

9th August COMPREHENSIVE NEWS ANALYSIS

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Category: ENVIRONMENT

1. Climate Change and Extreme Weather Events

Syllabus: Disaster and disaster management

Mains: Key causes of floods, their consequences and impacts, and various solutions

Context

This article talks about the floods in the country and recommends various solutions to it.

Details

- Kerala experienced one of its worst ever floods in 2018 which amounted to material losses of about ₹26,000 crores.
- Such flood like situations have been recurring in various parts of the country every year especially during the monsoon season causing widespread damage to lives and properties.



Image Source: mapsofIndia.com

The fundamental causes of floods in India

- Violation of the laws and regulations which are meant to protect natural capital or resources
 - The Shah Commission highlighted this while reporting about illegal mining in Goa. It said that mining beyond permissible levels has had severe implications on the region’s water resources, agriculture and biodiversity.
- Ignoring the consequences of degradation of human capital in terms of health and employment
 - This was noticed in a village in Palakkad district wherein overuse and pollution of water resources by a factory resulted in losses of close to ₹160 crores.
- Ignoring scientific knowledge and advice.
 - During the development of the Athirappilly hydroelectric project, a study by the River Research Centre pointed out that the project documents had grossly overestimated the availability of water and further studies showed that the power production does not justify the costs of construction and maintenance.
- Degradation of Social capital
 - Social capital refers to the potential of individuals to secure benefits and invent solutions to problems through membership in social networks.

Key solutions recommended

- The regime must acknowledge the significance of natural, human and social capital along with manmade capital.
- The current method of safeguarding natural resources through negative incentives via a coercive and corrupt bureaucracy should be replaced with positive incentives which are monitored in a transparent way by local communities as they have a large stake in the health of their ecosystem and a better understanding of the same.
- The Western Ghats panel proposes several such incentives which include:
 - Payment of conservation service charges for their role in safeguarding crucial aspects of biodiversity
 - Payment for soil carbon enrichment by shifting to organic farming.
- The 73rd and the 74th Constitutional amendments must be implemented in their letter and spirit through which people are assured that they are not excluded from developmental and conservational activities.
- Local bodies at the village or town levels must be empowered to prepare reports on the status of the environment and decide on the allocation of budget.
- Establishment of Biodiversity Management Committees which consists of citizens and local communities which document the status of the local ecosystems and biodiversity resources, and regulate their use.
 - These committees must also be accorded powers to levy collection charges for access to biodiversity as well as to intellectual property relating to community knowledge.
- The Forest Rights Act must also be implemented rightly to empower tribes and traditional forest dwellers to control, manage and market non-timber forest produce.
- There is a need to develop a transparent public database on environmental parameters, environment status reports, People's Biodiversity Registers, community forest management working schemes, and environmental education projects undertaken by students.
- The government must act proactively in terms of adopting key modern technologies that help in disaster management.
- Key recommendations of committees such as Western Ghats Ecology Expert Panel, the Kasturirangan Committee, and the Oommen V. Oommen Committee are to be analysed and implemented in the right spirit.

Nut graf: *It is important to acknowledge the fact that the erosion of natural, human and social capital have played a significant role in exacerbating the problems of floods. Therefore, it is imperative to enhance the sum total of man-made, natural, human and social capital in order to counter the adverse impacts of disasters such as floods.*

D. GS 4 Related

Nothing here for today!!!

Category: SOCIAL JUSTICE**1. Launch a national tribal health mission***Syllabus: Welfare schemes for vulnerable sections of the population.**Mains: Tribal Health issues***Context:** International Day of the World's Indigenous Peoples.**Facts related to Tribal population:**

- As per the Census of India (2011), nearly 11 crore Scheduled Tribes (ST) live in India.
- They constitute 8.6% of India's population.
- India is the second largest country in the world in terms of tribal population.

First national report on the state of India's tribal people's health:

- The 13-member Expert Committee on Tribal Health was jointly appointed by the Ministry of Health and Family Welfare and the Ministry of Tribal Affairs, Government of India.
- It took five years for the committee to make a report.
- The report was finally submitted in 2018.

Findings of the report:

1. Tribal people are concentrated in 809 blocks designated as Scheduled Areas. However, more than half of India's tribal population (5.5 crores approx.) lives outside the Scheduled Areas, as a scattered and marginalized minority.
2. Though there is a decline in the under-five child mortality rate from 135 in 1988 in the National Family Health Survey (NFHS)-1 to 57 in 2014 (NFHS-4), the percentage of excess under-five mortality among STs in comparison to others has widened.
3. Child malnutrition is 50% higher in tribal children (42% compared to 28% in others)
4. Incidences of malaria and tuberculosis are 3 to 11 times more common among the tribal people. Nearly half of the total malaria deaths are from tribal communities.
5. Non-communicable diseases like hypertension, diabetes and cancer along with mental health problems such as depression are increasing.
6. There is a 27% to 40% deficit in the number of Primary healthcare facilities, and a 33% to 84% deficit in medical doctors in tribal areas. Moreover, Government health care for the tribal people lacks funds and human resources.
7. There is inadequate participation of the tribals in designing, planning, or delivering health care facilities for themselves.

