

08 Mar 2022: UPSC Exam Comprehensive News Analysis

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Category: INTERNATIONAL RELATIONS

1. China says U.S. is trying to build 'Indo-Pacific NATO'



Syllabus: Bilateral, Regional and Global Groupings and Agreements involving India and/or affecting India's interests.

Prelims: About QUAD

Mains: Concerns with QUAD as an 'Indo-Pacific NATO'

Context: China accused the United States of trying to build an "Indo-Pacific NATO" using the Quad and its allies.

About QUAD:

- The Quadrilateral Security Dialogue (Quad) is a partnership of Australia, India, Japan and the US.
- Know more about the **Quadrilateral Security Dialogue (QUAD Group).**

What is China's Concern?

- China equated the U.S, Australia, India, Japan Quad grouping with the "Five Eyes" intelligence alliance involving Australia, New Zealand, Canada, the U.S. and U.K. and the <u>AUKUS</u> (Australia-U.K.-U.S.) defense pact.
- From strengthening the Five Eyes and peddling the Quad to putting together the AUKUS security partnership and tightening bilateral military alliances, China claimed that the real goal for the Indo-Pacific strategy is to establish an Indo-Pacific version of NATO.

Quad as the 'Indo-Pacific NATO'

- As some analysts speak of a "new Cold War" beginning between the United States and China, some have begun to compare the Quad to NATO.
- The timing of QUAD suggests that the organization's newfound prominence is directly correlated with China's continued rise and increasingly aggressive orientation in foreign policy.
- After border clashes with China and China's long-standing alliance with Pakistan, India has become more assertive and comfortable with being in a "multi-aligned" arrangement.
- Other Quad countries have also found themselves in more challenging circumstances related to China.
 - Australia has become very concerned about Chinese influence in their country and consequently reversed much of their China policy.
 - o **Japan** is extremely concerned about rising Chinese assertiveness in the East China Sea, especially around the Senkaku/Diaoyu Dao Islands.
 - o The United States identified China as an "adversary" of the country and entered into a trade war.



• However, Quad is not a military alliance in the way that NATO is. The most important difference between the two is a lack of a collective defense arrangement.

Conclusion:

The Quad is young, and its future is as uncertain as the future of all countries involved and their relationships with China. It may look to include other Indo-Pacific democracies like South Korea and New Zealand in the future, though those countries also have reasons why they would be sceptical, showing the complicated ecosystem of the modern Indo-Pacific.

Nut Graf

While China views the Quad grouping as an Asian NATO, in reality, it is much different from NATO. Without a treaty, a structure or a secretariat, the Quad is based on broad-based cooperation on multifarious domains such as vaccines, technology and maritime security.

2. The complexities for implementing a No-Fly zone

Syllabus: Effect of policies and politics of developed and developi<mark>ng</mark> cou<mark>nt</mark>ries on India's interests, Indian diaspora.

Prelims: No-fly Zone (NFZ)

Mains: Critical evaluation of No-fly Zone (NFZ) over Ukraine

Context: The North Atlantic Treaty Organization (NATO) stated that the organisation would not designate the Ukrainian airspace as a 'No Fly Zone'.

What is a No-Fly Zone?

- A No-Fly Zone refers to a particular airspace wherein aircraft, excluding those permitted by an enforcement agency, are barred from flying.
- Articles under Chapter VII of the United Nations Charter dealing with 'Action with Respect to Threats to the Peace, Breaches of the Peace, and Acts of Aggression' are invoked to authorise a potential no-fly zone.
- Article 39 dictates the United Nations Security Council (UNSC) to determine the probable existence of any threat to peace or an act of aggression.
- No-fly zones have been implemented without a UN mandate too.
 - In 1991 after the first Gulf War, the U.S. and its coalition partners imposed two no-fly zones over Iraq.



• In non-combat situations, No-fly zones can be imposed permanently and temporarily over sensitive installations or for high profile events like the Olympics.

What is the feasibility of a 'No-fly zone' over Ukraine?

