Article 7 of the UN Convention on the Rights of the Child (UNCRC) clearly states that every child has “the right to know and be cared for by his or her parents”.

Open abandonment is defined as a child being knowingly left behind by his or her parent, who can be identified, and whose intention is not to return but to willingly relinquish parental responsibility.
Secret abandonment is defined as a child being secretly left behind by his or her parent, who cannot be identified, and whose intention is not to return but to willingly relinquish parental responsibility anonymously.

- Data by the National Crime Records Bureau show that no less than 709 criminal cases of ‘exposure and abandonment of child under twelve years’ under Section 317 of the Indian Penal Code were registered in the year 2021.

- It is pertinent to note that no case is registered when a child is surrendered to the Child Welfare Committee (CWC) constituted under the Juvenile Justice (Care and Protection of Children) Act, 2015 (or the JJ Act).

- “Abandoned child” means a child deserted by his biological or adoptive parents or guardians, who has been declared as abandoned by the Committee after due inquiry;

- “Surrendered child” means a child, who is relinquished by the parent or guardian to the Committee, on account of physical, emotional and social factors beyond their control, and declared as such by the Committee;

- Out-of-wedlock birth;
- Lack of housing, employment, education, income generation;
- Lack of support on behalf of the child’s father, parents or other loved ones;
- Fear of publicity and public condemnation;
- Birth of a child with developmental disabilities (Down syndrome, other forms of diseases or malformations);
- Mother’s vulnerability (drug addiction, alcoholism, etc.);
- Anxiety Disorders or symptoms
- Attachment Disorders
- Chaotic Lifestyle
- Clingy/needy behaviour
- Compulsive behaviours may develop
- Depression
- Desperate relationships/relationships that happen too fast
- Disturbances of mood, cannot self-regulate and experiences emotions in extreme
- Extreme jealousy and possessiveness
- Lack of confidence, self-esteem issue
- People-pleasing behaviours to the detriment of self.
- Poor coping strategies
- Promiscuity
- Relationship problems
- Trust issues

- Although, the surrender deed is to be executed before the CWC, a parent or guardian may approach any police officer, public servant, childline services, recognised non-governmental organisations, voluntary organisation, child welfare officer or probation officer, social worker or public-spirited person, nurse or doctor or management of a nursing home, hospital or maternity home when wanting to surrender a child.
- It shall be the duty of such an authority or officer to produce the child before the CWC within 24 hours.
- Non-reporting of abandonment within the prescribed time is a criminal offence.
The U.K. is staring into an economic abyss

I took the new British Chancellor of the Exchequer, Kwasi Kwarteng, just 25 minutes to unleash havoc when he unveiled his mini-Budget on September 23. His speech was meant to announce help for the ongoing energy crisis in Britain and provide a plan for higher economic growth. It led to an unprecedented week in which the pound plummeted, the cost of borrowing soared and ongoing conversations about a cost-of-living crisis are now being replaced with tentative fears of a financial crisis.

Unprecedented criticism
Mr. Kwarteng announced a slew of ideologically-driven tax cuts that disproportionately favour high earners. In place of policies to boost the United Kingdom’s economy to achieve a promised 2.5% growth, the Chancellor offered promises of sunk uplifts simply as a result of reversing recent tax rises (meant to fund extra investment in the National Health Service and social care, abolishing the top rate of income tax and reversing a promised rise in corporation tax).

He failed to explain how the announced support on winter fuel bills to households and small businesses (estimated at £60 billion for this winter) would be funded, and how the shortfall generated by the tax cuts of £45 billion would be made up. Markets were spooked and the cost of the U.K.'s borrowing rose sharply. Indicating a lack of confidence in the long-term prospects of the economy. Though the sterling’s precipitous fall grabbed headlines initially, it is the damage done to the U.K. currency that has the potential to cause turmoil globally. So much so, that the International Monetary Fund (IMF) issued a statement on the Chancellor’s mini budget.

