CURRENT AFFAIRS WEEKLY

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DECEMBER, 2019

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The current affairs articles are segregated from prelims and mains perspective, such separation is maintained in terms of structure of articles. Mains articles have more focus on analysis and prelims articles have more focus on facts.

However, this doesn't mean that Mains articles don't cover facts and PT articles can't have analysis. You are suggested to read all of them for all stages of examination.

CURRENT AFFAIRS ANALYST
WEEK-5 (DECEMBER, 2019)

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SECTION: A
(MAINS)

CURRENT AFFAIRS

INDIA'S DEMOGRAPHIC DIVIDEND

CONTEXT

- India has a big advantage of demographic dividend, which will be key driver for its future growth. But as savings and incomes are down and economy is sluggish, India is losing out on its Demographic advantage.

◉ BACKGROUND

- **Demographic transition theory:** The demographic transition theory is a generalised description of the changing pattern of **mortality, fertility and growth rates**, as society moves from one demographic phase to another.

- **Four phases of demographic transition model:** There are four stages to the classical demographic transition model.

  - **Stage 1:** This pre-transition phase is characterised by **high birth rates and high death** rates. This phase marks an underdeveloped society which is characterised **with non-advanced or no modern medical facilities.** Deaths caused by epidemics, diseases, famines and war are high, to people produce more children to compensate for high death numbers. This is a **low population phase**, where economic growth and development is also low. Example; pre-industrial age societies.

  - **Stage 2:** This is an early phase of transition where **death rate begins to fall**. This fall is mostly caused by **development of medical facilities**. But since reproductive decisions are often lagged, **birth rates continue to remain high**. In this phase, **population starts to grow rapidly**. This is also the phase of early development of industries, and where growth begins to pick up. Example; industrial-age Europe.

Demographic Dividend: The period between stage 2 and 3 is a period when young population increases; the working age population (people between 15 and 64 years of age) grows larger than the dependant population (children aged 14 or below, and people above 65 years of age). As these individuals enter workforce, find work, earn money and spend it, the economy is expected to grow and develop at a faster pace. Example; China's growth story.

This transition happens largely because of a decrease in total fertility rate (TFR, which is the number of births per woman) after the increase in life expectancy gets stabilised.

  - **Stage 3:** In this later phase of transition, reproductive adjustments are made to the falling death rate. **Birth rate starts to decline** and the rate of **population growth decelerates**. Example; current situation in China.

  - **Stage 4:** This phase marks post-transitional societies and is characterised by **low birth and low death rates**. Here, **population growth is negligible**, or even becomes negative. Example; current situation in many developed countries of Europe.

◉ ANALYSIS

Case of other countries:

- Many **Asian economies** — Japan, China, South Korea — were able to use their demographic dividend.

  - **Japan** was among the first major economies to experience rapid growth because of changing population structure.

  - **China** entered this stage in 1994. Although its growth accelerated immediately after Deng Xiaoping's economic reforms of 1978, the years of demographic dividend helped sustain this rate for a very long period.

  - The dividend years in **Singapore** started in 1979, and in the next 10 years there were only two years when its economy grew at less than 7%.

  - **South Korea** entered this phase in 1987.

  - In Hong Kong the dividend years kicked-in in 1979.

- **Case of Latin America:** A change in population structure alone cannot push growth. There are many other factors. While demographic dividend resulted in a seven-fold increase in GDP of many Asian countries. In Latin America, the growth was only two-fold.

  - According to UNFPA, countries can only harness the economic potential of youth bulge if they are able to provide **good health, quality education and decent employment** to its entire population.

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India's demographic transition

◉ **Large workforce:**India has entered into the phase of demographic transition where workforce of the country is growing at a very fast pace. Nearly 12 million Indiansenter the workforceeach a year, i.e. one million a month.

  ➤ At present close to 30% of India's population is in age group 0-14 years.

  ➤ The elderly in 60-plus age group are still a small proportion (8%).

  ➤ The working age group (15-59 years) accounts for 62.5% of India's population. It is estimated to reach its highest proportion of approximately 65% in 2036.

◉ **Small window of utilisation:** India's phase ofdemographic dividend started in 2005-06 and will last till 2055-56, longer than any other country in the world.India must utilise this bulge in working-age population before it slips into the next phase of demographic transition.

> **Demographic Disaster:** If unutilised, the demographic dividend can turn into a demographic disaster. A situation of demographic disaster is when the unutilised working age population becomes a burden on country's resources and does not contribute to any economic activity.
>
> When a working-age population is left unemployed, it will not be able to secure its old age; in terms of pension or other guarantees, hence creating additional burden on the government.

◉ **State wise differences:**The demographic window of opportunity is available to different states at different times, because of differing population parameters.Fertility decline across states and regions has been different.

  ➤ **Kerala, Tamil Nadu, Delhi, Andhra Pradesh, Telangana, Gujarat, Punjab and West Bengal**, have low total fertility rates(around 1.6 children per woman). Their window of demographic opportunity will close in next five years.

  ➤ **Karnataka, Odisha, Himachal Pradesh, Maharashtra, Jammu and Kashmir, Assam, Uttarakhand and Haryana**have replacement level of around 2.1. Their window of opportunitywill remain open for another 10-15 years.

  ➤ **The states of hinterland India—Chhattisgarh, Jharkhand, Madhya Pradesh, Rajasthan, Uttar Pradesh and Bihar**, have high-fertility rates (around 3 children per woman). Their window of opportunity is yet to open and will continue even in 2050s and 2060s.

● **Growth potential:**According to IMF, India's continuing demographic dividend, if harnessed properly, can add about 2% to the annual rate of economic growth.

Is India headed to a demographic disaster?

◉ **India's growth story:** India saw unprecedented growth during 2000s. It was expected that the rapid economic growth would pull millions of Indians out of poverty. But since 2011, growth has started to slow down. Indian economy is currently witnessing a sordid state of affairs.

◉ **Rise of debt and fall in income:** GDP is obtained by adding private consumption expenditure, investment, government expenditure and net exports (exports minus imports). Among those four categories, except for government spending, the situation is dire.

  ➤ **Private consumption expenditure**, which constitutes bulk of the economy (59.4% in 2018-19), was at peak of its growth in 2011-12 at 17.53%. Today it has fallen to single digits and stands at 7.02%.

  ➤ **Net financial savings of households** (their fixed deposits, insurance policies, mutual funds, small savings, etc., minus their financial liabilities) peaked between 2008-09 and 2010-11 (greater than 10% of the gross national disposable income (GNDI)). Since then it has been falling, and in 2017-18 stood at 6.52% of GNDI.

  ➤ **Financial liabilities**peaked at 4.28% of GNDI in 2017-19. This indicates that a large part of growth in private consumption expenditure has been financed through borrowings by the household sector.

  ➤ **Growth in per capita GNDI** has also been on a downward trend. Adjusting for inflation, the income in real terms for the salaried class has barely grown.Growth in rural income has also slowed rapidly.

◉ **Fall in Investment**: Investment is the key driver of growth and consumption. Investment creates jobs. Jobs provide income to people. People spend this money, and it boosts consumption, and further helps other people to earn income. These earners spend their money, and provide further impetus to consumption.

  ➤ **Investment to GDP ratio**peaked at 35.81% in 2007-08, the year before financial crisis. It fell over the next few years only to rise again to 34.31% in 2011-12. This happened primarily because of an increase in government

expenditure in the aftermath of financial crisis (e.g. MGNREGA spending), along with inducements that encouraged public sector banks to lend more to industry. Today this ratio is less than 30%.

- ➤ **The NPA crisis** of today goes back to the above time, when public sector banks ended up disbursing loans to many projects, which eventually turned into bad loans.

- ➤ Like consumers, corporate sector confidence is low, and it is not interested in investing at this point of time.

- ⊙ **No gains on manufacturing or exports front**: Lately, India's export capability has crashed. Exports of goods and services peaked at 25.43% of GDP in 2013-14. In 2018-19, exports fell to 19.74% of GDP. Manufacturing output has also shrinked to record low levels.

  - ➤ While over 80% of India's 520 million workforces are engaged in informal economy.

- ⊙ **Low employment:** Unemployment rate among the youth has risen significantly. According to the National Sample Survey Office's Periodic Labour Force Survey, the rate of unemployment among 15-29 year olds jumped from 5% in 2011-12 to 17.4% in 2017-18.

  - ➤ **There is high female unemployment.** Socio-economic conditions are forcing more educated women to stay out of workforce. There is growing feminisation of agriculture.

- ⊙ **India's demographic dividend is collapsing:** Give job creation is not happening, what will the million individuals entering India's workforce every month (our demographic dividend) do? Hence, it is safe to say that, if the situation is not immediately corrected, India's demographic dividend is collapsing.

Utilising India's demographic advantage: Way Forward

- ⊙ **Reforms:** For Indian manufacturers to be able to compete internationally, reforms are required on the land, labour, and tax fronts.

- ⊙ **Electricity and freight benefit to entrepreneurs:** The government has recently reduced corporate income-tax rates. But to compete within the country, Indian entrepreneur should get benefits for basic inputs like electricity and freight.

  - ➤ Currently, the cost of cheap electricity for farmers is being borne by industry.

  - ➤ Similarly, railway passengers are subsidized at the cost of freight.

  - ➤ Taxes on aviation fuel make air cargo rates in India among the highest inworld.

- ⊙ **Simplify GST:** The goods and services tax (GST) system is multi-rate and complicated, and must be rationalised for the benefit of industry.

- ⊙ **Lowering taxes:** Tax structure should be brought down from excess of 33% to around 20% (like in the US). This will ensure that retained capital does not go back to paying taxes, and funds are available to finance future growth.

  - ➤ Retrospective taxation should be avoided.

  - ➤ Time lag in tax refund should also be checked.

- ⊙ **Improve manufacturing and export growth**: Government must adopt measures to improve business sentiments in the market. It must adopt the right mix of monetary and fiscal policy to spur economic activity. Exports must be incentivised.

- ⊙ **Skill workforce:** As highlighted in ASER reports, our primary education system continues to produce children with poor competence in reading, writing and basic math. 48% of India employers report difficulty in filling job vacancies due to talent shortages. There is urgent need to ensure that the workforce which enters job market is skilled and meets industry requirements.

- ⊙ **Health and Education:** We need to increase productivity and ensure that per person contribution to GDP goes up. Hence, there is need for higher public spending on health and education. Given India's high burden of Non-communicable diseases, adequate lifestyle checks should be imposed. Quality of air and water should be checked and improved. Preventive healthcare should also be adopted.

- ⊙ **Women-friendly work environment:** Women's access to various services is indirectly related to the demographic opportunity. If women do not have access to good health services, and have higher number of children, they might not join workforce, reducing 50% of working population.

  - ➤ Women friendly work environment should be encouraged.

  - ➤ Women should have wider access to jobs, without any gender stereotypes to which occupations they can be a part of.

  - ➤ Women should gain more economic and political rights.

  - ➤ Gender wage gap should be closed.

- ⊙ **Reduce inequalities:** India will also need to reduce caste-based and urban-rural inequality, especially in access to reproductive care, health, education and jobs.

- ⊙ **Institutional checks:** Both justice and police systems also need rapid reform in order to ensure sustained and easy growth path.

- **Differential approach to socio-economic policy**:The differing windows of demographic dividend in various state,call for a differential approach to socio-economic policy planning.

  ➤ **In states where the window is closing soon,** the focus has to be on ageing and migrant-friendly policies and programmes. For example, Policies to attract high quality labour from younger states, even re-training them to match needs of the states with low workforce.

  ➤ **In states where the window is openand will close in next 10-15 years**, the focus should be on empowering girls and women, provisioning of health, education and skill development for young people, and employment generation.