- The no-fly zone declarations are essentially a compromise in situations demanding a response to ongoing violence, but full military intervention is politically untenable.
- NATO has previously imposed No-Fly Zones in non-member states like Libya and Bosnia.
- With Russia, it fears a full-fledged war in Europe. It has been demanding that NATO scale back to the pre-1997 arrangements.
- Both Russia and Ukraine are not members of NATO.
- The idea of imposing a 'no-fly zone' over Ukraine has been rejected outright.
- A 'No-fly zone' means NATO deploying aircraft and assets which would result in a direct confrontation with Russia as it may require NATO shooting down Russian fighters or taking down its air defense systems.
- While Russia has an overall superiority over Ukraine's air space, it has not demonstrated that so far in its offensive in Ukraine.
- In addition, a 'No-fly zone' would achieve very little as a majority of the Russian attacks on Ukraine are coming from ground attacks rather than airstrikes.

What are the broad contours in a No-Fly Zone?

- The UNSC had banned all flights in the Libyan airspace post-adoption of Resolution 1973 in 2011 in response to the Libyan Civil War.
- Member states were asked to deny permission to any Libyan registered aircraft to use the territory without requisite approval.
- Further, the member states could bar any entity from flying if they found reasonable grounds to believe the aircraft was ferrying lethal or non-lethal military equipment.
- Member states were permitted to allow flights whose sole purpose was humanitarian, such as the
 delivery of medical supplies and food, chauffeur humanitarian workers and related assistance, or
 evacuating foreign nationals from the territory.

Nut Graf

Fearing a full-scale military confrontation with Russia, NATO has stopped short of declaring Ukrainian airspace a 'No-fly' zone. However, seeing as this move might provide Russia with the 'green light' to bombard Ukrainian cities and villages further, the world must look for alternative ways of ending the violence and suffering in Ukraine.



3. The lists of the FATF and Pakistan's position

Syllabus: Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

Prelims: FATF; Grey list

Mains: FATF Grey and Black lists; Pakistan on FATF grey list

Context: The Financial Action Task Force (FATF) in its latest plenary meeting, decided to retain Pakistan on its terror-financing 'grey list'.

What is the FATF?

- The Financial Action Task Force (FATF) is an inter-governmental organization established to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.
- The FATF was established at the G7 Summit of 1989 in Paris, over concerns of the member countries about growing money laundering activities.
- Know more about the Financial Action Task Force (FATF).

How does the FATF do its work?

- The FATF sets standards or recommendations for countries to achieve in order to plug the holes in their financial systems and make them less vulnerable to illegal financial activities.
- The FATF conducts regular peer-reviewed evaluations called Mutual Evaluations (ME) of countries, starting with member countries, to check their performance on standards prescribed by it.
- The reviews are carried out by FATF and FATF-Style Regional Bodies (FSRBs), which then release Mutual Evaluation Reports (MERs).
- For the countries that don't perform well on certain standards, the FATF and FSRBs draw up time-bound action plans to fight financial crimes.

What are FATF's 'grey' and 'black' lists?

- The words 'grey' and 'black' list do not exist in the official FATF lexicon.
- They designate countries that need to work on complying with FATF directives and those who are non-compliant, respectively.
- Grey countries are those that are "actively working" with the FATF to counter criminal financial activities.



• In their case, the watchdog does not tell other members to carry out due-diligence measures visavis the listed country but does tell them to take into account the risks such countries possess.

Countries in Gery List and Black List:

• Grey list:

- Currently, there are 23 countries on the grey list, with one new addition and one removal.
- o The United Arab Emirates was added to the list while Zimbabwe was taken off it.
- o Besides, some of the other countries on the list are Pakistan, Myanmar, Morocco, the Philippines, Panama, Senegal, Albania, Jamaica and Turkey.

Black list:

- o It means countries designated by the FATF as 'high-risk jurisdictions subject to call for action'.
- o In this case, the countries have considerable deficiencies in their AML/CFT regimens.
- o For such countries, the body calls on members and non-members to apply enhanced due diligence and in the most serious cases, apply counter-measures such as sanctions.
- o Currently, two countries **North Korea and Iran** are on the black list.

Why is Pakistan on the grey list?

