



Monthly Editorial Consolidation



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Fiscal Policies and Economic Resilience

This editorial is based on “**Marathon, Not Sprint**” which was published in Indian Express on 01/02/2024. The article discusses that despite global uncertainties, India continues to be the fastest-growing major economy, maintaining stability in key economic indicators such as the current account deficit, currency, and inflation.

Tag: GS Paper - 3, Fiscal Policy, Government Policies & Interventions, Monetary Policy, Mobilization of Resources, Inclusive Growth.

Economic policies, specifically **fiscal policy**, have played a key role in shaping the post-pandemic growth recovery. The fiscal policy transitioned from a focus on welfare during the pandemic towards a public investment-driven growth strategy to accelerate a buildup in infrastructure. This was achieved while staying on the glide path of a reducing **fiscal deficit/gross domestic product (GDP) ratio**.

The first advance GDP estimates from the **National Statistical Office (NSO)** indicate that the Indian economy will grow 7.3% this fiscal year, faster than the Economic Survey's prediction of 6.5% made in January 2023. In this context, the **Interim Budget** presented recently needs to accommodate various issues left unaddressed to maintain the forecast growth momentum.

Interim Budget

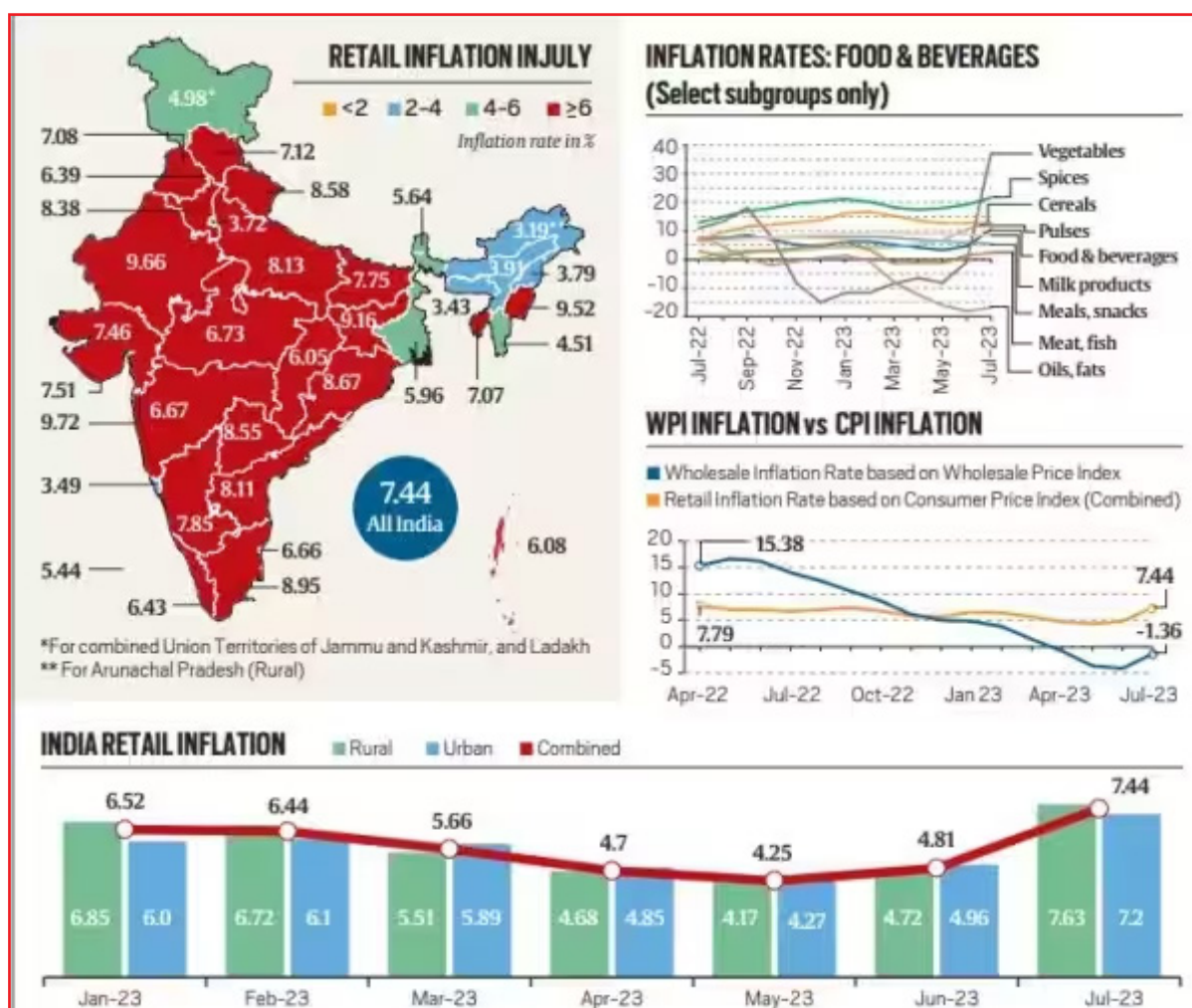
- Interim Budget is a statement that comprises detailed documentation of every expense that the government will incur and every penny that the government will make in the coming few months until the new government comes into power. It also includes income and expenses, made in the previous fiscal year.
- It is different from the regular budget on the following aspects:
 - The **interim budget includes documentation of expenses until the upcoming elections are held**, whereas a regular budget includes estimates of expenditure for the full year.
 - Also generally, major policy changes are not announced in the interim budget.
- An outgoing government presents only an interim Budget or seeks a **vote on account**.
 - An Interim Budget is not the same as a 'Vote on Account'. While a 'Vote on Account' deals only with the expenditure side of the government's budget, an Interim Budget is a complete set of accounts, including both expenditure and receipts.

What is the Current Scenario of India's Growth Trajectory?

- **Government's Investment Strategy:** Investment has outpaced GDP growth, reaching 34.9% this year. However, there is a call for the government to moderate budgetary support to capital spending to achieve the targeted **fiscal deficit** of 4.5% of GDP by 2025-26.
- **Fiscal Consolidation in Election Year:** Achieving fiscal consolidation in an election year is crucial for the government. The review document of the Ministry of Finance expects close to 7% growth next fiscal, with potential for India to become a \$7 trillion economy by the end of the decade.
- **Healthy Medium-Term Forecasts:** Healthy medium-term growth prospects are also reflected in the forecasts of multilateral agencies. GDP growth is expected to moderate to 6.4% next fiscal, before accelerating thereafter, due to slowing global growth and tighter financial conditions globally and at home.
- **Inflationary Concerns:** Unlike advanced countries, **core inflation** has corrected quickly in India to 3.8% and Fuel inflation is at -1%.
 - India's **headline inflation** is yet to be brought under control, solely due to high food inflation. The underperformance of the agriculture and rural economy, coupled with high food inflation, can be worrisome.
- **Climate Change and Economic Impacts:** Year 2023 marked the highest annual temperature in recorded history, reminding the escalating climate risk. India is among the most climatically vulnerable countries.
 - The Ministry of Finance's review emphasises the need for research, development, and measures to adapt to climate change without compromising economic growth.
- **Monsoon:** While the overall rainfall was 6% below the expected during the monsoon season (due to 36% deficit rains in August, 2023), the spatial distribution is quite even. Out of 36 states/UTs, 29 received normal/above-normal rains.
 - The SBI Monsoon Impact Index, which considers the spatial distribution, has a value of 89.5 in 2023, faring much better than the full season index value of 60.2 in 2022 (a better monsoon implies better agricultural productivity).
- **Continuous Thrust on Capital Expenditure:** During the first five months of the year 2023, the capital expenditure of the states as a percentage of the budgeted target was at 25%, while the Centre's was at 37%, which was higher than the previous years and reflecting renewed capital generation.

- **New Company Registrations:** The robust new companies' registration depicts strong growth intentions. Around 93,000 companies were registered in the first half of 2023-24 as compared to 59,000 five years back.
 - It is interesting to note that the average daily registration of new companies increased to 622 in 2023-24 (an increase of 58%) from 395 in 2018-19.
- **Reclassified India's Exchange Rate Regime:** The **International Monetary Fund (IMF)** has classified India's exchange rate regime, labelling it a "stabilised arrangement" instead of "floating," indicating a shift in the perception of how India manages its currency.

- In a stabilised arrangement, the government fixes the exchange rate, whereas in a floating exchange rate system, it is determined by the demand and supply forces in the foreign exchange market.
- **Declining Current Account Deficit (CAD):** India's CAD declined to 1% of GDP in the second quarter of 2023, down from 1.1% in the preceding quarter, and 3.8% in 2022.
 - The **CAD** decreased to USD 8.3 billion in the September quarter of 2023-24 against a deficit of USD 9.2 billion in the preceding three months, according to the **Reserve Bank of India (RBI)** data.
 - In the second quarter of 2022-23, the current account balance recorded a deficit of USD 30.9 billion.



What are the Major Challenges for the Indian Economy in 2024?

- **Global Economic Integration:** India's growth is not solely determined by domestic factors but is also influenced by global developments. Rising geopolitical events, therefore, could be a threat to India's growth.
 - Increased geoeconomic fragmentation and the slowdown of hyper-globalisation are likely to

result in further friend-shoring and onshoring, which are already having repercussions on global trade and, subsequently, on global growth.

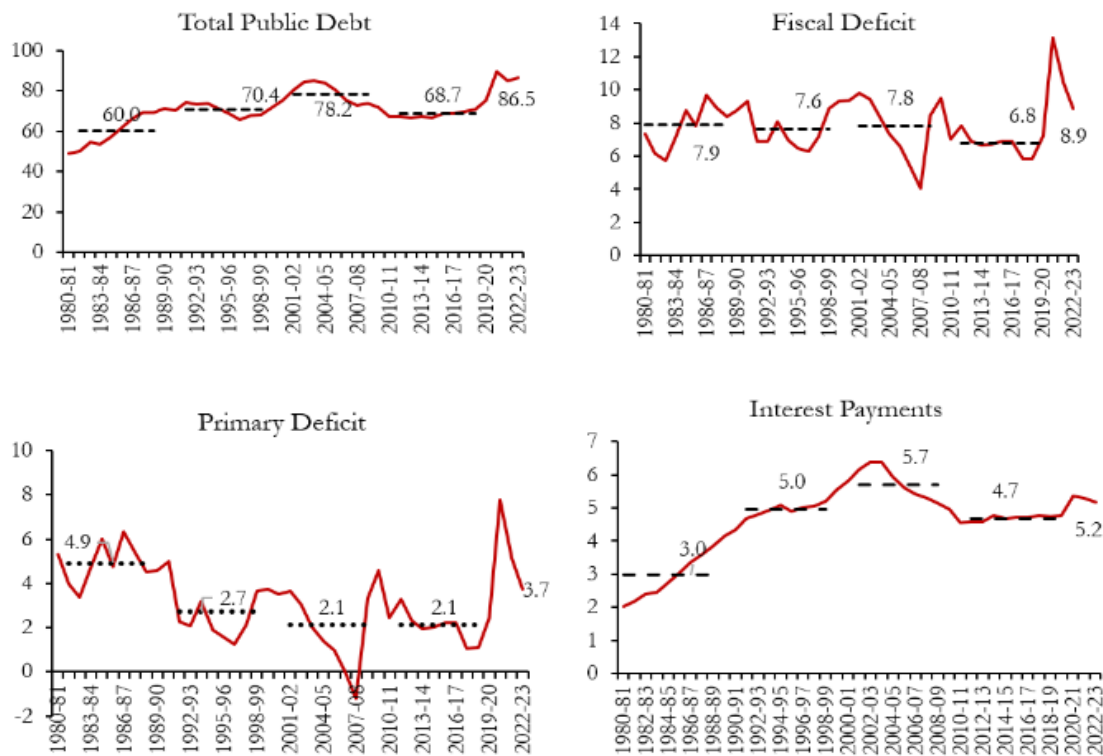
- **Energy Security vs Transition:** A complex trade-off exists between energy security and economic growth versus the ongoing energy transition. This issue, surrounding geopolitical, technological, fiscal, economic, and social dimensions, requires careful consideration.

- Policy actions taken by individual countries in pursuit of energy goals can have spillover effects on other economies.
- **Artificial Intelligence (AI) Challenges:** The rise of **AI** also poses a huge challenge, especially in the services sector, as highlighted in an IMF paper and also highlighted in the report of Chief Economic Advisor (CEA) of India.
 - This was mentioned in the IMF paper estimating that 40% of global employment is exposed to AI, with the benefits of complementarity operating beside the risks of displacement.
- **Rising Inflation:** Another major challenge that the government faces is the impact of rising inflation on the broader economy.
 - Inflation affects growth by changing the labour supply and demand, and thus reducing aggregate employment in the sector that is subject to increasing returns. The reduction in the level of employment will reduce the marginal productivity of capital.
- **Requirement of Skilled Workforce:** Ensuring the availability of a talented and appropriately skilled workforce to the industry, age-appropriate learning

outcomes in schools at all levels and a healthy and fit population are important policy priorities in the coming years will remain a challenge. A healthy, educated and skilled population augments the economically productive workforce.

- While the employable percentage of final-year and pre-final-year students increased from 33.9% in 2014 to 51.3% in 2024," as per the findings of the Wheebox National Employability Test, there is still much that needs to be done.
- **Geopolitical Tensions:** Maintaining high exports will not be easy in the current times for the country because of persisting geopolitical tensions, including recent events in the **Red Sea**, that further aggravated slower growth in global trade in 2023.
 - Iran-backed militant group Houthis' attack on shipments in the Red Sea have forced many nations, including India, to divert their cargo away from the troubled routes to longer and costlier ones.
 - Some estimates stated India's exports could be lower by USD 30 billion in the ongoing fiscal due to the crisis in the Red Sea.

General government debt and fiscal indicators, as a percentage of GDP



Notes: i) Total public debt in India includes debt issued and other liabilities in the Public Account consisting of National Small Saving Fund (NSSF), Provident Fund, Deposit and Reserve funds, securities issued to finance subsidies on oil, food and fertilisers, etc. ii) Dashed horizontal lines are decadal averages from 1980-81 to 1989-90, 1990-91 to 1999-2000, 2000-01 to 2009-10, and 2010-11 to 2019-20, respectively.

What are the Reforms Required for Robust Economic Growth in 2024?

- **Moving Towards Fiscal Consolidation:** India's general government debt to GDP ratio was at 82% of GDP in 2022-23, with interest payments at around 17% of the total expenditure. This leaves limited scope for more productive government spending. Hence, it is very important that the government continues to focus on fiscal consolidation and move towards a sustainable debt trajectory.
 - Robust direct tax collections and higher dividend transfers from the RBI and public sector undertakings are likely to compensate for lower divestment this year.
 - With healthy tax buoyancy, a budgeted fiscal deficit target of 5.3% for 2024-25 is expected as the government moves forward on the glide path of achieving a fiscal deficit of 4.5 % for 2025-26.
- **Continuing Focus on Capital Expenditure (Capex):** Given the strong multiplier effect of **capex** on growth, the focus on capex must continue in the forthcoming years. It is expected of the capex to grow by 10% to around Rs 11 trillion, with a continued focus on infrastructure.
 - Post the pandemic, the government has increasingly used capex as a means of propelling growth. The government capex to GDP ratio is budgeted to increase to 3.4 % in 2023-24.
 - The government in the last two years has also budgeted for interest-free loans amounting to Rs 2.3 trillion to state governments for capex.
- **Need to Spur Consumption:** The revival in consumption has been relatively weak and appears to be skewed towards the upper-income category. While GDP is estimated to grow by 7.3% in FY24 (as per advance estimates), consumption growth is estimated at only 4.4%.
 - A revival in domestic demand becomes even more critical given the poor external demand scenario. Even while being cognisant of the fiscal limitations, there is a need to come up with measures to spur consumption demand.
 - For instance, a small cut in excise duty on petrol/diesel by Rs 2-3/litre will provide some fillip to consumption and help contain inflation, without significantly disturbing the fiscal mathematics.
- **Increased Spending on Human Capital:** For many European countries, government spending on social services is more than one-fifth of GDP. Given that a large part of India's population is dependent on the government for these services, it is critical to increase the spending on these services.

- India is in a unique position of enjoying a large working-age population at a time when most economies are struggling with an ageing population. However, for the economy to enjoy the demographic dividend, the government must invest in human capital.
- This requires a significantly higher expenditure on health, education and skilling so that the working-age population is equipped to be meaningfully employed.
- **Focus on Agriculture and the Rural Sector:** Rural India is home to 65% of the country's population and has a large dependence on the agriculture sector. India's agriculture productivity in terms of **Gross Value Added (GVA)** is a third of that in China and around 1% of that in the US. Measures to improve productivity in the sector will help improve rural incomes.
 - This could be done through the adoption of the latest technology and by boosting rural infrastructure. Appropriate skilling of the rural workforce and enabling them to move to the manufacturing and services sectors will also help to reduce the large reliance of the rural workforce on the farm sector.
- **Focus on Contemporary Issues:** The need to create an enabling environment for businesses to thrive, the focus on environment-related issues, and the upliftment of the marginalised section of society are some other issues that must be provided adequate focus.
 - This is the time to focus on the quality of growth to ensure that it is equitable, sustainable and green.

Conclusion

The first advance GDP estimates project a robust growth of 7.3% in the Indian economy, surpassing earlier predictions despite global uncertainties. The government's fiscal policies, transitioning from pandemic-focused welfare to public investment, have enhanced economic capacity, reflected in increased investment.

However, there's a need to moderate budgetary support to capital spending for fiscal consolidation. Managing food inflation, adapting to climate change, and maintaining macroeconomic fundamentals are vital for sustained growth, presenting policymakers with a challenging yet imperative task.



Government's Long-Term Fiscal Discipline

This editorial is based on "***Stability Over Political Gestures***" which was published in Indian Express on 02/02/2024. The article discusses the fiscal strategy of a government in response to economic conditions, emphasizing the importance of counter-cyclical fiscal measures.

Tag: GS Paper - 3, Fiscal Policy, Government Policies & Interventions, Monetary Policy, Mobilization of Resources, Inclusive Growth.

Economic theory suggests that governments should spend more when private firms and households do not feel confident and hold back spending. Once the latter feels confident, the government should roll back its expenditure. This **counter-cyclical fiscal strategy** smoothen growth and makes it more sustainable.

While governments, especially democratically elected ones, find the first part easy to do, they are generally reluctant to step back when the economy recovers. The Government of India through its Interim Budget 2024 seems to be bucking this trend by adopting sound fiscal strategies.

What is the Cyclicity of the Fiscal Policy?

- The cyclicity of the **fiscal policy** refers to a change in the direction of government expenditure and taxes based on economic conditions.
- These pertain to decisions by policymakers based on the fluctuations in economic growth. There are two types of cyclical fiscal policies - counter-cyclical and procyclical.
 - **Counter-cyclical Fiscal Policy:**
 - Counter-cyclical fiscal policy refers to the steps taken by the government that go against the direction of the economic or business cycle.
 - Thus, in a recession or slowdown, the government increases expenditure and reduces taxes to create a demand that can drive an economic boom.
 - **In a Recession:**
 - The government **takes the route of expansionary fiscal policy** i.e. the government expenditure is increased and taxes are reduced. This increases the consumption potential of the economy and helps soften the recession.

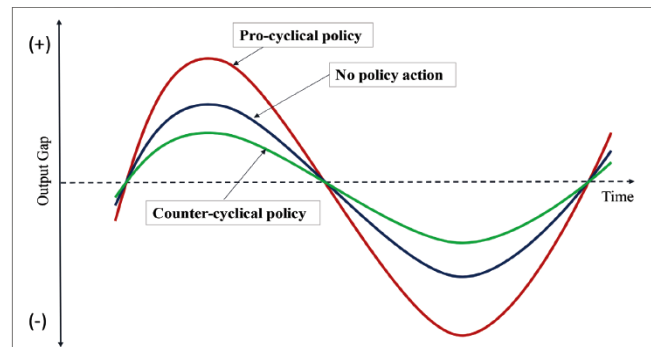
- **In an Economic Boom:**

- The government **takes the route of contractionary fiscal policy** i.e. the government expenditure is decreased and taxes are increased. This decreases the consumption potential of the economy and helps moderate the boom.

- **Procyclical Fiscal Policy:**

- Procyclical fiscal policy, in contrast to its countercyclical counterpart, **amplifies the existing economic trends.**
- **In a Recession:**
 - Government spending decreases and taxes increase. This further reduces aggregate demand, deepening the recession and leading to higher unemployment and slower economic growth.
 - This approach can be seen as cutting back when times are already tough, making it harder for businesses and individuals to recover.
- **In an Economic Boom:**
 - Government spending increases and taxes decrease. This fuels the boom, potentially leading to overheating, inflation, and asset bubbles.
 - While it might seem appealing to enjoy the extra spending in good times, it can create vulnerabilities and make the inevitable downturn even more severe.

Figure A: Business Cycle under Various Fiscal Policy Stance



What are the Counter-Cyclical Fiscal Priorities for the Government in 2024?

- **Fiscal Discipline Targets:**

- The government prioritizes macroeconomic stability over political gestures, with a **fiscal deficit** target of 5.1% for FY 2024-25 and a commitment to reduce it further by FY 2025-26. Even the fiscal

deficit for FY24 is estimated to be lower at 5.8% of GDP (as against budgeted 5.9%).

- This has been achieved even with much lower **nominal GDP** growth of 8.7% in FY24 as against budgeted growth of 10.5%.
- The tax buoyancy for FY25 is assumed at 1.1, which looks quite achievable, given the tax buoyancy of 1.4 estimated for FY24.

➤ **Dealing with Interest Costs:**

- Higher interest costs, reflecting past deficits, will persist due to the significant jump in the **debt-to-GDP ratio** during the pandemic, requiring fiscal discipline for several years.
- The gross market borrowing has been budgeted at Rs 14.1 trillion for FY25 compared to Rs 15.4 trillion estimated for FY24.
- This should help in lowering government bond yields and eventually lower the overall borrowing cost for corporates, which, in turn, will be a positive for private investment.

➤ **Quality of Spending:**

- Improving spending quality is crucial to reducing the elevated debt-to-GDP ratio, limiting the state's ability to support growth, with a focus on avoiding rapid reduction to avoid hurting GDP growth.

➤ **Calibrating Fiscal Tightening:**

- The government is gradually tightening fiscal policies as confidence in economic recovery

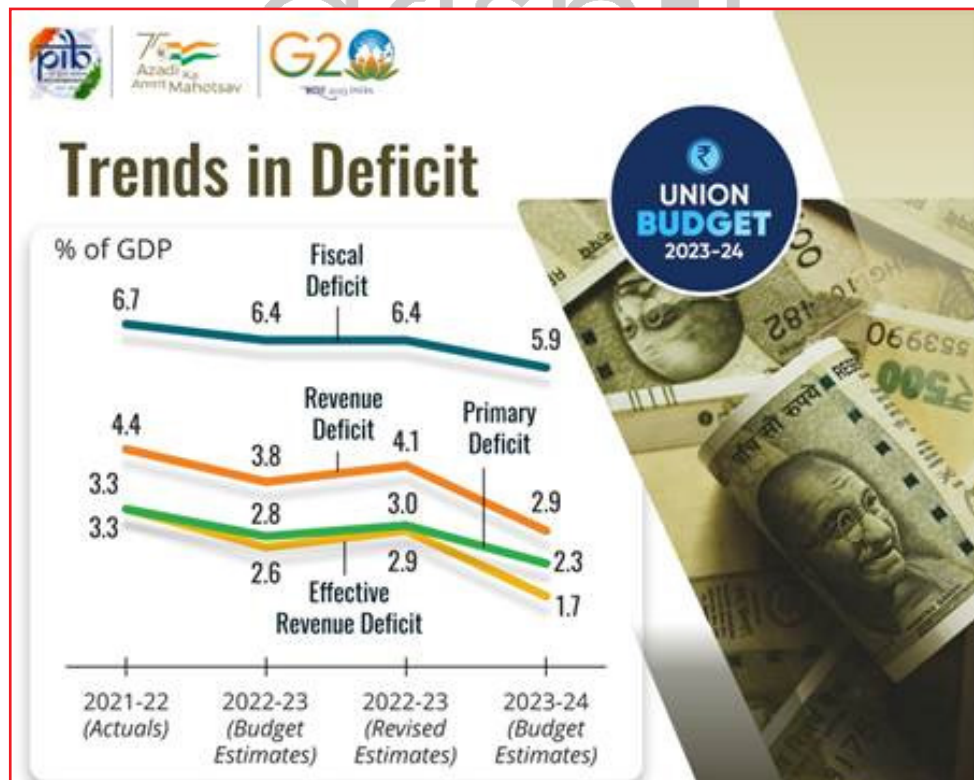
grows, from 0.5% in FY23 to 0.7% in FY25, balancing the need for growth and debt reduction.

➤ **Encouraging Capital Expenditure:**

- Year-on-year growth in **capital expenditure (capex)** (11%) exceeding overall spending (6%) is positive, indicating a focus on medium-term growth drivers, including interest-free loans for research.
- The interim budget has continued the thrust on capex, which is required at this point when the private sector has been lagging on the investment front.
- The central government's capex has been budgeted to grow to Rs 11.1 lakh crore in FY25. The government has been focussing on capex for the last few years, given the strong multiplier effect it has on growth.

➤ **Focus On Infrastructure:**

- In recent years, India's fiscal policy has been characterised by a strategic focus on infrastructure development, with increased budgetary allocations to sectors like transportation, energy, and urban development.
- The capex to GDP ratio has been maintained at a high of 3.4% in FY25 (same as FY24), compared to less than 2% in the years before the pandemic. Of the total capex budgeted, around 47% is going into roads and railways in FY25.



➤ Rationalising Subsidies:

- There has been a concerted effort to rationalise subsidies, ensuring more targeted resource distribution, particularly in areas such as fuel and food subsidies.
 - The total subsidy outgo has been trimmed to Rs 4.1 trillion for FY25 from Rs 4.4 trillion estimated for FY24. This takes the subsidy-to-GDP ratio to 1.3 from 1.5 in FY24 and a peak of 3.8 in the pandemic year of FY21.
 - The overall subsidy burden has gone down mainly due to a reduction in fertiliser subsidies, while food and petroleum subsidies have reduced marginally compared to FY24.

➤ Boosting Rural Demand:

- For rural development, the **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** has been allocated Rs 86,000 crore (the same as the revised estimate for FY24), but higher than the budgeted amount of Rs 60,000 crore for FY24.
- There has been a further boost given to rural housing, with another 2 crore houses to be built in the next five years under the **PM Awas Yojana (Grameen)**. This is a step in the right direction for rural development, given the strong multiplier effect of the housing sector.

What are the Challenges in Adhering to Counter Cyclical Fiscal Policy?

➤ Issues in Debt Sustainability:

- The Economic Survey 2020-21 is right in concluding that it is the GDP growth that will be the deciding factor for debt sustainability in India and not the other way around.
- It called for breaking the intellectual anchoring that has created an asymmetric bias against fiscal policy and advocated for a Keynesian countercyclical policy response which is largely missing over an extended period in Indian context.

➤ Lack of Balance Between Pro-Cyclical and Counter-Cyclical Policy:

- In India, a comparison between the growth rate of **GDP** and **government final consumption expenditure (GFCE)** does indicate an element of pro-cyclicality in both short and long run in the previous few years.
 - But the problem is that in India, fiscal policies in good times are never fully offset in bad times and, hence, result in an incorrect deficit bias risking debt sustainability. This is potentially damaging from the viewpoint of macroeconomic stability.

➤ Fiscal Challenges Faced By Indian States:

- Despite the reduction in fiscal deficit, Indian States still face fiscal challenges, especially in containing their revenue deficits, which have not declined proportionately with fiscal deficits.
- **Revenue Related Challenges:**
 - The impact of the Covid-19 pandemic on the economic activity and tax collection.
 - The uncertainty and volatility of GST revenue and compensation.
 - The dependence on tax devolution from the Union and its formula-based allocation.
 - The erosion of fiscal autonomy due to the subsumption of various taxes under GST.
 - The limited scope for raising non-tax revenues such as user charges, fees, etc.
 - The compliance and administrative issues in collecting own taxes such as property tax, stamp duty, etc.

➤ Slowing Consumption Demand:

- Private consumption, which contributes nearly 55-60% to India's GDP, has been slowing down.
 - While the reduced income growth of households has reduced urban consumption, drought/near-drought conditions in three of the past five years coupled with the collapse of food prices have taken a heavy toll on rural consumption.

➤ Deficit Financing Concerns:

- While an unchanged fiscal deficit in a growing economy is less concerning, two major sources of deficit financing—market borrowings and small-savings schemes—pose potential challenges.

➤ Unaddressed Cash Balance Concerns:

- Rising inflows into small-savings schemes could lead to a higher cash balance than anticipated, potentially causing liquidity stresses in the banking system, impacting fiscal gains.
 - Higher-than-normal government cash balances, as observed recently, can lead to unintended consequences, intensifying liquidity stresses and impacting the effectiveness of monetary policy.

What Should be the Way Forward?

➤ Prudential Stance:

- **Achieve Fiscal Consolidation:** The NK Singh Committee on FRBM had envisaged a debt-to-GDP ratio of 40% for the central government and 20% for states aiming for a total of 60% general government debt-to-GDP.

- **Fiscal Reforms at the State Level:** The central government may promote the adoption of prudent fiscal policies by states and discourage excessive borrowing by offering rewards or incentives to states committed to fiscal discipline.
- **Raise Additional Revenue:**
 - **Enhance Tax Collection and Compliance:** Improve tax administration and compliance to increase government revenue. Utilising technology for cross-matching of GST and income-tax returns can enhance tax collection efficiency and curb tax evasion.
 - **Administrative Streamlining:** Raise additional revenue through administrative streamlining, and the adoption and better administration of new taxes.
 - **Disinvestment and Efficient Asset Management:** Pursue disinvestment and strategic asset management to optimise government resources and reduce the need for excessive borrowing.
- **Re-orient Spending in Infrastructure and Capacity Building:**
 - **Infrastructure Investments:** Prioritise investments in physical infrastructure, human capital, and green initiatives to enhance economic productivity and foster sustainable development.
 - **Privatisation of Loss-making PSUs:** The government may think of privatising loss-making public sector undertakings (PSUs) as done in the case of Air India.
 - **PPP Model in Social Schemes:** The government may think of a public-private partnership (PPP) model in social schemes like Deen Dayal Upadhyay Grameen Kaushalya Yojna (DDU-GKY). This may help in reducing public debt.
 - **Introduce Green Debt Swaps:** In a green debt swap, a debtor nation and its creditors negotiate to exchange or restructure existing debt in a way that aligns with environmentally friendly and sustainable projects.
 - It enables the low-income countries to redeploy part of their debt repayments to invest in measures to tackle climate change, nature protection, health, or education. With the agreement of creditors, debt swaps can help the world's low-income countries avoid default.
- **Utilise Institutional Mechanisms:**
 - **Leveraging the Public Financial Management System (PFMS):** Leveraging the PFMS to its fullest potential is integral to effective fiscal deficit management, ensuring heightened transparency and accountability in government expenditures.

- **Establishment of Public Debt Management Agency (PDMA):** PDMA will centralise expertise and responsibilities related to public debt management, ensuring a focused and specialised approach.

- This can lead to more effective decision-making and strategic planning in handling the complexities of public debt in the country.

➤ **Reforming Budgetary Aspects:**

- **Credible Budget Assumptions:** The budget's assumptions, including nominal GDP growth and tax-to-GDP ratios, are deemed credible, with improvements in personal and corporate taxes reflecting post-Covid economic rebound, and becomes important for USD 7 trillion target.
- **Transparency in Budget Numbers:** Efforts to enhance transparency by reducing extra-budgetary spending should continue, bringing the primary deficit in FY25 close to pre-Covid levels, and potentially below them in FY26.
- **Medium-Term Fiscal Management:** The government's commitment to fiscal consolidation should be aligned with medium-term fiscal management, providing predictability to the private sector and financial markets.