  ➤ **In states where the window is yet to open**the focus should be threefold—addressing harmful practices such as child marriage, access to quality sexual and reproductive health services and family planning services to all, and provisioning of health, education, life and vocational skills to young people; in order to prepare future workforce.

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OIL & GAS SECTOR – AN ANALYSIS

CONTEXT

- Recently, Government has formed an expert panel for time-bound resolution of disputes in oil & gas sector.

◉ BACKGROUND

- The oil and gas sector is among the **eight core industries** in India and plays a major role in influencing decision making for all the other important sections of the economy.

- India has a **flourishing crude oil refining industry** with an **annual capacity of 249.40 MMT**, making it the **second largest refiner in Asia** (as of Apr. 1, 2019).

- India's economic growth is closely related to energy demand; therefore the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investment.

- The Government of India has adopted several policies to fulfill the increasing demand. The government has allowed 100 per cent Foreign Direct Investment (FDI) in many segments of the sector, including natural gas, petroleum products, and refineries, among others. Today, it attracts both domestic and foreign investment, as attested by the presence of Reliance Industries Ltd (RIL) and Cairn India.

- Annual oil consumption stood at **4.69 million barrels per day (MBPD)** and 54.20 billion cubic meters (bcm) of gas. **By 2035, India's energy demand is expected to double to 1,516 Mtoe from 753.7 Mtoe in 2017**. According to the International Energy Agency (IEA), India is expected to account for almost one-third of the global growth in energy demand by 2040.

Oil & Gas Sector – Facts and Figures

- Crude imports rose to $111 billion in 2018-19 from $88 billion in 2017-18.

- India retained its spot as the third largest consumer of crude in the world with consumption of 227 MMT in 2018-19.

- India was the fourth-largest Liquefied Natural Gas (LNG) importer in 2017 after Japan, South Korea and China. LNG imports increased to 29 BCM in 2018-19 from 27 BCM in 2017-18.

- Crude oil domestic production declined to 32.5 MMT in 2018-19 from 34.0 MMT in 2017-18, while production of natural gas increased to 32 BCM in 2018-19 from 31.7 BCM in 2017-18

- India refined 257 MMT of crude in 2018-19, compared to 252 MMT in 2017-18

- LPG coverage in the country increased to 90% in FY 2019 primarily on the back of PradhanMantriUjjwalaYojana scheme.

- PNGRB auctioned 50 geographical areas in its 10th round of bidding for City Gas Distribution (CGD)

◉ ANALYSIS

Key Problems

Basins and Categories

Sedimentary Basins of India

The existing 26 Sedimentary Basins have an area of approximately 3.14 million Sq. Kms. The sedimentary basins of the country have been classified into four categories as below::

Category-I

Basins with established commercial production. Cambay, Mumbai Offshore, Rajasthan, Krishna Godavari, Cauvery, Assam Shelf and Assam-Arakan Fold Belt

Category-II

Basins with known accumulation of hydrocarbons but no commercial production achieved so far Kutch, Mahanadi-NEC (North East Coast) Basin, Andaman-Nicobar, Kerala-Konkan-Lakshadweep Basin.

Category-III

Basins having hydrocarbon shows that are considered geologically prospective Himalayan Foreland Basin, Ganga Basin, Vindhyan basin, Saurashtra Basin, KerelaKonkan Basin, Bengal Basin

Category-IV

Basins having uncertain potential which may be prospective by analogy with similar basins in the world. Karewa basin, Spiti-Zanskar basin, Satpura– South Rewa–Damodar basin, Chhattisgarh Basin,

> Narmada basin, Deccan Syneclise, Bhima-Kaladgi, Bastar Basin, PranhitaGodavari basin, Cuddapah basin.

◉ **Declining domestic crude production:** Most of the producing fields (in Cambay, Assam-Arakan and Mumbai Offshore) are maturing or have already matured. Due to inadequate new oil and gas discoveries and subsequent development, India is witnessing a decline in crude production.

◉ **Large crude import bills:** In 2018-19, India imported more than 80% of its crude consumption and spent in excess of $110 billion.

◉ **Inadequate transmission & distribution infrastructure:** India needs to invest heavily in midstream and downstream sector to overcome infrastructure constraints in LNG, gas pipelines and CGD.

◉ **Technology constraints:** The country needs investment in exploring and developing Category-2 and Category-3 basins. However, Indian operators do not have the requisite technology and experience in this area.

◉ **Low share of MNCs:** Despite being one of the largest consumers of energy, India has a low share of MNCs in the domestic market.

◉ **Environmentally friendly fuels:** India continues to rely heavily on coal and petroleum products to meet its energy needs.

Government Initiatives

Some of the major initiatives taken by the Government of India to promote oil and gas sector are:

◉ The Government of India is planning to set up around 5,000 compressed bio gas (CBG) plants by 2023.

◉ Government of India is planning to invest Rs 70,000 crore (US$ 9.97 billion) to expand the gas pipeline network across the country.

◉ In September 2018, Government of India approved fiscal incentives to attract investments and technology to improve recovery from oil fields which is expected to lead to hydrocarbon production worth Rs 50 lakh crore (US$ 745.82 billion) in the next twenty years.

◉ State-run oil firms are planning investments worth Rs 723 crore (US$ 111.30 million) in Uttar Pradesh to improve the liquefied petroleum gas (LPG) infrastructure in a bid to promote clean energy and generate employment, according to MrDharmendraPradhan, Minister of Petroleum and Natural Gas, Government of India.

◉ A gas exchange is planned in order to bring market-driven pricing in the energy market of India and the proposal for the same is ready to be taken to the Union Cabinet, according to MrDharmendraPradhan, Minister of Petroleum and Natural Gas, Government of India.

◉ The Oil Ministry plans to set up bio-CNG (compressed natural gas) plants and allied infrastructure at a cost of Rs 7,000 crore (US$ 1.10 billion) to promote the use of clean fuel.

◉ Government has formed an expert panel for time-bound resolution of disputes in oil & gas sector

Achievements

◉ Construction of around 13,500 km long gas pipeline is under way, at the end of 2018.

◉ Under City Gas Distribution (CGD) network, 86 Geographical Areas constituting 174 districts in 22 States/ Union Territories are covered

◉ As of December 5, 2018 more than 58.3 million connections have been released under PradhanMantriUjjwalaYojana (PMUY).

Suggestions

◉ Reduce oil cess on nomination era blocks and rationalisation of royalty rates to boost domestic production.

◉ Provide impetus to renewable energy production to reduce crude import dependence

◉ Build road map for a gas-based economy in order to achieve the vision of increasing the share of gas in the energy mix to 15% by 2030

◉ Development of pipeline infrastructure by the government for a gas trading hub to be functional in India

◉ Bring gas, diesel and petrol under the GST

◉ CONCLUSION

◉ Energy demand of India is anticipated to grow faster than energy demand of all major economies, on the back of continuous robust economic growth. Consequently, India's energy demand as a percentage of global energy demand is expected to rise to 11 per cent in 2040 from 5.58 per cent in 2017.

◉ Crude oil consumption is expected to grow at a CAGR of 3.60 per cent to 500 million tonnes by 2040 from 221.76 million tonnes in 2017.

◉ Natural Gas consumption is forecasted to increase at a CAGR of 4.31 per cent to 143.08 million tonnes by 2040 from 54.20 million tonnes in 2017.

◉ Therefore, India must act to set the oil and gas sector in order in the form ofpolicy support for the sector to solve the problems and incentivize the private players to set up R&D facilities to solve technical problems.

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SYRIAN CIVIL WAR

CONTEXT

- Recently, United States announced its pull-out from Syria. The on-going conflict in Syria is the second deadliest of 21st century and fought between several factions. It is difficult to understand the Syrian civil war without understanding the regional and foreign players involved in it and their motives.

⊙ BACKGROUND:

- **Geographical location:** Syria is a country in West Asia, sharing borders with **Lebanon, Turkey, Iraq, Jordan and Israel.** In its west, it shares coastline with the **Mediterranean Sea.**

- **Population groups:** Syria is home to diverse ethnic and religious groups, including Syrian Arabs, Kurds, Turkmens, Assyrians, Armenians, Circassians, Mandaeans and Greeks.

  - Religious groups include Sunnis, Christians, Alawis, Druze, Ismailis, Mandaeans, Shiites, Salafis, Yazidis, and Jews.

  - **Arabs are the largest ethnic group, and Sunnis the largest religious group of Syria.**

- **History:** Syria is a historically rich country. The name 'Syria' historically referred to a wider region, broadly synonymous with the **Levant,** and known in Arabic as **'Al-Sham'.** The modern state encompasses the sites of several ancient kingdoms and empires, including the **Ebla Kingdom** of 3rd millennium BC.

  - Aleppo and the capital city of Damascus are among the **oldest continuously inhabited cities of the world.**

  - In Islamic era, Damascus was the seat of **Umayyad Caliphate** and the provincial capital of **Mamluk Sultanate in Egypt.**

  - The modern Syrian state was established in mid-20th century after centuries of Ottoman rule and a brief period of French mandate.

  - It gained de jure **independence in 1945**, when **Republic of Syria** became a founding member of the United Nations, legally ending the former French Mandate.

  - The post-independence period was tumultuous, with many **military coups** shaking the country.

  - In **1958, Syria entered a brief union with Egypt** called the **United Arab Republic**, which was terminated by the 1961 Syrian coup d'état.

  - After a **constitutional referendum in late 1961**, the republic was renamed Syrian Arab Republic.

  - The republic was unstable until the **1963 Ba'athist coup d'état**, since which time the Ba'ath Party has maintained its power.

  - Syria was under **Emergency Law from 1963 to 2011**, effectively suspending most constitutional protections for citizens.

- **Governance:** Syria is a unitary republic consisting of **14 governorates** and is the **only country that politically espouses Ba'athism.**

  - **Bashar al-Assad** is the President of Syria **since 2000**. His father, Hafez al-Assad, was also the President of Syria from 1971 to 2000.

  - Many political scientists have characterized Assad family's rule of Syria as a **Personalist dictatorship.**

  - Many have **condemned and criticized the ruling Ba'ath Party** for human rights abuses, frequent executions of citizens and political prisoners, and massive censorship.

- **International representation:** Syria is member of one other international organization other than the **United Nations**, the **Non-Aligned Movement**.

  - The 'Arab League' suspended Syria in 2011.

  - 'Organisation of Islamic Cooperation' suspended it in 2012.

  - In 2011, Syria self-suspended itself from the 'Union for the Mediterranean'.

⊙ ANALYSIS

Syrian civil war

- Unrest in Syria started as part of wider wave of the **Arab Spring**. It began in 2011 out of **discontent with the Syrian Ba'athist government,** with protests demanding removal of President Bashar al Assad; protesters were violently suppressed.

  - The on-going conflict in Syria is the **second deadliest of 21st century.**

  - Syria was **ranked last on the Global Peace Index** from 2016 to 2018.

  - Syrian conflict is widely described as a **series of overlapping proxy wars** between the regional and world powers, primarily between **US and Russia**, as well as between **Iran and Saudi Arabia**. The war is fought between several factions. **(Refer to mains article "West Asia**

Politics and Conflict" for background reference.)

Understanding the different factions in Syrian civil war

Understanding the different belligerents in Syrian civil war is complicated, but to start with, can be done on the basis who supports and who opposes Mr Assad and his government. There are some other factions also in the Syrian war whose motives are independent of their support or opposition to Assad Government, like the ISIS.