To be clear: the IMF is not in the habit of criticising G7 countries on their domestic economic policies. The Fund, officially the lender of the last resort and the organisation tasked with maintaining stability in the global economy, broke new ground on September 27 with its stinging rebuke which, moreover, was issued outside of a scheduled country review, global economic update, or a bailout. Noting that the tax cuts threatened to 'increase inequality', the Fund said it was monitoring 'developments' and remained 'engaged with the authorities'. Observers could be forgiven for wondering if the Fund had accidentally issued a statement composed for a developing country facing a balance of payments crisis. There was more cautioning against a fiscal policy that appeared to be 'at cross purposes to monetary policy' and which thereby risked stoking inflation further.

It ended by urging the U.K. to 're-evaluate the tax measures... that benefit high income earners'.

Spotlight on pension funds
The IMF, however, has a duty to protect global financial markets, and to mitigate the risk of contagion. The Bank of England had to intervene the following day; warning of a 'material risk to U.K. financial stability', the Bank reversed its stance of bringing down its debt and instead pledged to buy back up to £15 billion in long-term Treasury bonds, or gifts, over the coming fortnight in order to stabilise the bond market.

Despite the inflationary repercussions of this move, there was little choice in the matter as pension funds, which have invested heavily in gifts, suddenly find themselves facing a liquidity crisis brought about by the rising cost of borrowing, and compounded by the over-leveraged debt instruments that underwrite their future liabilities. However, the Bank has not solved the problem but only stabilised pension funds for now by buying them a little time.

It is not just U.K. pension funds that have exposure to gifts. The sterling is one of the five major reserve currencies, and is still ranked third, after the U.S. dollar and the euro, on a par with the yen and above the renminbi. Approximately 8% of global foreign currency reserves are held in sterling or foreign instruments, including gifts. The pound has already lost value. If gifts start looking like a bad investment, several economies around the world, including India, may reconsider their holdings.

Implications for household debt
A little ideology can be a dangerous thing. Prime Minister Liz Truss came to power promising to take on the 'economic orthodoxies' of the Treasury and economists. One of her first actions as Prime Minister was to dismiss the top civil servant in charge of the Treasury. Her Chancellor did not publish a forecast of his interim economic policies provided by the Office for Budget Responsibility, an independent body. When their ideology rubbed up against what they perceived to be orthodoxy, they belittled the experience, knowledge and institutional memory that goes into providing independent, non-partisan advice. Britain could pay dearly for this. As the country stumbles into an economic abyss, the cost of domestic borrowing has risen, affecting household (and corporate) debt. Within days of the mini-budget, several mortgages were discontinued, and those paying a variable rate, or facing an imminent renewal of their fixed-rate loans, are anticipating calamitous increases in their monthly payments. Interest rates are expected to rise further. Over the summer, discussion focused on whether people could afford to heat their homes over the winter. Now, people are asking whether they will be able to keep their homes after the winter.

Good debt may be turned into bad debt. And bad debt has a habit of infecting other economies. This was the case in 2008. Britain could be in for a rocky ride, and it may yet take others along with it.
WHAT DID HE DO?
On 23 September, the newly-appointed Chancellor of the Exchequer delivered a mini-Budget that sent shockwaves through the UK's economy.

AT A GLANCE
Kwasi scrapped the top rate of income tax and slashed stamp duty in a £45bn package of tax cuts; also abandoned a proposed rise in corporate taxation.

Dozens of other policy measures came on top of a giant energy crisis-fighting package, roughly costed at £35bn, announced by the govt.

AFTER THE MINI-BUDGET
British stocks and bonds plummeted.
The pound collapsed to historic lows against the dollar.