Conclusion

The government's commitment to a counter-cyclical fiscal strategy, prioritizing macroeconomic stability, and adhering to a lower fiscal deficit target for FY2024-25 than anticipated by economists, demonstrates a welcome trend towards medium-term fiscal management. The credible assumptions underlying the budget, including reasonable GDP growth projections and improvements in tax-to-GDP ratios, further enhance its quality. However, the potential impact of the government's financing choices, particularly in managing higher cash balances, warrants careful consideration to avoid unintended consequences on liquidity and monetary policy effectiveness.



India-Myanmar Ties: Fencing The Free Movement

This editorial is based on "Finding light in Myanmar's darkness" which was published in The Hindu on 01/02/2024. The article delves into the contemporary difficulties in the diplomatic ties between India and Myanmar, examining the current challenges and proposing potential solutions.

Tag: GS Paper - 2, Bilateral Groupings & Agreements, Groupings & Agreements Involving India and/or Affecting India's Interests, Effect of Policies and Politics of Countries on India's Interest, International Treaties & Agreements.

In a recent development, the Indian Home Minister has unveiled the decision to fence the entire length of the India-Myanmar border to stop the free movement of people. This decision aims to curtail the unhindered movement of people across the 1,643 km border, traversing states such as Manipur, Mizoram, Assam, Nagaland, and Arunachal Pradesh.

The current **Free Movement Regime (FMR)** agreement with Myanmar is under review as part of this initiative. While the fencing proposal is ostensibly rooted in security concerns, it is anticipated to face opposition and potentially generate adverse effects on the bilateral ties between the two nations.

What is the Free Movement Regime (FMR) on the India-Myanmar Border?

- **About:** The FMR is a mutually agreed arrangement between the two countries that allows tribes living along the border on either side to **travel up to 16 km inside the other country without a visa**. It was **implemented in 2018** as part of the Indian government's **Act East policy**.
- **Rationale:** The partition of the India-Myanmar border traces back to 1826 when British colonial rulers demarcated the boundary without considering the opinions of the local inhabitants. The demarcation has resulted in the division of people who share strong ethnic and familial bonds across the border.
- **Significance:** In addition to fostering people-to-people interactions, the Free Movement Regime (FMR) was envisioned to boost local trade and business activities. The area has a rich tradition of cross-border commerce facilitated by customs and border haats.

Why the India-Myanmar Relationship is Significant?

- **Geopolitical Importance:**
 - **Gateway to Southeast Asia:** Myanmar serves as a land bridge connecting South Asia to Southeast Asia. The proximity of Myanmar to India's northeastern states establishes a strategic link and facilitates regional connectivity.
 - **Bay of Bengal Connectivity:** The maritime boundary shared by India and Myanmar in the Bay of Bengal enhances opportunities for maritime cooperation, fostering economic and strategic collaboration

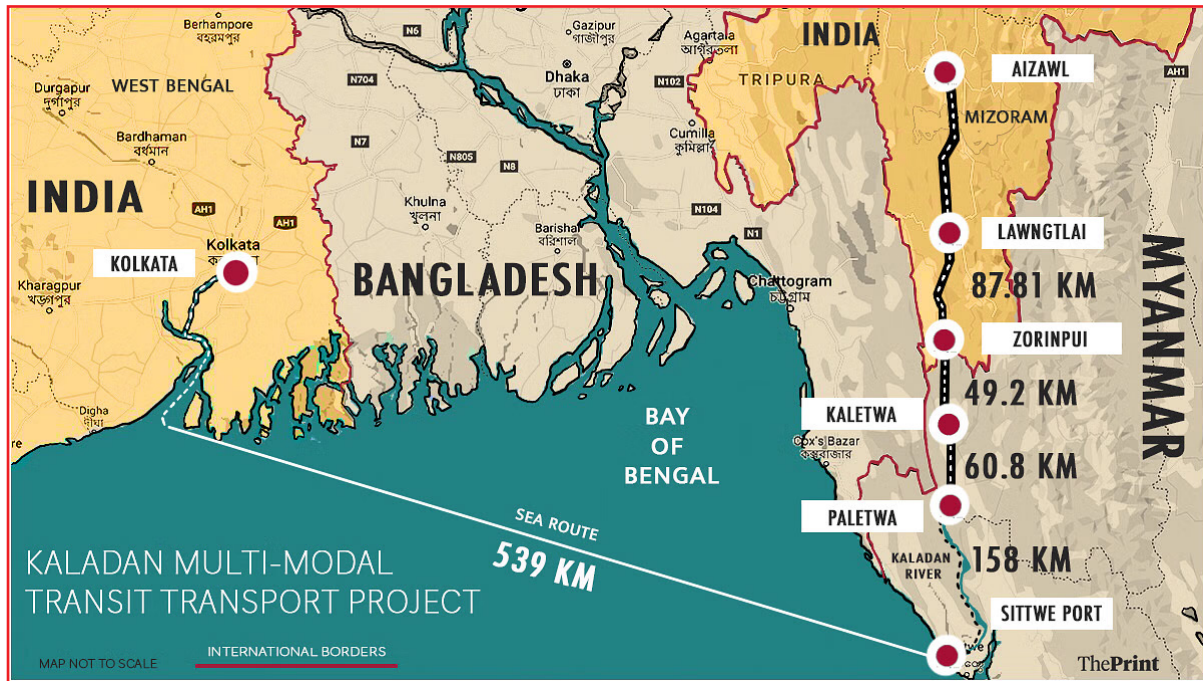


- **Regional Power Balancing:** Given the geopolitical complexities in the region, a strong relationship with Myanmar helps India avoid any potential regional power imbalances that could arise from the influence of other major players. India's proactive engagement with Myanmar serves as a counterbalance to China's growing influence in the region
- **Strategic Significance:**
 - **Strategically Significant Neighbourhood:** Myanmar is a large multi-ethnic nation, located in a strategically significant neighbourhood. The developments within the nation have repercussions for its five neighboring countries: China, Laos, Thailand, Bangladesh, and India.
 - **Neighbourhood First Policy:** The approach towards Myanmar under **India's "Neighborhood First" policy** underscores the significance of cultivating a robust, cooperative, and mutually advantageous association.
 - **Act East Policy:** Myanmar is a key component of **India's Act East Policy**, a diplomatic initiative aimed at fostering economic, strategic, and cultural relations with the Asia-Pacific region.
 - **Multilateral Engagement:** Myanmar's membership of **SAARC, ASEAN, BIMSTEC**, and Mekong Ganga Cooperation has introduced a regional dimension to bilateral relations and imparted added significance in the context of India's "Act East" policy.
- **Areas of Collaborative Cooperation:**
 - **Bilateral Trade:** India ranks as Myanmar's fifth-largest trading partner, registering bilateral trade at USD 1.03 billion in 2021-22.
 - Both nations seek to enhance bilateral trade, creating economic opportunities for industries in areas like agriculture, pharmaceuticals, information technology, and energy

- **Energy Cooperation:** Myanmar holds significance for India's energy security. With an energy portfolio of over USD 1.2 billion, Myanmar is the largest recipient of India's investment in the oil and gas sector in Southeast Asia.
- **Investment in Infrastructure:** Infrastructure projects, such as the Kaladan Multi-Modal Transit Transport

Project and the Sittwe Port, aim to boost connectivity, trade, and investment.

- **Kaladan Multimodal Transit Transport Project:** The project aims to connect the eastern Indian seaport of Kolkata with Sittwe port in Myanmar by sea.



- **India-Myanmar-Thailand Trilateral Highway Project:** The project aims to establish a road link between the three nations, with the highway beginning in Moreh in India's Manipur state, passing through Myanmar, and ending at Mae Sot in Thailand.



- **Strategic Defense Partnership:** India and Myanmar maintain a close defense partnership, with India providing military training and conducting joint exercises with the Myanmar Army.

- **India-Myanmar Bilateral Army Exercise (IMBAX)** is aimed at building and promoting closer relations with armies.

- **Capacity Building Measures:**

- **Developmental assistance:** India has extended USD 2 billion in soft loans. It has offered to help Myanmar with developmental assistance in the areas it wants rather than be prescriptive.
- India is also providing assistance in setting up institutions for higher learning and research, namely the Myanmar Institute of Information Technology, Advanced Centre for Agricultural Research and Education, etc.
- India also offered to provide support in capacity building in disaster risk mitigation as well as in strengthening Myanmar's National Disaster Response Mechanism.

- **Humanitarian Assistance:** India's humanitarian assistance to Myanmar during crises, such as providing COVID-19-related aid, demonstrates the

strength of bilateral relations and reflects a commitment to regional well-being.

- India has responded promptly and effectively in rendering assistance following natural calamities in Myanmar like Cyclone Mora (2017), Komen (2015), and the earthquake in Shan State (2010).

➤ **Cultural Connectivity:**

- **Cultural and Historical Ties:** India and Myanmar share cultural ties in terms of Buddhist heritage and shared history of colonialism. These ties form a foundation for stronger diplomatic relations and mutual understanding.
- **Indian Diaspora:** People of Indian Origin in Myanmar constitute about 4 % of the total population of the country. The Indian diaspora plays a vital role in Myanmar's economy through business ventures, trade, and investments.

What are the Key Issues in the India-Myanmar Relationship?

➤ **Internal Security Concern:**

- India - Myanmar **border is highly porous, poorly guarded**, and located along a remote, underdeveloped, insurgency-prone region and **proximate to an opium-producing area**.
- This vulnerability has been **exploited by terrorist organizations and insurgent groups** operating in the northeastern region of India. Instances include the supply of trained personnel and the trafficking of arms through this porous border.
- Indian rebel groups from the northeast had established camps in Myanmar's border villages and towns.
 - According to a paper published by Anuradha Oinam of the Centre for Land Warfare Studies (CLAWS), several insurgent groups such as the United National Liberation Front (UNLF), People's Liberation Army (PLA), the United Liberation Front of Assam (ULFA), National Socialist Council of Nagaland (NSCN), and small groups of Kukis and Zomis have built camps in Sagaing Division, Kachin State, and Chin State (in Myanmar).

➤ **The Free Movement Regime (FMR):** The Indian government is considering **terminating the Free Movement Regime (FMR)** with Myanmar.

- While advantageous for the local population and instrumental in enhancing Indo-Myanmar relations, it has faced past criticism for inadvertently facilitating issues such as illegal immigration, drug trafficking, and arms trade.

➤ **Triangular Power Struggle in Myanmar:** Three years post a military coup that stripped Myanmar of its modest democratic gains, the country remains entangled in internal strife.

- **'Sick Man of Southeast Asia':** Myanmar perceives no signs of improvement, with the military regime, political entities, and ethnic organizations perpetuating the cycle of violent conflict. This civil unrest appears to offer little prospect of a decisive triumph for any party involved.
- **Civil Liberty Index:** Myanmar has been assigned a score of 0 in the civil liberty index, which measures the extent to which citizens enjoy civil liberties.
- **China's Influence:** China is Myanmar's largest investor as well as the biggest trading partner. **China has solidified its influence in Myanmar not only through economic ties and trade but also by leveraging soft power**, particularly through significant infrastructure projects.

- The task of mitigating Chinese influence within Myanmar has proven challenging for India.

➤ **Infrastructure Project Delays:** Over time, a growing trust deficit has emerged in India-Myanmar relations, attributed to India's reputation for consistently prolonging the implementation of diverse projects.

- The prolonged **delays in the timely execution of collaborative infrastructure projects**, notably the Kaladan Multi-Modal Transit Transport Project and the Sittwe port, crucial for bolstering connectivity, have become impediments to fostering economic cooperation.

➤ **Rohingya Crisis:** The Rohingya crisis is a humanitarian and human rights tragedy that has strained the relations between India and Myanmar. They have fled to neighboring countries, especially Bangladesh and India, seeking refuge.

- India has cited security concerns, such as the alleged links between some Rohingya and terrorist groups, as well as the burden on its resources and social harmony, as the reasons for its stance

What Should be the Way Forward?

Strategic Diplomacy:

- **Better Regulation of Free Movement Regime:** FMR should effectively manage movement while preserving cross-border connections. Upgrading infrastructure and formalizing trade at specified entry points could alleviate certain adverse effects.
- Considering the interests of the local population, neither the outright removal of the FMR nor the complete fencing of the border might be preferable.

- **Engage with Multiple Stakeholders:** India should maintain a delicate balance by nurturing amicable relations with the military government while expanding avenues for involvement with various stakeholders who support democracy.
- **Balancing China's Influence:** While respecting Myanmar's sovereignty, India should engage in strategic partnerships and economic collaborations to balance China's influence in the region. Joint projects and initiatives can be pursued to reinforce India's role.

Utilize Collaborative Instruments:

- **Promote Two-way Trade:** Address the trade imbalance by diversifying trade relations and exploring opportunities for Myanmar to export more to India. Encourage investments and explore sectors beyond traditional areas of collaboration.
 - The Government of India has proposed to invest USD 6 billion to build a petroleum refinery project in Myanmar's Thanlyin region near Yangon.
- **Accelerate Infrastructure Projects:** Ensure timely completion of joint infrastructure projects, such as the Kaladan Multi-Modal Transit Transport Project and the Sittwe port. This will boost connectivity and economic cooperation, benefiting both nations.
- **Enhanced Security Cooperation:** Collaborate on counterinsurgency measures to address the challenges posed by insurgent groups along the border. Intelligence-sharing and joint operations can strengthen security in the region.

Facilitate Track II Diplomacy:

- **Utilize Cultural Exchange:** Foster cultural and people-to-people ties to strengthen the historical and cultural bond between the two nations. Exchange programs, joint cultural events, and educational collaborations can contribute to mutual understanding.
 - Building on this shared heritage, India is undertaking some key initiatives in the restoration of the Ananda Temple in Bagan and the repair and conservation of a large number of damaged pagodas.
- **Organize Peace Conclaves:** India may contemplate organizing a Peace Assembly, bringing together senior officials and informed citizens from the **Quad**

member states and the **ASEAN Troika**, represented by Indonesia, Laos, and Malaysia.

- This assembly could impartially **assess the human rights issues in Myanmar, formulate a comprehensive plan**, and extend practical support for progressing toward security and stability.
- The assembly may emphasize the urgent release of Daw Aung San Suu Kyi from unjustified solitary confinement, given her pivotal role in unlocking the potential for a more promising future for the region.

Conclusion:

India has a lot to gain from Myanmar and a lot to give to Myanmar as well. This reciprocal dynamic forms the bedrock of the bilateral relationship between the two nations. Progressing along these trajectories, India and Myanmar have the potential to shape a forward-looking alliance by actively engaging in collaborative efforts while underscoring their commitment to regional peace and stability.



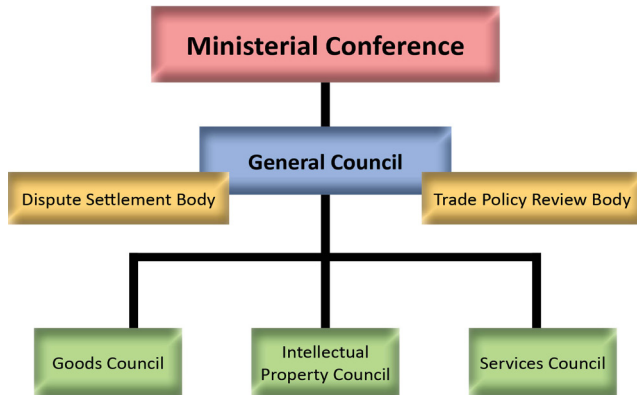
Impending Reforms at WTO's Appellate Body

This editorial is based on "**Crown Jewel That Was**" which was published in *Indian Express* on 05/02/2024. The article explores the incapacitation of the WTO's Appellate Body (AB) since late 2019, attributing its dysfunction to the unilateral obstruction by the United States, which has prevented the appointment of new members.

Tag: GS Paper - 2, Bilateral Groupings & Agreements, Important International Institutions, International Treaties & Agreements, GS Paper - 3, Deglobalisation & Protectionism, Government Policies & Interventions.

On the negotiating agenda for the member countries of the **World Trade Organisation (WTO)**, when they meet in Abu Dhabi for the 13th ministerial meeting (to be held in February 2024), is the ongoing crisis in the Dispute Settlement Mechanism (DSM). WTO's DSM comprises a binding two-tiered process with a panel and an appellate body (AB). Since the end of 2019, it stands dysfunctional because the US, which lost several critical disputes before it, has single-handedly blocked the appointment of new members.

Structures of WTO



What is WTO's Dispute Settlement Mechanism?

➤ Consultations:

- Before initiating a formal dispute, the complaining party must request consultations with the defending party. This is the first step in attempting to resolve the dispute amicably through negotiations.
- Consultations must be held within specific time frames, and the parties involved are encouraged to find a mutually agreeable solution.

➤ Panel Establishment:

- If consultations fail to resolve the dispute, the complaining party can request the establishment of a dispute settlement panel. The **Dispute Settlement Body (DSB)** oversees this process.
- The General Council convenes as the DSB to deal with disputes between WTO members. The DSB has authority to:
 - establish dispute settlement panels,
 - refer matters to arbitration,
 - adopt panel, Appellate Body and arbitration reports,
 - maintain surveillance over the implementation of recommendations and rulings contained in such reports; and
 - authorise suspension of concessions in the event of non-compliance with those recommendations and rulings.
- The panel is composed of independent experts with relevant expertise in trade law and the subject matter of the dispute. The panel examines the case, reviews arguments from both sides, and issues a report.

➤ Panel Report:

- The panel's report includes findings of fact, legal interpretations, and recommendations for a

resolution. It is circulated to all WTO members, allowing them to review and provide comments.

➤ Adoption or Appeal:

- The DSB adopts the panel report unless there is a consensus against doing so. If a consensus is not reached, the matter can be appealed to the **Appellate Body**.

○ WTO's Appellate Body:

- The Appellate Body was established in 1995 under Article 17 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU).
- It is a standing body of seven persons that hears appeals from reports issued by panels in disputes brought by WTO Members. The members of Appellate body serve for a four-year term.
- It can uphold, modify or reverse the legal findings and conclusions of a panel, and Appellate Body Reports, once adopted by the DSB, must be accepted by the parties to the dispute.
- The Appellate Body has its **seat in Geneva, Switzerland**.

➤ Implementation of Recommendations:

- If a WTO member is found to be in violation of its obligations, it is expected to bring its measures into compliance with WTO agreements.
- If the member fails to do so, the complainant may seek authorization to retaliate through the suspension of concessions or other measures.

What are the Unilateral Challenges Posed by the US to WTO?

➤ WTO Ministerial Conference (MC11), 2017:

- Conference held at Buenos Aires ended without any substantial outcome as consensus failed the 164-member body.
- The **USA blocked a permanent solution** on government stockholding for food security purposes, resulting in India's toughened stand on new issues including e-commerce and investment facilitation.

➤ E-Commerce Negotiations:

- Developed countries led by the US and the **European Union (EU)** sought to find a way out of the deadlock at the WTO talks by forming large pressure groups on e-commerce, investment facilitation and MSMEs within the WTO with more than 70 members in each formulation.

- Though WTO is driven by consensus and even a plurilateral agreement needs approval of all members, the formation of these groups attempts to steer WTO away from its focus on multilateralism because these reforms were largely not supported by the developing countries such as **G-77** etc.

➤ **Defending TRIPS's Contentious Provisions:**

- The US' unrestricted defence of '**Trade Related Intellectual Property' rights (TRIPs)**—patents, copyrights and trademarks—comes at the expense of health and human lives.
- WTO has protected **pharmaceutical companies' 'right to profit'** against governments seeking to protect their people's health by providing lifesaving medicines in countries in areas like sub-Saharan Africa, where thousands die every day from HIV/AIDS.

➤ **Issues in Doha Round of Trade Negotiations:**

- The US has consciously manipulated the Doha round of trade negotiations process in formulating excessive demands that no country was prepared to meet.
- The priority of the US administration was not to revive a dying WTO negotiation, but to concentrate on its newly created alternative, the **TPP (Trans-Pacific Partnership)**, to contain its competitors: Europe and China.

➤ **Blocking Appointment of Appellate Body Members:**

- For years now, the multilateral system for the settlement of trade disputes has been under intense scrutiny and constant criticism.
- The US has systematically blocked the appointment of new Appellate Body members and judges and de facto impeded the work of the WTO appeal mechanism.
 - Despite the resolve to create a fully functioning DSM by 2024, the US' inclination to de-judicialise international trade relations poses a significant challenge to resurrecting the dispute settlement mechanism as it existed before 2019.

➤ **Aggressive Use of Unilateral Tariff Measures:**

- USA's aggressive use of unilateral tariff measures, Chinese mercantilism, and the inability of WTO members to reach consensus on expanding its disciplines to important new sectors in the modern economy reinforce the critique of the WTO.

➤ **Lack of Consensus in Defining Countries:**

- There is a problem in WTO negotiations as there

is no agreed definition of what constitutes a developed or developing country at the WTO.

- Members can currently self-designate as developing countries to receive 'special and differential treatment' – a practice that is the subject of much contention.

- For instance, China and India got the 'developing country' status at the WTO which became a contentious issue with the US and EU raising concerns against the decision.

➤ **USA Obstructing India's Initiatives:**

- The disputes where India is a complaining party are countervailing duty by the US on Indian steel products; measures by the US concerning non-immigrant visas, renewable energy programmes of the US, and import duties imposed on steel and aluminium products by America.
- WTO disputes where India is a responding party include prohibition by India on import of poultry and poultry products filed by the US, and import duties on certain information and communication technology goods filed by the EU, Japan and Taiwan.

What are the Solutions to Reform the WTO?

➤ **Support Proposal to get New Members:**

- Usually, new appointments to the Appellate Body are made by a consensus of WTO members, but there is also a provision for voting where a consensus is not possible.
- The group of 17 least developed and developing countries, including India, that have committed to working together to end the impasse at the Appellate Body can submit or support a proposal to this effect, and try to get new members on the Appellate Body by a majority vote.
 - But this may come with repercussions, as all countries fear unilateral measures by the US as a consequence of directly opposing its veto.

➤ **Suitable Punishment if Law is Broken:**

- If a country has done something wrong, it should swiftly correct its faults. And if it continues to break an agreement, it should offer compensation or face a suitable response that has some remedy — although this is not actually a punishment: it's a "remedy", the ultimate goal being for the country to comply with the ruling.
- Such countries can be mandated to submit mandatorily a particular amount to **Green Climate Fund**, if found on the wrong side.

➤ **Reformative Approach:**

- The permanent long-term solutions based on reformative approach include having a transitional rule for the outgoing members, allowing them to completely dispose the pending appeals even after the expiry of their terms and limiting the Appellate body's interpretation to the meaning of consented national laws without stepping over the policy space, so as to preserve sovereignty of the nations.

➤ **Regular Meeting of the Members:**

- The other long-term solutions include regular meetings of the WTO members with the Appellate body to ensure effective communication and immediate redressal mechanism.
 - Thus, all the nations must come together to bring in a common ground to address the crisis so as to not be faced with the worst-case scenario.

➤ **Developing Countries' Call for DSM Restoration:**

- Developing countries, including India, advocate for the restoration of the WTO's dispute settlement mechanism (DSM) to its previous functional state, emphasising the importance of the checks and balances provided by the appellate body.

➤ **Options for Developing Countries:**

- Developing countries face three options to maintain a two-tiered DSM at the WTO: (a) joining the European Union-led Interim Appeal Arbitration Arrangement (MPIA), (b) accepting a diluted appellate body, or (c) resurrecting the original appellate body with an opt-out provision.
 - **MPIA as an Interim Solution:** The first option for developing countries is to join the European Union-led MPIA, a multi-party Interim Appeal Arbitration Arrangement that formalises the arbitration mechanism but has downsides such as its voluntary nature and lack of universal adoption.
 - **Diluted Appellate Body:** The second option involves considering a diluted appellate body (AB), where the powers of the AB would be limited, potentially hindering its ability to provide security and predictability to the multilateral trading regime, contrary to WTO law expectations.
 - **Opt-Out Provision for AB as an Interim Solution:** A third interim option suggests resurrecting the AB with a crucial change—an opt-out provision. While this may alter the nature of a two-tier binding DSM, it could be a compromise to safeguard the AB's current form and involve the US on a voluntary basis.

Conclusion

The 13th ministerial meeting of the WTO grapples with the critical issue of the crippled dispute settlement mechanism (DSM), a consequence of the US blocking new members to the appellate body since 2019. The quest to restore a fully functional DSM faces challenges due to the US's reluctance to judicialize international trade relations. While the ideal solution remains the restoration of the appellate body as it existed till 2019, the compromise of an AB for willing countries may be a pragmatic choice to safeguard its essential role in the WTO.

Making SBM-Grameen More Transformative

This editorial is based on "[A critical view of the 'sanitation miracle' in rural India](#)" which was published in *The Hindu* on 06/02/2024. The article explores the implementation of the *Swachh Bharat Mission-Grameen (SBM-G)* and emphasizes the necessity for the government to pinpoint any deficiencies in the current program to achieve the transition from *Open Defecation Free (ODF)* to *ODF-Plus* status by the year 2024-25.

Tag: GS Paper - 2, Government Policies & Interventions, Health, Issues Related to Women.

Public sanitation programmes have a long history in the country, beginning with the launch of the highly subsidized Central Rural Sanitation Programme (CRSP) in 1986. The Total Sanitation Campaign in 1999 marked a shift from a high subsidy regime to a low subsidy one and a demand-driven approach.

The public sanitation programme evolved as a mission in 2014 under the [Swachh Bharat Mission-Grameen \(SBM-G\)](#) to make [India Open Defecation Free \(ODF\)](#) by October 2019.

In the past decade, improving sanitation coverage has been one of the key public policy miracles in India. Access to water and sanitation is Goal 6 in the [17 Sustainable Development Goals](#) envisaged by the [United Nations](#).

What is Swachh Bharat Mission Grameen (SBM-G)?

➤ **About:**

- It was launched in 2014 by the Ministry of Jal Shakti to accelerate the efforts to achieve universal sanitation coverage and to put focus on sanitation.

- The mission was implemented as a nationwide campaign/janandolan which aimed at eliminating open defecation in rural areas.
- **SBM (G) Phase-I:**
 - The rural sanitation coverage in the country at the time of launch of SBM (G) on 2nd October 2014 was reported as 38.7%.
 - More than 10 crore individual toilets have been constructed since the launch of the mission, as a result, rural areas in all the States have declared themselves ODF as on 2nd October, 2019.
- **SBM(G) Phase-II:**
 - It emphasizes the sustainability of achievements under phase I and to provide adequate facilities for Solid/Liquid & plastic Waste Management (SLWM) in rural India.
 - It will be implemented from 2020-21 to 2024-25 in a mission mode with a total outlay of Rs. 1,40,881 crores.
 - The SLWM component of ODF Plus will be monitored on the basis of output-outcome **indicators for 4 key areas:**
 - Plastic waste management,
 - Biodegradable solid waste management (including animal waste management),
 - Greywater (Household Wastewater) management
 - Fecal sludge management.
- **Sub-Components of SBM:**
 - GOBAR-DHAN (Galvanizing Organic Bio-Agro Resources) Scheme:
 - It was launched by the Ministry of Jal Shakti in 2018.
 - The scheme aims to augment income of farmers by converting biodegradable waste into **compressed biogas (CBG)**.
 - **Individual Household Latrines (IHHL):**
 - Under SBM, individuals get around 15 thousand for the construction of toilets.

○ **Swachh Vidyalaya Abhiyan:**

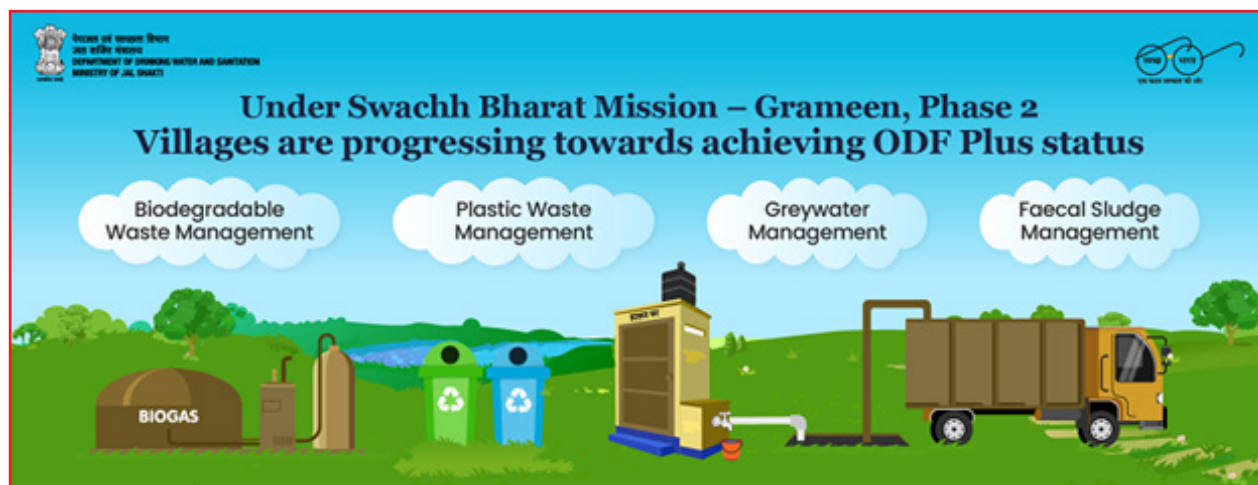
- The Ministry of Education launched Swachh Vidyalaya Programme under Swachh Bharat Mission with an objective to provide separate toilets for boys and girls in all government schools within one year.

○ **Swachhta Hi Sewa Campaign:**

- Swachhata Hi Seva (SHS) campaign is celebrated from 15th September to 2nd October annually under the joint aegis of Department of Drinking Water and Sanitation (DDWS) & MoHUA for undertaking shramdaan activities aimed at generating jan andolan through community participation:
 - To provide impetus on implementation of SBM;
 - To disseminate the importance of a sampurna swachh village;
 - To reinforce the concept of Sanitation as everyone's business;
 - And as a prelude for the Swachh Bharat Diwas (2nd October) with nationwide participation.

➤ **Top Performing States:**

- The top performing States/UTs which have achieved 100% ODF Plus villages are – Andaman & Nicobar Islands, D&N Haveli, Goa, Gujarat, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Ladakh, Puducherry, Sikkim, Tamil Nadu, Telangana, and Tripura.
- Among States/ UTs – Andaman & Nicobar Islands, Dadra Nagar Haveli & Daman Diu, Jammu & Kashmir and Sikkim have 100% ODF Plus Model villages.
- These States & UTs have shown remarkable progress in achieving the ODF Plus status, and their efforts have been instrumental in reaching this milestone.



Open Defecation Free Status:

- **ODF:** An area can be notified or declared as ODF if at any point of the day, not even a single person is found defecating in the open.
- **ODF+:** This status is given if at any point of the day, not a single person is found defecating and/or urinating in the open, and all community and public toilets are functional and well maintained.
- **ODF++:** This status is given if the area is already ODF+ and the faecal sludge/septage and sewage are safely managed and treated, with no discharging or dumping of untreated faecal sludge and sewage into the open drains, water bodies or areas.



What are the Issues in Transitioning from ODF to ODF+ Status Under SBM-G?

- **Behavioral Challenges:**
 - The construction of toilets does not automatically lead to their use. A **National Sample Survey Office (NSSO)** survey (69th round), showed that in 2012, when 59% of rural households had no access to a toilet, 4% of individuals who had access reported not using the facility.

- The primary reasons for not using one were: not having any superstructure (21%); the facility malfunctioning (22%); the facility being unhygienic/unclean (20%), and personal reasons (23%).

➤ **Region Specific Challenges:**

- A survey conducted in 2018, covering the best and worst covered districts and blocks of three States, showed that 59% of households in Bihar, 66% in Gujarat and 76% in Telangana had toilet access.
- Among those having access, 38% of households in Bihar, 50% in Gujarat and 14% in Telangana had at least one member who did not use it.
 - A higher non-use of toilets in Gujarat was due to a lack of access to water in Dahod district, one of the two districts selected from the State.
 - Toilet use is found to be very high in remote and backward villages if households have doorstep access to water. The chances of toilet use are also reduced if a household has a detached bathroom.