- The case of Pakistan is significant as it has found itself on the grey list frequently since 2008, for weaknesses in fighting terror financing and money laundering.
- Through 2009, the FATF reaffirmed its designation of Pakistan in the grey list, as the country began to cooperate with the FATF-like regional body, Asia Pacific Group (APG), for a Mutual Evaluation (ME) process.
- In 2010, Pakistan made a "high level political commitment" to the FATF and APG to address its strategic AML/CFT deficiencies.
- Due to significant progress made by the country, by early 2015, Pakistan was no longer on the grey list.
- However, it came back to the list in 2018, and was given an action plan to restrict terror financing activities and monitor the actions of UN-designated terrorists in the country.
- In October 2019, Pakistan was warned by FATF for addressing only five out of the 27 tasks given to it in controlling funding to terror groups.
- In 2021, however, Pakistan was given another seven-point action plan by the APG, focused specifically on combating money laundering.

Nut Graf

Being listed under the FATF's two lists makes it difficult for countries to get aid from organizations like the International Monetary Fund (IMF), Asian Development Bank (ADB) and the European Union. It may also affect capital inflows, foreign direct investments and portfolio flows in the country.



C. GS 3 Related

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E. Editorials

Category: SOCIETY

1. Working women too, with a dream of good childcare

Syllabus: Role of Women

Prelims: ICDS, PMMVY, NFSA

Mains: Women's informal work is central to the feminization of poverty.

Context:

The article discusses the challenges faced by the informal women workers in India and measures to address those challenges.

International Women's Day:

- <u>International Women's Day is celebrated on March 8</u>, all over the world. The day commemorates the achievements of women and their existence in general.
- The theme for International Women's Day 2022 is 'gender equality today for a sustainable tomorrow'.
- The United Nations looks forward to highlighting the contribution of women and girls around the
 world who are volunteering in promoting their communities or working on climate change
 adaptation, mitigation, and in general working in building a more sustainable future for
 everyone.

Gender Equality and Informal Female Workforce:



- India still has a long way to go to bring gender quality for India's female informal workforce. A study by the <u>International Labour Organization (ILO)</u> 2018 concluded that in India, more than 95 percent of India's working women are informal workers who work in labour-intensive, low-paying, highly precarious jobs/conditions, and with no social protection.
- According to a bulletin published by the World Health Organization (WHO), "women's informal work is central to the feminization of poverty".
 - o However, we do not know much about the impacts of informal work on maternal, neonatal, and child health with the lack of childcare solutions being a serious concern.

Benefits provided to the female workforce:

- India is very forward than other developed countries in terms of maternal health benefits and India's statutory maternity leave stands at rank three among the global rankings. Following are the benefits provided:
 - o Paid maternity leave of 26 weeks.
 - An option to work from home after 26 weeks of maternity leave on mutual agreement with the employer.
 - o Mandatory creche facility for any establishment employing 50 or more than 50 women employees.

Challenges:

- The above-mentioned benefits are mostly availed by the formal female workforce that constitutes less than 5 percent of the total female workforce.
- According to a study by ILO in 2016 lack of adequate childcare services leads to:
 - Women leaving the workforce
 - o Earnings coming to an end
 - Discriminatory employment practices
 - Significant economic and health risks
- These challenges have not been addressed adequately in India and it affects the informal women workers to a great extent.

Measures to overcome the challenges:

Following measures can be taken to enable women to get involved in more productive paid work and improve their maternal and childcare health:

Expansion of ICDS:



- The Integrated Child Development Services (<u>ICDS</u>) is a government organization in India that serves food, pre-school, primary education and healthcare, health check-up, immunization, and referral facilities for children under the age of 6 as well as their mothers.
- The plan was established in 1975, withdrawn in 1978 by the Morarji Desai govt, and then restarted by the Tenth Five-Year Plan. The scheme is also applicable for lactating women and pregnant women.
- Following are the primary objectives of the Anganwadi centres under the ICDS:
 - o To provide maternal and child nutritional security,
 - o To provide a clean and safe environment,
 - o To provide early childhood education hence, enabling the women to re-join the work after childbirth.
- There are certain limitations also that are discussed below:
 - o It does not accommodate children below the age of three.
 - o It functions only for a few hours a day which makes it difficult for working women to pick up children during working hours.
- Measures to address these issues:
 - Early intake of children: If children under the age of 3 will also be catered by the Aanganwadi centres, then it will provide the following benefits:
 - Enable women to give time to paid work, and
 - Will serve the objective of the <u>New Education Policy</u> of providing quality early childhood education to the children in the 0-6 age groups.
 - Adress the issue of time constraints for working women.
- However, expansion of these services will require the expansion of care worker infrastructure particularly the Anganwadi workers and helpers who are already underpaid and overworked.