Supporters of Syrian government:

- Syrian Militia:
    - ➤ **Syrian Armed Forces (SDA)** of which Assad is Commander-in-chief.
    - ➤ **National Defence Force (NDF),** who draw their salaries and equipment from the government.
    - ➤ **Shabiha**, an unofficial militia drawn largely from Syria's Alawite minority group, the same sect to which Assad belongs.
- **Russia:** Carries air **strikes against the rebels** (on behest of Syrian government) and provides **political support** to Syria at the UN.Russia has **military interests** in Syria, including its only Mediterranean naval base and an airbase in Latakia province of Syria.
- **Iran:** Iran sees Mr Assad, a member of the heterodox **Shia Alawite sect**, as its **closest Arab ally.** Syria is also the main **transit point for Iranian weapon shipments to Hezbollah** in Lebanon.
- **Hezbollah:** This Lebanese Shia movement has sent thousands of fighters to fight alongside the Russian forces.
- **Egypt:** Abdel Fattah al-Sisi, Egyptian president, openly supports Assad in the Syrian Civil War, on grounds that national armies are best suited to fight terror, and that a victory by Syrian rebels could have negative consequence of inspiring renewed support for Muslim Brotherhood in his own country.
- **Foreign Shia-Muslim militias:** Recruited by Iran from Iraq, Afghanistan and Yemen.

Opposers of Syrian government (also referred to as Syrian Rebels):

- **Syrian National Coalition (SNC):** This is a coalition of anti-government groups, based in Turkey. It aims to establish a modern, civil, democratic state, and is **recognised as the legitimate government of Syria by numerous Gulf States.**
- **Free Syrian Army (FSA):** FSA was formed in 2011 by a defecting group of SDA officers. It was initially headquartered in Turkey and later in northern Syria.FSA is **backed by Saudi Arabia**.
- **Syrian Democratic Forces (SDF):** An alliance of mainly Kurdish but also Arab, Syriac-Assyrian, and Turkmen militias with mainly **left-wing and democratic political leanings**. It is led predominantly by Kurdish **People's Protection Units (YPG).** SDF is opposed to Assad government, but has directed most of its efforts against Al-Nusra Front and ISIS.
- **Syrian Salvation Government (SSG):** SSG is an alternative opposition government, though not recognised by the main opposition group SNC. **Hayat Tahrir al-Sham** is its military arm.
- **Turkey:** Provides arms, military and political support to government opposers.Turkey sees YPG militia in Syria as an extension of the **outlawed Kurdistan Workers Party (PKK),** which has been fighting the Turkish military for decades.
    - ➤ To prevent Syrian Kurds from establishing a contiguous autonomous region along its border, Turkey has carried out air **strikes on the YPG.**
    - ➤ Kurds and YPG have considerably benefitted from **military support from the US,** which sees them as one of **most effective anti-IS forces on ground**. But **Turkey is against US support to YPG.**
- **Gulf Arab states:** Regional Sunni powers like Saudi Arabia **oppose Iran's influence in Syria**. They provide logistical support, training, money and weapons to rebel groups. They also **backed the US-led coalition against ISIS**. There is no longer a Saudi Arabian embassy in Syria.
- **United States:** The US provides arms, training and military **assistance to "moderate" groups.** US mostly stay away from direct attack on the Syrian government, but it began backing rebel groups **alleging** that Mr Assad was responsible for widespread atrocities, including **chemical attacks on protesters.**
    - ➤ US mostly maintain an **official stand of fight against ISIS as reason for its presence in Syria**. Lately, it announced its exit from Syria citing that the fight against ISIS was over, and it is not US concern to topple the Assad regime.

Salafi Jihadists

- **Al-Nusra Front:** The Al-Qaeda-linked Al-Nusra Front has often been considered the most aggressive and violent of all opposition groups. In several battles, it **also fought alongside the FSA.** Al-Nusra has often been **accused of being backed by Turkey**. In 2016 it renamed itself to **Jabhat Fateh Al-Sham**, and later became the leading member of Hay'at Tahrir al-Sham.

- **Islamic State of Iraq and the Levant (ISIL):**Also called the ISIS, **exploited the war in Syria** to carve out a large part of the country **for creation of an Islamic proto-state "caliphate".** As part of an international campaign against the IS militants, both supporters and opposers of Assadhave attacked ISIS to curb its growth and release areas that it had captured. **Raqqa** (in northern Syria), the last strong hold of ISIS, was taken back in 2017.

Who are the Kurds?

- Kurds – **mostly Sunni Muslims,** with a small minority of Yazidis – represented 10% of Syria's population at the start of 2011 uprising. Kurds had suffered **decades of discrimination** and neglect, deprived of basic civil, cultural, economic, and social rights.

- When protests began**in 2011, Assadgovernment granted citizenship** to an estimated 200,000 stateless Kurds, in an effort to neutralize potential Kurdish opposition.

- Despite this concession, most Kurds remain opposed to the government, hoping instead for a more **decentralized Syria based on federalism.**

- In early 2014, Kurdish people living in Syria's north **(Rojava region)**declared creation of an autonomous government in areas under their control.

- To further their purpose**, Syrian Democratic Council (SDC)**was established in 2015. It is the **political wing of SDF.**

Syrian Refugee Crisis

- **Refugees** of Syrian Civil War are the citizens and permanent residents of Syria, who have **fled their country during the course of Syrian Civil War.**

- The war has **killed more than half a million** people, caused **7.6 million internally displaced people** (July 2015UNHCR) and over **5 million refugees** (July 2017UNHCR), making population assessment difficult in recent years.

- **Seeking asylum**, many Syrians have fled to other countries.Many are placed in **Syrian refugee camps** established in **Turkey** (~3.6 million), **Lebanon** (~0.9 million), **Jordan** (~0.6 million), **Egypt** (~0.1 million) and other countries.

- Syrian refugees have contributed to the **European migrant crisis.**

- **The Turkey factor:**Many neighbouring countries like Turkey and Lebanon often call for deporting refugees with them to Europe or sending them back to Syria.

  ▶ Turkey has also used the threat of deporting its Syrian refugees to Europe as a means to garner Europe's support in its fight against Syrian Kurds and YGP. Europe on the other hand, has threatened Turkey of Sanctions for any such move.

- Humanitarian aid to internally displaced persons (IDPs) within Syria and Syrian refugees in neighbouring countries is planned largely through **UNHCR.**

- In 2015, the **Regional Refugee and Resilience Plan (3RP)** was established as a coordination platform including Syrian neighbouring countries (except Israel) and Egypt.

⊙ CONCLUSION

Syrian civil war has had devastating consequences on Syrian economy and Syrian population.The many foreign players in Syria want to bolster their influence in Middle-East, and globally, by trying to be the key player in Syria. However, need of the hour is that nations stop treating Syria as a battleground for attaining global eminence. In fact, there is urgent need to take serious actions to reverse the humanitarian crisis in Syria.

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ATAL BHUJALYOJANA
- A SCHEME FOR GROUNDWATER

CONTEXT

- **AtalBhujalYojana has been launched amid growing concerns over the country's groundwater resources.**

⊙ BACKGROUND

- Prime Minister launched the AtalBhujalYojana, or AtalJal.

- AtalJal is a World Bank-funded, central scheme aimed at improving groundwater management.

- The idea first came up in 2015, in view of depleting groundwater resources. The government announced its intention to start a programme for management of groundwater resources in the Budget of 2016-17.

⊙ ANALYSIS

Features of the scheme

- ATAL JAL has been designed with the principal objective of strengthening the institutional framework for participatory groundwater management and bringing about behavioral changes at the community level for sustainable groundwater resource management in seven States, viz. Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.

- Implementation of the scheme is expected to benefit nearly 8350 Gram Panchayats in 78 districts in these States.

- ATAL JAL will promote panchayat led ground water management and behavioural change with primary focuses on demand side management.

- Out of the total outlay of Rs. 6000 crore to be implemented over a period of 5 years, 50% shall be in the form of World Bank loan, and be repaid by the Central Government.

- The remaining 50% shall be through Central Assistance from regular budgetary support.

- The entire World Bank's loan component and Central Assistance shall be passed on to the States as Grants.
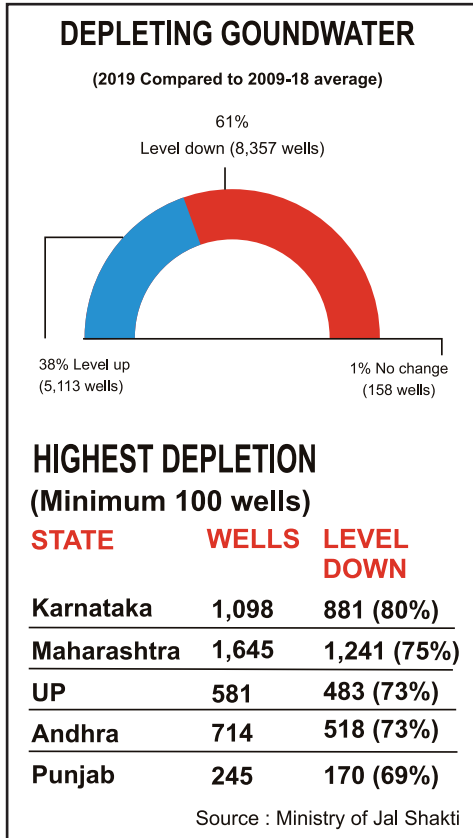
How scarce is water in India?

- India accounts for 16 per cent of the world's population living in less than 2.5 per cent of the global area, and has just 4 per cent of the global water resources.

- According to the Central Water Commission (CWC), the estimated water resources potential of the country, which occurs as natural runoff in the rivers, is 1,999 billion cubic metres. Of this, the estimated utilisable resources are 1,122 billion cubic metres per year.

- With the population rising, demand for water will increase manifold in coming years.

- By CWC benchmarks, a water-stressed condition happens when per capita availability is less than 1,700 cubic metres, and a water-scarcity condition when per capita availability falls below 1,000 cubic metres.

- Some river basins are facing a water-scarcity condition. Among these are the basins of the Indus (up to the border), Krishna, Cauvery, Subarnarekha, Pennar, Mahi, Sabarmati and east-flowing rivers, and west-flowing rivers of Kutch and Saurashtra including Luni.

- Water scarcity is most acute in the basins of the Cauvery, Pennar, Sabarmati and east-flowing rivers, and west-flowing rivers of Kutch and Saurashtra including Luni.

What is the groundwater situation in particular?

- According to 'Water and Related Statistics 2019', a report published by the CWC, the annual replenishable groundwater resources in India (2017) are 432 BCM, out of which 393 BCM is the annual "extractable" groundwater availability.

- Fifteen states account for about 90 per cent of the groundwater potential in the country.

- Uttar Pradesh accounts for 16.2 per cent, followed by Madhya Pradesh (8.4%), Maharashtra (7.3%), Bihar (7.3%), West Bengal (6.8%), Assam (6.6%), Punjab (5.5%) and Gujarat (5.2%).

- The largest user being the irrigation sector. This is why the government has called for alternatives to water-intensive crops such as paddy and sugarcane.

- Among the states where at least 100 wells were monitored, the highest depletion has been in Karnataka (80%), Maharashtra (75%), Uttar Pradesh (73%), Andhra Pradesh (73%), Punjab (69%).

DEPLETING GOUNDWATER

(2019 Compared to 2009-18 average)

61%
Level down (8,357 wells)

38% Level up
(5,113 wells)

1% No change
(158 wells)

HIGHEST DEPLETION

(Minimum 100 wells)

STATE	WELLS	LEVEL DOWN
Karnataka	1,098	881 (80%)
Maharashtra	1,645	1,241 (75%)
UP	581	483 (73%)
Andhra	714	518 (73%)
Punjab	245	170 (69%)

Source : Ministry of Jal Shakti

What is the role of the CGWB?