➤ **Issues Due to Traditional Norms of Purity:**

- In another study in 2020, it was observed that 27% of households in survey villages in Gujarat and 61% in West Bengal did not have their own toilets. Moreover, around 3% of households did not use their own toilets in either State.
 - One-fourth of non-user households in Gujarat did not cite any specific reason for not using it. Social norms of purity may have dissuaded them from using the toilet.
 - Toilets not used for defecation are used as storerooms. If social norms prevent toilet use on the premises, the facility is used for bathing and washing clothes.

➤ **Persistent Quality Issues:**

- Quality issues are also another major reason. In Gujarat, 17% of those not using toilets reported that the substructure had collapsed, and 50% reported that the pits were full.
- One-third of non-users in West Bengal reported that the superstructure had collapsed, and another one third reported the pit being full.

➤ **Variations Across Surveys Regarding Access to Toilets:**

- The variations across surveys of the percentage of households having access to toilets and their use are due to the selection of different districts. The more comprehensive National Annual Rural Sanitation Survey (NARSS) Round-3 (2019-20),

conducted by the Ministry of Jal Shakti, shows that 95% of the rural population had toilet access in India.

- Access to owned, shared, and public toilets was available to 79%, 14% and 1% of households, respectively. It was also reported that 96% of toilets were functional, and almost all had access to water.

- However, the same report suggests that only 85% of the rural population used safe, functional, and hygienic toilets. Assuming that the same percentage of people have toilet access as the households, **the gap rises to 10% between access to toilets and their use.**

➤ **Household Size Constraints:**

- Different econometric models show that along with economic conditions and education, toilet use depends on household size. The higher the household size, the greater the chances of not using the toilet.
- Overcrowding and social norms prevent all household members from using the same toilet. Our survey of 2020 shows that only 3% to 4% of households have more than one toilet.

➤ **Concerns in Phase-II of SBM-G:**

- Phase II of the programme does not have any criteria mandating multiple toilets for households larger than a certain size. Neither does it have any provision for building an attached bathroom.

➤ **Detached Role of Jal Jeevan Mission:**

- The **Jal Jeevan Mission (JJM)** programme was launched to provide tap water to each household by 2024. Nevertheless, no relation has been observed between per capita central expenses made on the JJM and the percentage of villages declared ODF Plus across States.
 - Neither is there any relation between the percentage of ODF Plus villages in a State and households having tap connections.

➤ **Variations Across Socio-Economic Classes:**

- Sanitation behaviour also varies across socio-economic classes. NARSS-3 finds that access to toilets was highest for upper castes (97%) and lowest for Scheduled Castes (95%). The multi-State study finds that the percentage of non-users is higher among upper castes than backward castes.

➤ **Lack of Synergy:**

- Around 10 crore toilets were constructed between 2014 and 2019 during the initial phase of the SBMG. The spurt in coverage has also triggered awareness regarding safe sanitation practices.

- However, collective behavioural change in the nation has still to take place. Our studies suggest that behavioural change in sanitation cannot happen independently.
 - It is contingent upon social networks and an overall improvement of living standards, including better housing and access to basic services.
- There are separate programmes for each of these basic needs, but they are not well coordinated. The lack of overall planning in India has led to a lack of synergy of programmes despite high levels of expenditure in fulfilling basic needs.

What are the Ways to Make SBM-G More Effective?

➤ **Mainstreaming Leftout Households:**

- These surveys throw up two major issues -the leftout households and toilets unused for defecation. The leftout households appear substantial and need to be covered in Phase II.
- On the other hand, the government should identify the shortcomings of the previous phase and cover the gaps in the present phase.

➤ **Adopting Behavioural Change Campaigns:**

- Sanitation behavioural change campaigns should consider two steps: construction and use. Further, the variation in networks between villages should be considered in campaign design as in some villages, behavioural change of households can happen independently, and collectively in others.
 - Phase II of the SBMG does not seem to have given enough thought to social engineering through the social networks in a society haunted by regressive norms and caste hierarchy.
 - Movies like “Toilet: Ek Prem Katha” (“Toilet: A Love Story”), in which popular actors from the country play significant roles, should be screened and promoted in rural India.
 - This can raise awareness among the general public about the necessity of toilet use and the adoption of hygienic and safe household sanitation practices.

➤ **Adopting an Inclusive Approach:**

- Some individuals, households, and communities

belonging to disadvantaged sections of society such as female-headed households, landless people, migrant laborers, and disabled people still do not have toilets in their homes or find the existing toilets not accessible.

- It is crucial to support these underserved populations both from human rights and public health perspectives because these marginalized sections are already without access to basic services and experience various health issues.

➤ **Enhanced Role Of Institutions:**

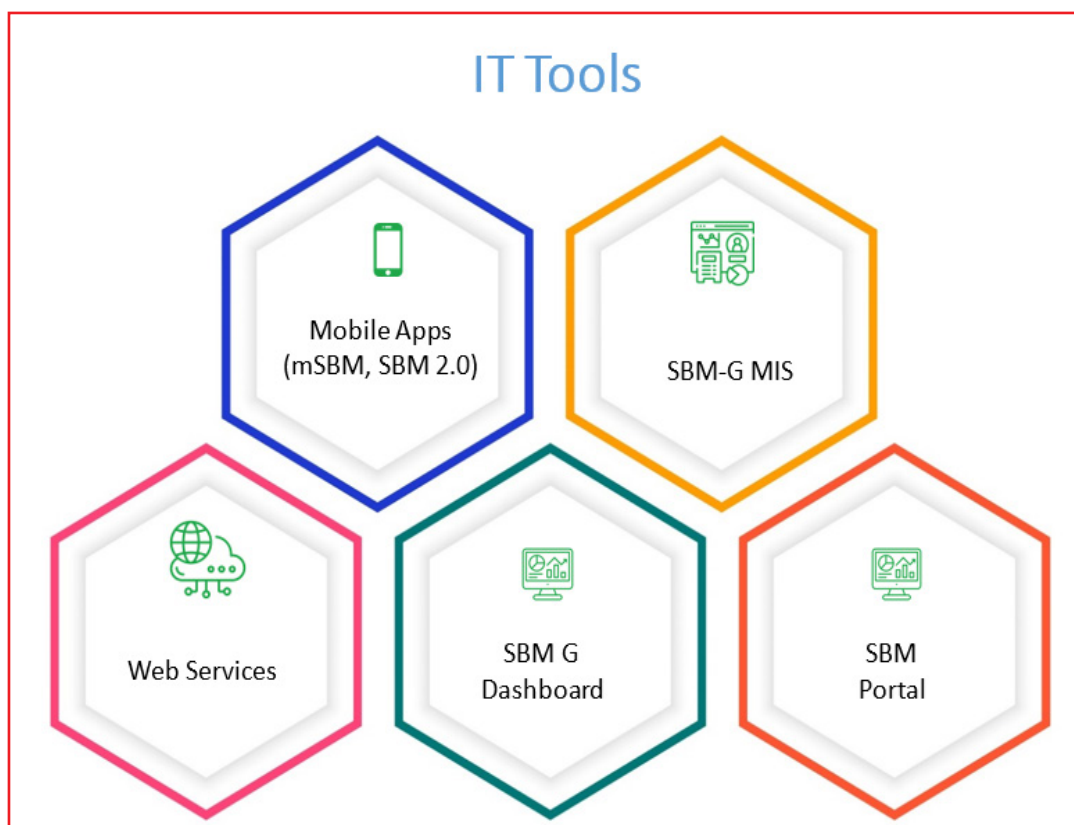
- Educational institutions, child-care centers, hospitals, and other government facilities need further development in sanitation practices. Sanitation coverage of disaggregated data in public facilities and among the disadvantaged sections of society requires innovation to cover missed populations will be vital in this context.

➤ **Following a Holistic and Extended Approach:**

- Country like India, which is vast in its diversity, culture, and population, where 60% of the total population resides in rural areas, only access to toilets does not ensure hygienic and safe sanitation practices.
 - For instance, the lesson from India’s first sanitation program “Central Rural Sanitation Programme” launched in 1986, stated that only toilet construction did not translate to usage of toilets.
 - For India to realize in achieving sustainable development goal 6 (SDG), i.e., “ensure access to water and sanitation for all” by 2030, a number of factors need to be considered cutting across social, political and economic dimensions.

➤ **Adoption and Integration of Technologies:**

- The e-Governance Solutions need to be incorporated including Mobile Apps, MIS, dashboards APIs, developed by the National Informatics Centre (NIC), aim to track the progress of ODF Plus progress in different states.
 - SBM-G e-governance solution should be a Robust, Interoperable, Scalable, Secure and Role-based system that enables user to enter all the assets of solid and liquid along with geo coordinates using mobile app.



Conclusion

India has made notable progress in sanitation, meeting Sustainable Development Goals through initiatives like Swachh Bharat Mission. Achieving 100% sanitation coverage by 2019 is commendable, and the government aims for ODF Plus status by 2024-25. Approximately 85% of villages are already ODF Plus, but challenges remain, highlighting the need for behavioral change. Socio-economic factors and social norms require tailored approaches for sustained success.



Fiscal Centralisation Concerns in India

This editorial is based on “[Union government’s reins on financial transfers to States](#)” which was published in *The Hindu* on 07/02/2024. The article examines how the Union government’s moves, which reduce the aggregate financial transfers to States, are weakening fiscal-cum-cooperative federalism in the country.

Tag: GS Paper - 3, Mobilisation of Resources, GS Paper - 2, Federalism, Co-operative Federalism

Ever since the beginning of the 14th Finance Commission (FC) award period (2015-16), the Union government has been reducing financial transfers to States. This is particularly strange given that the 14th FC recommended devolving 42% of Union tax revenues to States, which is a clean 10% points increase over the 13th FC’s recommendation.

The 15th Finance Commission retained this recommendation of 41%, excluding the devolution to J&K and Ladakh, which were recategorised as **Union Territories**. If the shares of J&K and Ladakh are included, it should be 42%. The Union government not only reduced the financial transfers to States but also increased its own total revenue to increase its discretionary expenditure.

What is Fiscal Federalism?

- **Fiscal federalism** is a term that describes how the financial powers and responsibilities are divided between different levels of government in a country.
- It involves questions such as which functions and services should be provided by the central government or the state governments, how the revenues should be raised and shared among them, and how the transfers or grants should be allocated to ensure efficiency and equity.

What are Different Provisions Related to Centre State Financial Relations?

- **Part XII of the Constitution:** The Indian Constitution has made elaborate provisions, relating to the distribution of taxes as well as non-tax revenues and the power of borrowing, supplemented by provisions for grants-in-aid by the Union to the States. **Article 268 to 293** deals with the provisions of financial relations between Centre and States.
 - The **grants-in-aid system under Article 275** involves the discretionary transfer of funds from the central government to state governments for specific purposes or schemes.
 - The Finance Commission is a constitutional body under **Article 280**, responsible for recommending the distribution of tax revenues between the central government and the state governments. It also suggests ways to augment the financial resources of states, promote fiscal discipline, and ensure stability in fiscal matters.
 - Under **Article 280(3)** of the Constitution, apart from recommending the devolution of taxes and grants-in-aid to the States, the FC may be asked by the Centre to look into any other issue "in the interest of sound finance".
- **Seventh Schedule of the Constitution:** The Constitution divides the taxing powers between the Centre and the States as follows:
 - The Parliament has exclusive power to levy taxes on subjects enumerated in the **Union List**.
 - The state legislature has exclusive power to levy taxes on subjects enumerated in the **State List**.
 - Both can levy taxes on the subjects enumerated in **Concurrent List** whereas residuary power of taxation lies with Parliament only.

What Steps of Union Government Have Reduced Aggregate Financial Transfers to States?

- **Increasing Centralisation of Fiscal Powers:**
 - Over time, the proportion of non-shareable revenue accruing to the central government, such as surcharges and cesses, has risen.
 - Consequently, states are advocating for greater fiscal autonomy and a larger share of all taxes collected by the centre.

➤ Erosion of State Tax Autonomy:

- The ability of states to set tax rates on their own revenue sources has significantly diminished. This erosion occurred following the implementation of **value-added tax (VAT)** for intra-state trade of goods.
- As a result, states have experienced a loss of autonomy in determining tax policies and revenue generation strategies.

➤ Constraints on State Expenditure Flexibility:

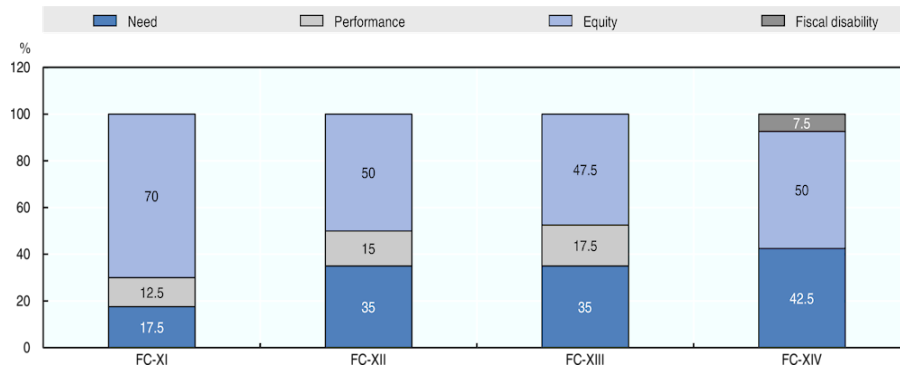
- States face constraints on their expenditure flexibility due to the increasing prominence of conditional and tied grants.
- These grants, which target items listed in the **state list**, limit states' discretion in allocating funds according to their unique priorities and local needs.

➤ Uniform Fiscal Targets Neglecting State Variations:

- Challenges stemming from the **Fiscal Responsibility and Budget Management (FRBM) Act, 2003** exacerbate the situation by imposing uniform fiscal targets across states.
- These targets fail to account for the diverse fiscal needs and economic conditions of individual states, further limiting their ability to manage their finances effectively.

➤ Implementation of Goods and Service Tax (GST):

- The **101st Constitutional Amendment of 2016** giving the Union and states concurrent powers of indirect taxation has been the most far-reaching change from a fiscal standpoint, since the setting up of the 1st FC in 1951.
- The collection of indirect taxes in the state where goods or services are consumed, and not in the state where they are produced, changes both the vertical as well as the horizontal dynamics of federalism.
 - The tax burden has been shifted from rich and manufacturing states to consuming states, leading to horizontal imbalances.
- The **Integrated GST**, for instance, charged during the inter-state supply of goods or services has been transferred to the destination state. This move from the principle of origin to the principle of destination is reconfiguring the balance of power amongst states.



What is the Current Scenario of Fiscal Transfers to States?

➤ Declining Share in Gross Tax Revenue:

- Though the 14th and 15th FCs recommended 42% and 41%, respectively, of the net tax revenue to be the shares of States, the share of the gross tax revenue was just 35% in 2015-16 and 30% in 2023-24 (Budget Estimates).
- While the gross tax revenue of the Union government increased from Rs 14.6 lakh crore in 2015-16 to Rs 33.6 lakh crore in 2023-24, the States' share in the Union tax revenue increased from Rs 5.1 lakh crore to Rs 10.2 lakh crore between these two years.

➤ Reduction in Grants-in-Aid to States:

- The grants-in-aid to States declined in absolute amount from Rs 1.95 lakh crore in 2015-16 to Rs 1.65 lakh crore in 2023-24. Thus, the combined share of the statutory financial transfers in the gross tax revenue of the Union government declined from 48.2% to 35.32%.

➤ Increasing Tax Collection Under Cess and Surcharge Categories:

- One of the reasons for the States' share in gross revenue declining during this period is that the net tax revenue is arrived at after deducting the revenue collections under **cess and surcharge**, revenue collections from Union Territories, and tax administration expenditure.
 - Among the three factors, revenue collection through cess and surcharge is the highest and increasing.
- This calculation is excluding the GST cess that is collected to compensate for the revenue loss of the States due to implementation of GST till June 2022.

➤ Financial Centralisation Concerns:

- The Union government has two other routes of direct financial transfers to States, i.e., Centrally Sponsored Schemes (CSS) and Central Sector Schemes (CS).

- The government influences the priorities of the States through CSS wherein the Union government provides partial funding and another part is to be committed by States. In other words, it proposes the schemes and States implement them, committing the latter's financial resources as well.

- Between 2015-16 and 2023-24, the allocation for CSS increased from Rs 2.04 lakh crore to Rs 4.76 lakh crore through 59 CSS.

- Thus, the Union government compels the State to commit more or less an equivalent quantum of financial resources.

➤ Issues Surrounding Wealthy vs Less Wealthy States:

- An important aspect of CSS shared schemes is that the States that can afford to commit matching finances from the State budgets alone can avail of the matching grants. This creates two different effects in terms of inter-State equity in public finances.

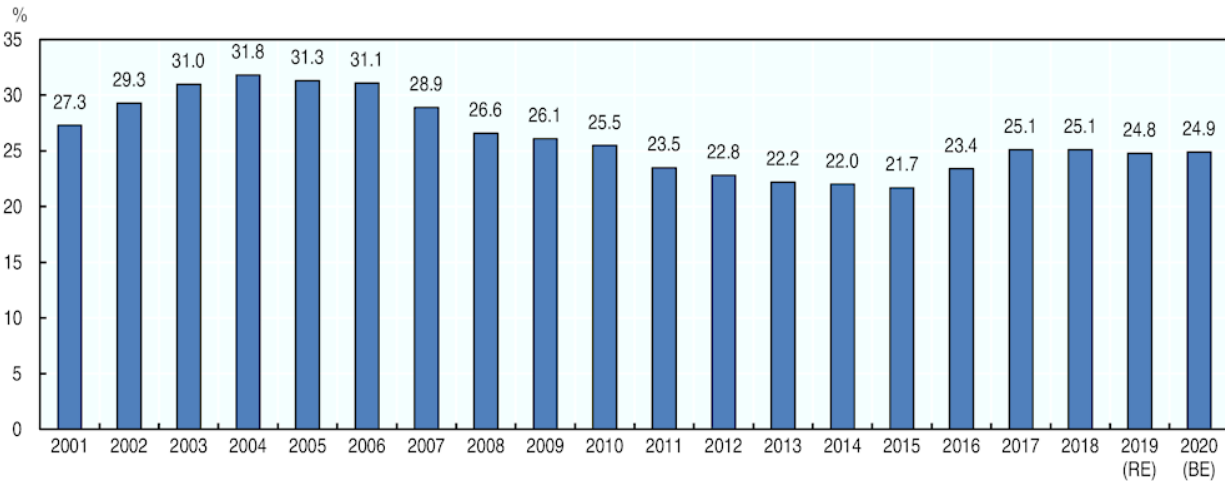
- Wealthy States can afford to commit equivalent finances and leverage Union finances inwards through the implementation of CSS.

- Less wealthy States will have to commit their borrowed finances in these CSS, thus increasing their own liabilities. These differential trajectories of the public finances of States accentuate inter-State inequality in public finances, the major reason being CSS.

➤ Larger Financial Powers of Union Govt with Limited Expenditure Responsibilities:

- Together with statutory grants, the total financial transfers as a proportion to gross tax revenue were only 47.9% in 2023-24.

- In addition to retaining more than 50% of gross tax revenue, the Union government incurs a fiscal deficit to the extent of 5.9% of GDP. Thus, the Union government wields enormous financial powers with limited expenditure responsibilities.



What Steps Should be Taken to Ensure Better Devolution of Finances?

- **Re-Examine the Tax-Sharing Principles:** The FCs need to be directed to review tax-sharing principles in the context of India's changing fiscal federalism. Their terms of reference should be strictly aligned on the consolidation of the indirect tax base by the Union and the states.
- **Redesign the Statutory Sharing of Indirect Taxes:** The changes necessitate that the statutory sharing of the indirect taxes, both **vertical and horizontal**, is re-examined and redesigned.
 - **Vertical Devolution:** To align the principle of vertical sharing with the current system, it is important to start by redefining the divisible pool. For instance, the 16th FC will be required to specify the modalities of making IGST completely a part of the pool.
 - **Horizontal Devolution:** The criteria for the distribution of the divisible pool among states, will have to be revisited. The existing criteria, especially for equalising grants, have evolved into a production-based tax system. This needs to be redesigned for a consumption-based tax system.
- **Calculating and Allocating the Cost of Collecting:** The new administration of GST, where both the Union and states collect the same taxes, has resulted in a significant increase and wide variation in the cost of tax collection. This cost ranges from 7% to 10%.
 - Therefore, the ensuing FCs should be tasked with recommending a method to calculate and allocate the cost of collecting indirect taxes.
 - Additionally, they should suggest ways to reduce these taxes and improve their collection efficiency.
- **Redesign the Grant Mechanism:** The "gap-filling" approach devised by British Banker Otto Niemeyer in 1935 and continued under **Article 275**, should be

redesigned in light of the compensation law brought in by the GST Council.

- With the GST compensation grants extended to March 31, 2026, the fiscal year after that will be the base year for the 16th FC award and will be operative from 2027 to 2032.
- It is very much evident that every state will seek the extension of the compensation scheme. Therefore, it is best to enjoin upon the 16th FC to examine the need for compensation, the *raison d'être* for which was to "compensate losses in transition to GST".
- **New Institutional Structure of Federal Finance:** In the new federal finance institutional structure, the **GST council** and the finance commission must have a formal relationship since they decide the size of the divisible pool and distribute it.
 - The FCs should investigate how the GST Council can act as the Fiscal Council to oversee the implementation of its award during the period when it is not operational.

Conclusion

The significant reduction in financial transfers to States by the Union government since the initiation of the 14th FC award period is alarming, especially considering the recommended increase in devolution to 42%.

Despite a substantial rise in the Union government's gross tax revenue, the share allocated to States has not proportionately increased. The reliance on CS and CSS further exacerbates inter-State inequality and diminishes State autonomy in financial management.

This scenario not only weakens **cooperative federalism** but also raises concerns about the equitable distribution of financial resources among States in the future.



Addressing Legal Inconsistencies on Child Pornography

This editorial is based on “[Downloading child pornography is an offence](#)” which was published in *The Hindu* on 08/02/2024. The article explores the implications of the recent judgement by the Madras High Court in the case of ‘S. Harish vs Inspector of Police’ and its varied impacts on different sectors of society.

Tag: GS Paper - 2, Issues Related to Children, Government Policies & Interventions

Recently, the Madras **High Court**, in the case of **S. Harish vs Inspector of Police (2020)** ruled that downloading child pornography does not constitute an offence under Section 67B of the Information Technology (IT) Act, 2000. The court cited a precedent set by the Kerala High Court, which held that watching pornography in private spaces is not a violation of Section 292 of the **Indian Penal Code (IPC)**.

The police had filed the final report after investigation and cognisance had been taken by the High Court under Section 14(1) of the **Protection of Children from Sexual Offences (POCSO) Act, 2012** and Section 67B of the IT Act, 2000.

What is the POCSO Act, 2012?

➤ About:

- The POCSO Act was enacted in consequence to India's ratification of the **UN Convention on the Rights of the Child in 1992**.
 - The aim of this special law is to address offences of sexual exploitation and sexual abuse of children, which were either not specifically defined or in adequately penalised.
 - The Act defines a child as any person below the age of 18 years. The Act provides punishment as per the gravity of offence.
 - The Act was further reviewed and amended in 2019 to introduce more stringent punishment including the death penalty for committing sexual crimes on children, with a view to deter the perpetrators & prevent such crimes against children.
- The Government of India has also notified the **POCSO Rules, 2020**.
 - Rule-9 of the POCSO Rules allows the Special Court to order interim compensation for the child's needs related to relief or rehabilitation

after the FIR's registration. This compensation is adjusted against the final compensation, if any.

- The POCSO Rules empower the Child Welfare Committee (CWC) to provide a support person to assist the child throughout the investigation and trial process.
 - The support person is responsible for ensuring the child's best interests, including physical, emotional, and mental well-being.

➤ Features:

○ Gender-Neutral Nature:

- The Act recognizes that both girls and boys can be victims of sexual abuse and that such abuse is a crime regardless of the gender of the victim.
- This is in line with the principle that all children have the right to protection from sexual abuse and exploitation, and that laws should not discriminate based on gender.

○ Ease in Reporting Cases:

- There is sufficient general awareness now to report cases of sexual exploitation of children not only by individuals but also by institutions as non-reporting has been made a specific offence under the Act. This has made it comparatively difficult to hide offences against children.

○ Explicit Definition of Terms:

- The storage of **child pornography material has been made a new offence**.
- Further, the offence of 'sexual assault' has been defined in explicit terms (with increased minimum punishment) unlike an abstract definition of 'outraging modesty of a woman' in the IPC.

○ Immediate Payment of Special Relief:

- Under the POCSO Rules, the CWC may recommend immediate payment for essential needs like food, clothes, and transportation, using funds from the District Legal Services Authority (DLSA), the District Child Protection Unit (DCPU), or funds maintained under the **Juvenile Justice Act, 2015**.
- The payment must be made within a week of receiving the CWC's recommendation.

What are the Issues in the Recent Judgement of Madras High Court?

➤ Different Interpretation of Section 67B:

- The facts of Investigation are sufficient to attract the application of Section 67B(b) of the IT Act,

2000 but the High Court held that in order to constitute an offence, the accused must have published, transmitted, created material depicting children in sexually explicit act or conduct.

- Thus, the High Court reached its judgement without analysing all of Section 67B, and reading into sub-clause (b), which clearly delineates the act of the accused.

➤ **Incomplete Reference to Kerala HC's Judgement:**

- The Madras HC referred to a precedent, without mentioning details, i.e., title or year, of that case, where the High Court of Kerala dealt with the scope of Section 292 of the IPC and held that watching an obscene photograph or obscene videos by a person by itself was not an offence.
- The ratio of this case does not apply to the cases of child pornography, particularly the one under consideration.

➤ **Negligence of Constitutional Validity of Section 67B:**

- A case decided by the HC of Kerala in **Aneesh vs State of Kerala, 2023** did not pertain to child pornography. While watching adult pornography in privacy has been held as not to be an offence under Section 292 of the IPC (both by the HC of Kerala and the **Supreme Court of India**), downloading sexually explicit material pertaining to children is clearly an offence under the IT Act.
- In none of the cases so far has the constitutionality of Section 67B(b) been challenged and its vires held unconstitutional.

➤ **Excessive Reliance on Section 482 of CrPC:**

- The Madras HC used its inherent powers under Section 482 of the **Criminal Procedure Code (CrPC)** to prevent misuse of the process of court and quashed the judicial proceedings.
- The Supreme Court has laid down certain guidelines in **State of Haryana vs Bhajan Lal (1992)** to exercise powers under Section 482 of the CrPC (or extraordinary powers under **Article 226**) including that such powers could be used where the allegations made in the FIR do not, prima facie, constitute an offence or make out a case against the accused.

What are the Different Legislations Regulating Child Pornography?

- **Section 67B of IT Act, 2000:** Section 67B has five sub-clauses dealing with different aspects such as:
- (a) talks about publishing or transmitting material depicting children engaged in sexually explicit act or conduct,

- (b) deals with acts including downloading of child pornography material,
- (c) talks about cultivating, enticing or inducing children to [an] online sexually explicit relationship,
- (d) talks about facilitating abuse of children online and sub-clause,
- (e) talks about recording abuse/a sexually explicit act with children.

➤ **Section 14 of POCSO Act, 2012:**

- Sub-section 1 states that Whoever uses a child or children for pornographic purposes shall be punished with imprisonment for a term which shall not be less than five years and shall also be liable to fine and in the event of second or subsequent conviction with imprisonment for a term which shall not be less than seven years and also be liable to fine.
- Sub-section 2 mentions that Whoever using a child or children for pornographic purposes under sub-section (1), commits an offence referred to in section 3 or section 5 or section 7 or section 9 by directly participating in such pornographic acts, shall be punished for the said offences also under section 4, section 6, section 8 and section 10, respectively, in addition to the punishment provided in sub-section (1).

WHAT LAW SAYS		POCSO ACT, 2012
Section 67B Punishment for publishing or transmitting of material depicting children in sexually explicit act, etc. in electronic form Anyone publishing or transmitting child pornography shall be punished on first conviction with imprisonment of either description for a term which may extend to five years and with a fine which may extend to ten lakh rupees and in the event of second or subsequent conviction with imprisonment of either description for a term which may extend to seven years and also with fine which may extend to ten lakh rupees		Section 15 Any person, who stores, for commercial purposes any pornographic material in any form involving a child shall be punished with imprisonment of either description which may extend to three years or with fine or both

What Steps Need to Be Taken to Address the Issues?

➤ **Adhering to Comprehensive Legislative Framework:**

- Section 67B of the IT Act, along with related sections such as 67, 67A and Section 14 of POCSO Act, 2012, constitutes a comprehensive legislative framework to address offences related to child pornography. The inclusion of specific provisions reflects the intent to combat sexual exploitation of children in cyberspace.

➤ **National Crime Records Bureau's Role:**

- The **National Crime Records Bureau (NCRB)**, Ministry of Home Affairs, under an agreement with the American National Center for Missing & Exploited Children, regularly gets geo-tagged CyberTipline reports to prosecute those who upload the child sexual abuse materials (CSAM) from anywhere in India.

- This should also entail safeguarding and preserving the privacy concerns and bodily integrity of child victims and not be published openly on the website.

➤ **Terminology Adjustment:**

- Advocates suggest replacing “child pornography” with “child sexual abuse materials” (CSAM) to better reflect the non-consensual nature of the content. This linguistic shift will enhance legal clarity and emphasise the seriousness of the offence.

➤ **Harmonising Legal Provisions:**

- There’s a call for harmonising provisions between the POCSO Act, 2012 and the IT Act, 2000 to ensure consistency in addressing offences related to child sexual exploitation. This alignment would streamline legal procedures and strengthen the protection of children.

➤ **Making CSAM a Separate Offence:**

- Amendments to the POCSO Act may be necessary to include possession of CSAM as a separate offence, aligning it with the provisions of the IT Act, 2000. Such changes would address inconsistencies and provide clearer legal guidance in prosecution of the perpetrators.

➤ **Importance of State Action:**

- It’s crucial for the state government and respective investigating agencies to appeal against the Madras High Court’s decision to prevent setting a detrimental precedent. Upholding the integrity of laws related to child protection is essential for safeguarding vulnerable populations and ensuring justice.

What are the Initiatives to Curb Child Abuse?

- **Child Abuse Prevention and Investigation Unit**
- **Beti Bachao Beti Padhao**
- **The Juvenile Justice (Care and Protection of Children) Act, 2015**
- **Child Marriage Prohibition Act (2006)**
- **Child Labour Prohibition and Regulation Act, 2016**
- **Fast Track Special Courts:** Since October 2019, the Department of Justice is implementing a **Centrally Sponsored Scheme**, to set up Fast Track Special Courts (FTSCs) including exclusive POCSO Courts across the nation for expeditious trial relating to sexual offences where each court comprises of 1 Judicial Officer and 7 Staff Members.

Conclusion

The judgement of the Madras High Court raises crucial legal and ethical considerations regarding the interpretation and application of laws concerning child pornography. The discrepancy between the POCSO Act, 2012 and the IT Act, 2000 regarding the possession of CSAM warrants legislative review and amendment to ensure coherence and effectiveness in combating online exploitation of children. Therefore, it is imperative for the State government to appeal against this judgement and take proactive measures to strengthen legal safeguards and protect the rights of children in the digital age.



