easily stored in tanks as it is lighter and also is easy for refilling.

## **Nut Graf**

The rise in the sale of electric vehicles in India is seen as a welcome sign as the country requires switching over to alternative fuel sources in the interests of the environment, ecology and the economy.

# D. GS 4 Related

Nothing here for today!!!

# E. Editorials

# **Category: POLITY**

## 1. Treating values of individual freedom as trifles

Syllabus: Indian Constitution—Features, Significant Provisions and Basic Structure.

Prelims: Related Constitutional articles- Article 25

Mains: Judicial doctrines of 'essential religious practices', 'test of proportionality, 'reasonable accommodation; Important Supreme Court judgments- Bijoe Emmanuel

## **Context:**

• The Karnataka High Court judgment in the **Resham vs State of Karnataka case**.



For information on the background of the case refer to the following article:

UPSC Exam Comprehensive News Analysis of 16th Mar 2022

## **High Court Judgment:**

• The Karnataka High Court has upheld the ban imposed on the use of hijabs by students in classrooms across the state of Karnataka.

## **Reasoning for the judgment:**

- The judgment is premised on the following arguments.
  - The court held that the **wearing of a hijab is not essential to the practice of Islam**, and, therefore, the petitioners' right to freedom of religion is not impinged by the ban on the wearing of the hijab.
  - The Court held that there is limited scope for the right to free expression and privacy that can be claimed within the confines of "qualified public spaces" like a classroom and that individual rights cannot be asserted to the detriment of general discipline and decorum.
  - The Court took note of the fact that since the government order does not by itself ban the use of a hijab and since it is otherwise neutral, there is no discrimination aimed at Muslim women students as claimed by the petitioners.

#### **Concerns:**

• The article expresses concerns over the High Court judgment based on the following arguments.

## Flawed essential religious practices doctrine:

- The main argument of the Court in rejecting the plea arguing for wearing a hijab as a legitimate exercise of religious freedom was that the petitioners failed to produce any evidence to show that the use of a hijab was essential to Islam. The article argues that the Judiciary is ill-equipped to do so and this does not augur well for a secular judiciary.
  - Something is an essential practice only if its absence or removal has the effect of destroying the religion itself.
- The article argues that the essential religious practice itself is a flawed doctrine and that the matter could have been disposed of without entering the theological domain.
  - It would be far better if a claim for Article 25's protection is tested against constitutional values such as equality, dignity and privacy, subject, of course, to health and public order.

## Overlooking freedom of conscience:

- The petitioners had contended that they wore the hijab as a matter of conscience and the court has failed to consider this aspect of the plea.
  - Article 25 of the Constitution guarantees to all persons the right to profess, practise and propagate religion and "freedom of conscience."
- This judgment fails to recognize the principle adopted by the Supreme Court in the **Bijoe Emmanuel** (1986) case where the rights of Jehovah's Witnesses who refused to partake in the singing of the national anthem was protected based on the argument that so long as the students conscientiously believed that they must not



participate in the recital, their rights could only be abridged only in the interests of public order, morality or health.

• By linking cases dealing with a right to conscience with aspects of religious freedom, the Karnataka High Court again deviates from the spirit of the Bijoe Emmanuel case where the Supreme Court decided the case explicitly based on conscience and had noted that conscience need have no direct relation to religious faith.

## **Enforcing popular morality:**

- The article argues that as against the expectation of the judiciary standing as guardians of individual freedom, the judiciary has time and again enforced the popular morality of the day, treating values of individual freedom as dispensable.
- The judgment fails to recognize that in this particular case the exercise of free choice was curtailed by state action.

## Flawed argument against free expression in qualified public spaces:

• The argument that derivative rights based on rights to <u>freedom of speech</u> and privacy are incapable of being invoked in protected environments like schools ignores the classic test for determining when and how the right to free expression can be legitimately limited – **the test of proportionality**. The Court failed to consider this legal doctrine.

#### Failure to allow for "reasonable accommodation":

- Despite some precedents like Kendriya Vidyalayas allowing for hijabs within the contours of the prescribed uniforms, the Court has overlooked the request for "reasonable accommodation" in this case.
  - The principle of 'reasonable accommodation' is that a pluralist society may allow social diversity without undermining the sense of equality.
- There is no reason to not accommodate the choice of an additional piece of clothing that does not interfere with the prescribed uniform.
- Also given that religious and cultural marks on the forehead and accessories on other parts of the body are not disallowed, the argument that the court was looking for uniformity falls flat.

## **Undermine social democracy:**

• The article argues that the judgment adversely **impacts the principles of liberty, equality, and fraternity** envisaged to be upheld by our Constitution.