- The Board monitors water levels and quality through a network of 23,196 "National Hydrograph Monitoring Stations"

- A piezometer is a device placed in a borehole to monitor the pressure or depth of groundwater.

- The CGWB has classified the country's assessment units (blocks, taluks, mandalsetc) into safe, semi-critical and over-exploited in terms of groundwater resources.

- In the north, more than 60% of the assessment units in Delhi, Punjab, Haryana and Rajasthan are either over-exploited or critical.

- Jal Shakti Ministry had said 14% of the country's assessment units are semi-critical, 5% are critical, and 17% are over-exploited, as of 2017.

How much of this does the scheme seek to address?

- For now, the AtalBhujalYojana will be implemented in seven states – Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and UP over five years from 2020-21 to 2024-25.

- It is expected that it will benefit about 8,350 gram panchayats in 78 districts.

- If the scheme meets its objectives in water-stressed areas, it will be extended to other parts of the country.

How will these objectives be met?

- The focus will be on arresting the rate of decline of groundwater levels as well as water consumption.

- The scheme will seek to strengthen the institutional framework and bring about behavioural changes at community level for sustainable groundwater resource management.

- It envisages community-led Water Security Plans.

- There has been a Groundwater Management and Regulation scheme to manage the country's groundwater resources since 2013.

- The new scheme is an updated and modified version. Concepts such as 'Water User Associations' and Water Budgeting will be introduced.

- Better performing districts and panchayats will get more funds.

Ways to protect and conserve groundwater

1. **Go Native:** Use native plants in your landscape. They don't need much water or fertilizer, reducing the need for extensive watering or chemical applications.

2. **Reduce Chemical Use**

3. Use fewer chemicals around you and make sure to dispose of them properly - don't dump them on the ground!

4. **Manage Waste:** Properly dispose of potentially toxic substances like unused chemicals, pharmaceuticals, paint, motor oil, and other substances.

5. **Don't Let It Run:** Shut off the water when not needed.

6. **Fix the Drip:** Check all the faucets, fixtures, toilets, and taps in your home for leaks and fix them right away, or install water conserving models.

7. **Water Wisely:** Water the lawn and plants during the coolest parts of the day and only when they truly need it.

8. **Reduce, Reuse, and Recycle:** Reduce the amount of "stuff" you use and reuse what you can. Recycle paper, plastic, cardboard, glass, aluminum and other materials.

9. **Natural Alternatives:** Use all natural/nontoxic household cleaners whenever possible.

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NEED OF COLLEGIUM SYSTEM FOR APPOINTMENT OF CEC & ECS

CONTEXT

- Recently, the Supreme Court has agreed to hear a public interest litigation seeking that the chief election commissioner and election commissioners be appointed by a three-member collegium.

⦿ BACKGROUND

- The collegium will comprise the Prime Minister, the leader of opposition in Lok Sabha and the Chief Justice of India. A bench comprising Chief Justice S. A. Bobde and Justices B.R. Gavai and Surya Kant took note of submissions that the plea needed an urgent hearing. Advocate Ashwini Upadhyay filed the PIL seeking to ensure more autonomy for the chief election commissioner's office and election commissioners. The plea has also sought an independent secretariat for the Election Commission of India and that it should also be given the power to make rules.

- The Election Commission of India (ECI) is an autonomous constitutional authority responsible for administering Union and State election processes in India.

- The body administers elections to the Lok Sabha, Rajya Sabha, State Legislative Assemblies, and the offices of the President and Vice President in the country.

- Structure of the Commission

  ➤ Originally the commission had only one election commissioner but after the Election Commissioner Amendment Act 1989, it has been made a multi-member body.

  ➤ The commission presently consists of one Chief Election Commissioner (CEC) and two Election Commissioners (ECs).

- The secretariat of the commission is located in New Delhi.

⦿ ANALYSIS

Historical demands for appointment of election commission

- The demand of collegium system was first raised in 1990 when the **Dinesh Goswami Committee** suggested the need for a selection committee or a panel to appoint the CEC (at that time ECI was a single-member body).

- Based on this recommendation, **70th Constitutional Amendment Bill, 1990** was introduced in the Parliament which demanded for the selection committee comprising of the Presiding Officers of both Houses and Leader of the Opposition in Lok Sabha.

- However, due to lack of political will, it was not passed and was withdrawn in 1993. Till date, no such bill was formed.

- The issue was debated in the Constituent Assembly which finally left over to the government to decide the appointments. The constituent Assembly suggested that election commission should be appointed after a proposal of the same is supported by two-third majority of the parliament.

- **Global Practice:** In the USA, South Africa, Canada, etc. there is a mechanism for outside consultation with expert body for making suitable appointments.

Present System of Appointment of Election Commissioners

- **Constitutional versus Executive Power of Appointment:**

  ➤ There is no prescribed procedure for appointment of the Chief Election Commissioner and Election Commissioners as per the constitution. Under the Transaction of Business rules, the President shall appoint the CEC and EC based on the recommendations made by the Prime Minister.

  ➤ Therefore, it is the executive power of the President to appoint CEC and ECs.

  ➤ However, according to Article 324(5), the Parliament has the power to regulate the terms of conditions of service and tenure of ECs. It is under this article that the Parliament has made laws till date, and not under Art. 324(2) in which the Parliament can establish a selection committee for regulating the appointments made by the President.

- **Aberrations in Appointment:**

  ➤ Constituent Assembly Debates: The issue was debated in the Constituent Assembly which finally left over to the government to decide

the appointments.

➤ Election Commission (Conditions of Service of Election Commissioners and Transaction of Business) Act, 1991 was passed to determine the conditions of service of the Chief Election Commissioner and other Election Commissioners and to provide for the procedure for transaction of business by the ECI. However, the Parliament at that time decided not to put any collegium system for appointment.

Challenges in establishing a collegium system for appointments

⦿ **Similar Demand for other appointments**

➤ For other constitutional positions similar demand can be raised where it is the imperative of the executive to make such appointments like for Attorney General or Comptroller & Auditor-General.

➤ The government has the right to decide such appointments like it did for CBI director or the Chief Vigilance Commissioner But these are statutory positions. As of now, there is no committee for constitutional appointments.

⦿ **Constitutional Dilemma**

➤ According to Article 324(2), the President shall make the appointment till the time there is no law being made by the Parliament for this purpose.

➤ Because of the absence of such law, the possible statutory appointment process has been made a constitutional appointment (done under executive domain) by the President.

➤ Even in the debates of Constituent Assembly, it was argued that the appointments be made by the President in consultation with PM with the concurrence of two-thirds of the majority of the joint session of both the Houses of Parliament.

⦿ **Distinction between CEC & EC**

➤ There is a difference between the position of a CEC & EC. The appointments to both the position may differ according to the task they perform. Therefore, to differentiate the process of appointment which is still done on an ad-hoc basis (because of absence of any constitutional law) becomes a challenging task that needs to be addressed properly to ensure the independent working of the commission.

⦿ **Demand for Collegium System**

➤ In the recent past, this demand has gained prominence in the backdrop of allegations raised by political parties regarding the independence of the Commission. Therefore,

it is due to political necessity and not legal conundrum that there is a demand for multiparty approach in appointment process.

⦿ **Judicial Overreach:**

➤ The Supreme Court (SC) interprets any law on the basis of provisions of the constitution, and constitutionally decision for appointment procedure of EC comes under executive domain. Thereby, decision by the Supreme Court in this regard can possibly shake the harmonious balance of power.

Other Electoral Reforms

> **Law Commission 255th Report on Electoral Reforms: Strengthening the office of the Election Commission of India**
>
> ⦿ The Commission in its report inter-alia suggested, the ECI must be strengthened by:
>
> ⦿ Giving equal constitutional protection to all members of the Commission in matters of removability;
>
> ⦿ Making the appointment process of the Election Commissioners and the CEC consultative; and
>
> ⦿ Creating a permanent, independent Secretariat for the ECI.

⦿ Deficiencies in the present system of appointment process needs to be removed. And adequate safeguards must be put into place to ensure that ethical and capable people head the concerned positions.

⦿ **Independence:** There must be similar election and removal procedure for CEC and ECs, and they must exercise the same powers unless specifically prescribed by a law. Also the expenses of ECI must be charged expenditure on Consolidated Fund of India.

⦿ **Transparency:** Appointments through collegium or any other system as discussed in constitutional debate can bring more transparency in the appointment process.

⦿ **Autonomy:** Even, the Law Commission in its 255th report on electoral reforms (2015) for ensuring greater autonomy to the ECI, recommended for the constitution of a selection committee.

⦿ **Legislation:** There is a need for debate and discussions in the Parliament on the issue of independency of ECI and consequently passing of required legislation.

⦿ **Article 324(5) of the Constitution must be amended** to equate the removal procedures of the two Election Commissioners with that of the Chief

Election Commissioner. Thus, equal constitutional protection should be given to all members of the ECI in matters of removability from office.

◉ The appointment of all the Election Commissioners, including the CEC, must be made by the President in consultation with a three-member collegium or selection committee, consisting of the Prime Minister; the Leader of the Opposition of the LokSabha (or the leader of the largest opposition party in the LokSabha in terms of numerical strength); and the Chief Justice of India.

◉ Elevation of an Election Commissioner must be on the basis of seniority, unless the three member collegium/committee finds such Commissioner unfit.

◉ Amendments must be made in the Election Commission (Conditions of Service of Election Commissioners and Transaction of Business) Act, 1991 to reflect this.

◉ It also recommended, to add a new sub-clause as (2A) to Article 324 of the Constitution to provide for a separate independent and permanent Secretariat for the ECI along the lines of the LokSabha/RajyaSabha Secretariats under Article 98 of the Constitution. This will further improve the independence of the ECI.

◉ CONCLUSION

The present political questions on the institution of election commission must not be confused with the constitutional questions. The political problems need a political solution supported by a strong legislation. The collegium system no doubt will open way for independence and transparency in the working of the election commission but it will also develop a tendency to snatch what belongs to the executive.

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NPR - NATIONAL POPULATION REGISTER

CONTEXT

- **The Union Cabinet approved a proposal to update the National Population Register (NPR), which is linked to the Census. The exercise will cost Rs 8,500 crore, the government said.**

⦿ BACKGROUND

General Features of the National Population Register

- The Census Commission has said the objective of the NPR is to create a comprehensive identity database of every "usual resident" of the country.

- The database will have demographic details.

- A "usual resident", for the NPR, is a person who has lived in an area for at least six months or more, or a person who intends to live in an area for the next six months or more. It is mandatory for every "usual resident" of India to register in the NPR.

- The NPR, since it is linked to the Census, is seen as the first step towards a nationwide exercise to implement the National Register of Citizens (NRC).

- Though an NPR doesn't necessarily mean it's guaranteed there will be an NRC, it clears the path for a nationwide citizens' list.

- This is seen as one of the reasons why some states like West Bengal and Kerala, which are opposed to the NRC, have stopped work on the NPR.

- NPR was first done in 2010 and was later updated in 2015 when it was linked with the Aadhar.

What is NPR?

- The NPR is a register of the usual residents of the country.

- It contains information collected at the local (village/sub-town), subdistrict, district, state and national level under provisions of the Citizenship Act, 1955 and the Citizenship (Registration of Citizens and Issue of National Identity Cards) Rules, 2003.

Who is usual resident of India?

- A usual resident is defined, for the purposes of the NPR, as a person who has resided in a local area for the past six months or more, or a person who intends to reside in that area for the next six months.

- The law compulsorily seeks to register every citizen of India and issue a national identity card.

Who will conduct NPR?