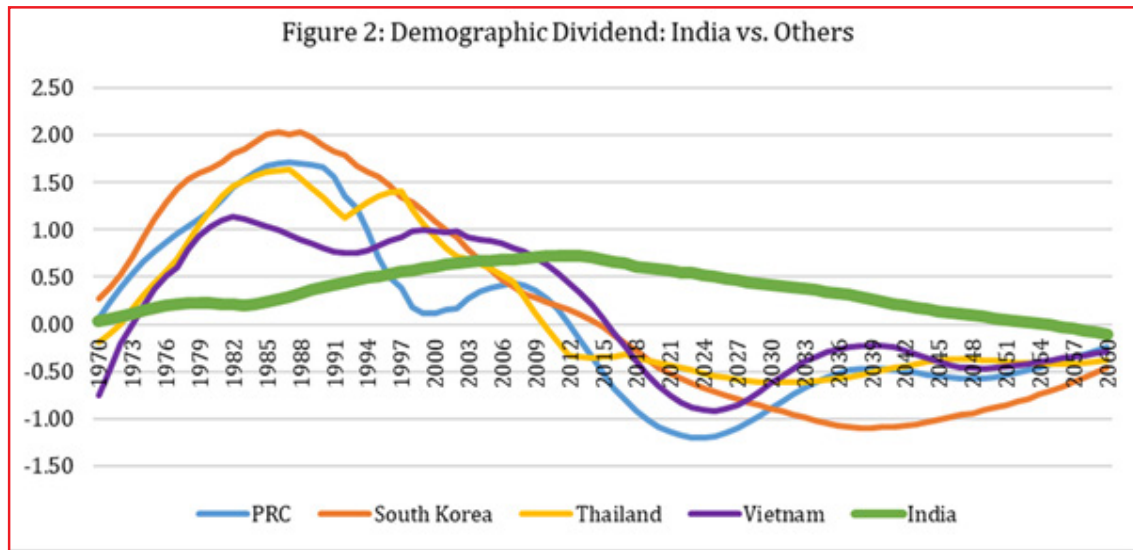
A Multifaceted Approach to Population Management

This editorial is based on “[Charting a path for the population committee](#)” which was published in *The Hindu* on 09/02/2024. The article explains that the announcement in the Interim Budget 2024-25 of a “high-powered committee, also called Population Committee, to extensively consider the challenges arising from rapid population growth and demographic changes” is groundbreaking and needs to adopt an interdisciplinary approach in its operation.

Tag: GS Paper - 1, GS Paper - 2, Population and Associated Issues, Human Resource, Issues Arising Out of Design & Implementation of Policies, Salient Features of Indian Society.

According to the latest projections by the **United Nations (UN)**, India’s population is expected to reach 1.46 billion by 2030, comprising 17% of the world’s projected population. While India experienced a phenomenal population growth until the 1970s, growth rates have slowed since then, with fertility levels in steady decline.

This decline, which is reflected in the **Total Fertility Rate (TFR)**, has been instrumental in shaping India’s demographic trajectory. With the TFR projected to touch 1.73 in 2031-35 from 2.5 in 2009-11, India will witness a **demographic transition** characterised by a decreasing proportion of the child population and an increasing proportion of the working-age population.



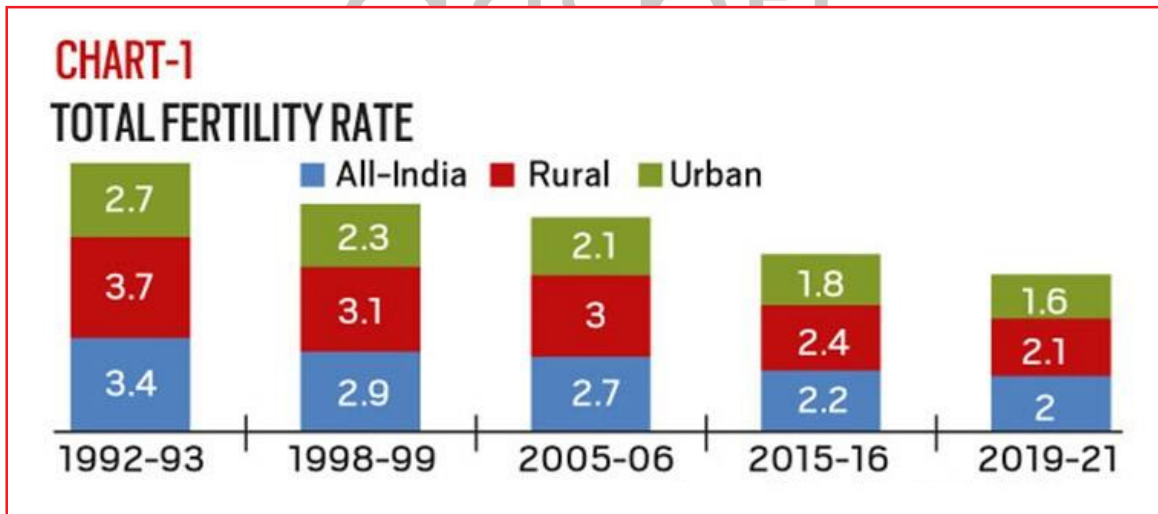
What are the Present Population Growth Trends in India?

➤ Decline in Population Growth:

- Percentage decadal growth rate of population has been declining since 1971-81 at all India levels.
- However, significant fall in case of **EAG States** (Empowered action group states: UP, Uttarakhand, Bihar, Jharkhand, MP, Chhattisgarh, Rajasthan and Orissa) was noticed for the first time during the 2011 census.

➤ Decline in India's TFR:

- The TFR has further declined from 2.2 to 2.0 at the national level between **National Family Health Surveys (NFHSs) 4 and 5**.
- There are only five states in India which are above replacement level of fertility of 2.1. These states are Bihar, Meghalaya, Uttar Pradesh, Jharkhand and Manipur.
 - Replacement level fertility** is the total fertility rate, the average number of children born per woman at which a population exactly replaces itself from one generation to the next, without migration.



➤ Improvement in Mortality Indicators:

- Life expectancy at birth saw a remarkable recovery from **32 years in 1947 to 70 years in 2019**.
- According to NFHS-5, **Infant Mortality Rate (IMR)** stands at 32 per 1,000 live births which includes an average 36 deaths for rural and 23 for urban areas.

➤ Increase in Family Planning:

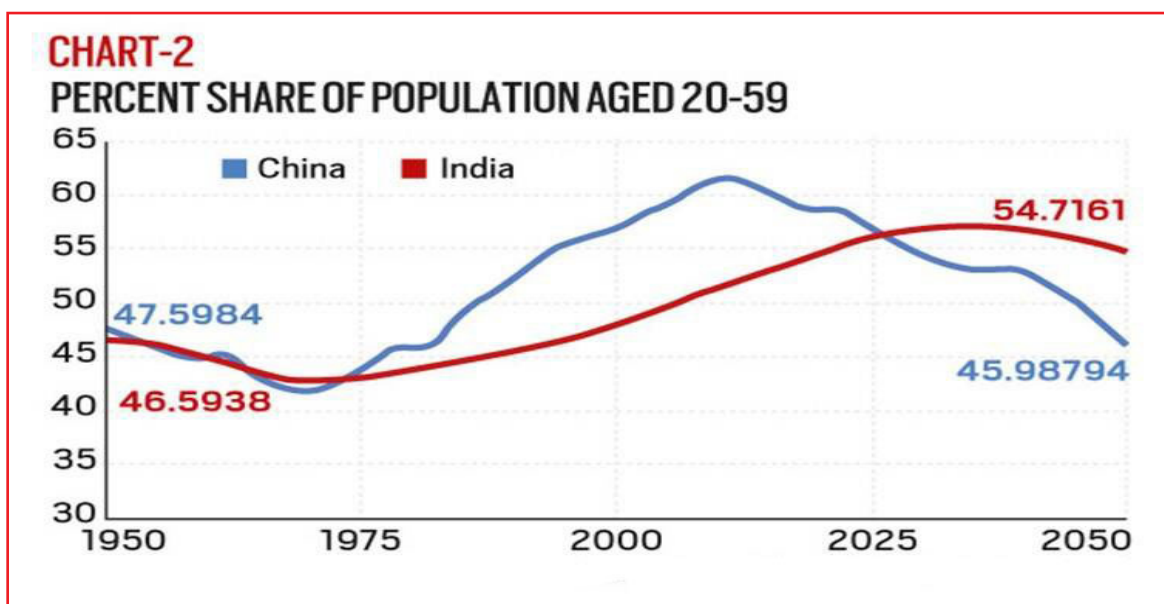
- According to NFHS-5, overall **Contraceptive Prevalence Rate (CPR)** has increased substantially from 54% to 67% at all-India level and in almost all Phase-II States/UTs with the exception of Punjab.

➤ **Improvement in Life Expectancy:**

- As per the recent [United Nations Population Fund \(UNFPA\)](#) report '[State of World Population report 2023](#)':
 - The average life expectancy for an Indian male was projected as 71 and 74 for females.
 - For developed regions, the average life expectancy for males was projected at 77 and 83 for females-the highest of all.
 - For less developed regions, the ages are 70 for males and 74 for females, while for least developed countries, it is 63 for males and 68 for females.

➤ **Robust Demographic Dividend:**

- India's population offers a significant advantage in terms of a large workforce, which can help drive economic growth.
- India's 68% population are in the 15 to 64 years age group, providing a significant contribution to the working or able-to-work population.
- India has one of the youngest populations in an ageing world. **By 2022, the median age in India was just 29**, compared to 38 in China and the US, 46 in Western Europe, and 51 in Japan.



What was the Need for Formation of the Population Committee in India?

➤ **Large Projected Population:**

- As per the UN estimates, India's population will surpass 1.5 billion people by the end of this decade and will continue to slowly increase until 2064, when it will peak at 1.7 billion people.
- Despite a slowdown in population growth rates, demographic transitions are underway, with implications for India's age distribution and economic growth potential.

➤ **Harnessing Demographic Dividend and Economic Growth:**

- India's demographic dividend presents an opportunity for accelerated economic growth per capita, provided investments are made in health, education, and skill development.
- Capitalising on this dividend requires initiatives to enhance human capital and integrate

marginalised groups into the workforce which the envisaged committee can complement significantly.

➤ **Addressing Challenges in Health, Education, and Employment:**

- Public spending on health has remained around 1% of **GDP**, underscoring the need for policies that prioritise health promotion and allocate greater finances to health infrastructure.
 - According to **UNICEF**, nearly 47% of Indian youth may lack the necessary education and skills for employment by 2030.
 - The disruptions caused by the **COVID-19** pandemic have exacerbated these challenges, with over 250 million children forced out of school, causing significant setbacks in learning outcomes.
- The Population Committee will help enhance the targeted approach to these segments in a streamlined and comprehensive manner.

➤ **Importance of Evidence-Based Decision Making:**

- Accurate and timely data are essential for evidence-based policymaking. India faces challenges in statistics availability and quality, necessitating improvements in estimate collection methodologies, technology adoption, and collaboration with stakeholders.
- The high-powered committee can offer a viable alternative to lagging data provided by **National Sample Survey Organisation (NSSO)** and NFHS.

➤ **Need for Modernising Data Infrastructure:**

- Modernising data infrastructure through digital technologies and robust systems is crucial for accurate demographic data collection and analysis.
- Investments in data collection methods, data processing technologies, and data security are imperative for reliable population statistics.

➤ **Realising Inclusive and Sustainable Development:**

- By adopting a holistic approach to population management, prioritising investments in health, education, employment, and statistical systems, India can realise its growth potential and achieve inclusive and sustainable development.
- Strategic planning, effective implementation, and international collaboration are key to navigating India's transition successfully, to be done successfully on the plank of the proposed population committee.

What are the Different Points to be Incorporated in the Formation of the Population Committee?

➤ **Adopting a Multi-Sectoral Strategy:**

- The **Interim Budget's** introduction of this significant initiative must align with the goal of '**Viksit Bharat**'. This committee should adopt a multi-sectoral strategy encompassing various domains such as family planning, maternal and child health, education, employment, and socio-economic development such as :
 - Designing play-based flexible curricula, and engaging parents, communities, and stakeholders to generate demand for early childhood education are other measures to improve outcomes.
 - Additionally, efforts to bridge the gap between existing skill development initiatives and industry requirements are essential to reduce unemployment and increase productivity.

➤ **Interdisciplinary Approach to Population Management:**

- The success of the population committee relies on its interdisciplinary approach, drawing expertise from demography, public health, economics, sociology, and governance.
 - By leveraging diverse perspectives, the committee should identify emerging issues and assess the efficacy of existing interventions through rigorous research and data analysis.

➤ **Synergistic Efforts for Effective Implementation:**

- Collaboration with diverse stakeholders including governmental agencies, NGOs, civil society, academia, and the private sector is essential for effective policy implementation at both national and grassroots levels.
 - These partnerships will foster collective action and ensure the success of population-related programs.

➤ **Emphasis on Public Awareness and Education:**

- Apart from policy formulation, the committee must emphasise public awareness and education campaigns. By empowering individuals and communities with accurate information, it aims to promote responsible family planning practices and enhance health outcomes.

➤ **International Collaboration in Population Management:**

- Facilitating international collaboration and the exchange of best practices in population management is crucial. Learning from global experiences and collaborating with international organisations can enrich India's strategies in addressing demographic challenges.
 - Collaboration with international organisations such as the **United Nations Population Division**, **World Bank**, and academic institutions can provide access to global best practices, technical expertise, and funding opportunities for population data collection and analysis.

➤ **Integrating India's Evolving Demographic Landscape:**

- India's demographic landscape has witnessed significant shifts over the years, marked by declining fertility rates, an increasing working-age population, and a rising elderly population.
 - Understanding these changes through the stipulated committee is critical for shaping future economic and demographic trajectories.

➤ **Adopting Quality Assurance Mechanisms for Data Reliability:**

- Implementing rigorous validation and quality assurance mechanisms ensures the reliability and accuracy of population data. Independent audits, data validation exercises, and peer review processes will play a vital role in identifying and rectifying data errors.

➤ **Facilitating Data Accessibility to Researchers:**

- Promoting open data initiatives and transparency in data sharing enhances access to population data for researchers, policymakers, and the public.
- Committee should promote standardised formats and data sharing protocols to facilitate data reuse, transparency, and accountability in the research process.

Conclusion

The establishment of a high-powered committee to address the challenges posed by rapid population growth and demographic changes marks a significant step towards formulating effective policies and strategies. This committee must adopt an interdisciplinary approach, collaborate with stakeholders, and focus on public awareness and education campaigns to manage population growth effectively. India's demographic landscape presents both opportunities and challenges, with the potential for accelerated economic growth if investments are made in health, education, and employment.



Ladakh in Sixth Schedule: Listen to Local Demand

This editorial is based on "[Listen to Ladakh](#)" which was published in The Times of India on 06/02/2024. The article explores the underlying reasons behind the recent protests in Ladakh, which advocate for separate statehood and inclusion in the Sixth Schedule.

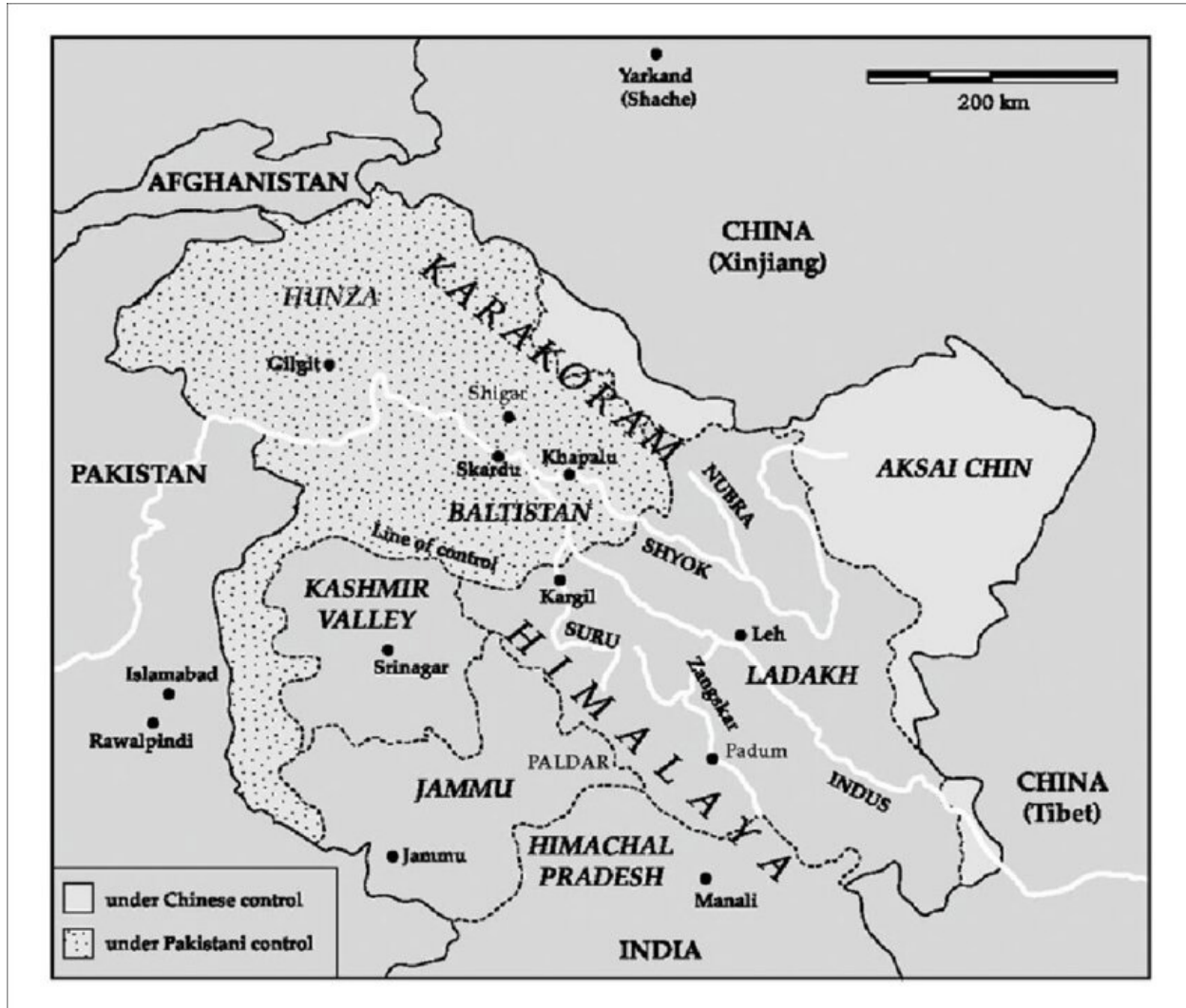
Tag: GS Paper - 2, Federalism, Cooperative Federalism, Constitutional Amendments, Issues Relating to Development, Issues Related to SCs & STs

In recent times, [Ladakh](#) has seen significant protests regarding statehood and preserving its identity in the constitution. Protesters are calling for [Ladakh's statehood](#) to be reinstated after it was made a Union territory without a legislature in 2019. They also want

Ladakh to be recognized as a tribal area under the [Sixth Schedule](#), along with job reservations for locals and parliamentary seats for both Leh and Kargil districts.

What Makes Ladakh Significant for India?

- **Geopolitical Importance:** Ladakh is also known as "the Land of Passes" (La-passes, dakh-land). Ladakh's strategic location at the crossroads of [South Asia](#), Central Asia, and East Asia gives it immense geopolitical significance.
- **Strategic Significance:** It serves as a buffer zone between India and its neighboring countries, including China and Pakistan. The ongoing border disputes with China and Pakistan in the Ladakh region underscore its importance in safeguarding India's territorial integrity and sovereignty.
 - The Indian Armed Forces maintain a strong presence in Ladakh to counter external threats and safeguard India's borders.
- **Tourism Potential:** Popularly known as the **Lama Land or Little Tibet**, Ladakh lies at altitudes ranging between about 9,000 feet and 25,170 feet. From trekking and mountaineering to Buddhist tours of various monasteries, Ladakh has it all.
- **Economic Importance:** Ladakh possesses vast untapped economic potential, particularly in sectors such as tourism, agriculture, and renewable energy.
 - The region's breathtaking landscapes, including the pristine lakes and majestic mountains of [Pangong and Tso Moriri](#), attract tourists seeking adventure and tranquility.
- **Environmental Significance:** Ladakh's fertile valleys and river basins offer opportunities for agricultural development, including organic farming and horticulture. Additionally, Ladakh's abundant sunlight and wind resources make it conducive for the development of solar and wind energy projects, contributing to India's [renewable energy](#) goals.
- **Cultural Significance:** The land of Ladakh enjoys the significance of being located at the ancient [Silk Route](#) which passes through these regions and played a very vital role in the development of culture, religion, philosophy, trade, and commerce in the past.
 - The region is home to diverse ethnic communities, including the Ladakhi, Tibetan, and Balti people, each with their distinct traditions and customs.
 - The centuries-old monasteries of Hemis, Thiksey, and Diskit serve as spiritual and cultural centers, preserving ancient Buddhist teachings and practices.



What are the Arguments in Favour of Ladakh's Demand for Inclusion in the 6th Schedule?

- **Ensuring Representation:** Following the reorganization of Jammu and Kashmir in 2019, Ladakh was designated as a Union Territory without a legislative assembly. This change led to concerns about the loss of local autonomy and representation in decision-making processes.
 - This has led to comparisons with the earlier situation where Ladakh had four members in J&K's assembly and two in the legislative council.
 - When Ladakh was part of erstwhile Jammu and Kashmir, the Ladakh Autonomous Hill Development Council (LAHDC), an elected body that governed the region, enjoyed significant autonomy.
 - But with the region now under the direct rule of the central government, Ladakhi leaders say the **LAHDC has been reduced to footnotes**, leading to a feeling of political dispossession.

- Diminished representation now has led to fears that outsiders will decide for Ladakh.

- **Lack of Public Participation:** As part of the State of Jammu and Kashmir, Ladakh had enjoyed privileges of special status under Article 370 and Article 35A. The sentiment now is one of disempowerment, as the absence of safeguards for jobs, land, culture, and identity has led to growing insecurity. The lack of a legislative body means that **decision-making has shifted from public participation** to bureaucratic processes.
- **Ladakh's Fragile ecosystem:** Ladakh's fragile ecosystem, **characterized by high-altitude deserts, glaciers, and alpine meadows**, is a hotspot of biodiversity and serves as a crucial habitat for rare and endangered species.
 - Climate activists have flagged **concerns regarding mining** in the glacial ecology.
 - People in Ladakh fear that if there are industries, each industry will bring lakhs of people and this fragile ecosystem cannot support so many people.

- Careful management of water resources within Ladakh is therefore vitally important, not only for the livelihoods of Ladakhis and the ecosystems of Ladakh but for the health of the whole river system,
- **Sensitive Borders:** The delicate situation in Ladakh is compounded by its borders with both China and Pakistan. The ongoing military standoff with the Chinese PLA in eastern Ladakh, combined with Pakistan's persistent efforts to stoke tensions in India's border areas, presents a significant security challenge.
- Addressing the **China-Pakistan axis** necessitates strategic infrastructure development **supported by the local community.**
- **Preservation of Cultural Identity:** Inclusion in the Sixth Schedule would provide legal safeguards to protect Ladakh's unique cultural heritage and traditional customs. The Sixth Schedule empowers tribal communities with a degree of autonomy in governance, enabling them to manage their own affairs and resources.
- **Performance of Socio-Economic Development:** Critics argue that the performance of the Union Territory administration has been notably deficient in terms of generating employment opportunities for the young workforce.
 - Four years have passed since the establishment of the Union Territory, but the **absence of a public service commission** has created a sense of anger among the youths.
 - A glaring issue compounds this situation—the **lack of a comprehensive job policy** within the Union Territory.
 - The autonomy granted under the Sixth Schedule can facilitate the formulation and implementation of locally relevant development initiatives, leading to improved socio-economic outcomes.
- **Strengthening of Democratic Institutions:** The establishment of autonomous councils under the Sixth Schedule would strengthen democratic institutions at the grassroots level, promoting inclusive governance and accountability.

What is the Sixth Schedule?

- **Article 244:** The Sixth Schedule under Article 244 provides for the formation of autonomous administrative divisions — **Autonomous District Councils (ADCs)** — that have some legislative, judicial, and administrative autonomy within a state.

- **Current Status :** The Sixth Schedule contains special provisions for the administration of tribal areas in the four north-eastern states of Assam, Meghalaya, Tripura and Mizoram.

MEGHALAYA

● Khasi Hills Autonomous District Council

● Jaintia Hills Autonomous District Council

● Garo Hills Autonomous District Council

MIZORAM

● Chakma Autonomous District Council

● Lai Autonomous District Council

● Mara Autonomous District Council

TRIPURA

● Tripura Tribal Areas Autonomous District Council

ASSAM

● Dima Hasao Autonomous Council

● Karbi Anglong Autonomous Council

● Bodoland Territorial Council

- **Autonomous Districts:** The tribal areas in these four states have been constituted as autonomous districts. The governor is empowered to organize and reorganize the autonomous districts.
- **District Council:** Each autonomous district has a district council consisting of 30 members, of whom four are nominated by the Governor and the remaining 26 are elected on the basis of adult franchise.
- **Powers of the Council:** The district and regional councils administer the areas under their jurisdiction.
 - They can make laws on certain specified matters like land, forests, canal water, shifting cultivation, village administration, the inheritance of property, marriage and divorce, social customs and so on. But all such laws require the assent of the Governor.
 - They can constitute village councils or courts for trial of suits and cases between the tribes. They hear appeals from them. The jurisdiction of the high court over these suits and cases is specified by the governor.
 - The district council can establish, construct or manage primary schools, dispensaries, markets, ferries, fisheries, roads and so on in the district.
 - They are empowered to assess and collect land revenue and to impose certain specified taxes

What are the Arguments Against Inclusion of Ladakh in the Sixth Schedule?

- **Legal and Administrative Hurdles:** The Ministry of Home Affairs has highlighted potential challenges in amending the Constitution to include Ladakh in the Sixth Schedule, stating that **such a move would require a constitutional amendment.**

- According to the Ministry, the **Constitution explicitly reserves the Sixth Schedule for the Northeast region**, while tribal areas in other parts of the country are covered under the **Fifth Schedule**.
- **Potential Delays in Decision-Making:** Some may argue that including Ladakh in the Sixth Schedule **could add complexity to the region's governance structure**, potentially leading to administrative challenges and delays in decision-making processes.
- **Inclusion Already Under Progress:** The central government informed a **parliamentary standing committee** recently that the objective for inclusion of tribal population under the sixth schedule is to ensure their overall socio-economic development, which the UT administration has already been taking care of and that **sufficient funds are being provided** to Ladakh to meet its overall developmental requirements.
- **Increased Reservations:** According to a recent report tabled in Rajya Sabha, the Ladakh administration **recently increased the reservation for the Scheduled Tribes in direct recruitment from 10% to 45%** which will significantly help the tribal population in their development.
- **Hindrance in Economic Development:** Being a Union Territory allows for focused investment in infrastructure development in Ladakh, including roads, airstrips, and communication networks. Critics argue that **inclusion in the Sixth Schedule could hinder Ladakh's economic development** by imposing restrictions on land use, resource exploitation, and investment opportunities.
- **Clear Chain of Command:** With Ladakh directly governed by a Lieutenant Governor appointed by the central government, there is a clear chain of command for security operations in the region. This facilitates effective coordination between the military, paramilitary forces, and local administration in responding to Chinese incursions.
- Ladakh's status as a Union Territory reinforces India's sovereignty over the region, strengthening its diplomatic position in negotiations with China over border disputes.

What Should be the Way Forward?

- **Meaningful Dialogue:** The government should initiate meaningful dialogue with the stakeholders involved in the protests, including representatives from Ladakh's local communities, political leaders, and civil society organizations.

- This dialogue should aim to understand the underlying grievances, aspirations, and concerns driving the demand for Sixth Schedule status.
- **Assessment of Feasibility:** A thorough assessment should be conducted to evaluate the feasibility and implications of granting Sixth Schedule status to Ladakh.
- This assessment should consider legal, administrative, socio-economic, and cultural factors, as well as potential implications for governance, development, and security in the region.
- **Gain the Trust of the People:** To gain the trust of the people, government decisions and promises must be tangible and significant within a defined timeframe.
- The process of addressing the demand for Sixth Schedule status in Ladakh should be iterative and responsive to evolving circumstances.
- **Enhance Local Governance:** The government should ensure enhanced efforts for inclusive local governance, greater autonomy, and targeted policy interventions to promote socio-economic development and cultural preservation in the region.
- **Sensitive Policymaking:** India's policymakers, while drafting their policies for Ladakh, should consider its geographic location, fragile environment, resource potentials and its people's aspirations. In such a strategic location, it is crucial to keep all these aspects in harmony to take advantage of it to its fullest.
- **Gradual and Phased Approach:** Given the complexity of the issue and the diverse interests involved, any decision on Ladakh's status under the Sixth Schedule should be taken through a gradual and phased approach.
- This could involve pilot projects, experiments, or phased implementation strategies to test the feasibility and effectiveness of different options before full-scale implementation.

Conclusion:

The democratic representation in Ladakh should be a crucial component of India's security strategy. By ensuring that the people of Ladakh have a voice in decision-making processes, particularly those related to security and governance, the government can enhance local ownership and participation in efforts to safeguard the region's interests and address security challenges effectively.



India-UAE's Strategic Cooperation

This editorial is based on "[A privileged strategic partnership, without a gulf](#)" which was published in *The Hindu* on 12/02/2024. The article explores how India's strategic partnership agreements, particularly the one with the United Arab Emirates (UAE), demonstrate a high level of convergence and mutual respect across all levels.

Tag: GS Paper - 2, India and its Neighbourhood, Bilateral Groupings & Agreements, GS Paper - 3, Growth & Development.

Over the years, India's relationship with the UAE has evolved into one of its most prominent bilateral relationships. The UAE not only serves as a strategic partner but also plays a pivotal role in India's engagement in the [Gulf region](#) highlighting the close rapport between leaders.

[Prime Minister's](#) visit to the UAE in February 2024, holds significance as he is set to inaugurate a temple constructed by the Bochasanwasi Shri Akshar Purushottam Swaminarayan Sanstha in Abu Dhabi. This marks his seventh visit to the UAE since 2015, reflecting the growing importance of bilateral relations.



How are India's Bilateral Relations with the UAE?

➤ About:

- India and the UAE established diplomatic relations in 1972.
- The greater push has been achieved in bilateral relations when the visit of India's Prime Minister

to the UAE in August 2015 marked the beginning of a new strategic partnership between the two countries.

- Further, during the visit of the Crown Prince of Abu Dhabi to India in January 2017 as the chief guest at India's Republic Day celebrations, it was agreed that bilateral relations were to be upgraded to a comprehensive strategic partnership.
- This gave momentum to launching negotiations for an [India-UAE comprehensive economic partnership agreement](#).

➤ Economic Relations:

- The economic partnership between India and the UAE has flourished, with bilateral trade reaching USD 85 billion in 2022-23. The UAE is India's third-largest trading partner and second-largest export destination.
 - The aim is to boost bilateral merchandise trade to above USD 100 billion and services trade to USD 15 billion in five years.
- A trade agreement is also an enabler for two-way investment flows. The UAE's investment in India is estimated to be around USD 11.67 billion, which makes it the ninth biggest investor in India.
- Also, many Indian companies have set up manufacturing units either as joint ventures or in [Special Economic Zones \(SEZs\)](#) for cement, building materials, textiles, engineering products, consumer electronics, etc. in the UAE.
 - Many Indian companies have also invested in the tourism, hospitality, catering, health, retail, and education sectors.
- Under India's revamped FTA strategy, the Government has prioritised at least six countries/regions to deal with, in which the UAE figures at the top of the list for an [early harvest deal \(or Interim Trade Agreement\)](#), the others are the UK, the EU, Australia, Canada, Israel and a group of countries in the [Gulf Cooperation Council \(GCC\)](#).
 - The UAE too announced earlier its intent to pursue bilateral economic agreements with India and seven other countries (U.K., Turkey, South Korea, Ethiopia, Indonesia, Israel, and Kenya).

India-UAE Bilateral Trade*Value in US\$ Million*

S.No.	Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 (Aprl-Sept)
1	EXPORT	28146.12	30126.73	28853.59	16679.54	28044.88	16,056.47
2	%Growth		7.04	-4.23	-42.19	68.14	
3	IMPORT	21739.11	29785.33	30256.65	26622.99	44833.43	28,403.98
4	%Growth		37.01	1.58	-12.01	68.4	
5	TOTAL TRADE	49885.23	59912.05	59110.23	43302.53	72878.31	44,460.45
6	%Growth		20.1	-1.34	-26.74	68.3	

Source : DGCI&S, Kolkata

➤ **Cultural Relations:**

- UAE has over 3.3 million Indians and Emiratis are quite familiar and receptive to Indian culture. India participated as the Guest of Honour Country in Abu Dhabi International Book Fair 2019.
- Indian cinema/ TV / radio channels are easily available and have good viewership; major theaters/cinema halls in the UAE screen commercial Hindi, Malayalam and Tamil films.
- The Emirati community also participate in our annual International Day of Yoga events and various schools of yoga & meditation centres are running successfully in the UAE.