Revitalize the Creche Scheme:

- There are certain provisions for working women under the National Creche Scheme but it does not get adequate government funding. There is a need for an inclusive approach to overcome the implementation gaps and to diversify the worksite and working hours. Following measures will help in addressing the issues:
- Public Creches:
 - Public creches can be operated near the worksites such as markets, industrial areas, etc.
 This will enable timely breastfeeding, and handling any kind of emergency.
 - o The Self Employed Women's Association (SEWA) has tested this model in some cities.
- The funds collected from the construction cess can be used for running the creches at construction sites.

Some other measures:

Benefits under PMMVY:



- No maternal benefits were provided to the informal women workers until the introduction of the National Food Security Act (NFSA) that mandate a cash transfer of Rs. 6,000 to pregnant and lactating mothers.
- However, the notified scheme for this purpose namely the <u>Pradhan Mantri Matru Vandana</u> Yojana has certain limits such as:
 - o Benefits will be provided only for the first birth, and
 - The amount has been reduced to Rs. 5,000.
- States such as Tamil Nadu (Dr. Muthulakshmi Maternity Benefit Scheme), Rajasthan (Indira Gandhi Maternity Nutrition Scheme), Odisha (Mamta Scheme), Gujarat (Kasturba Poshan Sahay Yojana), and Chhattisgarh (Kaushalya Maternity Scheme) focus on reducing the gaps and providing additional benefits.
- Tamil Nadu offers Rs. 18,000 in cash and kind for two live births.
- The cash transfer under PMMVY is not sufficient in terms of both the NFSA benchmark and nutritional needs and wage compensation.
- Universal and unconditional maternity entitlements of at least six months of the minimum wages for pregnant women and lactating mothers must be implemented.

Compensation:

- The compensation is lower than the minimum wages and it is not sufficient to postpone the mother's return to work for the first six months.
- The amount is also not equal to the NFSA inflation-adjusted benchmark.

Way Forward:

- Lack of access to affordable and quality child healthcare services and maternity benefits put a great burden on the informal women workforce that increases the gender and class inequalities.
- Appropriate measures should be taken and the idea of affordable and quality child care infrastructure as an employment linked benefit and as a public good should be considered.

Nut Graf

Unless affordable and quality childcare infrastructure and maternity benefits are provided and made accessible to the informal women workforce, the burden on women working in the informal sector would only increase further aggravating gender and class inequalities in society.

2. Reaping the potential of the female workforce

Syllabus: Role of Women

Prelims: Demographic dividend, Female Labour Force Participation Rate



Mains: Employment opportunities and challenges for women in India, Women in Gig Economy.

Context:

A lot of new employment opportunities have emerged for women in the gig, platform, and care economy. The article will discuss the different aspects of employment opportunities for women in India.

Background:

- Digital and smartphone technologies and the increased need for personal care for the sick, elderly, and children have created a lot of employment opportunities, especially for women.
- The gig economy provides flexibility and freelancing jobs.
- Health and personal care workers have always been an integral part of the economy and proved to be the real front-line workers during the pandemic. Women constitute a large segment of the personal and healthcare workforce.
- The need for personal and health care has been increased by the Covid-19 pandemic, hence, creating employment opportunities.
- There is a need for concentrated efforts and targeted strategies to enable women to avail these new opportunities provided by the labour market.
- Access to education, skill development, and, digital technology will help the economy in realizing the true potential of the female workforce.