- The process of updating NPR will be carried out under the aegis of the Registrar General and ex-Officio Census Commissioner, India.

How is NPR different than census?

- While the process of NPR and Census will begin simultaneously, the two databases are not same.

- The decennial census is the largest single source of a variety of statistical information on different characteristics of the people of India.

- While NPR only contains demographic information, more details are required for census like information on demography, economic activity, literacy and education, and housing and household amenities besides others.

- The census is the basis for reviewing the country's progress in the past decade, monitoring the on-going schemes of the government and plan for the future.

- The census provides detailed and authentic information on demography, economic activity, literacy and education, housing and household amenities, urbanisation, fertility and mortality, scheduled castes and scheduled tribes, language, religion, migration, disability besides others.

- The enumerators also collect data related to cultivators and agricultural labourers, their sex, occupational classification of workers in the non-households industry, trade, business, profession or service by class of worker and sex.

- There will be a detailed survey on gender and literacy rate, a number of towns, slum households and their population.

- Information is also collected on sources of potable water, energy, irrigation, method of farming, whether a house is a concrete, thatched or others.

How is NPR different than NRC?

- National Population Register is a database of people living in India, citizens or not, but National Resgiter of Citizens is a database of Indian citizens.

- The NRC process demands proof of citizenship from the respondents. Those who found in want of the proof may face deportation or detention in long run. But in NPR, there is no need to provide any document.

Will anyone lose citizenship because of NPR?

◉ It is possible that some names are missed in the NPR, still their citizenship will not be revoked because this is not the process of NRC.

◉ The officials have also said that there is no plan to use data collected during NPR to form the basis of NRC.

What is the use of NPR?

◉ NPR data helps identify the demographics of actual residents who will be direct beneficiaries of any schemes launched in the area.

◉ The NPR data will help government design and adapt schemes like Ayushman Bharat, JandhanYojna, or medium of instruction in schools as per the current demographics, thus making the schemes more effective.

◉ It will streamline data of residents across various platforms.

◉ It will help in implementing the idea of 'One Identity Card' that has been recently floated by the government

◉ It would also eliminate duplication in voter lists, government insists.

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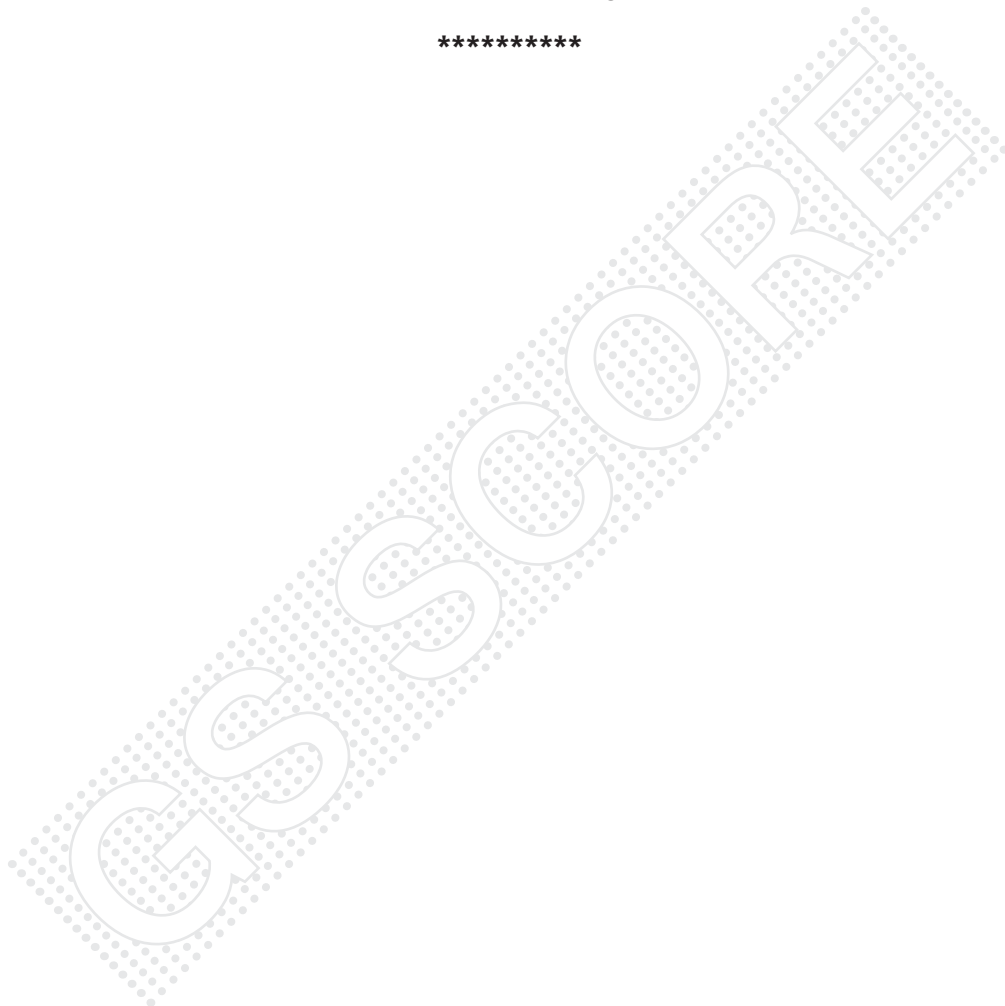
SECTION: B
(PRELIMS)

CURRENT AFFAIRS

GLOBAL VALUE CHAINS

◉ **CONTEXT**
- **Global Value Chains (GVCs) have often been in news. It is important to understand their role in trade and growth.**

◉ **ABOUT**
- Earlier, companies used to make things primarily in one country. Today, a single finished product often results from **manufacturing and assembly in multiple countries,** with each step in the process adding value to the end product.

- **Through GVCs, countries trade more than products**; they trade know-how, and make things together. Imports of goods and services matter as much as exports to successful GVCs.

- **GVCs integrate the know-how of lead firms and suppliers of key components** along stages of production and in multiple offshore locations.

- The international, inter-firm flow of know-how is the key distinguishing feature of GVCs.

- How countries engage with GVCs determines how much they benefit from them.

- **Example:** iPhone is a good example to understand GVCs. The US prepares the iPhone design, Taiwan and South Korea produce critical inputs such as processors. Final assembly takes place in China from where they are marketed all over.

Advantages of GVC

- **Promote productivity and growth:** According to WTO report, a 1% increase in GVC participation is estimated to boost per capita income levels by more than 1%—about twice as much as standard trade.

  ◎ In Ethiopia, firms participating in GVC are more than twice as productive as similar firms that participate in standard trade.

- **Reduce poverty: Since gains in growth from GVC are larger than from trade in final products, their impact on poverty reduction is also larger.**

  ◎ Regions in Mexico and Vietnam that participated more intensively in GVCs experienced greater reductions in poverty.

- **Deliver better jobs:** Firms in GVC draw people into more productive manufacturing and services activities and tend to employ more women, supporting structural transformation in developing countries.

- **Important for growth:**GVCs are a powerful driver of productivity growth, job creation, and increased living standards.Countries that embrace them grow faster, import skills and technology, and boost employment.

  ◎ With GVC-driven development, countries generate growth by moving to higher-value-added tasks and by embedding more technology and know-how in all their agriculture, manufacturing, and services production.

  ◎ GVCs provide countries the opportunity to leap-frog their development process.

MIDDLE INCOME TRAP

◉ **CONTEXT**
- **Many economists have cautioned that India runs the risk of getting caught in the middle-income trap.**

◉ **ABOUT**
- **Middle income trap:**The middle income trap is a theoretical economic development situation in which a country that attains a certain income (due to given advantages) gets

stuck at that level.The Middle income countries are not able to move up to the Higher income status due to operation of several adverse factors:

- A country in the middle income trap has lost its competitive edge in the export of manufactured goods because of rising wages.

- Also, it is unable to keep up with more developed economies in the high-value-added market.

- There is failure to build institutional, human and technological capital.

- **Middle-income range:**World Bank defines a middle-income country as one with a gross national income (GNI) per capita of $1,000-12,000 at constant 2011 prices.

Case of different countries:

- **Countries that escaped it:** Japan, South Korea, Portugal, Poland and Latvia are success stories of transformation to high-income status.

- **South Africa and Brazil:**Newly industrialised economies such as South Africa and Brazil have not, for decades, left what the World Bank defines as the 'middle-income range'. They suffer from low investment, slow growth in secondary industry, limited industrial diversification and poor labour market conditions.

- **Africa, Egypt, Thailand and Turkey** also tried to develop but could not transition to the high-income level. These countries failed to develop and remain stuck below their potential.

- **Argentina, Mexico, and Russia** have been trapped in the upper middle-income category for a long time.

- **China**, with a GNI per capita of around $9,800, is most likely on its way out of the middle-income trap—unless it stumbles.

Case of India

- **Lower middle income country:**In 1960, India had a per capita income of $1,033 (in 2011 purchasing power parity terms). This was equivalent to 6% of per capita income of US. India attained lower middle-income status in 2008. By 2017-18, India's per capita income was $6,538—or 12% of US per capita income.

- **Critics:** Critics have cautioned that India runs the risk of getting caught in the middle-income trap. It has been argued that India's growth has mostly been driven by demand generated by few. India does not have broad income base, and this narrow demand base/market size could act as a growth barrier, resulting in India slipping into a middle-income trap.

  - Even if India reaches $5 trillion in GDP by 2024-25 — Government of India's objective — it will still be a lower middle-income country.

- **Factors that can hurt India's growth:**The 2017 Economic Survey warned that four factors could hurt India:

  - Hyper-globalization repudiation.

  - Thwarted/impeded structural transformation.

  - Human capital regression due to technological progress.

  - Climate change-induced agricultural stress.

How to avoid Middle income trap?

- **New process and markets:**Avoiding the middle income trap entails identifying strategies to introduce new processes and find new markets to maintain export growth.

- **Domestic demand:**Ramping up domestic demand is also important—an expanding middle class can use its increasing purchasing power to buy high-quality, innovative products and help drive growth.

- Inequality is a barrier to the broadening of the demand base in an economy.

- **Innovation:** The biggest challenge is moving from resource-driven growth that is dependent on cheap labour and capital to growth based on high productivity and innovation.

  - This requires investments in infrastructure and education—building a high-quality education system that encourages creativity and supports breakthroughs in science and technology that can be applied back into the economy.

RBI FOREIGN EXCHANGE RESERVE MANAGEMENT

⊙ **CONTEXT**

- **The Reserve Bank of India released its bi-annual report on management of foreign exchange reserves.**

⊙ **ABOUT**

- Reserve Bank of India's(RBI) bi-annual report on **management of foreign exchange (forex) reserves** is part of its efforts towards enhanced transparency and levels of disclosure.

- Findings of the report:

  - **India's forex reserves** for the week ended 13 December stood at **$454.492 billion** on account of increase in foreign currency assets (FCA).

  - India's forex reserves **increased by 5%** during the second half of the financial year ended September 2019 (H2FY20).

  - As at end-September, 2019, the Reserve Bank held **618.17 tonnes of gold**, with 325.87 tonnes being held overseas in safe custody with the Bank of England and the Bank for International Settlements, while the remaining gold is held domestically.

  - The foreign exchange reserves **cover of imports stood at 10 months**.

  - The **ratio of short term debt to reserves** which was 26.3% at the end of March 2019 **declined** to 25.5% at the end of June 2019.

  - In dollar terms, the **share of gold in total foreign exchange reserve increased** to 6.1% at the end of September from 5.6% as of March 30.