➤ **Fintech Collaboration:**

- India and the UAE are actively collaborating in the fintech sector. Initiatives such as the acceptance of the **RuPay card in the UAE since August 2019** and the operationalization of a Rupee-Dirham settlement system demonstrate mutual convergence in digital payment systems.
 - The framework for the use of local currencies for transactions between India and the UAE aims to put in place a **Local Currency Settlement System (LCSS)**.
 - The creation of the LCSS would enable exporters and importers to invoice and pay in their respective domestic currencies, which in turn would enable the development of an INR-AED **foreign exchange** market, according to the RBI.

➤ **Energy Security Cooperation:**

- The UAE plays a crucial role in India's energy security, with **strategic oil reserves** stored in India.

Agreements such as the investment in the strategic crude oil storage facility in Mangaluru underscore the depth of cooperation in this vital sector.

➤ **Strategic Regional Engagement:**

- India and the UAE are actively engaged in various regional groupings and initiatives such as the **I2U2** and the **India-Middle East-Europe Economic Corridor (IMEC)**, reflecting shared interests and strategic alignment.

What are Different Challenges in India-UAE Relations?➤ **Trade Barriers Impacting Indian Exports:**

- **Non-Tariff Barriers (NTBs)** like Sanitary and Phytosanitary (SPS) measures and Technical Barriers to Trade (TBT), notably mandatory Halal certification, have impeded Indian exports, particularly in sectors such as poultry, meat, and processed foods.
 - These barriers have led to a significant decline in processed food exports to the UAE by almost 30% in recent years, according to a report from India's Ministry of Commerce and Industry.

➤ **Chinese Economic Influence in the UAE:**

- China's "**Cheque Book Diplomacy**," characterized by offering low-interest loans, has overshadowed Indian economic endeavors in the UAE and the broader Middle East.
 - Data from the American Enterprise Institute's China Global Investment Tracker reveals that China's investments and contracts in the UAE exceeded USD 30 billion between 2005 and 2020, significantly surpassing Indian ventures in the region.

➤ **Challenges of the Kafala System:**

- The **Kafala system** in the UAE, which grants employers considerable power over immigrant laborers, especially those in low-wage jobs, presents significant human rights concerns.
 - Instances of passport confiscation, delayed wages, and poor living conditions underscore the challenges faced by migrant workers under this system.

➤ **Concerns Over UAE's Financial Support to Pakistan:**

- The UAE's substantial financial aid to Pakistan raises apprehensions about the potential misuse of these funds, considering Pakistan's history of sponsoring cross-border terrorism against India.
 - For instance, in 2019, the UAE pledged USD 3 billion to bolster Pakistan's foreign exchange reserves, raising concerns about the funds' diversion towards activities detrimental to India's national security.

➤ **Diplomatic Balancing Act Amid Regional Conflicts:**

- India finds itself in a delicate diplomatic position due to the ongoing conflict between Iran and Arab nations, notably the UAE. Despite U.S. sanctions on Iran, India continued to import oil from the country, accounting for approximately 10% of its total oil imports. This underscores issues in India's need to navigate its relations with both Iran and the Arab world cautiously.
- Recent outbreak of war between Israel and Hamas further aggravates the challenges as it runs the proposed IMEC into rough weather.

What are the Steps Required to Overcome the Challenges?

➤ **Paving Way for Better Relations with the GCC:**

- The UAE is a party to several regional and bilateral FTAs, including with countries in the GCC.
- As part of the GCC, the UAE has strong economic ties with Saudi Arabia, Kuwait, Bahrain, and Oman and shares a common market and customs union with these nations.
- Under the Greater Arab Free Trade Area (GAFTA) Agreement, the UAE has free trade access to Saudi Arabia, Kuwait, Bahrain, Qatar, Oman, Jordan, Egypt, Iraq, Lebanon, Morocco, Tunisia, Palestine, Syria, Libya, and Yemen.
 - This aspect of UAE should be leveraged effectively which will pave the way for India to enter the UAE's strategic location, and have relatively easy access to the Africa market and its various trade partners which can help India to become a part of that supply chain especially in handlooms, handicrafts, textiles and pharma.

➤ **Compliance to UAE's NTBs:**

- The UAE's tariff structure is bound with the GCC (where applied average tariff rate is 5%), therefore, the scope of addressing NTBs becomes very important as its compliances pose a challenge for Indian exporters.
 - The FTA agreement must try to bring more transparency and predictability in the use of NTBs so that their compliance becomes less cumbersome.
 - This includes consistent updates and information exchange regarding labelling requirements, licensing protocols, permits, and import monitoring. Such transparency will facilitate smoother trade relations, particularly in sectors affected by these barriers.

➤ **Exploring 2+2 Dialogues:**

- Comparable to India's 2+2 dialogues conducted with countries such as the U.S. and Russia, the initiation of a similar high-level dialogue with the UAE would prove advantageous.
- Such a platform could effectively tackle strategic, defense, and political matters, thereby nurturing enhanced bilateral understanding and cooperation between the two nations.

➤ **Integrating With 'Vision 21' of UAE:**

- In line with the UAE's 'Vision 2021', aimed at reducing dependence on oil and diversifying the economy, there lies a significant opportunity for India.
- Collaborating with the UAE in sectors like renewable energy, technology startups, fintech, and other emerging industries can bolster economic ties between the two nations, aligning with the UAE's vision for economic transformation away from traditional oil-centric models.

➤ **Addressing the Kafala System:**

- India ought to diplomatically engage with the UAE to push for reforms in the Kafala labor system. Following the example of Qatar, where reforms were influenced by Indian advocacy, India has the potential to make a substantial impact on enhancing the welfare of migrant workers in the UAE.

Conclusion

Prime Minister's forthcoming visit to the UAE underscores the deepening and multifaceted ties between the two nations. Beyond religious landmarks, the relationship encompasses robust economic partnerships, exemplified by burgeoning trade and

significant investments. Moreover, collaborative ventures in fintech and energy security underscore the breadth of their cooperation. As India and the UAE continue to forge ahead with their exceptional strategic partnership, they signal a model of convergence and mutual respect that is poised to strengthen further in the future.



Law on MSP: Farmers Back on Road

This editorial is based on “[Farmers back on road to Delhi](#)” which was published in The Indian Express on 13/02/2024. The article delves into the protesting farmers’ call for a legal assurance of Minimum Support Price (MSP) in India.

Tag: GS Paper-3, Direct & Indirect Farm Subsidies, Public Distribution System (PDS), Buffer Stocks & Food Security, Agricultural Marketing

In recent events, farmers primarily from Punjab, Haryana, and Uttar Pradesh, initiated their ‘Chalo Delhi’ march following an inconclusive meeting with the Union government.

The legal guarantee of [Minimum Support Price \(MSP\)](#) is the prime reason for the farmers’ protest. Apart from this, the farmers have also demanded the implementation of the [Swaminathan Commission’s recommendations \(2006\)](#), as well as farm debt waiver.

What is the Minimum Support Price (MSP)?

➤ About :

- The MSP is a guaranteed price for their produce from the Government.
- MSP is a form of market intervention by the Government of India to insure agricultural producers against any sharp fall in farm prices.
- MSP in India is a price floor set by the government to ensure that farmers receive a minimum price for their agricultural produce, thereby safeguarding their income and encouraging agricultural production

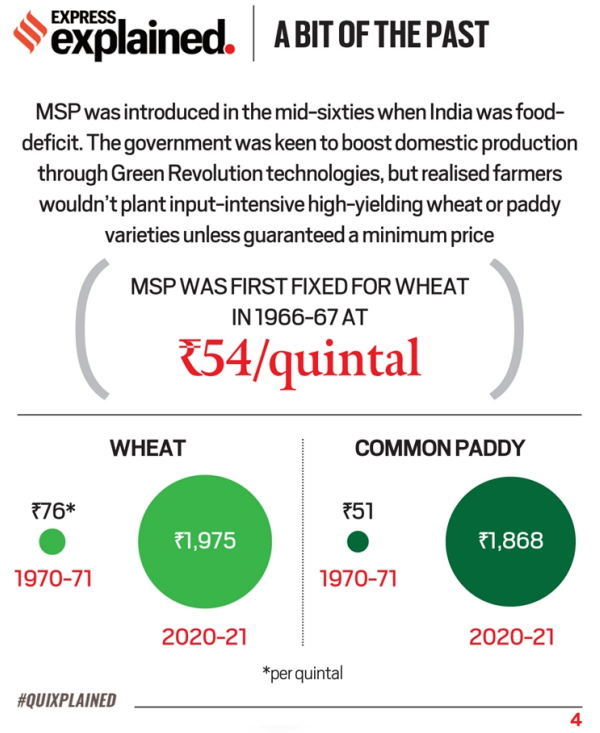
➤ Crops Under MSP:

- The government announces MSPs for **22 mandated crops** and **Fair and Remunerative Prices (FRP)** for sugarcane. The mandated crops are **14 crops of the kharif season, 6 rabi crops and two other commercial crops.**

- The list of crops is as follows :

- **Cereals (7):** Paddy, wheat, barley, jowar, bajra, maize and ragi
- **Pulses (5):** Gram, arhar/tur, moong, urad and lentil
- **Oilseeds (8):** Groundnut, rapeseed/mustard, toria, soyabean, sunflower seed, sesamum, safflower seed and nigerseed
- **Raw Cotton**
- **Raw Jute**
- **Copra**
- **De-husked Coconut**
- **Sugarcane (FRP)**
- **Virginia flu-cured (VFC) Tobacco**

- Presently, MSPs are notified for **23 crops**, but procurement is done for **wheat and paddy**, which meets the requirements of the public distribution system.



How MSP has been Calculated?

- The government bases its announcement on the recommendations given by the [Commission for Agricultural Costs & Prices \(CACP\)](#), which details three major formulas to arrive at MSP:
 - **A2:** Costs incurred by the farmer in the production of a particular crop. It includes several inputs such as expenditure on seeds, fertilizers, pesticides, leased-in land, hired labour, machinery and fuel.

- **A2+FL:** Costs incurred by the farmer and the value of family labor.
- **C2:** A comprehensive cost, which is A2+FL cost plus imputed rental value of owned land plus interest on fixed capital, rent paid for leased-in land.
- The government maintains that the **MSP** was fixed at a level of **at least 1.5 times** of the all-India weighted average **Costs of Production (CoP)**, but it calculates this cost as 1.5 times of A2+FL.

Why is There a Demand for Law on MSP?

- **Ensuring Financial Viability of Agriculture:**
 - Legalising MSP guarantees that farmers receive a minimum price for their produce, protecting them from market fluctuations and ensuring fair returns on their investments and labor.
 - MSP is the minimum price of agricultural produce that is necessary to keep agriculture financially viable. If the farmers do not get even this, then they will be pushed into debt.
- **Reducing Debt Burden on Farmers:**
 - According to a 2019 **National Bank for Agriculture and Rural Development (NABARD)** report, the average debt burden on a farmer's family is over Rs 1 lakh. This is despite the central and state governments providing farmers a subsidy of Rs 3.36 lakh crore.
 - The **total outstanding loan** on farmers increased **from Rs 9.64 lakh crore on March 31, 2014, to Rs 23.44 lakh crore in 2021-22.**
 - The debt burden on farmers is rising due to minimal increase in MSPs and because they do not receive the declared MSP.
 - If the farmer has to sell his produce at a price lower than the promised MSP, the latter becomes meaningless for the farmers. Therefore, a legal guarantee of MSP is necessary.
- **Supporting Farmers' Livelihoods:**
 - Legalising MSP helps support the livelihoods of millions of farmers, particularly small and marginalized farmers who are vulnerable to market uncertainties.
 - The **livelihood of about 50% of the country's population depends on agriculture** and agriculture-related activities.

➤ **Risk Mitigation:**

- **No business has to deal with so many unpredictable factors** and risks — extreme heat, floods, fire, frost, untimely rain, etc. Farmers remain uncertain and apprehensive about their income. MSP saves the farmer from debt and bankruptcy. Therefore, it needs to be secured with a legal guarantee.
- **Natural disasters** and market forces are hurting farmers. **Climate change** is increasing the complexity of farming. The farmer cannot be left at the mercy of weather and market forces.
- **Legalising MSP provides a safety net**, reducing the risk of income loss for farmers during unfavorable market conditions.

➤ **Addressing Market Imperfections:**

- The burden of providing cheap grains to protect consumer interests can't solely rest with the farmer. Often, even when farmers sell their produce at low prices, consumers buy them at exorbitant rates. This is because of middlemen which need to be regulated.
- Legalising MSP can help mitigate these issues by providing a guaranteed price directly to farmers.

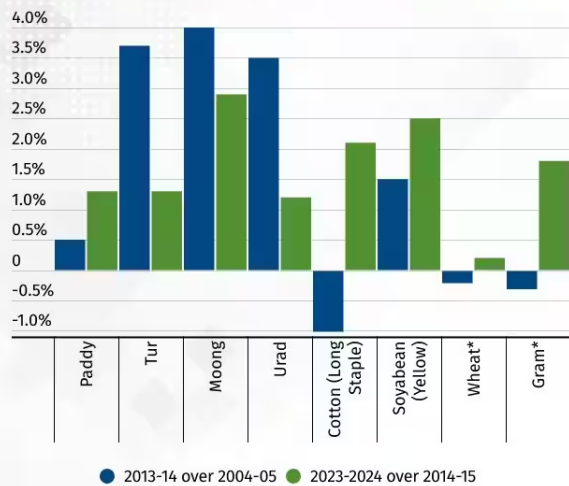
➤ **Promoting Agricultural Growth:**

- Legalising MSP encourages farmers to invest in agricultural production by providing price stability and income security. This, in turn, promotes agricultural growth and contributes to overall food security in the country.
- Legalising MSP can incentivize the adoption of sustainable agricultural practices by providing price incentives for crops that are environmentally friendly and resource-efficient.

➤ **Addressing Disparities:**

- The **Shanta Kumar Committee** concluded in 2015 that **only 6% farmers benefited from the support price scheme.**
- In 2019-20 alone, **three states** — Punjab, Haryana and Madhya Pradesh — **accounted for 85% of the wheat procurement.**
- Legalizing MSP can help mitigate these issues by providing a guaranteed uniform price directly to farmers.
- Farmer-centric policies centered around MSP legalization contribute to **poverty alleviation, rural development**, and social inclusion.

CAGR OF MSP OF MAJOR CROPS IN REAL TERMS



Note: * The MSP for rabi crop of wheat and gram is for the year 2022-23

Source: CACP, Government of India, Ministry of Labour and Employment



What are the Key Challenges in Legalising MSP?

➤ Financial Burden:

- Procuring crops at MSP requires substantial financial resources, and sustaining such procurement operations may strain government finances.
- Balancing the budgetary allocation for MSP with other essential expenditures such as infrastructure development, social welfare programs, and defense spending poses a challenge.
- Legal MSP cannot work if not supported by demand and supply side factors.

➤ Disincentive for Investment:

- MSP legalization may discourage private investment in agriculture, particularly in crops covered under MSP.
- Private players may hesitate to invest in sectors where government intervention in pricing is prevalent, limiting innovation and modernization efforts.

➤ Exacerbate Water Scarcity:

- MSP-supported crops like paddy and sugarcane are water-intensive, leading to overexploitation of water resources in regions where they are cultivated extensively.
- Legalising MSP may exacerbate water scarcity issues by promoting the cultivation of water-intensive crops, further distorting cropping patterns.

➤ Neglect of Non-MSP Crops:

- Legalising MSP may result in the neglect of non-MSP crops, leading to decreased cultivation of nutritious food crops, pulses, and oilseeds.
- This can have negative implications for food security, dietary diversity, and nutritional outcomes, particularly among vulnerable populations.

➤ Reduced Export Competitiveness:

- Legalizing MSP may lead to higher procurement prices for MSP-supported crops, making them less competitive in the international market.
- Elevated domestic prices could result in reduced export competitiveness, especially for crops with high MSP rates.

➤ Trade Disputes:

- Legalizing MSP may lead to trade disputes with importing countries, especially if the government provides subsidies or other forms of support to maintain MSP prices.
- Such disputes can result in retaliatory measures, tariffs, or trade barriers, affecting export volumes and market access. With a legally guaranteed higher MSP, India will face stiffer opposition at the [World Trade Organization \(WTO\)](#).

What Should be the Way Forward?

- **Balanced Agricultural Pricing Policy:** The government must come up with a suitable transition to agricultural pricing policy to ensure remunerative prices for agricultural produce through mechanisms like MSP and direct income support schemes.

- **Enforce Swaminathan Committee Recommendation:** The commission recommended that the **MSP should at least be 50% more than the weighted average cost of Production (CoP)**, which it refers to as **the C2 cost**.

- **Expansion of MSP Criteria:** The average expenditure incurred by the farmer on education and health services for his family must also be factored in when MSP is determined.

- **Price Deficiency Payments (PDP):** It entails the government not physically purchasing or stocking any crop, and simply paying farmers the difference between the market price and MSP, if the former is lower. Such payment would be on the quantity of crop they sell to the private trade.

➤ Enhancing Farmers' Income:

- The government should not only bring agriculture activities within [Mahatma Gandhi National Rural Employment Guarantee Scheme \(MGNREGS\)](#) but also increase the daily wages.

- Encourage **crop diversification** and promote high-value and climate-resilient crops to increase farmers' income opportunities.
- Strengthen agricultural marketing infrastructure, including farm-to-market linkages, storage facilities, and market information systems, to reduce post-harvest losses and improve price realisation for farmers.
- **Investing in Agricultural Infrastructure:**
 - Increase public investment in rural infrastructure such as irrigation facilities, roads, electrification, and storage capacities to enhance agricultural productivity and market access.
 - Promote technology adoption and innovation in agriculture through research and development, extension services, and access to modern farming inputs and practices.
 - Facilitate access to credit, insurance, and other financial services for smallholder farmers to mitigate production risks and improve resilience to market fluctuations.
- **Improving Land and Water Management:**
 - Implement sustainable land and **water management** practices to conserve natural resources, prevent soil degradation, and enhance agricultural resilience to climate change.
 - Promote efficient water use through the adoption of **drip irrigation**, **rainwater harvesting**, and water-saving technologies to address water scarcity challenges in agriculture.
- **Empowering Farmers:**
 - Strengthen farmers' organizations, cooperatives, and producer groups to enable collective bargaining, access to markets, and participation in decision-making processes.
- **Ensuring Social Protection:**
 - Expand social safety nets and insurance schemes to provide income and livelihood support to vulnerable farming households during periods of distress, such as crop failures, natural disasters, or market shocks.
- **Improving Governance:**
 - Improve governance and regulatory frameworks to reduce bureaucratic hurdles, corruption, and market distortions that hinder agricultural development and farmer welfare.

Conclusion

Prioritising the needs of farmers in India is essential for ensuring food security, stimulating economic growth, and fostering social equity in India. By investing in

agriculture and ensuring farmers' welfare, India can build a more resilient and prosperous future for all its citizens.



Rethinking India's Economic Growth Model

This editorial is based on "**Why India needs deep industrialisation**" which was published in *The Hindu* on 14/02/2024. The article discusses the importance of deep industrialization for India to tackle its economic challenges and maintain its growth trajectory.

Tag: GS Paper - 3, Industrial Policy, Infrastructure, Growth & Development

The **COVID-19 pandemic** has reshaped global economic perspectives, leading to a retreat from globalization. Countries are now embracing deep industrialisation policies and state-led economic interventions. Examples include the U.S.'s Inflation Reduction Act, the **European Green Deal**, and India's **Atmanirbhar Bharat initiative**.

In this scenario, India is also slated to adopt policies that focus on promoting rapid growth of both manufacturing and services sector, so as to reap the dividends of population demographics and **Industrial Revolution 4.0**.

Industrialisation Vs Deep Industrialisation:

- Deep industrialization differs from traditional industrialization in its focus and scope.
- While industrialization typically refers to the process of developing industries in a region or country, deep industrialization goes further by emphasizing sustainable and inclusive growth.
 - It involves integrating industries with advanced technologies, fostering innovation, and ensuring environmental and social responsibility.
 - Deep industrialization aims for long-term economic stability and societal well-being, rather than just rapid industrial expansion.

Why is there a Need for Deep Industrialisation in India?

- **Ineffective Manufacturing Competitiveness:**
 - To improve competitiveness in manufacturing, high-tech infrastructure and skilled manpower are crucial. However, India faces challenges such as limited **telecom facilities** outside major cities and loss-making State Electricity Boards.

- Industrial policies in India have failed to push the manufacturing sector whose contribution to **Gross Domestic Product (GDP)** is stagnated at about 16% since 1991.

➤ **Lack of Adequate Transportation Facilities:**

- India's transportation infrastructure is strained, with overburdened rail networks and various issues plaguing road transport. These challenges hinder efficient movement of goods and impact manufacturing competitiveness.

➤ **MSME Sector Constraints:**

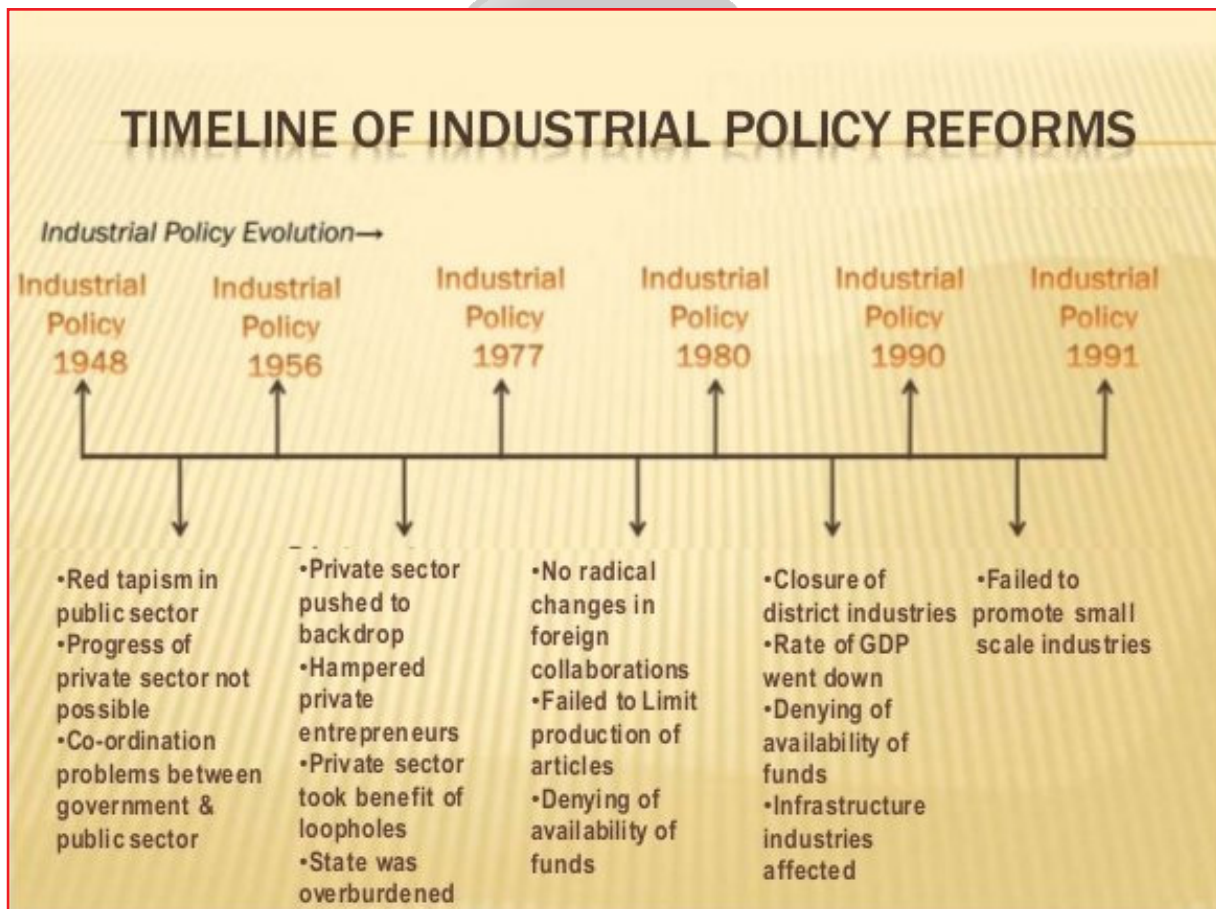
- The **MSME sector** faces difficulties in accessing credit compared to medium and large-scale industries. This bias needs correction to support the growth of the MSME sector, which is vital for India's economic development.

➤ **High Dependency on Imports:**

- India still relies on foreign imports for various critical sectors, including transport equipment, machinery, iron and steel, chemicals, and fertilizers. This dependency highlights the need for import substitution strategies.
 - In India, the total industrial production of consumer goods contributes 38%. In newly industrialized countries like Singapore, South Korea and Malaysia this percentage is 52%, 29% and 28% respectively.

➤ **Lack of Effective Industrial Policy Reforms:**

- Historically, industrial locations were often chosen for political reasons rather than cost-effectiveness. Additionally, the focus on public sector industries during early five-year plans led to inefficiencies and losses due to red-tape and labor-management issues, necessitating significant government expenditure to sustain them.



➤ **Selective Inflow of Investments:**

- In the current phase of investment following liberalisation, while substantial investments have been flowing into a few industries, there is concern over the slow pace of investments in many basic and strategic industries such as engineering, power, machine tools, etc.

➤ **Skewed Consumption-Led Growth:**

- Focusing attention on internal liberalisation without adequate emphasis on trade policy reforms resulted in 'consumption-led growth' rather than 'investment' or 'export-led growth'.

What are the Challenges in India's Industrialization?

➤ India's Post-Pandemic Distorted Economic Landscape:

- India has maintained its growth momentum, recovering relatively quickly from the pandemic. However, it is experiencing "premature deindustrialization," where high growth benefits a small minority, exacerbating existing inequalities.
 - While high-end cars sell out, common people struggle with high food prices, highlighting structural flaws in India's growth model.

➤ Drawbacks of Services-Led Growth:

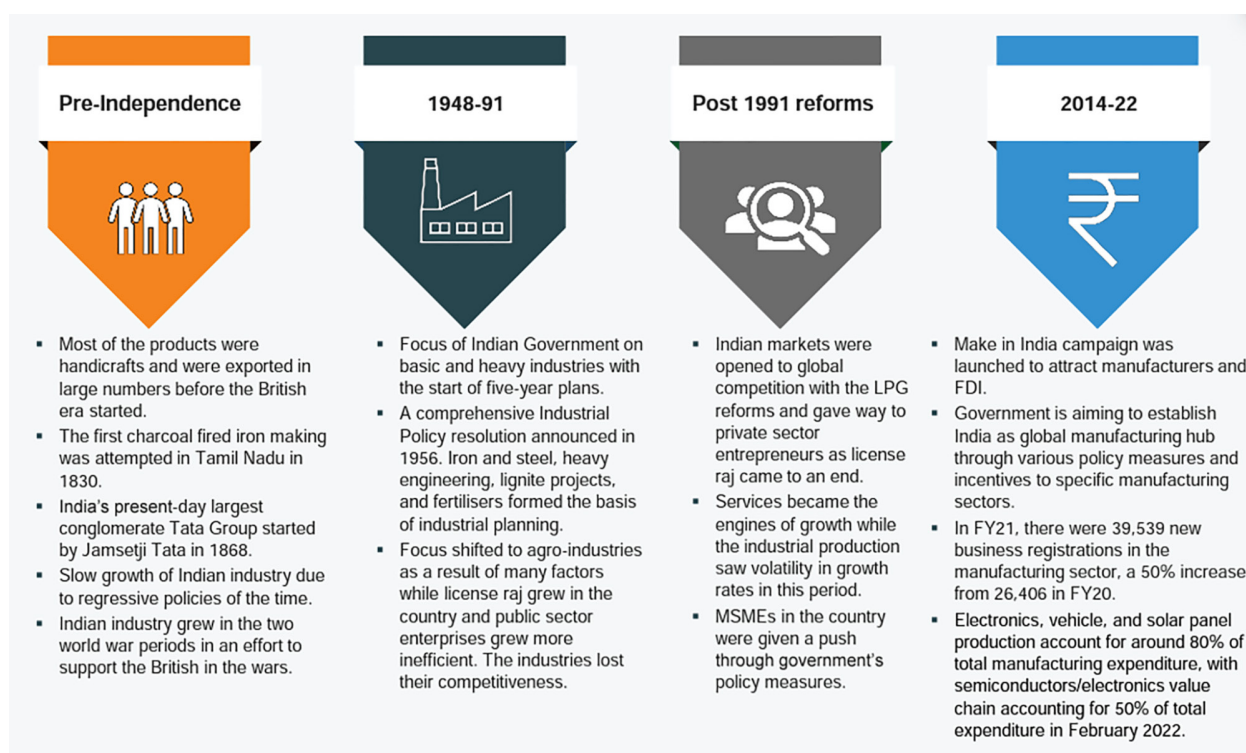
- While services-driven growth has been a focus since the late 1980s, it has not absorbed labor

from agriculture as effectively as manufacturing would have.

- Additionally, the service sector requires a highly skilled workforce, leading to deep inequalities. Investments in higher education have contributed to the neglect of basic and elementary education, further exacerbating inequalities.

➤ Education Disparities and Industrial Stagnation:

- India's education system reflects deep inequalities, with investments in human capital favoring the elite. This has led to a lack of entrepreneurial ventures on a large scale, unlike in China.
- The differential quality of schooling and higher education contributes to unequal labor market outcomes, particularly affecting first-generation graduates from rural areas and small towns.



➤ Cultural Factors in Industrialization:

- A key cultural prerequisite for industrialization is mass education, which India lacks. Joel Mokyr suggests that the rise of useful knowledge is crucial for technological progress and growth.
- India's cultural devaluation of certain occupations essential for manufacturing, as well as the undervaluation of vocational skills, hampers organic innovation and industrial progress.

➤ Challenges in Job Creation:

- India's labor market is characterized by low-paying and informal jobs. Most MSMEs are in the unorganized sector, lacking flexibility for job

creation. China's experience underscores the importance of scale in manufacturing for job creation.

- Over 99% of India's 63 million MSMEs are in the unorganised sector with very little flexibility for productive job creation. Their hand-to-mouth existence is not a recipe for jobs or scale. China's example suggests the influence of scale in manufacturing for more and more jobs.
- Assessing **Make-In-India's (MII's)** impact on job creation is challenging due to a lack of frequent and comprehensive data. While the **Production Linked Incentives Scheme (PLI)** benefits high-

end manufacturing, traditional manufacturing sectors remain vital for job creation among the masses.

➤ **Concerns of Protectionism and Past Experiences:**

- Past experiences of protectionism in the 1970s and 1980s led to shortages and rent-seeking behavior, benefiting producers more than consumers. There are fears that protectionist measures under MII may lead to similar outcomes.
- The **National Manufacturing Policy (NMP) of 2011** highlighted constraints in infrastructure, regulation, and manpower in the manufacturing sector. MII aims to raise manufacturing's GDP contribution to 25% and create 100 million jobs, building on NMP's objectives, but the situation remains bleak.

➤ **Concerns Over Subsidiary Policies:**

- While MII is the core policy, subsidiary initiatives like Made in India and Make for India focus on branding and domestic manufacturing, respectively. However, these initiatives are secondary to MII's overarching goal of global competitiveness.

What are the Suggestions for Promoting Deep Industrialization in India?

➤ **Rethinking Economic Growth Strategies:**

- Raghuram Rajan and Rohit Lamba propose an unconventional approach in "Breaking the Mould: Reimagining India's Economic Future." They suggest shifting focus from manufacturing-led growth to high-skill, services-driven growth.
 - Also, this approach should synchronize with current industrial policies in order to effectively harness its effectiveness.

➤ **Multi-Faceted Approach to Deep Industrialization:**

- India requires deep industrialization, not just a focus on the service sector, to transform its society fundamentally. This would involve a reevaluation of labor, production, and technology, along with a shift in societal attitudes toward vocational skills and artisanal knowledge.
- Deep industrialization would not only drive economic growth but also address societal divides rooted in caste and class.