The demographic dividend of India:

- The female labour force participation rate (FLFP) of India is the lowest among the <u>BRICS</u> countries and is also lower in comparison to some neighbouring countries in South Asia such as Sri Lanka and Bangladesh.
- The FLFP declined from 32 percent working or looking for a job in 2005 to 21 percent in 2019. It is necessary to increase the FLFP not only to achieve economic growth but also to promote inclusive growth and achieve sustainable development goals.
- India has the youngest population in the world with a median age of approximately 29 in the year 2020. Women and girls constitute the major part of the <u>demographic dividend</u>. But, sometimes due to certain economic and social factors, they become unable to stay employed or take up employment opportunities. This has been a major challenge for the labour market and the Indian economy.
- China, South Korea, Taiwan, Singapore, etc. are some of the countries that represent a very good example of how the demographic dividend can be used to achieve faster economic growth.

Sectors with Potential:

Healthcare and Education Sectors:



- An estimate of the United Nations shows that women contribute to a major part of the healthcare workers and more than 80 percent of the nurses and midwives belong to the female workforce.
- Similarly, women also constitute a majority of the workforce in the education sector in India, especially in the primary education sector and early childhood care.
- Investment in better health and personal care facilities will not only improve the well being of
 the Indian people but also result in more employment opportunities for women. An ILO report
 suggests that investment in the care economy has the potential to generate a total of 69 million
 jobs by 2030 in India.

The gig economy:

- The gig economy is based on flexible, temporary, or freelance jobs, often involving connecting with clients or customers through an online platform.
- The gig economy can benefit workers, businesses, and consumers by making work more adaptable to the needs of the demand for flexible lifestyles.
- India has emerged as the largest country for gig and platform workers. According to the survey of ILO (2021), job flexibility, and work-from-home jobs are very important for women and they appreciate the income-generating potential of the gig economy.

Digital Platforms:

- Digital platforms enable men or women to work from anywhere in the world, although, there is a limitation of access to the smartphones and internet in remote work. According to the data, it is evident that women have lower access to the internet and smartphones than men.
- According to the GSMA Mobile Gender Gap Report, only 25% of women owned smartphones as compared to 41% of men in India in 2020.
- If this gap is reduced, then this move will boost the employment opportunities for women in the digital platforms as well as in the gig economy.

Measures to be taken:

Education:

• Higher education is very important to improve the employability of women. Motivation through incentives such as scholarships, transport & hostel facilities, etc. should be provided to the women and their families so that they can take up higher education.

Skill Development:

 Both physical assets such as credit facilities, funds, etc, and employable skills are important to avail the employment opportunities in the new emerging sectors.



- Skill training of women in job roles aligned to the gig, platform, and care sectors as well as other
 emerging sectors such as those covered under the Production-Linked Incentive Scheme needs to
 be encouraged.
- Online skill training should also be provided to those women who have constraints in physical mobility such as social norms, domestic responsibilities, concerns over safety, etc.
- Appropriate training programs should be there so that women can take up new opportunities.

Wholistic approach:

- A holistic approach is required to reap the benefits of the FLFP. Constant dialogue and engagement with the States on action strategies will be required. Inter-ministerial coordination is required.
- Governments, skill training partners, private firms, corporates, and industry associations as well as civil society organizations all need to come together to create enabling measures for women.

Policies:

- Policies that enable the expansion of care services along with the gig and platform sector should be implemented.
- These policies will help in strengthening the aggregate demand while simultaneously improving long-term economic growth, gender equality, and societal well-being.

Nut Graf

Unless effective policies are implemented to realise the true potential of FLFP in India, the opportunities and benefits certain sectors such as care services, gig & platform, education, etc. can provide to women would not be realised.

3. Is a more humane society possible?

Syllabus: Salient features of Indian Society

Mains: Theories of social change and the adaptive capabilities.

Background:

- If we look at the different theories of social change, then there are two paradigms that dominate social science. First, the Marxian theory of surplus is generated by unequal positions in the societal process. The second is the theory of evolution by Charles Darwin and Gregor Mendel.
- Both of these processes namely the generation of surplus and evolution are autonomous, inevitable, and continual.



Generation of Surplus:

- The theory of surplus-value initially conceptualized as the surplus earned by the capitalists from wage labour is now generalized to the entire scope of social change such as land-use changes, technology, economics, politics, geopolitics, weaponization of trade, derivatives, etc.
- The uses of the surplus determine the social change.