Objectives of forex reserve management

- Demands placed on foreign exchange reserves may vary widely depending upon a variety of factors including;

  - Exchange rate regime adopted by the country

  - Extent of openness of the economy

  - Size of the external sector in a country's GDP

  - Nature of markets operating in the country.

Legal Framework and Policies

The Reserve Bank of India Act, 1934 provides the overarching legal framework for deployment of reserves in different FCA and gold within the broad parameters of; currencies, instruments, issuers and counterparties. The law broadly permits the following investment categories:

  - Deposits with other central banks and the Bank for International Settlements (BIS).

  - Deposits with overseas branches of commercial banks.

  - Debt instruments representing sovereign/sovereign-guaranteed liability with residual maturity for debt papers not exceeding 10 years.

- Other instruments/institutions as approved by the Central Board of RBI in accordance with provisions of the Act.

- Dealing in certain types of derivatives.

Terms related to Foreign exchange

- **Foreign Currency Assets(FCA):** FCA are maintained as a multi-currency portfolio comprising of major currencies, such as, US dollar, Euro, Pound sterling, Japanese yen, etc. and are valued in terms of US dollars. FCA excludes:

  - Investment in bonds issued by India Infrastructure Finance Company (UK)

  - SDR holdings of Reserve Bank, which is included under SDR

  - Amount lent under SAARC Swap Arrangement.

- **Currency Risk:** Currency risk arises due to movements in exchange rates. Forex reserve related decisions are taken on account of long-term exposure to different currencies, depending on their likely movements and other considerations in the medium and long-term.

- **Special Drawing Rights (SDR):** An SDR is an artificial currency instrument created by the IMF in 1969to supplement the existing money reserves of member countries. It was created in response to concerns about the limitations of gold and dollars as sole means of settling international accounts; SDRs augment international liquidity by supplementing the standard reserve currencies. The IMF uses SDRs for internal accounting purposes. SDRs are allocated by the IMF to its member countries and are backed by their full faith and credit. SDRis built from a basket of important national currencies.

  - US dollar

  - Euro

  - Chinese Yuan

  - Japanese Yen

  - Pond Sterling

- **Reserve Tranche Position (RTP):** The IMF is funded through its members and their quota contributions. A reserve tranche is a portion of the required quota of currency each member country must provide to the International Monetary Fund (IMF) that can be utilized for its own purposes—without a service fee or economic reform conditions.

  - It is basically an emergency account that IMF members can access at any time without agreeing to conditions or paying a service fee.

- **SAARC Swap Arrangement:** A currency swap between the two countries is an agreement or contract to exchange currencies with predetermined terms and conditions. SAARC swap Arrangement entails currency swap between the SAARC countries. It is mostly done to meet short term foreign exchange liquidity requirements or to ensure adequate foreign currency to avoid Balance of Payments (BOP) crisis. SAARC swap Arrangement framework includes:

  - RBI will offer swap arrangement within the overall corpus of USD 2 billion.

  - Swap withdrawals can be made in US dollar, Euro or Indian rupee.

  - The framework provides certain concessions for swap withdrawals in Indian rupee.

  - The facility will be available to all SAARC member countries, subject to their signing of bilateral swap agreements.

  - he particular framework is valid from 14th November, 2019 to 13th November, 2022.

WASHINGTON CONSENSUS

⊙ **CONTEXT**
- **Lately economists have cautioned that the Washington Consensus is losing its hold over institutions.**

⊙ **ABOUT**
- **Washington Consensus:** The Washington Consensus is a set of 10 economic policy prescriptions by Washington, D.C.-based institutions such as the **International Monetary Fund (IMF), World Bank and United States Department of the Treasury.**

  ◎ It constitutes the "standard" reform package promoted for crisis-stricken developing countries.

  ◎ The prescriptions encompassed policies in such areas as macroeconomic stabilization, economic opening with respect to both trade and investment, and expansion of market forces within the domestic economy.

- 10 Policy prescriptions:

  ◎ **Fiscal policy discipline,** with avoidance of large fiscal deficits relative to GDP.

  ◎ **Redirection of public spending from subsidies** (especially indiscriminate subsidies) toward broad-based provision of key pro-growth, pro-poor services like primary education, primary health care and infrastructure investment.

  ◎ **Tax reform**, broadening the tax base and adopting moderate marginal tax rates.

  ◎ **Interest rates that are market determined** and positive (but moderate) in real terms.

  ◎ **Competitive exchange rates.**

  ◎ **Trade liberalization:** Liberalization of imports, with particular emphasis on elimination of quantitative restrictions (licensing, etc.); any trade protection to be provided by low and relatively uniform tariffs.

  ◎ **Liberalization** of inward foreign direct investment.

  ◎ **Privatization of state enterprises.**

  ◎ **Deregulation:** Abolition of regulations that impede market entry or restrict competition, except for those justified on safety, environmental and consumer protection grounds, and prudential oversight of financial institutions.

  ◎ **Legal security for property rights.**

Criticism

- Most criticism for Washington Consensus has been focused on **trade liberalization and the elimination of subsidies**, especially in the agriculture sector.

- In nations with substantial natural resources, the focus of criticism is on **privatization of industries exploiting these resources**.

Is the Washington consensus still relevant?

  ◎ **Changing IMF stance:** It has been argued that IMF might be moving away from the Washington Consensus world view of freely floating exchange rates and opposition to capital controls that dominated its thinking for decades.

  ◎ **China factor:** When Renminbiwas just included in the basket of currencies that make up the Special Drawing Rights (SDR), economic concerns led to a massive capital flight that saw China's foreign exchange reserves go down by a trillion.

  ◎ China imposed drastic capital controls to avoid currency crash so soon after its SDR inclusion. And it worked, unlike Washington consensus prescription.

- **Rethinking on the 'capital account fundamentalism'**:The term denotes abelief that free flow of capital provides the greatest possible equity and prosperity, and that any interference with the market process decreases social well-being.

  ◉ However, empirical example suggests, it has not been the case.

  ◉ Free capital flow destabilized emerging economies after the crisis of 2009. Easy monetary policies in the developed world encouraged "carry trade"—cross-border investment in search of higher yields. Capital flooded into emerging economies with higher domestic interest rates. But when Federal Reserve Bank (Fed) tapering started, capital flows reversed, leaving emerging economies very unstable.

- **A possible repetition of 2009:** If the US economy stumbles into a recession, which presently seems like a possibility, Fed would be left with no choice but to further expand its quantitative easing. And this could once again have consequences on emerging economies.

- A similar distress can be caused by the actions of European Central Bank which is easy on printing currency and buying bonds that carry negative interest rates.

AVIAN BOTULISM IN SAMBHAR LAKE

◉ **CONTEXT**

- **Recently, the Indian Veterinary Research Institute (IVRI) has attributed the deaths of migratory birds to avian botulism at Sambhar Lake in Rajasthan.**

◉ **ABOUT**

- The avian botulism is a neuro-muscular illness caused by Botulinum (natural toxin) that is produced by a bacteria — Clostridium botulinum.

Sambhar Lake

- The Sambhar Salt Lake is India's largest inland saltwater body located near Jaipur in Rajasthan.
- The lake is surrounded on all sides by the Aravali hills.
- It is the source of most of Rajasthan's salt production.
- Sambhar has been designated as a Ramsar site(recognized wetland of international importance) because the wetland is a key wintering area for tens of thousands of flamingos and other birds that migrate from northern Asia.

- The bacteria are commonly found in the soil, rivers, and seawater. It affects both humans and animals.
- The bacteria also need anaerobic (absence of oxygen) conditions and do not grow in acidic conditions.
- It affects the nervous system of birds, leading to paralysis in their legs and wings.
- The outbreaks of avian botulism tend to occur when average temperatures are above 21 degrees celsius, and during droughts..

Causes of Mass Mortality at Sambhar Lake

The possible causes for avian botulism at Sambhar Lake are:

- **Reduced water levels:** This might have increased salinity levels leading to the death of living organisms.
- The decaying plant or animal materials are capable of hosting the bacteria for a longer period of time.
- **A bird-to-bird cycle:** Since only insectivorous and omnivorous birds were affected and not herbivores, the birds feeding on dead birds could have been a possible cause of such mortality.

- The possibility of external factors like water pollution and eutrophication are ruled out as no farming is being carried out in the vicinity of sambhar lake.

⦿ **CONCLUSION**
- Sambhar Lake is not the first instance where deaths due to botulism have been recorded. 7,000 water birds died in Lake Michigan in 2007 and 2008. In Hawaii, the toxin killed around 183 Laysan Ducks in 2008.

- The botulism outbreaks are likely to become more frequent as climate change alters wetland conditions to favour bacteria and pathogens.

- Thus, the establishment of rescue and medical centres along with the mitigation of climate change need to be considered by the government as a precautionary measure for the future.

NATIONAL GREEN CORPS 'ECO CLUB' PROGRAMME

⦿ **CONTEXT**
- **Recently, the Ministry of Environment, Forest and Climate Change (MoEFCC) organized an annual meeting of state nodal agencies implementing the 'Ecoclub' programme for the first time.**

⦿ **ABOUT**
- National Green Corps is a programme started in 2001-02 by the Ministry of Environment Forests and Climate Change.

- **Aim:** To provide opportunities for children to understand the environment and environmental problems through school eco-clubs.

- The programme is a sub part of Environment Education Awareness and Training (EEAT) which is a central sector scheme of the Ministry of the Environment continuing since 1983-84.

Objectives of the Programme

- To impart knowledge to school children through hands-on experience, about their immediate environment, interactions within it and the problems therein.

- To develop requisite skills of observation, experimentation, survey, recording, analysis and reasoning for conserving the environment through various activities.

- To inculcate the proper attitude towards the environment and its conservation through community interactions.

- To sensitize children to issues related to environment and development through field visits and demonstrations.

- To promote logical and independent thinking among children so that they are able to make the right choices in a spirit of scientific inquiry.

- To motivate and stimulate young minds by involving them in action projects related to environmental conservation.

Implementation

- The scheme is being operated through Eco-clubs of 50-60 students having an interest in environment related issues, formed in member schools.

- Eco clubs are supervised by a Teacher In-charge who is selected from among the teachers of the member schools on the basis of his/her interest in environment related issues.

- There is District Implementation and Monitoring Committee to supervise, organise training for In-charge teachers and monitor periodically the implementation of scheme at the District level.

- There is a State Steering Committee for guidance, direction and to oversee the implementation of the scheme.

- The State Nodal Agency coordinates the implementation of the scheme in the State and organize related activities like training to Master Trainers.

- The National Steering Committee will give overall direction to the programme and ensure linkages at all levels.

⊙ **CONCLUSION**
- The NGC is the largest programme in the world. The programme targets that the children participating in the programme will grow up and take care of the environment. The NGC cadets are given pride places at celebrations of national days when they participate in their NGC uniform. Also, when NGC cadets take up environmental activities they attract huge public attention.

NTCA ACKNOWLEDGES NEED FOR GREATER TRANSPARENCY IN CENSUS

⊙ **CONTEXT**
- **Tiger Census Report, released in July 2019 has been clouded by doubts over the counting methods. Now for the first time, NTCA has acknowledged the need for greater transparency in census.**

⊙ **ABOUT**
- The Tiger Census Report 2019, released in July, put the population at 2,967, a 33 per cent increase over 2014 when tigers were last enumerated. But the achievements in conservation have been clouded by doubts over the counting methods.

- Investigations revealed that the tiger census had over-reported the population by 16 per cent.

Various Methods Used For Counting Tigers

- Pug Mark Method: In this method, the foot print of the tiger is important. It is considered that each pug mark is unique in itself & by analyzing various foot prints in the areas of tigers, the number of tigers in that area can be counted.