➤ **Emphasizing Labor-Intensive Sectors:**

- Future industrial policies should continue to prioritize labor-intensive sectors to create quality jobs. Despite the focus on high-end manufacturing, traditional sectors remain critical for mass job creation in India.

➤ **The Role of New Industrial Policy (NIP '23):**

- The draft NIP '23, currently on hold, aims to complement the Production-Linked Incentive (PLI) scheme. It seeks to attract investments, enhance efficiency, and make Indian manufacturers globally competitive, especially in sectors like toys, garments, and footwear.
- This should be incorporated and implemented by following locally based aspirations and manufacturing expertise of respective state governments.

➤ **Industrial Policy for Inclusive Job Creation:**

- In a labor-abundant country like India, industrial policy should prioritize job creation for the masses, particularly women. Labor-intensive manufacturing is crucial for creating productive jobs and achieving scale.

➤ **Importance of Data in Policy Making:**

- Economic policy making requires both data interpretation and a moral compass. Without high-frequency data on PLI's impact, policy makers must rely on broader principles to shape industrial policy effectively.

➤ **Leveraging Industrial Policies for Development:**

- Industrial policies, including MII, should be leveraged to enhance job creation and competitiveness. While challenges exist, focusing on labor-intensive manufacturing can help India achieve sustainable growth and development.
 - MII is a departure from India's past policies of self-sufficiency, such as the license raj and import-substituting industrialization of the 1970s. While concerns exist about protectionist tendencies, MII aims to encourage domestic industry without replicating past failures.
 - Protectionist tendencies such as high tariff barriers to import of electronics manufacturing goods have intimidated these manufacturer to shift their bases to countries like China, Vietnam etc. This policy anomaly should be redressed.

➤ **Integrating IR 4.0 in Economic Growth:**

- It is characterised by the use of technology to blur the boundaries between the digital, physical, and biological worlds, and is driven by data.
- Key technologies include cloud computing, **big data**, autonomous robots, **cybersecurity**, simulation, additive manufacturing, and the **internet of things (IoT)**.
 - **Examples: Xenobots**, which are less than a millimetre long, are known to be the first living robot, were created in 2020 from the stem cells of the African clawed frog and can be programmed using artificial intelligence.

What are the Recent Government Initiatives for Growth of the Industrial Sector in India?

- **Production-Linked Incentive (PLI)**
- **PM Gati Shakti- National Master Plan**
- **Bharatmala Project**
- **Start-up India**
- **Make in India 2.0**
- **Atmanirbhar Bharat Campaign**
- **Disinvestment Plans**
- **Special Economic Zones**
- **MSME Innovative Scheme**

Conclusion

Despite India's relatively quick recovery from the pandemic, it faces challenges such as 'premature deindustrialization' and persistent economic disparities. Raghuram Rajan and Rohit Lamba propose a focus on high-skill, services-driven growth over manufacturing, which they argue could stimulate industrialization. The root causes lie in cultural attitudes towards education, innovation, and labor, suggesting that a broader transformation is needed to achieve deep industrialization and address societal foundations.



Dilemmas Surrounding Paid Menstrual Leave

This editorial is based on "**A demand that could hamper gender equality**" which was published in *The Hindu* on 15/02/2024. The article discusses the importance of raising awareness about menstruation due to the inadequate representation of women in various sectors. While offering paid leave for menstruation could increase awareness, it might also exacerbate gender disparities.

Tag: GS Paper - 1, Social Empowerment, GS Paper - 2, Health Issues Related to Women, Social Empowerment.

The Sabarimala temple controversy highlighted the discrimination against menstruating women, sparking debates about gender equality and the need to eliminate such practices. However, the demand for paid leave for menstruation works to undermine it. Menstrual cycles can be challenging - almost debilitating for some - but to collectively label all those belonging to a gender without considering the potential adverse effects, is trivialising the women empowerment movement.

What is the Sabarimala Temple Controversy?

- A group of five women lawyers challenged Rule 3(b) of the **Kerala Hindu Places of Public Worship (Authorisation of Entry) Rules, 1965**, which authorised restriction on entry of women "of menstruating age" to the shrine. They moved to the apex court after the Kerala High Court upheld the centuries-old restriction, and ruled that only "tantri (priest)" is empowered to take decisions on traditions.
- The petitioners argued that the restrictions are against **Articles 14** (Equality before law), **15** (Prohibition of discrimination on grounds of religion, race, caste, sex or place of birth) and **17** (Abolition of Untouchability) of the Indian Constitution.
- According to the **Supreme Court (SC)** judgement, the prohibition was based on a natural, physiological process. When you are suggesting that menstruating women cannot enter a temple, they are basically being castigated based on their gender.
- The majority in judgement has stated that the right to equality would prevail over right to practice.

How will the Paid Menstrual Leave Exacerbate Gender Equality?

- **Dissuades Companies From Hiring Women:**
 - The **World Economic Forum's (WEF's) Global Gender Gap Report 2021** says that the gender global gap has widened (instead of shrinking).
 - In the current situation, it would take the world 135.6 years to achieve gender equality. Looking at it specifically at the workforce level, a woman earns 84 cents for every dollar that a man makes.
 - The participation of women in the labour force is significantly lower than that of men, and even fewer women hold leadership positions.
 - If mandatory paid leave for periods is added to this, it would end up further dissuading companies from hiring women.
- **Validates Social Stigma Around Menstruation:**
 - If the government ratifies 'special status' for menstruating women, it validates the social stigma around menstruation. It would exacerbate period shaming in a country where large swathes of people (both men and women) consider menstruation to be 'impure'.
 - Arguments in favour of paid leave for menstruation will claim that granting special status to menstruation would aim to create subject awareness. But this would only magnify it. It could turn out to be another well-meaning step that ends up widening the gender gap inadvertently.

➤ **Case of Japan Reinforcing the Exacerbation of Gender Equality:**

- There are countries such as Japan that provide leave for painful menstruation- but it is mostly unpaid, and unused. Women claim that they are reluctant to avail this leave and 'broadcast' that they are on their period, for the fear of sexual harassment.
- Data shows that a mere 0.9% of women in the workforce avail menstrual leave days in Japan. As per the WEF's ranking in 2019, Japan ranked 121 out of 153 in terms of gender equality. It has slipped to the 125th position in 2023.
- It is interesting to note that though young women in Japan have higher education levels than men, **it is in the workforce that disparities creep in.** Women in Japan are less likely to be employed (even with the same credentials) than men, and are often paid less.

➤ **Concerns Surrounding Its Implementation:**

- If paid leave for menstruation were to be introduced, the challenge lies in its implementation. Determining legitimate use of such leave and preventing potential misuse would be complex.
- Additionally, defining acceptable enforcement methods for employers poses another dilemma. Instances like the 2020 incident in Bhuj, Gujarat, where 66 girls were forced to strip to verify menstruation status, or the 2017 case in Muzaffarnagar where 70 girls faced similar treatment, underscore the **need for sensitive and respectful policies regarding menstruation.**

➤ **Normal Physiological Phenomenon:**

- Menstruation is a normal physiological phenomenon and only a small proportion of women or girls suffer from severe dysmenorrhea or similar complaints; and most of these cases are manageable by medication.

What are the Arguments Supporting Paid Menstrual Leave?

➤ **Period Poverty:**

- Lack of awareness about menstrual hygiene and related issues is a significant barrier in India. Many girls and women, particularly in rural areas, have limited knowledge about menstrual health, including proper hygiene practices, use of sanitary products, and management of menstrual discomfort.
 - A survey conducted by the NGO **Child Rights and You (CRY)** revealed that access to sanitary

pads was limited to many girls, with 44.5% of girls admitting to using homemade absorbents or cloth.

- The report also found that around 11.3% of the girls did not know the correct cause of menstruation and said that it was a curse from God or caused by disease.

- In India, 20% of menstruators have Polycystic ovary syndrome (PCOS) and approximately 25 million suffer from endometriosis.

➤ **Lack of Access to Affordable Sanitary Products:**

- Access to affordable and hygienic menstrual products is a major challenge in India. Many women, especially those from low-income backgrounds, struggle to afford sanitary pads or tampons.
 - The most recent **National Family Health Survey (NFHS)-5** report has highlighted how approximately 50% of women between the ages of 15 to 24 in India continue to rely on the use of cloth for menstrual protection.
 - Experts caution that reusing cloth can increase the risk of contracting multiple infections, attributing this practice to a combination of insufficient awareness and societal taboo around menstruation. Girls are often compelled to leave school or face social exclusion during their menstrual cycles.

➤ **Stigma and Shame:**

- Menstruation is still surrounded by social stigma and cultural taboos in many parts of India. Menstruating women often face discrimination, restrictions, and isolation, leading to feelings of shame and embarrassment. This stigma can prevent open discussions, limit access to information and resources, and perpetuate negative attitudes towards menstrual hygiene.
 - The CRY report also found that hesitation or shyness to purchase pads from the shops, difficulty in disposing of pads, poor availability and no knowledge of pads were the reasons for not using sanitary pads.
 - As much as 61.4% of girls have accepted that a sense of embarrassment existed in society with regard to periods.

➤ **Inadequate Sanitation Facilities:**

- In many areas, the lack of proper sanitation facilities, including clean toilets and water supply, poses a significant barrier to menstrual hygiene. Insufficient infrastructure in schools, public places, and households can make it difficult for women and girls to manage their periods safely and with dignity.

- Women in informal work (e.g., construction work, domestic work etc.) often have no access to washrooms, clean water for bathing, and cost-effective hygiene products and their safe disposal. Often, they also lack privacy to change their menstrual products.
- **Limited Healthcare Services:**
 - Rural areas often face a shortage of healthcare providers, including doctors, nurses, and midwives, who are specifically trained in addressing menstrual health issues.
 - This shortage further hampers women's access to knowledgeable healthcare professionals. This lack of healthcare infrastructure also contributes to the persistence of myths and misconceptions about menstruation.
- **Cultural and Religious Practices:**
 - Certain cultural and religious beliefs and practices can impede menstrual hygiene. For example, some communities consider menstruating women as impure and restrict their participation in religious activities or social gatherings. Such practices can further reinforce stigma and hinder proper menstrual hygiene practices.
 - In Maharashtra, a study found that the practice of segregating menstruating girls and women to 'kurmaghars', or "period huts", with no sanitation and other basic facilities poses a significant barrier to conducive sexual and reproductive health outcomes among females.
- **Lack of Policy Measures:**
 - The **2022 'Right of Women to Menstrual Leave and Free Access to Menstrual Health Products Bill'** specified three days of paid leave for women and transwomen during their periods, and additional benefits for students is yet to become an Act. **Only two states, Kerala and Bihar**, currently have menstrual leave policies for women.

What are the Suggestions for Adopting Effective Menstrual Leave Policies?

Menstrual leave policies are largely unsuccessful because they focus on the 'wrong problem'. The problem is not the menstruating human body. The problem is that, especially in places where menstrual leave has already been implemented, workers have inadequate access to decent working conditions, rest or toilet breaks, sick leave, or medical treatment. Also, women continue to shoulder an unequal share of unpaid childcare responsibilities. **Therefore, these policies should promote the following perspectives:**

- **Promoting Menstrual Health Literacy:**
 - Due to inadequate menstruation education (in schools and medical training), most people know very little about the nature, prevalence of, or effective treatment options for menstrual symptoms.
 - Therefore, a key part of improving menstrual health in the workplace would be to ensure that employers, employees (and their doctors), all have access to high quality information about menstrual health.
- **Incorporating Adequate Rest Breaks:**
 - For workers who menstruate, being able to take a break and access a toilet and clean water is especially important, but all workers would benefit from better working conditions.
 - Rest breaks have been shown to decrease the likelihood of workplace injury or illness, as well as improving productivity and efficiency. Providing hygienic toilet facilities also reduces the risk of coughs, colds and other infectious illnesses spreading through the workforce.
- **Access to Effective Treatment:**
 - Most workplaces (and schools etc.) in the UK could easily provide free 'emergency' period products (e.g. tampons and pads), ibuprofen (anti-inflammatory medication), heated pads or hot water bottles, hot drinks, etc.
 - In the case of severe cyclical symptoms, employees should be supported and encouraged to access quality medical advice and treatment options, as soon as possible.
- **Flexible Working Conditions:**
 - Evaluations of menstrual policies in the workplace, recommend greater flexibility in work practices because most people only need a relatively short amount of time to rest/ manage menstrual symptoms before being able to return to work.
 - So, being able to work from home (if applicable) or take time out for a portion of the working day, is better than having to take a whole day of leave.
- **Not Adopting Sex-Specific Policies:**
 - Global evaluations of employment policies from the past several decades have consistently shown that gender or sex-specific policies (no matter how 'good' their intention) end up harming the very people they aim to help.
 - The trick is to identify the needs of 'women' (and ideally other marginalised groups) and to design

policies for all employees that take them into proper consideration.

- That way, the policy actually helps everyone and does not accidentally make colleagues or employers feel any resentment towards 'women' in general (or any other marginalised group).
- **Ensuring Equal Wages and Job Opportunities:**
 - It is no coincidence that the countries where menstrual leave has been implemented tend to have relatively large gender pay gaps. Those included in a 2017 [OECD report \(Organisation for Economic Cooperation and Development\)](#) are; India (56%); Korea (37%); Indonesia (34%); and Japan (26%). The OECD country average is 15%.
 - Large gender pay gaps reflect both horizontal and vertical gender segregation. This means that women and men tend to work in different jobs, and those associated with women are paid less. This results in women workers having less power at work and in wider society.
 - Ensuring equal wages and job opportunities would go a lot further than menstrual leave in improving gender equality at work, and it wouldn't accidentally reinforce any menstrual/ gender myths.
- **Adequate Standards for Working Conditions and Labour Rights:**
 - In the majority of countries that endorse menstrual leave, this specifically refers to improving or eliminating, 'sweatshop labour' conditions. In the UK and similar economies, it is about protecting those with 'zero-hour' contracts, or other vulnerable working populations such as migrant workers, or anyone forced to work long hours for low pay, or in uncomfortable or dangerous conditions.
 - If global minimum labour standards could be improved regarding (flexible/ maximum) work hours, (fair and living) wages, appropriate rest and toilet breaks, health and safety standards (applicable to all workers), sick leave, and equal opportunities, (Including menstrual health literacy) there would be absolutely no need for any additional 'menstrual leave' type policy.
 - In fact, the [World Health Organization \(WHO\)](#) says governments "should make schools, workplaces and public institutions supportive of managing menstruation with comfort and dignity".

Note:

- **Sweatshop Labour:** It refers to working conditions that are characterised by low wages, long hours, poor working conditions, and often, exploitation of workers. These conditions are typically found in factories, especially in developing countries, where workers, often including children, are employed to produce goods for export to developed countries.
- **Zero-Hour Contracts:** These are employment agreements where the employer is not obligated to provide the employee with a minimum number of working hours, and the employee is not obligated to accept any work offered. This type of contract is often criticised for its lack of job security and stability, as well as for the potential for exploitation by employers.

What are the Various Govt Schemes to Promote Menstrual Hygiene Management?

- [The Right of Children to Free and Compulsory Education Act \(RTE\), 2009](#)
- [Menstrual hygiene scheme launched by the Ministry of Health and Family Welfare](#)
- [Rashtriya Kishore Swasthya Karyakram](#)
- [SABLA programme of Ministry of Women and Child Development](#)
- [National Rural Livelihood Mission of the Ministry of Rural Development](#)
- [Swachh Bharat Mission and Swachh Bharat: Swachh Vidyalaya \(SB:SV\)](#)
- [Guidelines for Gender Issues in Sanitation, 2017](#)
- [The National Guidelines on Menstrual Hygiene Management](#)
- **Scheme for Promotion of Menstrual Hygiene among adolescent girls** in the age group of 10-19 years (supported by the [National Health Mission](#))

Conclusion

While some advocate for paid menstrual leave to raise awareness, this approach could inadvertently widen the gender gap. It is crucial to recognize the diverse experiences of menstruation and tailor support accordingly, rather than blanketly categorising it as a biological disadvantage.

Implementation of such policies must be mindful of potential misuse and ensure respect for individual privacy and dignity. The global gender gap report reveals persistent disparities, emphasising the need for nuanced, inclusive approaches to address menstrual challenges while advancing gender equality.



Functioning of 17th Lok Sabha: A Detailed Analysis

This editorial is based on “[Parliamentary affairs: On the last session of the 17th Lok Sabha](#)” which was published in The Hindu on 12/02/2024. The article delves into the performance of the parliamentary functioning of the 17th Lok Sabha in India, emphasizing both its accomplishments and areas of concern.

Tag: GS Paper - 2, Parliament, Executive, Representation of People's Act, Government Policies & Interventions

The 17th Lok Sabha, which met from June 2019 to February 2024, conducted a noteworthy total of 274 sessions, lasting for 1,354 hours, and achieved a commendable work productivity rate of approximately 97%.

However, the operation of the 17th Lok Sabha has faced numerous criticisms, particularly regarding the government's tendency to rush bill passages, often amidst chaos and without adequate debate, thereby impacting the democratic functioning of the house.

What are the Key Achievements of the 17th Lok Sabha?

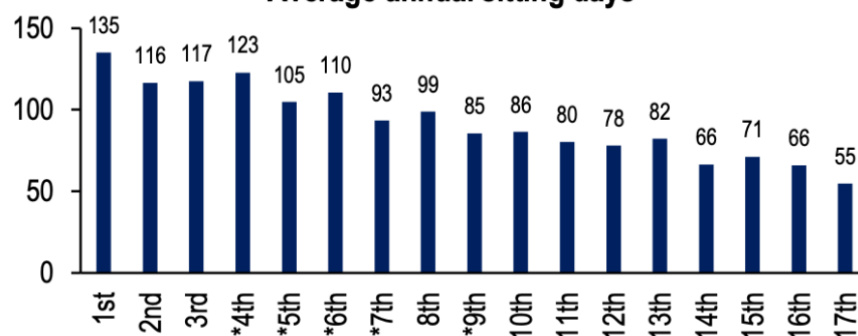
- **Key Bills Passed: 179 Bills** (excluding Finance and Appropriation Bills) were passed. The Ministries of Finance and Home Affairs piloted the highest number of Bills (15% each), followed by Law and Justice (9%), and Health and Family Welfare (9%) which includes:
 - [The Women's Reservation Bill, 2023](#)
 - [The J&K Reorganisation Bill, 2019](#)
 - [The Appointment of CEC Bill, 2023](#)
 - [Three Labour Codes](#)
 - [The Digital Data Protection Bill, 2023](#)

- [Three Farm laws](#) (which were later repealed).
- [Three Bills replacing the IPC, 1860, the CrPC, 1973, and the Indian Evidence Act, 1872.](#)
- **Private Member Bills:** As many as **729 Private Members' Bills** were introduced in this Lok Sabha.
- **Papers Laid by Ministers:** During the 17th Lok Sabha, **26,750 papers** were laid by Ministers.
- **Parliamentary Standing Committees:** They presented a total of **691 reports** and more than **69%** of Committee recommendations were accepted by the government.
- **Use of Digital Technology:** Maximum use of digital technology is being made in parliamentary work while realising the vision of a paperless office in the 17th Lok Sabha.
 - Presently, **more than 97% of question** notices are being given through electronic mediums.
- **New Parliamentary Building:** On September 19, 2023, the Parliament moved into a new complex. It was a historic switch over from the iconic circular building to the lion capitol-topped triangular edifice on Central Vista as the home of India's democracy.
- **Starred and Unstarred Questions:** During the 17th Lok Sabha, 4,663 [starred questions](#) were listed, out of which 1,116 questions were answered orally. In the same period, 55,889 [unstarred questions](#) were also asked which received written answers in the House.

What are the Key Concerns in the Functioning of 17th Lok Sabha?

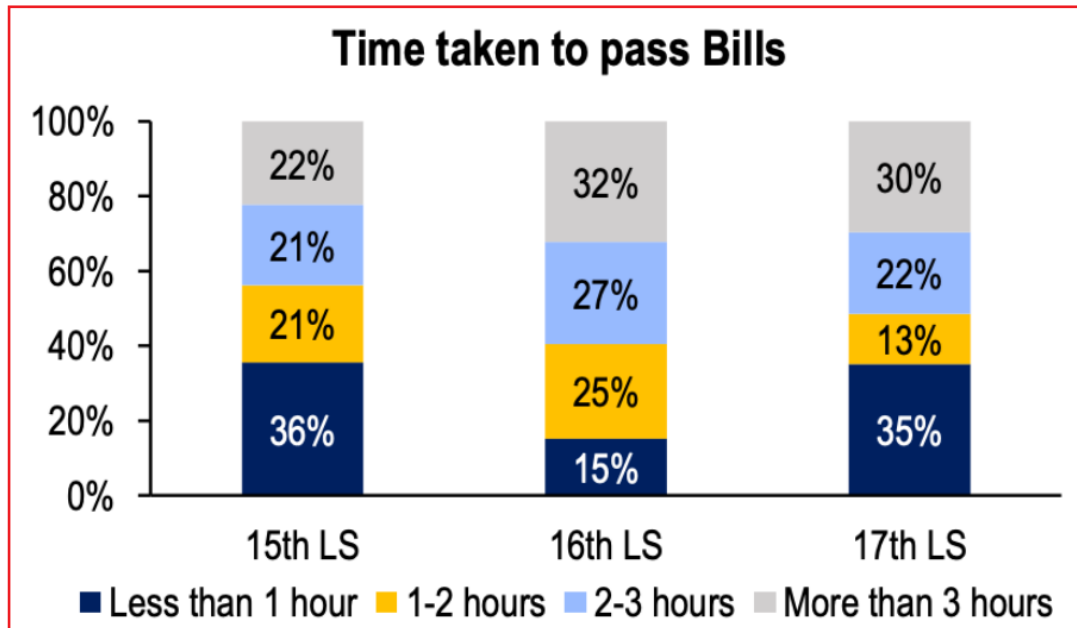
Fewest Sittings Amongst All Full-term Lok Sabhas: The 17th Lok Sabha held 274 sittings. Only four previous Lok Sabhas have had fewer sittings, all of which were dissolved before completing the five-year term. 11 out of the 15 sessions held during this Lok Sabha were adjourned early.

Average annual sitting days

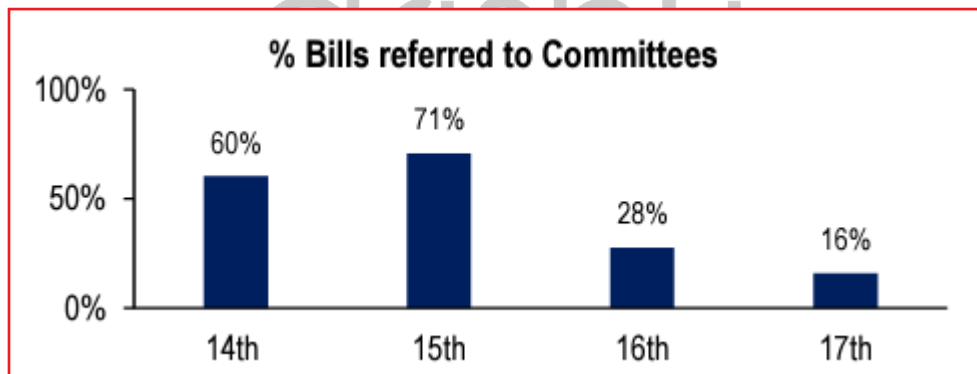


Note: * indicates a term less than five years; ** indicates a six year term.

- **Deputy Speaker Not Elected for the First Time:** Article 93 of the Constitution requires that Lok Sabha elect a Speaker and a Deputy Speaker 'as soon as may be'. This is the first time Lok Sabha did not elect the Deputy Speaker for its entire duration.
- **Bills Passed within 2 weeks of Introduction:** Most Bills introduced during the term of the 17th LS (58% of the Bills) were passed within two weeks of their introduction.
 - The J&K Reorganisation Bill, 2019, and the Women's Reservation Bill, 2023 were passed within two days of introduction.
 - 35% of Bills were passed with less than an hour of discussion in Lok Sabha.



- **Less than 20% of Bills were Referred to Committees:** 16% of Bills were referred to Committees for detailed scrutiny. This is lower than the corresponding figures for the previous three Lok Sabhas.



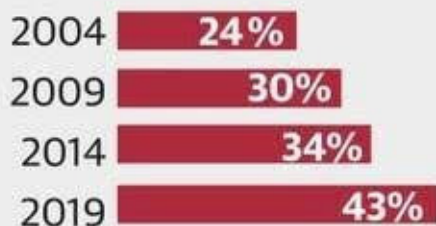
- **Few Private Members' Bills and Resolutions Discussed:** 729 Private Members' Bills (PMBs) were introduced in the 17th Lok Sabha, which is higher than all previous Lok Sabhas, except the 16th. However, only two PMBs were discussed.
- **Lesser Time Spent On Budget Discussions:** Over the years, the time spent on budget discussions in Lok Sabha has reduced.
 - Between 2019 and 2023, on average, about 80% of the budget has been voted on without discussion. In 2023, the entire budget was passed without discussion.
- **Major Security Breach:** On 13th December, 2023, in a major security breach coinciding with the anniversary of the Parliament attack, two persons jumped into the Lok Sabha chamber from the public gallery during Zero Hour, released yellow smoke from canisters and shouted slogans.
- **Increased Criminalization:** The increasing trend of criminalization in Indian politics refers to the growing presence and influence of individuals with criminal backgrounds in the political arena.

- The Association for Democratic Reforms (ADR) reported that **43% of the elected Members of Parliament** in the 17th Lok Sabha had **pending criminal cases** against them.

Cause for concern

The Supreme Court on Thursday flagged the alarming increase in incidence of criminals in politics

MPs with pending criminal cases:



■ The 2018 Constitution Bench judgment that formed the basis for Thursday's verdict said: Rapid criminalisation of politics cannot be arrested by merely disqualifying tainted legislators but should begin by "cleansing" political parties

 No political party offers an explanation as to why candidates with pending criminal cases are selected as candidates

JUSTICE NARIMAN, on February 13, 2020



What are the Implications of Decline in Functioning of Lok Sabha?

➤ **Undermine Institutional Credibility:**

- The inability of the Lok Sabha to effectively discharge its legislative responsibilities may undermine the credibility and authority of parliamentary institutions.
- This can weaken the democratic fabric of the country and diminish the legitimacy of elected representatives.

➤ **Decreased Accountability:**

- With fewer parliamentary sessions and reduced participation from legislators, there's less scrutiny of government actions.
- This can lead to diminished accountability as there are fewer opportunities for lawmakers to question policies, decisions, and expenditures.

➤ **Weakened Representation:**

- Parliamentary engagement is crucial for representing the diverse interests of the population.
- When engagement decreases, certain voices may be marginalized, leading to less inclusive

policymaking and legislation that may not adequately address the needs of all constituents.

➤ **Impaired Policy Quality:**

- Meaningful parliamentary engagement typically involves robust debate, deliberation, and collaboration among lawmakers.
- When engagement levels decrease, the quality of policymaking may suffer as a result of insufficient input, scrutiny, and analysis.

➤ **Stifled Innovation:**

- Parliamentary engagement often serves as a platform for discussing and advancing innovative solutions to complex challenges.
- A decline in engagement could stifle the exchange of ideas and innovative policymaking approaches, hindering progress and adaptation to changing circumstances.

➤ **Perpetuating Corruption:**

- The nexus between crime and politics perpetuates corruption, as politicians with criminal backgrounds may engage in bribery, extortion, and other illicit activities to maintain their power and influence.

- This undermines efforts to combat corruption and promote transparency and integrity in governance.

What Should be the Way Forward?

➤ **Build a Better Image of Parliament:**

- Implement measures to enhance transparency in parliamentary proceedings, such as live broadcasting of sessions, increased access to parliamentary documents and records, and public disclosure of MPs' attendance and performance to build a better Image of Parliament.

➤ **Improve the Quality of Members:**

- Encourage political parties to adopt merit-based criteria for selecting candidates for parliamentary elections, emphasizing qualifications, experience, and commitment to public service.
- Promote diversity and inclusivity by ensuring representation of marginalized communities and underrepresented groups.

➤ **Setting up a Constitution Committee:**

- A Constitution Committee can conduct periodic reviews of the Constitution to assess its relevance, adequacy, and effectiveness in addressing contemporary challenges and evolving societal needs.
- This ensures that the Constitution remains a living document capable of adapting to changing circumstances.

➤ **Promote Cross-Party Collaboration:**

- Foster a culture of cooperation and bipartisan or multi-party collaboration within parliamentary committees to prioritize national interests over partisan agendas.
- Encouraging constructive dialogue and consensus-building can enhance the effectiveness of scrutiny processes and strengthen parliamentary oversight.

➤ **Strengthen Scrutiny Support:**

- Provide parliamentary committees with access to independent research and analytical support to aid in their scrutiny efforts.
- This can include establishing dedicated research units within Parliament or collaborating with external research organisations to provide expertise on complex issues.

➤ **Assess Potential Impacts:**

- Use various analytical tools and methodologies to assess the potential impacts of the proposed legislation across different sectors and stakeholders.
- This may involve conducting cost-benefit analysis, risk assessments, and scenario planning to identify both positive and negative effects.

➤ **Establish and Enforce Rules of Conduct:**

- Implement clear and enforceable rules of conduct for parliamentary proceedings outlining the decorum expectations, time limits for speeches, procedures for raising objections, and consequences for disruptive behavior.

Conclusion

India must embark on a comprehensive approach to political and economic reform, including parliamentary, political party, electoral, and judicial reforms, through careful deliberation and consensus-building. This collective effort is crucial for enhancing our democratic functioning in the country.



SC Strikes Down Electoral Bonds Scheme

This editorial is based on "[*Democracy's Guardian Angel*](#)" which was published in *Indian Express* on 16/02/2024. The article addresses the Supreme Court of India's decision to strike down the Electoral Bonds Scheme, citing a violation of the right to information. The court rejected the government's arguments, emphasizing that the Constitution cannot ignore potential misuse.

Tag: GS Paper - 2, Transparency & Accountability, Government Policies & Interventions, Elections, Issues Arising Out of Design & Implementation of Policies.

The five-member [**Constitution Bench**](#), of [**Supreme Court \(SC\)**](#) in a unanimous verdict, upheld every challenge to every aspect in the electoral bonds case, declaring the scheme unconstitutional. It ordered the SBI to stop issuing electoral bonds immediately and submit all information of the bonds sold, and the names of all the donors and recipients, to the [**Election Commission of India \(ECI\)**](#).

What is the Electoral Bond Scheme?

➤ **Electoral Bonds:**

- [**Electoral bonds**](#) are money instruments like promissory notes, which can be bought by companies and individuals in India from the State Bank of India (SBI) and donated to a political party, which can then encash these bonds.
- The bonds are only redeemable in the designated account of a [**registered political party**](#).
- A person being an individual can buy bonds, either singly or jointly with other individuals.

➤ **Electoral Bond Scheme:**

- Electoral Bonds Scheme was launched in 2018 to cleanse political funding in India.
- The central idea behind the electoral bonds scheme was to bring about transparency in electoral funding in India.
- The government had described the scheme as an “electoral reform” in a country moving towards a “cashless-digital economy”.

➤ **Amendments Made to the Scheme in 2022:**

○ **Additional Period of 15 Days:**

- Introduced a new para, stating that an additional period of fifteen days shall be specified by the Central Government in the year of general elections to the Legislative Assembly of States and Union territories with Legislature.
- In 2018, when the Electoral Bond Scheme was introduced, these bonds were made available for a period of 10 days each in January, April, July and October, as may be specified by the central government.
- An additional period of 30 days was to be specified by the Central Government in the year of the General election to the House of People (Lok Sabha).

○ **Validity:**

- The Electoral Bonds shall be valid for fifteen calendar days from the date of issue and no payment shall be made to any payee Political Party if the Electoral Bond is deposited after expiry of the validity period.
- The Electoral Bond deposited by an eligible Political Party in its account shall be credited on the same day.

○ **Eligibility:**

- Only the political parties registered under Section 29A of the **Representation of the People Act, 1951 (RPA, 1951)** which secured at least 1% of votes polled in the last General Election to the Lok Sabha or the State Legislative Assembly are eligible to receive Electoral Bonds.