#### **Nut Graf**

The Karnataka High Court in the Resham vs State of Karnataka case has upheld the ban imposed on the use of hijabs by students in classrooms across the State of Karnataka based on the argument that wearing a hijab is not essential to the practice of Islam, and that there is limited scope for the right to free expression and privacy that can be claimed within the confines of qualified public spaces like classrooms.

# **Category: ENVIRONMENT AND ECOLOGY**

## 1. Clean energy must use the battery of a circular economy

Syllabus: Conservation, Environmental Pollution and Degradation, Environmental Impact Assessment.

Prelims: Extended producer responsibility



Mains: Significance of circular economy, Recommendations in this direction.

## Context:

- In the recent budget speech, the Finance Minister had emphasised the role of cleaner technologies in India's
  future economic growth while also noting the importance of transitioning to a circular economy from the
  existing linear one.
- In this respect, the article analyses the significance of adopting a circular economy in the renewable energy sector and makes some recommendations in this direction.

### Significance of circular economy:

## **Handling waste:**

- The circular economy model with its inbuilt efficient waste management ecosystem would be necessary to manage the enormous waste generated by renewable energy projects in the coming decades.
- As per the estimates of the International Renewable Energy Agency (IRENA), the cumulative generated by India's total installed solar capacity could be as high as 325 kilotonnes by 2030.

## **Economic aspects:**

- A robust renewables waste management and recycling ecosystem could help India create new jobs. It would help create quality employment opportunities for future generations across the entire value chain of waste management and recycling.
- Notably, it will also help **formalize the largely informal nature of India's recycling sector** which would help workers in the informal sector access various socio-economic benefits.
  - A majority of India's recycling sector is informal and workers have to work in unsafe environments without standardised wages.

#### **Ensured supply of raw materials:**

- Efficient metal recovery from waste provides a **resilient supply of raw material** for the renewable energy manufacturing industry.
- This could help insulate these industries from potential supply chain shocks of raw materials while ensuring energy security for India.

#### Reduce environmental harm:

- Landfilling is the cheapest and most common practice to manage renewable energy waste currently. However, it is not environmentally sustainable. The various metals and non-metals used in these components could leach into the environment and enter the food chain.
- An efficient recycling system could help reduce such environmental harm and help mankind towards a sustainable future.

## **Recommendations:**

• The article recommends the following steps to nurture a circular economy in the Indian renewable energy industry.

## A clear framework:



- The Indian policymakers should **revise the existing electronic waste management rules** and the <u>extended</u> <u>producer responsibility</u> provision to bring various clean energy components under its ambit.
- The manufacturers, assemblers, importers and distributors in the renewable energy industry should be brought
  under the ambit of electronic waste management rules and there should be a clear cut allocation of
  responsibilities to these stakeholders.

### Ban on unscientific approaches:

- **Dumping and burning** related components should be banned.
  - The leaching of heavy metals such as lead and cadmium from solar photovoltaic modules remains a major environmental concern.
  - Burning the polymeric encapsulant layer in solar photovoltaic modules releases toxic gases such as sulphur dioxide and some volatile organic compounds.

### **Thrust on Research and Development:**

- The renewable energy industry should invest in the research and development of recycling technologies.
- Besides the traditional methods of dismantling and disassembly, the R&D efforts should focus on discovering new ways of recycling that have higher efficiency and are less damaging to the environment.

### Ensuring adequate and affordable finance facilities:

- There is a need for **innovative financing routes** for waste management.
- Provisions like lower interest rates on loans disbursed for setting up renewable energy waste recycling
  facilities, issuing performance-based green certificates to recyclers that could be traded to raise money for
  waste management would help ease the financial burden.

## **Creating a market:**

• The creation of a market for recycled materials through **mandatory procurement** by the renewable energy and other relevant manufacturing industries will create the necessary demand for such goods.

## Focus on quality of goods:

- There needs to be an improvement in product design and quality.
  - The product designs should be simplified to reduce the recycling steps.
  - Toxic metals such as cadmium and lead should be substituted in renewable energy components.
- The Union and State governments should set **stringent quality control standards** for components used in their tenders. This will prevent premature end-of-life of components and consequent waste creation.
- Apart from helping reduce waste generation, such quality enforcement could also help position India's renewable energy industry as a global supplier of quality products.

# **Nut Graf**

Adopting a circular economy in the renewable energy sector will not only help handle the enormous waste being generated in an environmentally sustainable way but it will also have a marked economic impact by creating more jobs and ensuring resilient supply chains.

# F. Prelims Facts



Nothing here for today!!!