- Camera Trap: In this various method, cameras are installed in the tiger areas having night vision facility as well. By recording various tigers in the camera, the number of tigers can be estimated.

- Poop/scat Method: In this method the number of tigers is counted by poop/scat. The poop is analyzed by DNA sampling and then we can arrive at a more accurate count.

- Radio Collar Method: Tigers are captured in this method & are fitted with a radio collar. In this way the tigers can be counted.

- Following that investigation, the National Tiger Conservation Authority (NTCA) — which along with the Dehradun-based Wildlife Institute of India (WII) conducts the tiger census — has taken the first step towards introducing correctives. It has admitted the necessity of "bringing more scientific robustness to the exercise".

- In the 1970s, when India embarked on Project Tiger, conservation authorities sought to identify every tiger in the wild from its paw print. But scientists criticised this method as highly subjective and riddled with the possibilities of duplication.

- Sariska National Park in Rajasthan had lost all its tigers in 2005 but a year before, pug mark surveys had claimed that all was well at the reserve.

- Since 2006, tiger audits have relied on camera traps, they have estimated the animal's prey base and tried to gauge the health of the tiger's habitats. All this has helped the NTCA and WII to arrive at more realistic numbers. But doubts over methodology have

persisted. The quality of camera traps has been a major issue in several reserves and scientists have contended that the NTCA and WII have not devised sound protocols.

Criticism of Tiger Census Methods

- The Camera Trap estimation of tiger numbers in source populations, in tiger reserves was poorly done which was a violation of capture-recapture modeling.

- The estimated of prey species densities from line transects were poorly done which is against the current practices.

- The complicated, 'double-sampling' based regression model is somewhat flawed and obsolete approach.

- Their statistical methodology of relying on calibrations and regressions based on track and dung surveys to generate wider estimate tiger numbers in wider landscapes was also deeply flawed.

- Based on Enumerators Subjective Ability to Identify Individual Tigers from Pugmarks.

- Variation in Pugmarks with substratum, gait, and observers recording skills

- Not possible to obtain Pugmarks from all Tiger Occupied Landscapes.

- Camera trap method becomes useless in areas having salty waters. It damages the camera.

- Not always that someone will get the poop of all the tigers in an area.

- In Radio Collar Method the method fails when the concerned tiger enters the salty water.

Project Tiger and National Tiger Conservation Authority (NTCA)

- Project Tiger was launched in 1973 with 9 tiger reserves for conserving our national animal, the tiger. Currently, the Project Tiger coverage has increased to 50, spread out in 18 tiger range states.

- The tiger reserves are constituted on a core/buffer strategy. The core areas have the legal status of a national park or a sanctuary, whereas the buffer or peripheral areas are a mix of forest and non-forest land, managed as a multiple use area.

- It is an ongoing Centrally Sponsored Scheme of the Ministry of Environment, Forests and Climate Change providing central assistance to the tiger States for tiger conservation in designated tiger reserves.

- The National Tiger Conservation Authority (NTCA) is a statutory body of the Ministry, with an overarching supervisory/coordination role, performing functions as provided in the Wildlife (Protection) Act, 1972.

- The NTCA was launched in 2005, following the recommendations of the Tiger Task Force. It was given statutory status by 2006 amendment of Wildlife (Protection) Act, 1972.

⊙ **CONCLUSION**
- NTCA acknowledged the need for "accountability" that will translate into effective tiger conservation. It is the right time to being in peer-review of the tiger census.

ROHTANG TUNNEL

⊙ **CONTEXT**
- **Prime Minister honoured the contribution of former Prime Minister AtalBihari Vajpayee by naming the Strategic Tunnel under Rohtang Pass after him.**

⊙ **ABOUT**
- The historic decision to construct a strategic tunnel below the Rohtang Pass was taken on June 03, 2000, when late AtalBihari Vajpayee was the Prime Minister.

- The foundation stone for the Access Road to the South Portal of the tunnel was laid on May 26, 2002.

How long is the tunnel, and what is special about it?

- Upon completion, the 8.8 km-long tunnel will be the world's longest highway tunnel at an altitude of above 10,000 feet (3,000 metres).

- It is a 10.5 m-wide single tube, a bi-lane tunnel with a fireproof emergency tunnel built into the main tunnel itself. The 10.5-m width includes a 1-metre footpath on both sides.

- Vehicles will travel at a maximum speed of 80 km per hour inside the tunnel. Up to 3,000 cars and 1,500 trucks are expected to use the tunnel every day.

- It will reduce the distance between Manali and Leh by 46 kilometres and save crores of rupees in transport costs.

- It will also provide all-weather connectivity to remote border areas of Himachal Pradesh and Ladakh, which otherwise remained cut off from the rest of the country for about six months.

- The project has significant strategic implications for the military. Once the tunnel is operational, the forces will have access beyond the Rohtang Pass even in peak winter.

- The tunnel is now nearing completion and is a step in the direction of providing all weather connectivity to remote border areas of Himachal Pradesh and Ladakh which otherwise remained cut off from the rest of the country for about six months during winters.

- While Rohtang Pass is at a height of 13,050 feet, the pass on the road to Leh is Baralacha La at 16,040 feet. A 13.2-km long tunnel would be required to bypass this pass.

- An alternative road link to Ladakh has also been developed by BRO on the Darcha-Padam-Nimu axis, but here again; a 4.15 km-long tunnel at Sinka La Pass (16,703 feet) would be required for all-weather access.

SWADESH DARSHAN SCHEME

⊙ **CONTEXT**

- **The Union Cabinet gave its approval to release funds to the tune of Rs 627.40 crore for the 10 projects under SwadeshDarshan scheme sanctioned during 2018-19. It also gave its approval for the release of an additional Rs 1,854.67 crore for sanctioning of new projects during 2019-20 in SwadeshDarshan scheme.**

⊙ **ABOUT**

- India's rich cultural, historical, religious and natural heritage provides great scope to develop tourist circuits on specific themes to attract the tourists having a special interest in visiting such places.

- Government of India, Ministry of Tourism (MoT) launched the SwadeshDarshan Scheme (Central Sector Scheme)– for integrated development of theme based tourist circuits in the country in 2014-15.

- The Ministry of Tourism has already sanctioned 77 projects at the cost of Rs. 6131.88 Crore to 30 States and UTs. Of these 30 projects / major components of projects are expected to be completed during the current financial year, of which 12 projects worth Rs.1024.49 crore, covering the state of Manipur, Meghalaya, Nagaland, Arunachal Pradesh, Andhra Pradesh, Madhya Pradesh, Chhattisgarh Kerala and Sikkim have already been inaugurated.

Salient Features of Bharat Darshan Scheme

- 100% centrally funded for the project components undertaken for public funding.

- To leverage the voluntary funding available for Corporate Social Responsibility (CSR) initiatives of Central Public Sector Undertakings and corporate sector.

- Funding of individual project will vary from state to state and will be finalised on the basis of detailed project reports prepared by PMC (Programme Management Consultant). PMC will be a national level consultant to be appointed by the Mission Directorate.

- A National Steering Committee (NSC) will be constituted with Minister in charge of M/O Tourism as Chairman, to steer the mission objectives and vision of the scheme.

- A Mission Directorate headed by the Member Secretary, NSC as a nodal officer will help in identification of projects in consultation with the States/ UTs governments and other stake holders.

Scheme Objectives

- To position tourism as a major engine of economic growth and job creation;

- Develop circuits having tourist potential in a planned and prioritized manner

- Promote cultural and heritage value of the country to generate livelihoods in the identified regions

- Enhancing the tourist attractiveness in a sustainable manner by developing world class infrastructure in the circuit /destinations

- Follow community based development and pro-poor tourism approach

- Creating awareness among the local communities about the importance of tourism for them in terms of increased sources of income, improved living standards and overall development of the area.

- To create employment through active involvement of local communities;

- Harness tourism potential for its effects in employment generation and economic development

- To make full use of the potential and advantages in terms of available infrastructure, national culture and characteristic strong points of each and every region throughout the country by development of theme based circuits.

- Development of tourist facilitation services to enhance visitor experience/satisfaction.

Significance

- Under the scheme, the Ministry of Tourism is developing critical tourism infrastructure in a sustainable and inclusive manner.

- The provision of this critical infrastructure will catalyse the private sector investment in revenue-generating projects which in turn would lead to positive enhancement of overall experience of tourists.

- This would lead to increased footfall in the areas, growth of revenue and employment.

⊙ **CONCLUSION**

- Bharat Darshan Scheme is one of the most ambitious schemes that is going to transform the tourism industry in India. It will help in building critical infrastructure by catalyzing the private sector investment apart from public spending.

ISLAMIC COOPERATION COUNTRIES (OIC)

⊙ **CONTEXT**
- **All about the Islamic summit where India was invited for the first time ever**

⊙ **ABOUT**

The organization

- The Organisation of Islamic Cooperation (OIC) is the second largest inter-governmental organization after the United Nations with a membership of 57 states spread over four continents.

- The Organization was established upon a decision of the historical summit which took place in Rabat, Kingdom of Morocco on 12th Rajab 1389 Hijra (September 25, 1969).

- In 1970, the first-ever meeting of the Islamic Conference of Foreign Minister (ICFM) was held in Jeddah, which decided to establish a permanent secretariat.

- The secretariat comprises a secretary-general who is the Chief Administrative Officer of the organisation.

- The majority of its member states are Muslim-majority countries, while others have significant Muslim populations, including several African and South American countries.

- Over the last 40 years, the membership has grown from its founding members of 30 to 57 states.

- The OIC has permanent delegations to the United Nations and the European Union. The official languages of the OIC are Arabic, English, and French.

- While the 22 members of the Arab League are also part of the OIC, the organisation has several significant non-Arab member states, including Turkey, Iran and Pakistan.

- It also has five observer members, including Russia and Thailand.

- The OIC holds an Islamic Summit once every three years.

- Member states each get a vote. Each member state can table a resolution and then others can vote on it or suggest tweaks.

The new programme OIC-2025 focuses on 18 priority areas with 107 goals. The priority areas include issues of

- Peace and Security
- Palestine and Al-Quds (Jerusalem)
- Poverty Alleviation
- Counter-terrorism
- Investment and Finance
- Food Security
- Science and Technology
- Climate Change and Sustainability
- Moderation
- Culture and Interfaith Harmony
- Empowerment of Women
- Joint Islamic Humanitarian Action
- Human Rights and Good Governance

Why was the OIC established?

- The OIC first met in Morocco in September 1969, a month after an arson attack inside the Al-Aqsa Mosque that destroyed part of the roof and the 800-year-old pulpit of Salahuddin, best known for recapturing Jerusalem from the Crusaders in the 12th century.

- Reacting to the incident, representatives from 24 Muslim countries met in the capital Rabat to establish a body that would promote cooperation across the Muslim world.
- Issues relating to Palestine have been central to the OIC's agenda and summit discussions. The organisation has continuously condemned what member states consider Israeli aggressions against the Palestinians.

Objectives and role

- OIC aims to preserve Islamic values, safeguard and defend the national sovereignty and independence of member states and to contribute to international peace and security.
- While the organisation has been known for its cultural and social projects, its political influence has been relatively limited.
- OIC doesn't have a unified voice because most of its member countries are not democracies. So, while their populations may be in agreement they do not always represent the views of their populations.

Is the OIC relevant and effective?

- OIC includes a significant number of Arab states among its membership; it has often been compared with the Arab League.
- While the two organisations share many similarities, the main difference lies in the OIC's limited politicisation compared with the Arab League.
- The OIC is very different in the sense that member states cannot get a consensus across.