Why did SC Strike Down the Electoral Bonds Scheme?

➤ **Violation of the Right to Information:**

- The court held that the scheme by permitting anonymous political donations infringed upon the fundamental right to information under **Article 19(1)(a)** of the Constitution.

- It pointed out that such a right is not only restricted to fulfilling the freedom of speech and expression but plays a key role in furthering participatory democracy by holding the government accountable. Thus, it is not just a means to an end but an end in itself.

- It highlighted that economic inequality leads to differing levels of political engagement because of the deep association between money and politics. As a result, there is a legitimate possibility that financial contribution to a political party would lead to quid pro quo arrangements.

➤ **Not Proportionally Justified to Curb Black Money:**

- Relying on the **proportionality test** laid down in its 2017 verdict in the **KS Puttaswamy case** which upheld the right to privacy, it underscored that the government did not adopt the least restrictive method to achieve its objective.

- As examples of such least restrictive methods, the **Chief Justice** cited the ₹20,000 cap on anonymous donations and the concept of Electoral Trusts which facilitate the collection of political contributions from donors.

- The court also agreed with the contentions of the petitioners that since the purpose of curbing black money cannot be traced to any of the reasonable restrictions elucidated under **Article 19(2)**, it cannot be said to be a legitimate purpose for restricting the fundamental right to information.

➤ **Right to Donor Privacy Does Not Extend to Contributions Made:**

- The court pointed out that financial contributions to political parties are usually made for two reasons - as an expression of support and two, as a quid pro quo measure.

- However, it underscored that huge political contributions made by corporations and companies should not be treated at par with financial contributions made by another section of the population: a student, a daily wage worker, an artist, or a teacher.

- Thus, the Chief Justice held that the right to privacy of political affiliation does not extend to those contributions, which may be made to influence policies. It only extends to contributions made as a genuine form of political support.

➤ **Unlimited Corporate Donations Violate Free and Fair Elections:**

- The court found that the amendment made to Section 182 of the **Companies Act, 2013**, permitting unlimited political contributions by companies, to be manifestly arbitrary.

- The provision allows Indian companies to make financial contributions to political parties under specific conditions. However, through the Finance Act, 2017, crucial changes were introduced including the removal of the prior cap on the amount that companies can donate to political parties - 7.5% of the average profits of the preceding three fiscal years.

- Additionally, the requirement for companies to disclose the names of the political parties to which contributions were made in their Profit and Loss (P&L) accounts was also eliminated.

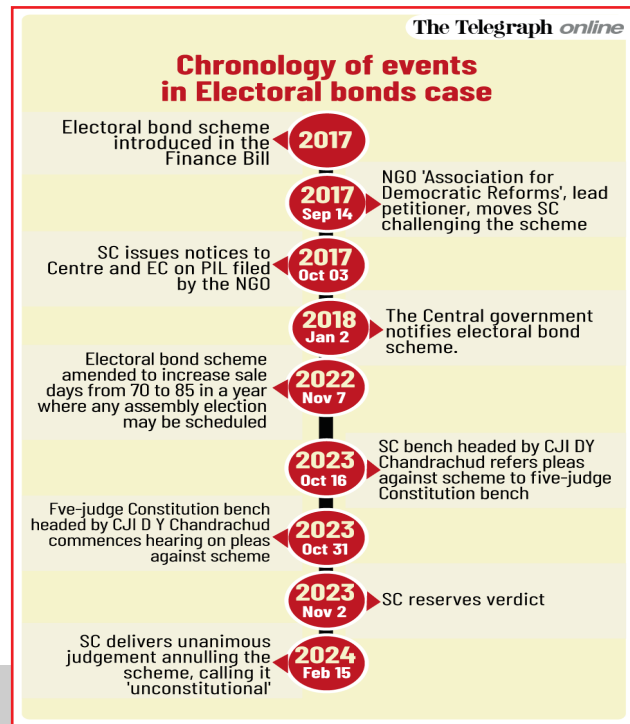
- The Chief Justice highlighted that Section 182 errs by treating political contributions by individuals at par with those made by companies as the latter is often made with the intent of securing benefits in return.

➤ **Amendment to Section 29C of RPA, 1951 Quashed:**

- Initially, Section 29C of the Representation of the People Act, 1951, required parties to declare all contributions higher than ₹20,000, and specify whether they were received from individual persons or companies.
 - However, the Finance Act, 2017, amended this provision to create an exception wherein such a requirement would not apply to donations received through electoral bonds.
- Striking down the amendment, the court observed that the original requirement to disclose contributions of more than ₹ 20,000 effectively balanced the voters' right to information with the right to privacy of donors especially since donations below this threshold were far less likely to influence political decisions.

➤ **Other Observations by SC:**

- The SBI has been ordered to immediately stop the issuance of any further electoral bonds and furnish details of such bonds purchased by political parties since April 12, 2019, to the ECI by March 6, 2024.
 - Such details must include the date of purchase of each bond, the name of the purchaser of the bond and the denomination of the bond purchased.
 - The ECI shall subsequently publish all such information shared by the SBI on its official website by 13 March 2024.
- Electoral bonds that are within the validity period of fifteen days but have not yet been encashed by the political party will have to be returned following which the issuing bank will refund the amount to the purchaser's account.



What were the Concerns Raised With Respect to Electoral Bonds?

➤ **Contradicting its Basic Idea:**

- The central criticism of the electoral bonds scheme is that it does the exact opposite of what it was meant to do i.e. to bring transparency to election funding.
- For example, critics argue that the anonymity of electoral bonds is only for the broader public and opposition parties.

➤ **Possibility of Extortion:**

- The fact that such bonds are sold via a government-owned bank (SBI) leaves the door open for the government to know exactly who is funding its opponents.
- This, in turn, allows the possibility for the government of the day to either extort money, especially from the big companies, or victimise them for not funding the ruling party - either way providing an unfair advantage to the party in power.

➤ **A Blow to Democracy:**

- Through an amendment to the **Finance Act 2017**, the Union government has exempted political parties from disclosing donations received through electoral bonds.
- This means the voters will not know which individual, company, or organization has funded which party, and to what extent. However, in a representative democracy, citizens cast their votes

for the people who will represent them in Parliament.

➤ **Compromising Right to Know:**

- The Indian Supreme Court has long held that the “right to know”, especially in the context of elections, is an integral part of the right to freedom of expression under Article 19 of the Indian Constitution.

➤ **Against Free & Fair Elections:**

- Electoral bonds provide no details to the citizens. However, the said anonymity does not apply to the government of the day, which can always access the donor details by demanding the data from the SBI.
- This implies that the government in power can leverage this information and disrupt free and fair elections.

➤ **Crony Capitalism:**

- The electoral bonds scheme removes all pre-existing limits on political donations and effectively allows well-resourced corporations to fund elections subsequently paving the way for crony capitalism.
 - **Crony Capitalism:** An economic system characterized by close, mutually advantageous relationships between business leaders and government officials.

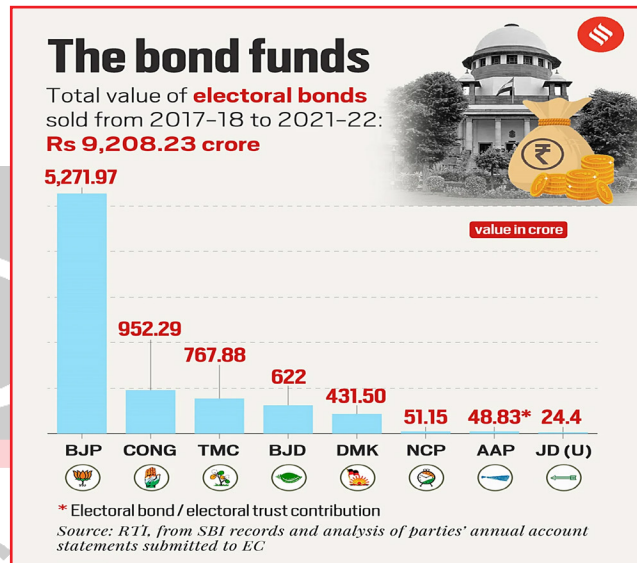
● **Concerns Raised in Association for Democratic Reforms (ADR) Report, 2023:**

- Analysis of Skewed Ratios of Donations and Funding Sources:
 - The highest donations from Electoral Bonds, totaling Rs 3,438.8237 crore, were received in 2019-20, the year of the general elections.
 - The year 2021-22, which witnessed 11 Assembly elections, saw donations worth Rs 2,664.2725 crore through Electoral Bonds.
 - Out of the total donations of Rs 16,437.635 crore received by the 31 political parties analyzed, 55.90% came from Electoral Bonds, 28.07% from the corporate sector, and 16.03% from other sources.
- **National and Regional Parties:**
 - National parties experienced a significant surge in Electoral Bond donations, witnessing a 743% increase between FY 2017-18 and FY 2021-22.
 - In contrast, corporate donations to national parties increased by only 48% during the same period.

- Regional parties also witnessed a substantial proportion of their donations coming from Electoral Bonds.

○ **Power-Biased Donations of Electoral Bond:**

- The party in power secured the highest donation among national political parties. More than 52% of the ruling party's total donations were sourced from Electoral Bonds, amounting to Rs 5,271.9751 crore.
- Main Opposition party secured the second-highest Electoral Bond donations, with Rs 952.2955 crore (61.54% of its total donations), followed by the third largest party with Rs 767.8876 crore (93.27%).



What are the Suggestions for Electoral Funding In India?

➤ **Regulation of Donations:**

- Some individuals or organisations, for instance, foreign citizens or companies, may be banned from making donations. There may also be donation limits, aimed at ensuring that a party is not captured by a few large donors — whether individuals, corporations, or civil society organisations.
- Some jurisdictions rely on contribution limits for regulating the influence of money in politics. US federal law imposes different contribution limits on different types of donors. Some other countries, such as the UK, do not impose contribution limits, but instead, rely on expenditure limits.

➤ **Limits on Expenditure:**

- Expenditure limits safeguard politics from a financial arms race. They relieve parties from the pressure of competing for money even before they start to compete for votes.

- Therefore, some jurisdictions impose an expenditure limit on political parties. For example, in the UK, political parties are not allowed to spend more than Euro 30,000 (about Rs 30 lakh) per seat.
- In the US, the Supreme Court's expansive interpretation of the First Amendment (freedom of expression) has come in the way of legislative attempts at imposing expenditure limits.
- **Providing Public Funding to Parties:**
 - The most commonly used method is to set predetermined criteria. For instance, in Germany, parties receive public funds on the basis of their importance within the political system.
 - Generally, this is measured on the basis of the votes they received in past elections, membership fees, and the donations received from private sources. German "political party foundations" receive special state funding dedicated to their work as party-affiliated policy think tanks.
 - A relatively recent experiment in public funding is that of "democracy vouchers", which is used in local elections in Seattle, US. The government distributes a certain number of vouchers — each of which is worth a certain amount — to eligible voters.
 - Voters can use these vouchers to donate to the candidate of their choice. The voucher is publicly funded, but the decision to allocate the money is the individual voter's. Put simply, voters get to "vote" with their money before they cast their ballot.
- **Disclosure Requirements:**
 - Disclosure as regulation rests on an assumption that the information supply and public scrutiny may influence politicians' decisions and the electorate's votes. However, mandatory disclosure of donations to parties is not always desirable.
 - At times, donor anonymity serves a useful purpose of protecting donors. For instance, donors may face the fear of retribution or extortion by the parties in power. The threat of retaliation may, in turn, deter donors from donating money to parties of their liking.
 - Many jurisdictions have struggled with striking an appropriate balance between the two legitimate concerns — transparency and anonymity. This issue was addressed by the Supreme Court in its judgment.
- **The Chilean Experiment:**
 - Under the Chilean system of "reserved contributions", donors could transfer to the

Chilean Electoral Service the money they wished to donate to parties, and the Electoral Service would then forward the sum to the party without revealing the donor's identity.

- If the complete anonymity system worked perfectly, the political party would not be able to ascertain the sum donated by any specific donor — and would find it extremely difficult to strike quid pro quo arrangements.
- However, it would be in the interest of donors (who want government patronage) and parties (who need money) to informally coordinate in advance to ascertain the sums donated by those donors. Indeed, as various scandals revealed in 2014-15, Chilean politicians and donors had coordinated with each other to effectively erode the system of complete anonymity.
- **Balancing Transparency, Anonymity:**
 - One of the most prominent responses is to balance legitimate public interests in transparency and anonymity. Many jurisdictions strike this balance by allowing anonymity for small donors, while requiring disclosures of large donations.
 - In the UK, a party needs to report donations received from a single source amounting to a total of more than Pounds 7,500 in a calendar year. The analogous limit in Germany is Euros 10,000.
 - The argument in favour of this approach is: small donors are likely to be the least influential in the government and most vulnerable to partisan victimisation, while large donors are more likely to strike quid pro quo arrangements with parties.

- **Establishing National Election Fund:**
 - Another option would be to establish a National Election Fund to which all donors could contribute. The funds could be allocated to parties based on their electoral performance. This would eliminate the so-called concern about donors' reprisals.
 - During the hearing, the apex court, however, flagged a new issue — the possibility of misuse of money received by political parties for activities like funding terror or violent protests, and asked the Centre whether it has any control on the end use.

What are the Recommendations on Funding of Political Parties?

- **Indrajit Gupta Committee on State Funding of Elections, 1998:**
 - Endorsed **state funding of elections to establish a fair playing field** for parties with less financial resources.

- **Recommended limitations:**
 - State funds to be allocated only to **national and state parties** with allotted symbols, not independent candidates.
 - Initially, **state funding should be provided in kind**, offering certain facilities to recognised political parties and their candidates.
 - Acknowledged economic constraints, advocating **partial rather than full state funding**.

➤ **Election Commission's Recommendations:**

- The 2004 report of the Election Commission emphasised the **necessity for political parties to publish their accounts annually**, allowing scrutiny by the general public and concerned entities.
 - Audited accounts, ensuring accuracy, should be made public, with auditing performed by **Comptroller and Auditor General-approved firms**.

➤ **Law Commission, 1999:**

- Described **total state funding of elections as "desirable"** under the condition that **political parties are prohibited from receiving funds from other sources**.
- The Law Commission's 1999 report proposed amending the **RPA, 1951, introducing section 78A for maintenance, audit, and publication of political party accounts**, with penalties for non-compliance.

Conclusion

February 15, 2024, marks a historic day in India's democracy as the Supreme Court delivered a landmark verdict striking down the Electoral Bonds Scheme. Upholding democracy as the Constitution's basic structure, the Court found the scheme unconstitutional in a unanimous decision, addressing every challenge raised. This decision requires the government to cease issuing electoral bonds immediately and disclose all relevant information to the Election Commission of India. The Court's ruling highlights the scheme's violation of the right to information and rejects the government's arguments, emphasizing that the Constitution cannot ignore potential misuse.



AI's Impact on Meritocracy

This editorial is based on "**Recalibrating merit in the age of Artificial Intelligence**" which was published in *The Hindu* on 19/02/2024. The article discusses how adapting

meritocracy to AI advancements requires a nuanced grasp of how technology interacts with societal frameworks because it necessitates a careful reassessment of how merit is conceptualised and rewarded, especially as AI can both enhance human abilities and exacerbate current inequalities.

Tag: GS Paper - 3, Artificial Intelligence, Scientific Innovations & Discoveries, IT & Computers, GS Paper - 2, Government Policies & Interventions.

The concept of meritocracy, rewarding individuals based on abilities and achievements, is debated for its impact on society. Critics foresee dystopian consequences, while the proponents of meritocracy see potential for reform. The evolution of meritocracy, influenced by these critiques, faces new challenges with the advent of **Artificial Intelligence (AI)**, reshaping the idea of merit.

What is Meritocracy?

➤ **Definition:**

- Meritocracy is a system in which individuals advance and are rewarded based on their abilities, achievements, and hard work, rather than their social status or background. In a meritocratic society, success is earned through personal effort and talent, and opportunities are theoretically open to all, regardless of their starting point in life.
- The concept suggests that those who work hard and demonstrate skill should rise to the top, while those who do not, remain in lower positions.

➤ **Principles and Values:**

- At its core, meritocracy values fairness, equality of opportunity, and the idea that individuals should be judged on their own merits, rather than external factors beyond their control.
- It promotes a level playing field where everyone has the chance to succeed based on their abilities and efforts, rather than inherited privilege or nepotism. Meritocracy also emphasises the importance of education and personal development, as these are seen as key pathways to success.

➤ **Criticisms and Challenges:**

- Critics of meritocracy argue that it can lead to a number of negative outcomes. They suggest that in practice, meritocracy often fails to provide equal opportunities for all, as individuals from privileged backgrounds may have access to better education and resources, giving them an unfair advantage.

- Critics also point out that meritocracy can create a sense of elitism among the successful, leading to a lack of empathy or understanding for those who have not been as fortunate.

➤ **Evolution and Adaptation:**

- Over time, the concept of meritocracy has evolved and been adapted to address some of these criticisms and challenges. Efforts have been made to increase access to education and opportunities for disadvantaged groups, in order to level the playing field.
- Additionally, there has been a growing recognition of the importance of diversity and inclusion in meritocratic systems, to ensure that a wide range of talents and perspectives are recognized and rewarded.

What are the Different Views Regarding Meritocracy?

The concept of meritocracy, wherein individuals are rewarded and advanced based on their abilities, achievements and hard work, rather than their social status or background, has been extensively debated. Proponents and critics of meritocracy offer compelling arguments about its impacts on society, highlighting its virtues and shortcomings. The evolution of meritocracy has witnessed significant transformations, influenced by the critiques and analyses of thinkers such as **Michael Young, Michael Sandel, and Adrian Wooldridge**.

➤ **Michael Young's View:**

- Young, a British sociologist, foresaw a dystopian meritocratic world in his satirical book, *The Rise of the Meritocracy* (1958). He envisioned a future, specifically 2034, as a society where social class and mobility were determined solely by intelligence and effort, as measured through standardised testing and educational achievement.
 - It was a critique of the then-emerging trend towards a merit-based system, which he feared would lead to a new form of social stratification.

➤ **Michael Sandel's Stand:**

- Sandel's critique focuses on the divisive consequences, arguing that meritocracy fosters a sense of entitlement among the successful and resentment among those left behind, thereby eroding social cohesion.
- Critical theorists also argue on similar lines by critiquing meritocracy for masking deeper power dynamics and inequalities. They say that meritocracy can perpetuate social hierarchies by legitimising the status of the elite under the guise of fairness and neutrality.

➤ **Post-Structuralists' Views:**

- Post-structuralists challenge the notion of merit, questioning who defines merit and how it is measured. They argue that concepts of merit are socially constructed and reflect the biases and interests of those in power.
- Post-structuralism highlights the fluidity and contingency of merit, suggesting that meritocratic systems are inherently subjective and can reinforce existing inequalities.

➤ **Adrian Wooldridge:**

- In contrast to Young's dystopian vision of meritocracy leading to a rigid class system and Sandel's emphasis on its moral and social repercussions, Wooldridge lays stress on the practical evolution of meritocracy and its potential for reform.
- In his book, *The Aristocracy of Talent*, he explores how meritocracy, initially a force for progress and social mobility, has inadvertently fostered new inequalities by becoming somewhat hereditary, with privileges being passed down generations.
- Despite recognising the potential for meritocracy to create a new elite, Wooldridge believes in its intuitive fairness and proposes reforms that include making selective schools as "escalators into the elite" while improving access for underprivileged students and advocating better technical education.

What is AI?

➤ **About:**

- AI is the ability of a computer, or a robot **controlled by a computer to do tasks that are usually done by humans** because they require human intelligence and discernment.
- Although there is **no AI that can perform the wide variety of tasks an ordinary human can do**, some AI can match humans in specific tasks.

➤ **Characteristics & Components:**

- The ideal characteristic of artificial intelligence is its **ability to rationalise and take actions** that have the best chance of achieving a specific goal. A subset of AI is **Machine Learning (ML)**.
- Deep Learning (DL) techniques **enable this automatic learning** through the absorption of huge amounts of unstructured data such as text, images, or video.

➤ **Types of AI:**

Based on Capabilities	Description
Weak AI or Narrow AI	AI designed for specific tasks like playing chess, recognizing faces, or making recommendations. Examples include Siri, Watson, AlphaGo.
General AI	AI with the ability to perform any intellectual task that a human can, including reasoning, learning, and planning. No current examples, but researchers are working on it.
Super AI	Speculative AI that surpasses human intelligence, excelling in tasks with cognitive abilities like creativity, self-awareness, and emotion. No current examples, only future possibilities.

Based on Functionality	Description
Reactive Machines	AI that reacts to the current situation but lacks memory or past experience storage. Examples include Deep Blue, AlphaGo.
Limited Memory	AI that stores some data or past experience for a short time, using it for decision-making. Examples include self-driving cars, chatbots.
Theory of Mind	AI that understands and simulates the mental states, emotions, and beliefs of others. No current examples, research is ongoing.
Self-Aware	AI with a sense of self, consciousness, and self-reflection. No current examples, subject to philosophical and scientific debates.

What are the Different Impacts of AI on Meritocracy?

Introducing AI into this equation completely complicates the idea of reforming meritocracy. AI, with its rapidly evolving capabilities, will be reshaping merit and the idea of meritocracy in following ways:

➤ **Enhances Human Abilities:**

- **First**, by its very nature, AI questions the basis of human merit by introducing a non-human entity capable of performing tasks, making decisions, and even 'creating' at levels that can surpass human abilities.
 - If machines perform the majority of tasks previously deemed as requiring human intelligence and creativity, the traditional metrics of merit become less relevant. OpenAI's Sora is evidence that creativity is not an exclusive human trait any more.
- **Second**, the advent of AI challenges the traditional notion of individual merit by prioritising access to technology. Individuals with access to AI tools gain a significant advantage, not necessarily due to their personal abilities, but because of the enhanced capabilities of these tools.

➤ **Exacerbate Current Inequalities:**

- **Third**, AI systems trained on historical data can perpetuate and even exacerbate biases present in that data, leading to discriminatory outcomes in areas such as hiring, law enforcement, and lending. These biases can disadvantage groups which are already marginalised.
- **Fourth**, a recent paper published in Nature Medicine showed that an AI tool can predict pancreatic cancer in a patient three years before radiologists can make the diagnosis.

- Capabilities such as this can lead to the displacement of jobs that involve routine, predictable tasks. This also means that AI would impact high-wage jobs.
- Regardless of these, AI would push the workforce towards either high-skill, high-wage jobs involving complex problem-solving and creativity or low-skill, low-wage jobs requiring physical presence and personal interaction, which AI cannot replicate yet.
- This polarisation will exacerbate socioeconomic disparities, as individuals without access to high-level education and training are pushed towards lower-wage roles.
- **Fifth**, the opaque nature of many AI algorithms, coupled with the concentration of power in a few tech giants, poses significant challenges to accountability. In a meritocratic society, individuals must understand the criteria by which their efforts and talents are evaluated.
- However, the 'black box' nature of many AI systems can obscure these criteria, making it difficult for individuals to know how to advance or challenge decisions made by AI, thus eroding the meritocratic ideal.
- **Sixth**, at the organisational level, the core of AI's power lies in data and algorithms that process this data. Tech giants with access to unprecedented volumes of data have a distinct advantage in training more sophisticated and accurate AI models.
- This data hegemony means that these entities can set the standards for what constitutes 'merit' in the digital age, potentially sidelining smaller players who may have innovative ideas but need access to similar datasets.

What are India's Different Initiatives Related to AI?

- [INDIAai.](#)
- [Global Partnership on Artificial Intelligence \(GPAI\).](#)
- [US India Artificial Intelligence Initiative.](#)
- [Responsible Artificial Intelligence \(AI\) for Youth.](#)
- [Artificial Intelligence Research, Analytics and Knowledge Assimilation Platform.](#)
- [Artificial Intelligence Mission.](#)

Conclusion

The concept of meritocracy has sparked intense debate, with proponents highlighting its virtues in rewarding abilities and achievements, while critics point to its potential for fostering entitlement and exacerbating social divides. The evolution of meritocracy, as discussed

by thinkers like Young, Sandel, and Wooldridge, illustrates various perspectives on its impacts and challenges. With the advent of AI, the idea of merit is further complicated, raising questions about human versus machine merit, access to technology, biases in AI systems, job displacement, and data hegemony. Addressing these complexities requires a nuanced approach to redefine merit and ensure fairness in the digital age.



Transforming Education for the Service Sector

This editorial is based on "[Engineering graduates are steering the service industry](#)" which was published in *The Hindu* on 20/02/2024. The article discusses the shift of engineering graduates toward the services sector, highlighting the changing job market dynamics and the importance of designing curricula that cater to the specific requirements of this sector.

Tag: GS Paper-3, Growth & Development, GS Paper-2, Education, Human Resource, Skill Development.

In a rapidly evolving global economy, the services sector has emerged as a significant player, contributing 53% of India's **Gross Value Added (GVA)** versus the 28% of the industry sector. This dominance of services is also evident in employment distribution - 31% of employment is generated in the services sector versus 25% in industries. This massive growth is fuelling the demand for entry-level employees across the spectrum of the services sector.

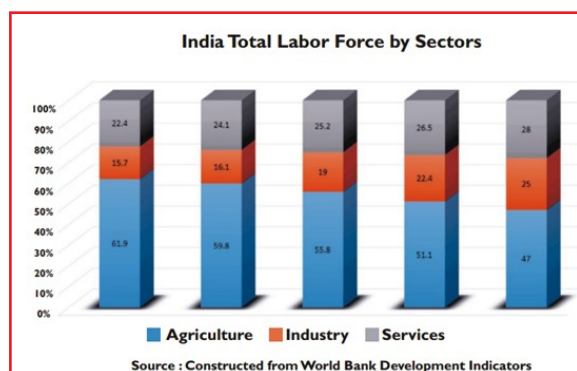
This growth is not just limited to IT services; the organised Indian service sector, that comprises retail, telecom, consulting, hospitality, banking and health care, has been growing consistently. Further, for each of these sectors, India is also the offshore hub, delivering these services for the entire world through captive and Third Party Shared Services (TPSS) and Global Business Services (GBS).

Note: Third-Party Shared Services (TPSS): This refers to the practice of outsourcing specific business functions or processes to external service providers. These providers are separate entities from the contracting organisation (hence, "third-party"), and they typically serve multiple clients.

- Shared services involve consolidating similar functions from different parts of an organisation or multiple organisations into a single, specialised unit. This approach aims to achieve economies of scale, improve efficiency, and reduce costs.

➤ **Global Business Services (GBS):** GBS is an evolution of the shared services model. It involves centralising and standardising business processes across an organisation's global operations. GBS goes beyond traditional shared services by integrating functions that were previously managed independently in different regions or divisions.

- GBS centres often leverage technology and automation to streamline operations, enhance decision-making, and drive innovation.



Why is there a Need to Upgrade the Service Sector Workforce?

➤ **Needs Continuous Supply of Skilled Manpower:**

- This massive service industry needs continuous supply of skilled manpower which is being fulfilled from a rather unusual education stream—engineering. **According to Statista, only 57% of engineering graduates are employable.**
- An All India Council for Technical Education (AICTE) commissioned report highlighted that **less than 60% of available engineering seats have**

enrolment. Another industry report claims that about 80% of graduate engineers end up in a non-technical job which is unrelated to their field of education.

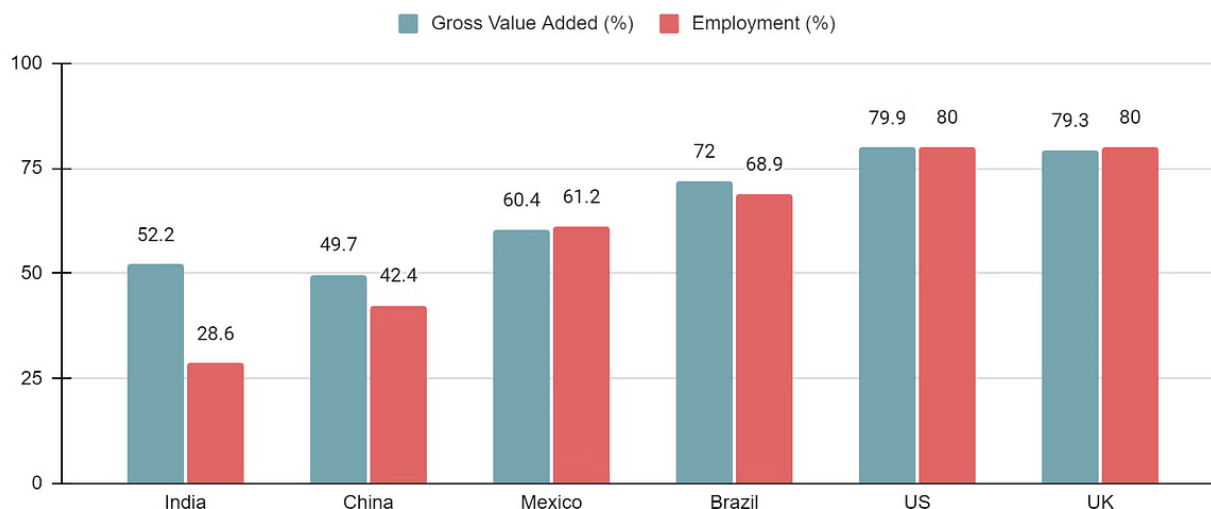
➤ **Engineers Being Employed in Non-Technical Sectors:**

- A number of engineering graduates in India are steering towards the services sector not merely due to an ideal alignment of skills and job demand, but propelled by the dynamic and burgeoning nature of service-oriented opportunities and a lack of relevant jobs for their skills in their core sector.
- As a result, over the last decade, **a large number of engineers are employed in non-technical sectors** such as banking, insurance, hospitality, health care and retail across a variety of roles such as sales, customer service, back office operations, logistics and supply chain management.

➤ **Need for Adaptable and Problem-Solving Mindset:**

- Engineers are increasingly finding employment not solely based on a precise match of skills but due to the adaptability and problem-solving mindset ingrained in their education.
- Employers, who are faced with a dynamic market, are recognising the transferability of engineering skills, even if the roles themselves are not conventionally engineering-centric.
- The analytical prowess, problem-solving abilities, and structured thinking ingrained in engineering graduates make them highly sought-after in sectors that may not traditionally be perceived to be engineering-centric.

Share of service sector in GDP and Employment



What is the Necessity for a Service-Sector-Specific Course in India?

➤ **Need for Reflection on Evolving Nature of Market:**

- This trend prompts a critical reflection on the evolving nature of job markets and the role of education in preparing graduates for a diverse array of professional challenges.
- As engineers seamlessly transition into roles such as sales, customer service and finance across a wide variety of sectors, it becomes **imperative for the educational ecosystem to evolve and address this need from the service industry**, and recalibrate their approach towards curriculum design and pedagogy.

➤ **Lack of Generic Courses:**

- Courses are only available in niche domains such as health care or hospitality. There is no generic course to cater to the needs of the services sector.
 - As a result, services are consuming engineers, and to some extent management graduates/postgraduates, into entry-level jobs.
- Rather than focusing on bridging the gap between existing engineering education and job demand, there is a pressing need to **develop generic services-oriented courses** that can **equip students to thrive in white-collar service environments**.
- Just as an engineering education equips the student with the basic skills to find a vocation in an industrial setup, we need an equivalent services skill education that instils the necessary competencies to excel in the service-oriented landscape.

➤ **Cultivating Soft-Skills:**

- Such generic courses can offer a holistic blend of technical proficiency, soft skills, and industry-specific knowledge essential for success in service-centric roles.
- These courses should not only emphasise technical proficiency but also cultivate soft skills, business acumen, and industry-specific knowledge that are essential for success in the service sector.

➤ **Integrating Diverse Technologies:**

- By integrating cutting-edge technologies such as **Artificial Intelligence (AI)** and the **Internet of things (IoT)** into the curriculum, these programmes can enhance students' employability, particularly in emerging sectors such as Fintech and edutech.
 - Such a course would foster a cadre of professionals adept at navigating the complexities of modern service-oriented industries, with skills around process reengineering, problem solving and client management.