Theory of Evolution:

- The notion of evolution came into social sciences from the theories of biological evolution. With the advent of the Darwinian Theory of biological evolution, society and culture began to be regarded as undergoing the same changes and demonstrating the same trends.
- Evolutionary theories are based on the assumption that societies gradually change from simple beginnings into even more complex forms. Talcott Parsons's action theory stressed the importance of cultural patterns in controlling the stability of a society.
- A process of differentiation takes place when society becomes more and more complex.
- Different institutions such as schools, factories may take over some of the functions of a family.
- One of the most important limitations is with regard to the conceptualization of 'functional imperatives' in the evolutionary process. There are different ways of coping with the functional problems of an organism.

Prescient thinking:

- In the early 20th century, another theory of social change emerged from the University of Chicago.
- The conceptualization of the "self" as "I", the subject, and as "me", an object to the subject, was 'prescient thinking in 1934.
- The mind evolves through conversation between the "I" and the "me" and social change takes place through the evolution of that conversation.
- A combination of genetic factors and life experience results in unique brain anatomy for each individual. Conflicting/competing signals from the region of the brain - memory, instinct, technical knowledge, tradition, emotion, and even mere absent-mindedness result in action which cannot be predicted.
- It is not possible to predict which signal or combination of signals from the mind will win and set the course for societal change.
- Besides bringing in the factor of unpredictability, Mead made one more basic contribution to our understanding of social evolution. According to him, the organism not only interacts with other organisms but also with the objects around the world.

Conclusion:



- We read two dominant theories of social change, one is the surplus notion and the other is evolutionary theory. It is up to humankind how it uses the surplus generated by the capitalists and how it deals with the experiences of the past embedded in brain anatomies.
- If we put these theories to the correct uses, then a more humane civilization will be possible.

Nut Graf

There are different theories of social change and the most dominant ones are the Marxian theory and the Evolutionary theory. The uses of these theories determine social change.

Category: INTERNATIONAL RELATIONS

1. Oil, nickel soar on fears of supply chaos

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

Mains: Impact of Ukraine-Russia war on the Indian Economy.

Context:

• The prices of commodities increased because industrial traders and buyers are facing challenges in sourcing the raw materials due to disrupted supply chains amidst <u>Russia-Ukraine War</u>.

High Prices of Nickel, Oil, and Gold:

• Nickel rocketed 76%, palladium reached a record level and gold broke through \$2,000 an ounce on safe-haven appeal, while oil and wheat jumped to 14-year highs.

Causes of rising in prices:

- Russia has been condemned across the world for its attack on Ukraine and many sanctions have
 also been imposed on Russia that isolates the country to a degree that it has never experienced
 before.
- Disruptions in the commodity market are not only the result of tough sanctions on Russia but also the blocked supply chains across the region.
- The hindrances in sourcing the raw materials have raised serious concern among the countries still recovering from the Covid-19 pandemic.



- Oil prices increased after the U.S and European allies said that they will consider banning the imports of Russian oil.
- Gold prices hiked because of the panic created among investors to take cover in gold.

Outcomes:

- Many analysts are predicting that oil prices will range between \$180 to \$185 this year and will lead to oil-led recessions across the world.
- The analysts are projecting the growth rate to be lower for 2022 because of the war and its outcomes.
- Prices of industrial metals will see a major hike because of the absence of supplies from Russia as it is the third-largest producer of industrial metals.

Way Forward:

• The central banks have to take appropriate measures to tackle the challenges created by the war.

Nut Graf

Russia's invasion of Ukraine has shaken the commodity markets because of disruptions in the supply chains hiking up the prices of essentials like oil, and other industrial metals. Unless the central banks take the necessary steps to deal with the challenges, growth rates are going to lower leading to an oil-led global recession.

F. Prelims Facts

1. 4 trapped in Telangana's Singareni coal mine

Syllabus: The geographical features and their location-changes in critical geographical features (including water-bodies and ice-caps)

Prelims: Singareni coal mine

Context: Four persons were trapped inside the Adriyala Longwall Project (ALP).

Singareni coal mine:

- The Singareni coal reserves stretch across the Pranhita Godavari Valley of Telangana.
- It is India's largest mechanized underground coal mine.