# G. Tidbits

## 1. House panel flags issues plaguing MGNREGS

- According to a Parliamentary Standing Committee report, various issues that hinder the <u>MGNREGA</u> scheme include,
  - Insufficient funding
  - Fake job cards
  - Corruption
  - Late uploading of muster rolls
  - Pending payments for wages and materials
- Concerning the Pradhan Mantri Awas Yojana-Gramin, the committee reported grassroots level corruption.

## 2. India should not be buying Russian oil: U.S.

- The U.S. Congressman criticised and expressed disappointment over India's reported consideration of buying oil from Russia.
- He said India is bypassing international sanctions and purchasing oil from Russia at a discounted rate, giving Russia are economic lifeline.
- India being the world's largest democracy and a member of the Quad has a responsibility to act in a way that did not directly or indirectly support Russia's invasion of Ukraine.
- This could potentially reduce India's chances of negotiating a waiver of <u>CAATSA</u> sanctions by the U.S. on the import of the S-400 missile defence system from Russia.

# **H. UPSC Prelims Practice Questions**

## Q1. Consider the following statements with respect to International Court of Justice (ICJ):

- 1. States that ratify the Rome Statute become parties to the ICJ.
- 2. The ICJ is composed of 15 judges and they have a tenure of six years each.
- 3. The ICJ can suo moto take up a case in case of genocide.

#### Which of the statements given above is/are correct?

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

Answer: d

**Explanation:** 



- Statement 1 is not correct. All the 193 member states of the UN are automatically parties to the Court.
  - Those nations that are not members of the UN may become parties to the Court's statute with the help of the Article 93 procedure.
- Statement 2 is not correct. The ICJ is composed of 15 judges and they have a tenure of nine years each.
- Statement 3 is not correct. The ICJ cannot take up a case suo moto. It can only hear cases or disputes when requested by States.

### Q2. Which of the following statements is/are correct?

- 1. The power to grant citizenship lies with the Home Ministry.
- 2. The power of the Government of India to expel foreigners is absolute and unlimited.

## **Options:**

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

#### Answer: c

#### **Explanation:**

- **Statement 1 is correct.** The power to grant citizenship lies with the Home Ministry.
- Statement 2 is correct. The Foreigners Act confers the power to expel foreigners from India. It vests the Union Government with absolute and unfettered discretion. Hence, the power of the Government of India to expel a foreigner is absolute and unlimited.

# Q3. With respect to the Silk Industry, which of the following statements is/are incorrect?

- 1. India is the largest silk producer in the world.
- 2. India is the only country producing all the five known commercial silks.
- 3. Arani silk from Andhra Pradesh has received Geographical Indication (GI) status.

## **Options:**

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

#### Answer: c

## **Explanation:**



- **Statement 1 is not correct.** China is the world's largest producer and supplier of silk. India is the second-largest silk producer in the world.
- Statement 2 is correct. India has the unique distinction of being the only country producing all the five known commercial silks, namely, mulberry, tropical tasar, oak tasar, eri and muga.
- **Statement 3 is not correct.** Arani Silk is from Tamil Nadu.

Q4. With respect to the Deep Ocean Mission, which of the following statements is/are correct?

- 1. It is a central sector scheme where the Government aims to conduct the exploration of the underwater world on similar lines as ISRO does for space.
- 2. This ambitious project will be managed by the Ministry of Science and Technology.

## **Options:**

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

#### Answer: a

#### **Explanation:**

- Statement 1 is correct. It is a central sector scheme where the Government aims to conduct the exploration of the underwater world on similar lines as ISRO does for space.
- Statement 2 is not correct. The project will be managed by the Ministry of Earth Sciences.

Q5. Consider the following animals: (UPSC CSE 2021)

- 1. Hedgehog
- 2. Marmot
- 3. Pangolin

To reduce the chance of being captured by predators, which of the above organisms rolls up/roll up and protects/protect its/their vulnerable parts?

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

Answer: d

### **Explanation:**



- Options 1 and 3 are correct.
- **Hedgehog** these are small nocturnal spiny mammals and when they are frightened they roll into a ball so that a predator will feel the full brunt of its sharp spines.
- **Pangolin** these are the only mammals wholly-covered in scales and they use those scales by rolling up to protect themselves from predators in the wild.
- Marmots are large ground squirrels and are not known to roll up and protect themselves.

# **I. UPSC Mains Practice Questions**

- 1. Discuss the reasons behind the rise in popularity of Electric Vehicles in India. Identify the roadblocks that are still inhibiting the sector from achieving its true potential. (250 words; 15 marks)[GS-3, Energy]
- 2. Discuss the salient features of the Rights of Persons with Disability Act, 2016. How far has the act been successful in improving the lives of the people covered under the act? (250 words; 15 marks)[GS-2, Social Justice]