Way Ahead:

The following recommendations were made by the committee:

1. Formulate and implement National Tribal Health Action Plan with a target to bring the status of health and healthcare at par with the respective State averages in the next 10 years.
2. Need to work on 80 measures suggested by the committees to address the 10 priority issues like health problems, the health care gap, the governance problems and the human resource gap.
3. Allocation of additional funds so that the per capita health expenditure on tribal people becomes equal to the set target of the National Health Policy (2017), i.e. 2.5% of the per capita GDP.

Conclusion:

The tribal healthcare system is weak, and tribal people are in need of substantive solutions. The election of a Tribal person gives a positive signal in this regard.

***Nut Graf:** The time is ripe for the 10 states with sizable tribal populations to take proactive steps to ensure a robust system of healthcare for our indigenous people. If implemented, The Tribal Health Mission can bring a health revolution for 11 crore people.*

Category: POLITY**1. PMLA verdict — due process will be bulldozed**

***Syllabus:** Government policies and interventions and issues arising out of their design and implementation.*

***Mains:** Prevention of Money Laundering Act.*

Context: Recent decision of the Supreme Court of India in Vijay Madanlal Choudhary vs Union Of India case.

Predicate Offense: For the [PMLA](#) to come into action, there should have been another crime (independent of the PMLA) from which monies were derived. This other crime, which is a necessary precondition for an offense to be categorized as PMLA, is known as the predicate offense.

Major Deviations that were challenged in PMLA scheme:

- Non-issuance of the Enforcement Case Information Report (ECIR) to the accused/arrested person.
- Forcing the person (existing/ future accused) to state the truth on oath amounts to self-incrimination (Section 50).
- Judiciary can grant anticipatory/regular bail, only if the court has reason to believe that the

accused is not guilty (Section 45).

- The burden to prove that proceeds of the crime are untainted property shall be on the accused (Section 24).
- Common and non-graded punishment for anyone related to money laundering (Section 4)

Reasons for these errors with PMLA:

- In the face of a specific fundamental rights challenge to provisions of such a law, the use of legislative intent to justify constitutional validity is unfair.
- Application of unconstitutional provisions of PMLA:
 - The maximum punishment under the PMLA is 10 years imprisonment whereas there are so many offenses under regular penal law that are punishable with life imprisonment or even death, where none of these draconian provisions apply.
 - For instance, a person who is accused of murdering for money will have his murder trial (punishable with death) with all the constitutional safeguards. On the other hand, during his trial for the money proceeds from the murder (maximum 10 years punishment), will be deprived of such constitutional protections.
- Constitution vs Law:
 - The Constitution is meant to define the limits of parliamentary law, irrespective of its intent.
 - Giving more importance to the law will amount to compromising due process.
 - The problem of the process being the punishment is likely to be aggravated in PMLA cases.

***Nut Graf:** The PMLA verdict of the court has some substantial loopholes in terms of constitutional rights. This might result in serious repercussions on the accused, who might be innocent. It is thus the need of the hour that the judiciary takes the concerns into account and comes up with a robust solution.*

Category: ECONOMY

1. The fight for fiscal autonomy

Syllabus: Indian economy and issues

Mains: Fiscal Autonomy of states

Context: Recent debates on reduced fiscal autonomy.

Details:

- The share of indirect taxes in the gross tax revenue in FY2019 increased by up to 50% as compared to 43% in FY2011.

- In [OECD countries](#) indirect taxes on average do not contribute more than 33% of their tax revenue.

Rising inequality due to indirect taxes:

- Indirect taxes are regressive as they tax both the rich and the poor equally. The poor get taxed a higher proportion of their income compared to the rich.
- While indirect taxes have increased, direct taxes like corporate tax have been reduced from 35% to 22%, leading to a loss of about ₹2 lakh crore to the exchequer.
- India's increasing reliance on indirect taxes has coincided with rising inequality and lower growth.
 - According to the World Inequality Report 2022 report, the top 1% of India's richest held 22% of the total national income as of 2021 and the top 10% owned 57% of the income.
 - The report also highlighted that India is one of the most unequal countries in the world.
 - Moreover, the World Poverty Clock identifies India as a home to the second highest number of extremely poor people.