2. Labour Ministry launches 'donate a pension' scheme

Syllabus: Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Prelims: 'Donate a pension' scheme

Context: The Union Labour and Employment Ministry launched the "donate a pension" scheme.

About 'Donate a pension' scheme:

- The 'donate a pension' scheme was launched by the Union Labour and Employment Ministry in 2019.
- It allows any citizen to pay the premium amount on behalf of an unorganized worker under the Pradhan Mantri Shram Yogi Maan-Dhan Scheme.
- The scheme allows unorganised sector workers between the age of 18 and 40, who earn up to ₹15,000 a month, to enrol by paying a premium amount between ₹55 and ₹200, depending on the age, that would be matched by the government.
- The "Donate a pension" scheme allows a citizen to "donate the premium contribution of their immediate support staff such as domestic workers, drivers, helpers, care givers, nurses, in their household or establishment."

G. Tidbits

1. 'Sealed cover' jurisprudence is appalling

Context: A Division Bench of the Kerala High Court has dismissed the appeal filed by MediaOne whose license the Ministry of Information and Broadcasting has refused to renew.

'Sealed Cover' Jurisprudence

- 'Sealed Cover' Jurisprudence is a practice used by the Supreme Court and sometimes lower courts, of asking for or accepting information from government agencies in sealed envelopes that can only be accessed by judges.
- There is no specific law that defines the doctrine of sealed cover.
- The Supreme Court derives its power to use it from Rule 7 of Order XIII of the Supreme Court Rules and Section 123 of the Indian Evidence Act of 1872.
- It is stated under the said rule that if the Chief Justice or court directs certain information to be kept under sealed cover or considers it of confidential nature, no party would be allowed access



- to the contents of such information, except if the Chief Justice himself orders that the opposite party be allowed to access it.
- It also mentions that information can be kept confidential if its publication is not considered to be in the interest of the public.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements with regards to the PM Shram Yogi Maan-Dhan Yojana:

- 1. The scheme covers unorganised workers whose monthly income is Rs 15,000/per month or less.
- 2. The Subscriber should belong to the entry age group of 18-40 years.
- 3. They should not be covered under New Pension Scheme (NPS), Employees' State Insurance Corporation (ESIC) scheme or Employees' Provident Fund Organisation (EPFO).
- 4. He/She should be an income taxpayer.

Options:

- a. 1, 2 & 3 only
- b. 2, 3 & 4 only
- c. 1 & 4 only
- d. All of the above

Answer: a

Explanation:

- Pradhan Mantri Shram Yogi Maan-Dhan (PM-SYM) was launched by Prime Minister Narendra Modi under the Ministry of Labour and Employment in February 2019.
- To be eligible under the Pradhan Mantri Shram Yogi Maan Dhan, the candidate should fulfil the below-mentioned criteria:
 - He/she should have a monthly income of Rs. 15,000 or below. Hence Statement 1 is correct.
 - He/she should be an unorganized worker (UW) aged between 18 years to 40 years.
 Hence Statement 2 is correct.
 - He/she should possess an Aadhar card along with a Savings Bank Account/Jan Dhan account number with IFSC.
- Any individual who is engaged in the Organised Sector (membership of EPF/NPS/ESIC) will not be eligible to apply for the PM-SYM Scheme. Hence Statement 3 is correct.
- Any individual who is an income taxpayer will not be eligible to apply for the PM-SYM Scheme. **Hence Statement 4 is not correct.**



Q2. Consider the following statements with regards to 'Equalisation Levy':

- 1. It is aimed at taxing foreign companies which have a significant local client base in India but are billing them through their offshore units, effectively escaping the country's tax system.
- 2. For EL to be imposed, the annual payment which is made to a service provider should be more than 10 Lakh rupees in one financial year.
- 3. The amendments to the Finance Act, 2020 had expanded the ambit of the equalisation levy for non-resident e-commerce operators involved in the supply of services, including the online sale of goods and provision of services, with the levy at the rate of 2% effective April 1, 2020.