Economists suggested the slump in the pound could force the Bank of England into an emergency interest rate rise to support the currency.
*A sharp fall in the pound's value vis-a-vis the US dollar will essentially make the UK's imports costlier
*A sharp rise in the yields of gilts implies that the cost of borrowing has shot up for the government
*As winter approaches, many parts of Britain are bracing for a crisis because millions of people are not in a position to pay for the spiralling energy prices.
*The other big problem facing the UK economy is that of stagnant growth.
The two biggest developments in the global satellite communication space are the emergence of LEO (low-earth orbit constellations) that promises to provide truly global coverage and lower latency service, and HTS (High Throughput Satellites Service) which offers unprecedented capacity and flexibility.

Emergency SOS via satellite might not also work in places above 62° latitude like northern parts of Canada and Alaska.
Pg 12 . GS 2 (IR)

U.K. firms ask India to unravel ‘frustrating’ red tape, take ‘broader’ view on lending norms

Vikas Dhoot
NEW DELHI

Legal and regulatory impediments in India continue to be a source of “frustration” for investors looking to set up or expand operations in India, even as land acquisition and “regular delays” in Customs clearances remain problematic, the U.K. India Business Council (UKIBC) has conveyed to the Government of India (GoI).

The Council has urged India to take a “broader view” of priority sector lending norms for foreign banks operating in India and sought equitable tax treatment, while flagging rising instances of counterfeit product sales through e-commerce platforms as a deterrent for intellectual property (IP) owners.

With India and the U.K. working to seal a free trade agreement (FTA) soon, the Council has said making it easier to do business is as important as the trade pact to bolster trade and investment flows. Its recent submissions to the government, based on inputs from British firms operating in the country, include a laundry list of procedural, taxation and other areas that need intervention.

“Legal and regulatory impediments remain a frustration according to businesses. Duplication of regulation wherein two sets of regulations are administered by two different arms of Government on the same issue was cited as a key issue,” the UKIBC has pointed out.

Such duplication leads to delays and costs, and are most common in areas on the Constitution’s concurrent list of legislations, such as labour, environment, food and personal care.

“Unnecessary, duplicated regulations are a disincentive to investment,” it said.

“In essence, our recommendations are about reducing bureaucracy, simplifying legal and regulatory complexities and taxation, developing world class IP and infrastructure environments, and enshrining investor protection,” said UKIBC executive chair Richard Heald, underlining that U.K. businesses want to scale up their India investments.

Noting that lack of enforcement of IP rights is problematic and can stifle innovation, U.K. firms have cited examples of counterfeit items in circulation, with more instances coming up in online commerce, which has assumed greater importance post-pandemic.

This has heightened the problem of “breakdown of intellectual rights”, the Council said. The U.K. firms have sought improvements in land acquisition processes, particularly from the public sector.

While the lower corporate tax rates, including a 15% levy for new manufacturing units incentivises investments, the UKIBC has said there is a “significant disparity” between the effective corporate tax rates for foreign firms using a “branch model”, taxed at 43.68%, compared to domestic peers who are taxed at 25.17%.

“This serves as a major disincentive for international businesses using this model, such as banks,” the Council said, attributing part of the problem to the abolition of the dividend distribution tax.

While any foreign bank with over 20 branches gets the same priority sector lending (PSL) targets as domestic banks, U.K. institutions have said this is ‘rather restrictive’ as they bring different expertise to the table, it said.

Pg 4 . GS 3 (Internal Security)

Drone from Pakistan drops heroin along border

More than 3 kg heroin was dropped near border area in Rajasthan’s Sriganganagar by a drone which came from Pakistan, police said. BSF troops also fired at the drone. Later, during a search in the area, four packets containing 3.5 kg suspected heroin was recovered, the police said.

The incident occurred in the intervening night of Saturday-Sunday. The sources said the heroin will be handed over to Narcotics Control Bureau by the BSF for further investigation. PTI
Mains Practice Questions

Q.1 Discuss the common reasons for child abandonment and suggest measures to help prevent such an abandonment.

(10 Marks, 150 Words)

Q.2 A combination of politics, inflation and higher interest rates is posing a greater threat to the UK's financial system. Examine.

(10 Marks, 150 Words)