Case Study of Tamil Nadu and Kerala:

- Tamil Nadu has been able to negate the inflation to great extent due to :
 - Efficient Public Distribution System.
 - Welfare schemes like free bus travel for women.
- Tamil Nadu and Kerala also occupy leading positions on several socio-economic indicators like female participation in the labor force and graduate enrolment ratio.
 - This can be attributed to a proactive stance in launching socio-economic programmes.

Causes of concern in the Indian Economy:

- In the last few years, there has been substantial erosion in Tamil Nadu's fiscal autonomy.
 - A developed State of Tamil Nadu gets only 30 paise in return for every rupee it contributes to the Union in contrast to Uttar Pradesh and Bihar which get ₹2 to ₹3 for every rupee contributed.
- States' fiscal resources are further reduced due to arbitrary increases in cess and surcharge, which are non-divisible with States. The share of cesses and surcharges in the gross tax revenue of the Union government has nearly doubled between 2011-12 and 2020-21.
- Additionally, the increasing reliance of the Union government on indirect taxes such as the GST has directly contributed to price rise and inequality.

Nut Graf: *There is an urgent need for course correction on the part of the Union government to ensure a healthy federal structure. The proactive states should be incentivised with fiscal autonomy, as it is the state that mostly implements schemes and provides basic necessities to the citizens.*

F. Prelims Facts

1. Cantillon effect

Syllabus: GS-3; Economy; Important terminologies

Prelims: Cantillon Effect

Cantillon Effect

- The Cantillon effect is named after the 18th century French economist Richard Cantillon who published his ideas in the Essay on the Nature of Trade in General.
- The Cantillon effect refers to the idea that changes in the money supply in an economy cause redistribution of purchasing power among people, distort the relative prices of goods and services, and cause misallocation of scarce resources.
- According to general assumptions in economy and quantity theory of money, an increase in the overall money supply in an economy causes a proportionate rise in the prices of goods and services over the long-run as the total amount of money in an economy plays a crucial role in determining the general price level.
- Cantillon, however, said that when money supply is expanded, the fresh money does not get evenly distributed across the economy as assumed instead the fresh money is injected into particular sections of the economy first and thus people in these sections of the economy are enriched when compared to people in the rest of the economy.
 - The purchasing power of people who first receive the freshly-created money is enhanced at the cost of the rest of society.
- The Cantillon effect has been quoted by economists who criticise the expansionary policies of central banks to counter economic downturns.

2. Ex Vajra Prahar 2022

Syllabus: GS-3; Security; Various Security forces and agencies and their mandate

Prelims: Exercise Vajra Prahar

Context : The 13th edition of the exercise “Ex Vajra Prahar 2022” started at the Special Forces Training School (SFTS), Bakloh in Himachal Pradesh.

Exercise Vajra Prahar

- Exercise Vajra Prahar is a Joint Special Forces exercise of India and the US army.
- The aim of Vajra Prahar is to enhance military cooperation between the two countries and also to capitalise on the rich repository of experiences of each other armies:
 - By enhancing interoperability between the two forces
 - By mutually exchanging tactics between the two forces
 - By sharing the best military practices between the two forces
 - By developing joint strategies
- The Exercise is conducted alternately in India and the US.

G. Tidbits

1. Don't disturb normal affairs with Sri Lanka: China to India

- Amid India's concerns about Chinese Yuan Wang 5 research and survey vessel visiting Sri Lanka's Hambantota port, Sri Lanka's government has said that it would like to defer the visit "until further consultations" were held.
- China has reacted strongly to these developments and has urged China to not disturb normal exchanges between the two countries.
- Similarly in 2021, a Chinese firm had called it "interference" by a "third party" as India raised concerns about the granting of a renewable energy project to a company from China, for installing energy systems in three islands off Jaffna.

2. Kerala Governor objects to reissue of ordinances

- Kerala Governor took exception to the State government's actions of reissuing ordinances instead of getting them ratified by the Assembly.
- The government had sent 11 ordinances to the Governor for re-promulgation.
- An ordinance is a law that is promulgated by the President of India (Article 123) or a Governor (Article 213) of any state only when the Indian parliament or the State Assemblies are not in session.
- The Supreme Court in 1986 had ruled that the Re-promulgation of ordinances violates basic fundamentals of the constitution and subverts democratic legislative processes.
- In 2017, a seven-Judge Bench of the Supreme Court held that unfettered re-promulgation of ordinances is unconstitutional.

H. UPSC Prelims Practice Questions

Q1. Consider the following statements: (Level – Medium)

1. A hike in repo rate will lead to borrowing rates of all kinds also going up.
2. Generally, an increase in the repo rate will result in the increase in economy's growth rate.

- OBICUS (Order Books, Inventories and Capacity Utilization Survey) of the RBI provides an insight into the demands of the Indian manufacturing sector.