JOINT COMPREHENSIVE PLAN OF ACTION (JCPOA)

⊙ **CONTEXT**
- **In 2018, United States announced its withdrawal from the Joint Comprehensive Plan of Action.**

⊙ **ABOUT**
- **Joint Comprehensive Plan of Action (JCPOA):** JCPOA is also known as the "**Iran dea**l" or "Iran nuclear deal".
  - ⊙ The deal was made in July 2015.
  - ⊙ It is an agreement on Iran's nuclear program **made between Iran, the P5+1** (the five permanent members of the United Nations Security Council—China, France, Russia, United Kingdom, United States—plus Germany) **and the European Union.**
  - ⊙ **JCPOA limits Iran's uranium enrichment programme until 2030** and contains monitoring and transparency measures that will remain in place long after that date.
  - ⊙ A few days after the JCPOA was agreed, it was **endorsed by the United Nations Security Council (UNSC).**
- However, in May 2018, **United States announced its withdrawal from JCPOA.**

Why did US withdraw from JCPOA?

- United States cited major flaw in JCPOA's temporary nature and its lack of controls on Iran's ballistic missile programme.
- Mr. Trump was also highly critical of Iran's actions in Syria and elsewhere in the region, which he characterizes as Iran's 'malign behaviour'.

Concern due to US's withdrawal

- **Supporters:** American conservatives in the United States, Israel, Saudi Arabia and allies have supported the move.

- **IAEA concern:**By all accounts, Iran was honouring its provisions. Leading up to United States' withdrawal, the IAEA asserted that its inspectors had verified that Iran had implemented its nuclear-related commitments since the agreement.

- **Politically motivated:** Rather than an evidence-based technical objection to the agreement or its implementation, the US decision to withdraw from JCPOA seems to be a political measure aimed against Iran.

- **Impact on Iran:**The withdrawal caused concerns in Iran due to its impact on Iran's economy caused by US sanctions.

- **Undermines multilateral diplomacy:**It undermines the value of multilateral diplomacy and raises questions about the sanctity and sustainability of interstate agreements. Furthermore, it challenges the authority of UNSC which had unanimously passed a resolution endorsing the JCPOA, and had called on all UN member states as well as regional and international organizations to take action to support the agreement's implementation.

  - US withdrawal from JCPOA risks seriously weakening trust and confidence in international institutions and arrangements that are essential parts of the global security architecture.

- **Undermines nuclear non-proliferation:**US action undermines the global effort for nuclear non-proliferation by sabotaging an important and effective anti-proliferation agreement.

  - By exiting JCPOA,the US has heightened risks stemming from Iran.

  - Due to a multi-pronged effect on other parties, this can trigger a preventive race to acquire nuclear weapons.

- **Europe's stand:**European Commission announced its intention to implement the blocking statute of 1996 to declare the US sanctions against Iran illegal in Europe and ban European citizens and companies from complying with them.

  - The commission also instructed the European Investment Bank to facilitate European companies' investment in Iran.

GOOD GOVERNANCE INDEX

⊙ **CONTEXT**
- **Centre releases Good Governance Index ranking States and UTs in 10 sectors.**

⊙ **ABOUT**
- The rankings were launched by the Department of Administrative Reforms and Public Grievances, and the Centre for Good Governance.

- The GGI takes into consideration ten sectors:

  - Agriculture and Allied Sectors,

  - Commerce & Industries,

  - Human Resource Development,

  - Public Health,

  - Public Infrastructure & Utilities,

  - Economic Governance,

  - Social Welfare & Development,

  - Judicial & Public Security,

  - Environment and

  - Citizen-Centric Governance.

⊙ These ten Governance Sectors are measured on total 50 indicators.

⊙ The Good Governance Day is observed on the birth anniversary of former Prime Minister ShriAtalBihari Vajpayee.

⊙ Good Governance Index has been scientifically designed on various parameters of governance.

Outcomes of the report

- Tamil Nadu topped the Good Governance Index. Maharashtra, Karnataka, Chhattisgarh and Andhra Pradesh followed among the 'Big States'.

- Among the 'Big States', the poor performers are Odisha, Bihar, Goa, and Uttar Pradesh with Jharkhand coming last.

- The States and UTs are divided into three groups — Big States, North-East and Hill States, and Union Territories.

- Puducherry is the best governed Union Territory followed by Chandigarh and Delhi. Lakshwadeep is the worst performing UT.

- In the agriculture and allied ranking, Madhya Pradesh, Mizoram and Daman and Diu are the best performing States in their groups.

- While assessing the performance of commerce and industries across States, Jharkhand, Uttarakhand and Delhi top the lists of their groups.

State of governance

Rank	Big States	Score	Rank	Big States	Score
1.	Tamil Nadu	5.62	10.	West Bengal	4.84
2.	Maharashtra	5.40	11.	Telangana	4.83
3.	Karnataka	5.10	12.	Rajasthan	4.8
4.	Chhatisgarh	5.05	13.	Punjab	4.57
5.	Andhra Pradesh	5.05	14.	Orissa	4.44
6.	Gujarat	5.04	15.	Bihar	4.40
7.	Haryana	5.00	16.	Goa	4.29
8.	Kerala	4.98	17.	Uttar Pradesh	4.25
9.	Madhya Pradesh	4.85	18.	Jharkhand	4.23

KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)

⊙ **CONTEXT**

- **To commemorate 150th Birth Anniversary of Mahatma Gandhi and to support the weaker section of the society in Agartala, Khadi and Village Industries Commission (KVIC) organized a distribution of 1000 Bee Boxes, 100 Pottery Wheels and 100 Advanced Leather Tool kits 100 Farmers, 100 Potters and 100 Leather Artisans recently.**

⊙ **ABOUT**
- This mega equipment distribution and Capacity Building drive will create a livelihood and will provide employment to 700 people.

- The programs like Honey Mission, Empowerment of Leather Artisans and KumharSashaktikaran Mission will not only instill self-confidence but give a much required boost to strengthen the weaker section of the society.

- Tripura has a lot of potential of Bee Keeping and Pottery because of large scale cultivation of rubber plants and use of traditional terracotta products in their households.

About KVIC

- The Khadi and Village Industries Commission (KVIC) is a statutory body formed by the Government of India, under the Act of Parliament, 'Khadi and Village Industries Commission Act of 1956'.

- It is an apex organisation under the Ministry of Micro, Small and Medium Enterprises, with regard to khadi and village industries within India.

- It seeks to - "plan, promote, facilitate, organise and assist in the establishment and development of khadi and village industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary.

- The KVIC may also undertake directly or through other agencies studies concerning the problems of Khadi and/or village industries besides research or establishing pilot projects for the development of Khadi and village industries.

- The KVIC is authorized to establish and maintain separate organisations for the purpose of carrying out any or all of the above matters besides carrying out any other matters incidental to its activities.

- The broad objectives that the KVIC has set before it are:

- The social objective of providing employment.

- The economic objective of producing saleable articles.

- The wider objective of creating self-reliance amongst the poor and building up of a strong rural community spirit.

'NAGPUR RESOLUTION: A HOLISTIC APPROACH FOR EMPOWERING CITIZENS')

⊙ **CONTEXT**
- **The 'Nagpur Resolution- A holistic approach for empowering citizens' was adopted during the Valedictory session of the two-day Regional Conference on 'Improving Public Service Delivery – Role of Governments'.**

⊙ **ABOUT**
- The conference was organised by the Department of Administrative Reforms and Public Grievances (DARPG), Government of India, in collaboration with the Government of Maharashtra and the Maharashtra State Commission for Right to Public Services.

- Positive approach, transparency, corruption-free system, fast track decision making and social sensitivity are essential to good governance.

- Performance audit of public servants should be done at regular intervals.

- The Conference also resolved to adopt a holistic approach of systemic public grievance reforms through improved mapping, formulation of monitoring matrix, data collection and evaluation in quality of grievance redressal, and to provide an enabling environment for States and Ministries/Departments of the Government of India for creating web portals and to adopt a holistic approach for improved service delivery through digital platforms.

- The Resolution focuses on dynamic policy making and strategic decisions, monitoring of implementation, appointment of key personnel, coordination and evaluation, and achieving a sense of common identity by exchange of technical expertise in the areas of Improved Service Delivery between paired States under the Ek Bharat Shreshtha Bharat Program.

Major Objectives

- To empower the citizens by policy interventions for better service delivery through timely updation of citizens charters, implementation of enactments and benchmarking standards for continuous improvement;

- To empower citizens by adopting a bottom-up approach to bring massive improvements in quality of grievance redressal and reduction in timelines of grievance redressal;

- To adopt a holistic approach of systemic public grievance reforms through improved mapping, formulation of monitoring matrix, data collection and evaluation in quality of grievance redressal;

- To provide an enabling environment for States and Ministries/ Departments of the Government of India for creating web portals and to adopt a holistic approach for improved service delivery through digital platforms;

- To focus on dynamic policy making and strategic decisions, monitoring of implementation, appointment of key personnel, coordination and evaluation;

- To achieve a sense of common identity by exchange of technical expertise in the areas of Improved Service Delivery between the paired States under the Ek Bharat – Shresht Bharat Program;

- To work towards long-term engagements in the areas of Improved Service Delivery for Empowering Citizens through greater cooperation between the DARPG and the participating States and,

- To ensure timely publication of Good Governance Index to identify the quality of governance in 10 sectors especially those pertaining to welfare and infrastructure at the Union, State and District levels.

QUICK REACTION SURFACE-TO-AIR MISSILES

⊙ **CONTEXT**

- **DRDO successfully test-fired its Quick Reaction Surface to Air Missile (QRSAM) system, likely to be inducted into the armed forces by 2021, from a base off Odisha coast.**

⊙ **ABOUT**

- The missile, developed by the Defence Research and Development Organisation (DRDO) for the Indian Army, was flight-tested from the Integrated Test Range (ITR) at Chandipur

- It has been developed to replace the 'Akash' missile defence system, and has 360-degree coverage.

- The first test firing of the missile took place on 4 June 2017. This was followed by the second successful test on 3 July 2017.

- The test flights had successfully demonstrated their aerodynamics, propulsion, structural performance and high maneuvering capabilities.

Features

- It uses solid fuel propellant and has a strike **range** of 25-30 km with capability of hitting multiple targets.

- Developed by DRDO

⊙ It is capable of hitting the low flying objects.

⊙ The missile is an all-weather, all-terrain surface-to-air missile equipped with electronic counter measures against jamming by aircraft radars

⊙ The missile can be mounted on a truck and is stored in a canister.

⊙ The missile is equipped with a midcourse inertial navigation system with a two-way data link and a DRDO-developed terminal active seeker. The system has the capability to search and track targets while moving.

⊙ QRSAM is a compact weapon system and is mobile. It has a fully automated Command and Control System. The missile system comprises of two four-walled radars both of which encompass a 360-degree coverage, namely, the Active Array Battery Surveillance Radar and the Active Array Battery Multifunction Radar, apart from the launcher.

Significance

• Towards the indigenization of technology DRDO is doing amazing job. The successfully test-firing of Quick Reaction Surface to Air Missile (QRSAM) system by DRDO will put India in a different class in its combat technologies and strengths.

• Prime Minister NarendraModi's Make in India initiative has helped the defence ministry save more than `1 lakh crore worth of foreign exchange.

• In the past two years, as many as six air defence and anti-tank missile projects have been built in India by the Defence Research and Development Organisation (DRDO), even as several new ones are under its consideration.

• The collaboration with the foreign players will lead to transfer of technology and funds.

⊙ **CONCLUSION**

• Development of Quick Reaction Surface-to-Air missiles is a positive step towards the indigenization of the defence technology. It will put Indian Army at a higher pedestal to improve the security of the country against the erring neighbors.

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