Choose the correct code:

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

Answer: c

Explanation:

- Equalization levy is an extremely vital tax system that enables enterprises to regulate their business models following the existing conventions.
- Equalization levy is aimed at taxing foreign companies which have a significant local client base in India but are billing them through their offshore units, effectively escaping the country's tax system. Hence Statement 1 is correct.
- According to this upgraded form of EL, any non-resident digital operator who is providing e-commerce services is liable to be taxed at the rate of 2 per cent.
- The payment should be made to a non-resident service provider; the annual payment which is made to a service provider should be more than 1 Lakh (Not 10 Lakh) in one financial year. **Hence Statement 2 is not correct.**
- India's Finance Act 2020 (FA 2020) expanded the scope of the digital tax levy known as the Equalization Levy (EL) to cover "e-commerce supplies or services." With effect from 1 April 2020, EL is chargeable at the rate of 2% on consideration received or receivable by nonresidents who operate digital businesses targeting, among others, the Indian market. **Hence Statement 3 is correct.**

Q3. Consider the following statements with regards to the Rajya Sabha elections:

1. The elections take place through Proportional Representation with the Single Transferable Vote methodology.



- 2. Out of the 8 union territories, only Delhi, Puducherry and Jammu and Kashmir have representation in Rajya Sabha.
- 3. All states have at least some representation in the Rajya Sabha.

Choose the correct code:

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

Answer: d

Explanation:

- Voting in Rajya Sabha is done by a single transferable vote, as the election is held on the principle of proportional representation. In other words, a bloc of MPs belonging to one or more parties can elect a member of their choice if they have the requisite numbers. Hence Statement 1 is correct.
- In total eight members are elected to Rajya Sabha from the Union territories (3 from Delhi, 1 from Puducherry and 4 from Jammu & Kashmir). Other Union territories are not represented in the Rajya Sabha. Hence Statement 2 is correct.
- The Fourth Schedule to the Constitution provides for the allocation of seats to the States and Union Territories in Rajya Sabha. The allocation of seats is made on the basis of the population of each State. All states have at least some representation in the Rajya Sabha. Hence Statement 3 is correct.

Q4. A situation of slow economic growth and relatively high unemployment is best defined as

- a. Stagflation
- b. Inflation
- c. Deflation
- d. Galloping inflation

Answer: a

Explanation:

Stagflation refers to an economy that is experiencing a simultaneous increase in inflation and stagnation of economic output. Stagflation was first recognized during the 1970s when many developed economies



experienced rapid inflation and high unemployment as a result of an oil shock. The prevailing economic theory at the time could not easily explain how stagflation could occur. **Hence Option 'a' is correct.**

Q5. With reference to the book "Desher Katha" written by Sakharam Ganesh Deuskar during the freedom struggle, consider the following statements:

- 1. It warned against the Colonial State's hypnotic conquest of the mind.
- 2. It inspired the performance of swadeshi street plays and folk songs.
- 3. The use of 'desh' by Deuskar was in the specific context of the region of Bengal.

Which of the statements given above are correct? [UPSC 2020]

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

Answer: d

Explanation:

Sakharam Ganesh Deuskar was a close associate of Sri Aurobindo. He was a Marathi Brahmin who had settled in Bengal. He published a book entitled Desher Katha describing in exhaustive detail the British commercial and industrial exploitation of India. It summarized the work of M. G. Ranade and D. Naoroji in a popular idiom and warned in its concluding chapter against the colonial state's "hypnotic conquest of the mind". He explained the story of foreign exploration leading to India's economic servitude, and this book seems to have had an enormous influence on the young men of Bengal. This book had an immense repercussion in Bengal, captured the mind of young Bengal and assisted more than anything else in the preparation of the Swadeshi movement. Deuskar was the first to bring in the name of Swaraj, and Sri Aurobindo was the first to endow it with its English equivalent, 'Independence.' The Nationalists adopted this word, and Swaraj became the chief item of the fourfold Nationalist programme. Hence Option D is correct.

I. UPSC Mains Practice Questions

- 1. Examine the challenges and opportunities surrounding the participation of women in our workforce. (250 words; 15 marks) [GS I (Social Issues)]
- 2. What is 'Sealed Cover' Jurisprudence? Examine its rationale and the criticism against this judicial practice. (250 words; 15 marks) [GS II (Polity)]