Choose the correct code:

- 1 & 2 only
- 2 & 3 only
- 1 & 3 only
- All of the above

Answer: c

Explanation:

- Statement 1 is correct**, Repo rate is the interest rate at which RBI lends money to the banking system and an increase in repo rate increases the borrowing rates of all kinds.
- Statement 2 is not correct**, An increase in Repo rate **can also adversely affect economic growth** due to decrease in consumption resulting from lower money supply in the economy.
- Statement 3 is correct**, OBICUS (Order Books, Inventories and Capacity Utilization Survey) of the RBI provides an insight into the demands of the Indian manufacturing sector.

Q2. Consider the following statements with respect to the START treaty: (Level – Difficult)

- Signed in 1991, the START I (Strategic Arms Reduction Treaty) was a bilateral treaty between the United States and the Soviet Union on the reduction and the limitation of strategic offensive arms.
- The treaty barred its signatories from deploying more than 6,000 nuclear warheads and a total of 1,600 intercontinental ballistic missiles (ICBMs) and bombers.
- The New START treaty limits the number of deployed strategic nuclear warheads to 1,550, which is down nearly two-thirds from the original START treaty.

Choose the correct code:

- 1 & 2 only
- 2 & 3 only
- 1 & 3 only
- All of the above

Answer: d

Explanation:

- Statement 1 is correct**, START (Strategic Arms Reduction Treaty) was a bilateral treaty

between the Union of Soviet Socialist Republics (USSR) and the United States of America on the limitation and reduction of strategic offensive arms.

- The treaty was signed on 31 July 1991 and entered into force on 5 December 1994.
- **Statement 2 is correct**, The treaty barred its signatories from deploying more than 6,000 nuclear warheads atop a total of 1,600 inter-continental ballistic missiles (ICBMs) and bombers.
- **Statement 3 is correct**, The New START treaty limits the number of deployed strategic nuclear warheads to 1,550, which is down nearly two-thirds from the original START treaty.

Q3. Consider the following statements with respect to the Commonwealth Games: (Level – Medium)

1. The motto of 2022 Commonwealth Games was “Sport is just the beginning”.
2. Unlike the Olympics, para athletes also participated in the same Commonwealth games, making it the first fully inclusive international multi-sport event.
3. 2022 Commonwealth games are the first global multi-sport event to have more events for women than men.

Choose the correct code:

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

Answer: d

Explanation:

- **Statement 1 is correct**, The motto of the 2022 Commonwealth Games was “Sport is just the beginning”
- **Statement 2 is correct**, Unlike the Olympics, para athletes also participated in the same Commonwealth games, making it the first fully inclusive international multi-sport event.
- **Statement 3 is correct**, The 2022 Commonwealth games are the first global multi-sport event to have more events for women than men.

Q4. ‘Porcupine strategy’, often seen in the news, is related to which of the following? (Level – Easy)

- a) Strategy for asymmetric warfare
- b) Strategy to avoid the next pandemic
- c) Strategy to counter illegal trafficking of exotic animals
- d) Strategy to preserve endangered wildlife species

Answer: a

Explanation:

- The “porcupine strategy” proposed in 2008 by US Naval War College research professor William S Murray, is a **strategy of asymmetric warfare** focused on fortifying a weak state’s defences to exploit the enemy’s weaknesses rather than taking on its strengths.

Q5. With reference to the Indian economy, consider the following statements (Level – Easy) PYQ(2022)

1. If the inflation is too high, Reserve Bank of India (RBI) is likely to buy government securities.
2. If the rupee is rapidly depreciating, RBI is likely to sell dollars in the market.
3. If interest rates in the USA or European Union were to fall, that is likely to induce RBI to buy dollars.

Which of the statements given above are correct?

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

Answer: b

Explanation:

- **Statement 1 is not correct**, If the inflation is too high, RBI would sell government securities to ease out the pressure.
- **Statement 2 is correct**, If the rupee is rapidly depreciating, RBI is likely to sell dollars in the market to maintain liquidity and reduce volatility in the market.
- **Statement 3 is correct**, Elimination of exchange rate variation between legacy currencies is expected to lead to an increase in trade and investment between the countries. When the central bank sells dollars, it sucks out an equivalent amount in rupees, thus reducing the rupee liquidity in the system. Dollar inflow into the market will strengthen the rupee. So, RBI will buy dollars in case interest rates fall in the USA or European Union.

I. UPSC Mains Practice Questions

1. Equating money laundering with terrorism enhances the scope of misuse of the PMLA law by the authorities. Do you agree? Elaborate. (250 words; 15 marks) (GS II - Governance)
2. What steps have been taken by the Union Government to correct the imbalance between the direct and indirect taxes in India? (250 words; 15 marks) (GS III - Economic Development)