➤ **Meeting Demands of Dynamic Service Landscape:**

- Structured around a diverse curriculum, this course could encompass essential subjects and skills tailored to meet the demands of today's dynamic service landscape. Professionals enrolled in this course would gain a solid foundation in service delivery fundamentals, covering core sector overview and nuances of service delivery in a physical as well as digital environment.

➤ **Facilitating Adequate Training in Service Management:**

- Additionally, they could receive training in service management principles, process improvement methodologies such as Lean Six Sigma, and critical thinking frameworks, empowering them to optimise service processes, drive operational efficiency, and tackle complex challenges with confidence.
- An emphasis on client management, communication skills and ethical conduct would foster a culture of professionalism and integrity among professionals, crucial to build strong client relationships and maintain trust in service-oriented roles.

Note:

- **Lean Six Sigma** is a methodology that combines the principles of Lean manufacturing and Six Sigma to improve performance by systematically removing waste and reducing variation in processes. It aims to enhance efficiency, productivity, and quality while reducing costs and enhancing customer satisfaction.
- The term **"Six Sigma"** refers to a statistical concept that measures how far a given process deviates from perfection. The goal of Six Sigma is to achieve processes that operate with **no more than 3.4 defects per million opportunities (DPMO)**.

What are the Steps Required for Reforming Service-Sector Workforce?

➤ **Introducing New Stream- 'Service Engineering':**

- The introduction of such a course- "service engineering"- holds transformative potential, offering a pathway to enhanced employability, improved service delivery, and sustained economic growth.
- Graduates would emerge as highly sought-after professionals, equipped with the knowledge, skills, and mindset needed to excel in white-collar service environments across a variety of industries.

➤ **Ensuring Affordability and Accessibility of Courses:**

- Moreover, the affordability and accessibility of service engineering courses would make them an attractive option for students from tier 2 and 3 cities. The recent [Periodic Labour Force Survey \(PLFS\)-7](#) reported the women's participation in the workforce to be 37%.
- Since services typically offer better flexibility to employees, such a course can also help **enable a supportive environment for women to balance work and family commitments** while contributing to the workforce.

➤ **Fostering Inclusivity and Innovation:**

- Unlike conventional engineering programmes that require extensive hard infrastructure, service engineering courses would leverage digital platforms and virtual learning environments, significantly reducing costs and eliminating geographical barriers to education.
- This democratisation of education not only fosters inclusivity but also unleashes the potential of aspiring professionals from diverse backgrounds to contribute to India's burgeoning services-driven economy.
- By investing in the **development of a skilled workforce tailored to the needs of the services sector**, India can position itself as a global leader in service innovation and delivery, driving prosperity and competitiveness in the services-driven economy of the future.

➤ **Regulatory and Institutional Reforms:**

- Regulations in a number of services sub-sectors are either outdated or non-existent. The government is trying to do away with outdated policies but there is a pressing need to implement new regulations in areas such as direct selling, e-commerce and cloud computing to facilitate the growth of these sub-sectors. **Regulatory and institutional reforms will help modernise the services sector in India.**

➤ **Service Sector Tailored Policymaking:**

- There is no government policy on how the sector can lead to inclusive growth. This is partly because the focus is on agriculture and manufacturing, and the service sector has largely been left to grow on its own.
 - There is **no nodal ministry for services like retailing** while for others like transport and energy there are multiple ministries with conflicting interests.

- The quasi-federal governance structure has led to multiple regulatory bodies, numerous regulations, and multiple clearance requirements. For example, there are around 13 regulatory bodies for higher education, and each of them functions in isolation.

- There is an urgent need to focus on the service sector and to identify the key barriers faced by different types of services and then to undertake specific reforms.

- For instance, in road transport, reforms should focus on establishing a seamless supply chain by removing barriers to the interstate movements of goods. This can be done with the help of technology such as computerising check posts at state borders and with **regulations such as implementing single goods and service taxes.**

Conclusion

The services sector has become a cornerstone of India's economy, contributing significantly to Gross Value Added and employment. This growth has led to a demand for skilled professionals, with many engineering graduates finding opportunities in non-technical roles within the sector.

To address this trend, there is a need for generic services-oriented courses that equip students with the necessary technical and soft skills for white-collar service roles. Such courses can enhance employability, particularly in emerging sectors, and foster a culture of professionalism and integrity.



Fiscal Devolution in Panchayati Raj

This editorial is based on "[Having panchayats as self-governing institutions](#)" which was published in *The Hindu* on 21/02/2024. The article emphasises the need to educate elected representatives and the public on the importance of panchayats achieving self-sufficiency and relying on their own financial resources.

Tag: GS Paper - 2, Local Self Governance, Government Policies & Interventions, Constitutional Amendments.

Three decades have passed since the **73rd and 74th Constitutional Amendment** Acts came into effect, which envisaged that local bodies in India would function as institutions of local self government. As a follow up, the Ministry of Panchayati Raj was constituted in 2004 to strengthen rural local governments.

The constitutional amendment has set forth specific details on fiscal devolution which includes the generation of own revenues. Emanating from the Central Act, various States Panchayati Raj Acts have made provisions for taxation and collection. Based on the provisions of these Acts, panchayats have made efforts to generate their own resources to the maximum extent.

What are the Salient Features of the 73rd and 74th Amendments?

➤ About:

- These amendments added two new parts to the Constitution, namely, Part IX titled "The Panchayats" (73rd Amendment) and Part IXA titled "The Municipalities" (74th Amendment).
- Basic units of democratic system-Gram Sabhas (villages) and Ward Committees (Municipalities) comprising all the adult members registered as voters.
- Three-tier system of panchayats at village, intermediate block/taluk/mandal and district levels except in States with population is below 20 lakhs (Article 243B).
- Seats at all levels to be filled by direct elections Article 243C (2).

➤ Reservation Provisions:

- Seats reserved for **Scheduled Castes (SCs)** and **Scheduled Tribes (STs)** and the chairpersons of the Panchayats at all levels also shall be reserved for SCs and STs in proportion to their population.
- 1/3rd of the total number of seats to be reserved for women.
- 1/3rd of the seats reserved for SCs and STs are also reserved for women.
- 1/3rd offices of chairpersons at all levels reserved for women (Article 243D).

➤ Tenure:

- Uniform five year term and elections to constitute new bodies to be completed before the expiry of the term.
- In the event of dissolution, elections compulsorily within six months (Article 243E).
- Independent **Election Commission** in each State for superintendence, direction and control of the electoral rolls (Article 243K).

➤ Developmental Planning:

- Panchayats to prepare plans for economic development and social justice in respect of subjects as devolved by law to the various levels of Panchayats including the subjects as illustrated in Eleventh Schedule (Article 243G).

- The 74th Amendment provides for a District Planning Committee to consolidate the plans prepared by Panchayats and Municipalities (Article 243ZD).
- The **Eleventh Schedule** of the Constitution places as many as 29 functions within the purview of the Panchayati Raj bodies.

➤ Revenue and Finances:

- Budgetary allocation from State Governments, share of revenue of certain taxes, collection and retention of the revenue it raises, Central Government programmes and grants, Union Finance Commission grants (Article 243H).
- Establish a **Finance Commission** in each State to determine the principles on the basis of which adequate financial resources would be ensured for panchayats and municipalities (Article 243I).

What is the Current Status of Finances of PRIs?

➤ Revenue Statistics:

- As per RBI, in FY 2022-23, panchayats recorded a total revenue of Rs 35,354 crore.
 - However only Rs 737 crore was generated through their own tax revenue which can be earned through taxes on profession and trades, land revenue, stamps and registration fees, taxes on property, and service tax.
- Non-tax revenue amounted to Rs 1,494 crore, primarily from interest payments and Panchayati Raj programs.
- Significantly, panchayats received Rs 24,699 crore in grants from the Central government and Rs 8,148 crore from State governments.

➤ Revenue Per Panchayat:

- On an average each panchayat earned just Rs 21,000 from its own tax revenue and Rs 73,000 from non-tax revenue.
- Conversely, grants from the Central government amounted to approximately Rs 17 lakh per panchayat, with State government grants totaling over Rs 3.25 lakh per panchayat.

➤ State Revenue Share and Inter-State Disparities:

- Panchayats' share in their respective State's own revenue remains minimal.
 - For example, in Andhra Pradesh, revenue receipts of panchayats form just 0.1% of the State's own revenue, while in Uttar Pradesh, it forms 2.5%, the highest among states.
- There are wide variations among states regarding average revenue earned per panchayat.

- Kerala and West Bengal lead with average revenues of over Rs 60 lakh and Rs 57 lakh per panchayat, respectively.
- The revenue was over Rs 30 lakh per panchayat in Assam, Bihar, Karnataka, Odisha, Sikkim, and Tamil Nadu.
- States like Andhra Pradesh, Haryana, Mizoram, Punjab, and Uttarakhand have significantly lower average revenues, less than Rs 6 lakh per panchayat.

Chart 1 | The chart shows the revenue receipts of panchayats in 2022-23. Figures in %

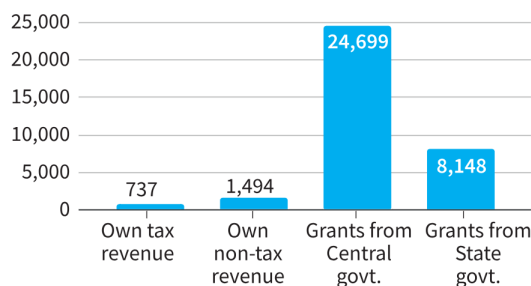


Chart 2 | The chart shows the average revenue per panchayat in 2022-23. Figures in ₹ thousand

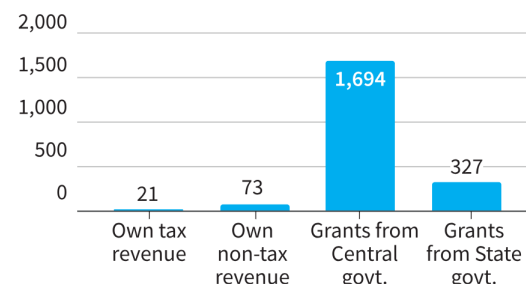


Chart 3 | The chart shows the revenue per panchayat in percentage terms in 2022-23.

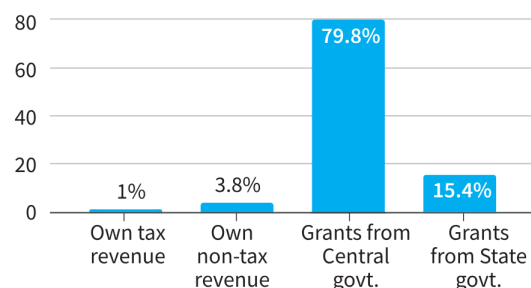


Chart 4 | The chart shows the average revenue per panchayat across States in 2022-23. Figures in ₹ lakh.

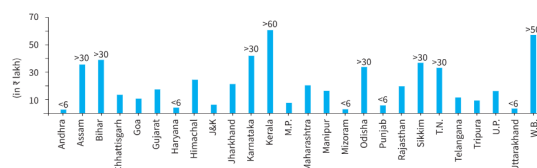
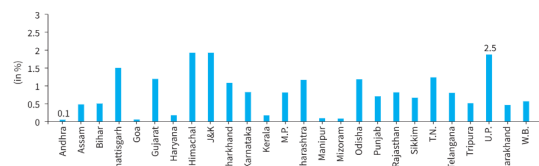


Chart 5 | The chart shows the revenue of panchayats as a share of the State's own revenue in 2022-2023. Figures in %



Why is There a Need for Panchayats to Achieve Self Sufficiency?

The recently released report titled 'Finances of Panchayati Raj Institutions' by the RBI for the FY 22-23 sheds light on the financial dynamics of Panchayati Raj Institutions (PRIs) in India.

➤ Excessive Reliance on Grants:

- That "Panchayats earn only 1% of the revenue through taxes", with the rest being raised as grants from the State and Centre. It specifically points out that 80% of the revenue is from the Centre and 15% from the States.
- This is an eye-opener for the proponents of decentralisation as the net result is that the revenue raised by panchayats is meagre even after 30 years of devolution initiatives.

➤ Disparities Across States:

- When it comes to analysing the status of devolution, it is evident that some States have forged ahead while many lag behind. The commitment of State governments towards decentralisation has been vital in making PRIs an effective local governance mechanism at the grass-roots level.
- In several States, gram panchayats lack the authority to collect taxes, while in numerous others, intermediate and district panchayats are not delegated the responsibility of tax collection.

- When gram panchayats collect 89% of their own taxes, the intermediate panchayats collect 7% and the district panchayats a nominal 5%. There is a need to demarcate Own Source of Revenue (OSR) for the entire three-tier panchayats to ensure equitable sharing.

➤ **General Aversion Towards Generating Own Income:**

- With the increase in the allocation of Central Finance Commission (CFC) grants, panchayats are evincing less interest in the collection of OSR. The allocation for rural local bodies from the 10th and 11th CFC was Rs 4,380 crore and Rs 8,000 crore, respectively.
- But in the 14th and 15th CFCs there was a huge increase by way of allocating Rs 2,00,202 and Rs 2,80,733 crore, respectively.
- The tax collected in 2018-19 was Rs 3,12,075 lakh which diminished in 2021-2022 to Rs 2,71,386 lakh. The non-tax revenue collected for the same period was Rs 2,33,863 lakh and Rs 2,09,864 lakh.

➤ **Incentivisation by State Governments:**

- At one time, panchayats were in competition to raise OSR for their commitment to fulfil basic needs. This has now given place to dependency on allocations and reimbursements through different finance commissions.
- Some States have the policy of incentivisation by providing matching grants but which were sparingly implemented. Panchayats also have no need of penalising defaulters as they believe that OSR has not been regarded as an income that is linked with panchayat finance.

➤ **Impediments Due to Freebie Culture:**

- Despite every enabling factor to raise revenue, panchayats confront several impediments in resource mobilisation: the 'freebie culture' rampant in society is the cause for the antipathy in paying taxes. Elected representatives feel that imposing taxes would alter their popularity adversely.

What are the Suggestions Required for Boosting Financial Resources of PRIs?

➤ **Expert Committee Report:**

- The report of the expert committee constituted by the Ministry of Panchayati Raj on OSR of rural local bodies elaborates on the details of State Acts that have incorporated tax and non-tax revenue that can be collected and utilised by panchayats.

- Property tax, cess on land revenue, surcharge on additional stamp duty, tolls, tax on profession, advertisement, user charges for water and sanitation and lighting are the **major OSRs where panchayats can earn maximum income.**

➤ **Establishing Conducive Environment:**

- Panchayats are expected to establish a conducive environment for taxation by implementing appropriate financial regulations. This includes making decisions regarding the tax and non-tax bases, **determining their rates, establishing provisions for periodic revisions, defining exemption areas, and enacting effective tax management** and enforcement laws for collection.

➤ **Diversifying Sources for Non-Tax Revenues:**

- The huge potential for non-tax revenue includes fees, rent, and income from investment sales and hires charges and receipts. There are also innovative projects that can generate OSR. This covers income from rural business hubs, innovative commercial ventures, renewable energy projects, carbon credits. **Corporate Social Responsibility (CSR)** funds and donations.

➤ **Leveraging Local Resources:**

- Gram sabhas have a significant role in fostering self-sufficiency and sustainable development at the grass-roots level by leveraging local resources for revenue generation.
- They can be engaged in **planning, decision-making, and implementation of revenue-generating initiatives** that range from agriculture and tourism to small-scale industries.
- They have the authority to impose taxes, fees, and levies, directing the funds towards local development projects, public services, and social welfare programmes.

➤ **Fostering Partnerships:**

- Through transparent financial management and inclusive participation, gram sabhas ensure accountability and foster community trust, ultimately empowering villages to become economically independent and resilient.
- Thus, gram sabhas need to promote entrepreneurship, and foster **partnerships with external stakeholders to enhance the effectiveness of revenue generation efforts.**

➤ **Recommendations of RBI:**

- The RBI suggests promoting greater decentralisation and empowering local leaders

and officials. It advocates for measures to enhance financial autonomy and sustainability of Panchayati Raj.

- The report emphasised that PRIs can enhance **resource utilisation by adopting transparent budgeting, fiscal discipline**, community involvement in development prioritisation, staff training, and rigorous monitoring and evaluation.
- Additionally, it highlighted the necessity of **raising public awareness about PRI functions** and encouraging citizen participation for effective local governance.

➤ Educating Elected Representatives and Public:

- There is a need to educate elected representatives and the public on the significance of raising revenue to develop panchayats as self-governing institutions.
 - Ultimately, the **dependency syndrome for grants has to be minimised** and in due course, panchayats will be able to survive on their own resources. Panchayats can only achieve such a state of affairs when there are dedicated efforts at all tiers of governance, which includes even the State and central level.

What are the Related Initiatives?

➤ SVAMITVA Scheme:

- **Survey of Villages and Mapping with Improved Technology in Village Areas (SVAMITVA)** scheme was launched on **National Panchayati Raj Day** 2020 to enable economic progress of Rural India by providing "Record of Rights" to every rural household owner.

➤ e-Gram Swaraj e-Financial Management System:

- e-Gram Swaraj is a Simplified Work Based Accounting Application for **Panchayati Raj**.

➤ Geo-Tagging of Assets:

- The Ministry of Panchayati Raj (MoPR) has developed "mActionSoft", a mobile based solution to help in capturing photos with **Geo-Tags** (i.e., GPS Coordinates) for the works which have assets as an output.

➤ Citizen Charter:

- In order to focus on the commitment of the PRIs towards its Citizens in respect of Standard of Services, the MoPR has provided a platform to upload Citizen Charter documents with the slogan "Meri Panchayat Mera Adhikaar – Jan Sevaayein Hamaare Dwaar".

➤ Revamped Rashtriya Gram Swaraj Abhiyan (2022-23 to 2025-26):

- The focus of the scheme of **Revamped RGSA** is on re-imagining PRIs as vibrant centres of local self-governance with special focus on **Localisation of Sustainable Development Goals (LSDGs)** at grassroot level adopting thematic approach through concerted and collaborative efforts of Central Ministries and State Line departments and other Stakeholders with 'Whole of Government and Whole of Society' approach.

Conclusion

Fiscal devolution, as outlined in the constitutional amendments, includes generating own revenues, with panchayats making efforts to maximise their resources. However, the recent data suggests that panchayats only earn 1% of revenue through taxes, highlighting a continued dependency on grants from the State and Centre. The report on OSR emphasizes the potential for panchayats to earn income through various avenues like property tax, user charges, and innovative projects. Despite challenges like the 'freebie culture' and reluctance to impose taxes, educating elected representatives and the public on the importance of revenue generation can help panchayats become financially independent and self-sustaining.

■■■

Balancing Housing Expansion with Sustainability

This editorial is based on "***Beyond shelter, dweller needs within the four walls***" which was published in *The Hindu* on 22/02/2024. The article delves into the growing significance of the construction sector in executing PMAY and its contribution to greenhouse gas emissions. It underscores the importance of mitigating the environmental impact of construction activities.

Tag: GS Paper-2, Poverty, Welfare Schemes, Government Policies & Interventions, Issues Relating to Development, GS Paper-3, Conservation, Environmental Pollution & Degradation.

In the **Interim Budget** 2024, the Ministry of Finance announced the construction of two crore additional houses over the next five years under the **Pradhan Mantri Awas Yojana Gramin (PMAY-G)** and the introduction of a new housing scheme for the middle class. This is a commendable step towards realising the goals of the ambitious '**Housing for All**' initiative and builds on the

success of the **PMAY scheme**, which has facilitated the construction of nearly three crore rural and 80 lakh urban affordable houses since 2015.

The announcement also prompts us to critically think about the potential trade-offs with quality of life and environmental concerns as a result of the rapid expansion of the housing sector. This is evident in the case of affordable housing, where the emphasis is on mass production, prioritising speed, cost, and ease of construction over factors such as thermal comfort and the implementation of low-carbon infrastructure.

What is PMAY?

➤ **Pradhan Mantri Awaas Yojana- Gramin (PMAY-G):**

- **Launch:** To achieve the objective of “Housing for All” by 2022, the erstwhile rural housing scheme Indira Awaas Yojana (IAY) was restructured to Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) w.e.f 1st April, 2016.
- **Ministry Involved:** Ministry of Rural development.
- **Aim:** To provide a pucca house with basic amenities to all rural families, who are homeless or living in kutcha or dilapidated houses by the end of March 2022.
- To help rural people Below the Poverty Line (BPL) in construction of dwelling units and upgradation of existing unserviceable kutcha houses by providing assistance in the form of a full grant.
- **Beneficiaries:** People belonging to SCs/STs, freed bonded labourers and non-SC/ST categories, widows or next-of-kin of defence personnel killed in action, ex servicemen and retired members of the paramilitary forces, disabled persons and minorities.
- **Selection of Beneficiaries:** Through a three stage validation - Socio Economic Caste Census 2011, Gram Sabha, and geo-tagging.
- **Cost Sharing:** The cost of unit assistance is shared between Central and State Governments in the ratio 60:40 in plain areas and 90:10 for North Eastern and hilly states.

➤ **Pradhan Mantri Awas Yojana – Urban (PMAY-U):**

- **Launch:** 25th June 2015, intends to provide housing for all in urban areas by year 2022.
- **Implemented by:** Ministry of Housing and Urban Affairs
- **Features:**
 - Addresses Urban housing shortage among the Urban Poor including the Slum Dwellers by ensuring a pucca house to eligible urban poor.
 - The Mission covers the entire urban area consisting of Statutory Towns, Notified Planning Areas, Development Authorities, Special Area Development Authorities, Industrial Development Authorities or any such authority under State legislation which is entrusted with the functions of urban planning & regulations.
 - The Mission promotes women empowerment by providing the ownership of houses in the name of female members or in joint name.
- **Divided into Four Verticals:**
 - In-situ Rehabilitation of existing slum dwellers using land as a resource through private participation.
 - Credit Linked Subsidy.
 - Affordable Housing in Partnership.
 - Beneficiary-led individual house construction/enhancement.

What are the Different Modern Technologies in the Housing Sector?

Within the framework of the PMAY mission, **Light House Projects (LHPs)** are underway as part of the **Global Housing Technology Challenge (GHTC)**, spanning six sites across six States, apart from **Mivan Technology**. These leverage modern technology and innovative processes so as to reduce construction time and build more resilient and affordable houses for the underprivileged.

➤ **Global Housing Technology Challenge-India:**

- The Ministry of Housing and Urban Affairs has conceptualised a **Global Housing Technology Challenge - India (GHTC- India)** which aims to identify and mainstream a basket of innovative technologies from across the globe for the housing construction sector that are sustainable, eco-friendly and disaster-resilient.

Category	Household Income	Maximum House Area	Govt Subsidy	NPV of subsidy
Economically Weaker Section (EWS)	<3 lacs	30 sqm	6.5% for loan up to 6 lacs	2.67 lacs
Lower Income Group (LIG)	3-6 lacs	60 sqm	6.5% for loan up to 6 lacs	2.67 lacs
Medium Income Group 1 (MIG1)	6-12 lacs	160 sqm	4% for loan up to 9 lacs	2.35 lacs
Medium Income Group 2 (MIG2)	12-18 lacs	200 sqm	3% for loan up to 12 lacs	2.3 lacs

- The Prime Minister declared the year 2019-20 as '**Construction Technology Year**' while inaugurating GHTC-India in March 2019.

➤ **LightHouse Projects at Six Sites:**

- Six LHPs consisting of about 1,000 houses each with physical & social infrastructure facilities are being constructed at six places across the country namely **Indore** (Madhya Pradesh), **Rajkot** (Gujarat), **Chennai** (Tamil Nadu), **Ranchi** (Jharkhand), **Agartala** (Tripura) and **Lucknow** (Uttar Pradesh).
- LHPs will demonstrate and deliver ready to live mass housing at an expedited pace as compared to conventional brick and mortar construction and will be more economical, sustainable, of high quality and durability.

➤ **Mivan Construction Technology:**

- Additionally, there are ongoing efforts to utilise alternative construction technologies such as Mivan. This technology utilises **advanced aluminium formwork, which is recyclable and reusable**, to cast and construct various building elements.
- This approach surpasses traditional construction methods in terms of speed and quality and has a relatively lower environmental impact due to reduced wastage in the construction phase.

➤ **Insulating Concrete Formwork (ICF) Technique:**

- With an insulating concrete formwork (ICF) approach, builders **use double-walled polystyrene panels as the basis for the walls** of a building.
- The empty panels are filled with construction-grade ready-mixed concrete to ensure a strong, durable structure. **Airtight ICF systems provide excellent insulation for both heat and sound** and help buildings to maintain steady thermal mass energy.

➤ **Hybrid Concrete Construction:**

- As the name suggests, hybrid concrete construction is a combination of construction methods. Specifically, hybrid concrete construction uses cast-in-place concrete with other precast materials like steel or concrete units.
- A hybrid method using both in-situ construction and precast materials helps to accelerate facility construction and lower project costs while controlling the overall quality of the building process.

What are the Sustainability Concerns in Development of the Housing Sector?

➤ **Concerns Due to Different Construction Technologies:**

○ **Issues of Thermal Distress:**

- The extensive use of cement and steel without proper insulation results in increased heat gain from the building envelope, causing thermal distress.

➤ **Elevated Greenhouse Gas (GHG) Emissions:**

- Due to inadequate insulation, occupants resort to increased use of cooling appliances such as air conditioners. This reliance on cooling appliances triggers a surge in electricity consumption, thereby contributing to elevated greenhouse gas (GHG) emissions.

○ **Increased Electricity Consumption:**

- The predominant use of lower efficiency appliances owing to lower purchase costs leads to higher electricity consumption and resultant greenhouse gas emissions.
- This underscores a critical paradox, wherein a technology deemed to offer a low-carbon alternative inadvertently contributes to elevated emissions during the operational stage.

➤ **Locational Factors Hindering Housing Projects:**

- PMAY-U requires earmarking of land in master plans for affordable housing. In theory, this should allow cities and towns to ensure that the distance and cost of the daily commute of lower-income population is kept at a minimum.
- However, 76.2% of the 7,953 census towns in India do not have a master plan. In Delhi, many newly created housing stock have no takers due to its location and acute shortage of public transport.

➤ **Inadequacies in Building Typology:**

- Under the PMAY-U, states and cities must provide additional floor area ratio (FAR), floor space index (FSI), or transferable development rights (TDR) and relaxed density rules for slum and low-cost housing, leading to dense, high-rise developments.
 - This approach improves land use efficiency but raises sustainability and affordability concerns due to increased emissions per unit area with taller buildings.

➤ **Excessive Reliance on Centralised Systems:**

- India's utility and service infrastructure relies heavily on overburdened centralised systems, leading to deficits of up to 50% in many cities. Centralised systems, while expensive, lack provisions for rainwater harvesting, decentralised waste management, and wastewater treatment in PMAY-U guidelines, instead guided by various building and environmental regulations.

➤ **Inefficient Beneficiary-Led Construction:**

- Approximately 63% of PMAY-U projects are self-constructed by beneficiaries, allowing for flexible construction pace. However, this informal construction lacks adherence to building norms and safety codes, with limited access to sustainability guidance.
 - This approach, dominant among lower-income groups, highlights the need to integrate affordable sustainability criteria and technical support for improved liveability.

➤ **Lack of Awareness Due to Multi-Stakeholder Nature:**

- Implementing passive designs faces challenges due to the complex building value chain involving various stakeholders with differing priorities and awareness levels.
- End-users' lack of awareness about the benefits further impedes adoption, highlighting the need for increased awareness and collaboration among stakeholders.

What are the Steps Required to Make the Housing Sector More Sustainable?

➤ **Prioritising Thermal Comfort:**

- The escalating heat stress worldwide is anticipated to affect various population segments, leading to a substantial increase in the demand for cooling.
 - However, the impact of this rising demand will be pronounced among communities belonging to the low-income strata with limited access to cooling amenities.
- Therefore, to make vulnerable communities resilient to heat stress, it is imperative that building houses go beyond provisioning basic amenities by integrating passive design strategies for thermal comfort.

➤ **Reinforcing Building Codes:**

- The pathway to achieving a harmonious balance among multiple goals lies in the obligatory implementation of guidelines embedded within building codes, as demonstrated by initiatives such as **Eco Niwas Samhita**.
 - The Smart Ghar III project in Rajkot, an affordable housing initiative under the PMAY Untenable Slum Redevelopment project, serves as a prime example of achieving indoor thermal comfort through passive design implementation.
- As various construction technologies are being tested for LHPs, there is no better opportune time than now to incorporate detailed passive design aspects in building design mandating the adoption of codes and guidelines.

➤ **Raising Awareness About Passive-Designs:**

- While passive designs offer long-term benefits such as reduced energy bills and improved comfort, these advantages are not always immediately apparent to homeowners.
- Therefore, an ecosystem change is needed across the entire value chain to **encourage the adoption and rightful implementation of the codes**.
 - This requires raising awareness and fostering collaboration among stakeholders and incentivising developers to prioritise passive designs.

➤ **Promoting Green Buildings:**

- Currently, **India's 'Green Buildings'**, though growing consistently, **constitute only 5% of the building market**. However, current evidence shows promising potential in the reduction of energy consumption and emissions through appropriate policies and implementation procedures in place.

- A study by McKinsey indicates that the national power demand can be reduced by as much as 25% in 2030 by improving the energy efficiency of buildings and operations.
 - Estimates by the Bureau of Energy Efficiency (BEE) suggest that existing buildings also have the potential to save 30-50% of their energy through retrofit measures for improved efficiency.

➤ **Initiating Location Tailored Projects:**

- Conduct socio-economic surveys to understand the livelihood pattern of the lower-income segment in urban agglomerations.
 - Identify major economic hotspots and suitable locations along transit networks across urban agglomerations to promote mixed-income housing by providing maximum affordable housing in that catchment.
- **Zoning-based inclusion can enable earmarking of land for affordable housing in strategically suitable locations** for the target population.
 - For instance, ensure that basic services like functional primary schools, public medical clinics and other basic amenities exist within a short radius of the affordable housing site.

➤ **Following Robust Layout and Building Design:**

- Envelope design and shading devices are majorly responsible for heat gain or loss from a building and hence, determine the need for space cooling or heating.
 - Eco Niwas Samhita, 2018 suggests net heat gain through building envelope (excluding roof) should not exceed 15 watt per sq m, in all climate zones except cold climate.
- Efficiency of the envelope can also be determined by the ratio of exposed surface area and built-up area of the dwelling unit. Another CSE study on housing project samples from different states reveals that if the ratio is higher than 0.92, the envelope is not efficient.

Conclusion

The interim Budget 2024's focus on housing marks a commendable step towards 'Housing for All'. While these efforts are crucial, they prompt a critical examination of trade-offs with quality of life and the environment. A shift towards sustainable practices requires a collaborative effort and incentivization to integrate passive designs. As the building sector's environmental impact grows, it's crucial to balance embodied and operational emissions to create resilient structures for the future. By embracing environmental consciousness in housing initiatives, we can build not just homes but models of sustainability for a more inclusive future.



Reforms in Defence Recruitment

This editorial is based on "***It is the conditioning of the Agniveer that merits attention***" which was published in *The Hindu* on 23/02/2024. The article highlights the importance of assessing the challenges involved in implementing the Agnipath Scheme and proposes reforms to address them.

Tag: GS Paper - 2, Government Policies & Interventions, Issues Relating to Development, GS Paper - 3, Growth & Development.

The **Agnipath scheme**, as it is known, was announced on June 14, 2022, and is in force with the initial batch of Agniveers, as these young men and women are called, already inducted in armed forces units after completion of their recruit training.

The scheme has drawn criticism, especially from the veteran community, citing several grounds. **The veterans have expressed their disapproval mainly due to the sense of belonging that they continue to nurture towards the organisation that they served in.**

What is the Agnipath Scheme?

➤ **About:**

- It allows patriotic and motivated youth to serve in the Armed Forces for a period of four years. The youth joining the army will be called **Agniveer**.
- Under the new scheme, around 45,000 to 50,000 soldiers will be recruited annually, and most will leave the service in just four years.
- However, after four years, only 25% of the batch will be recruited back into their respective services, for a period of 15 years.

➤ **Eligibility Criteria:**

- It is only for personnel below officer ranks (those who do not join the forces as commissioned officers).
 - Commissioned officers hold an exclusive rank in the Indian armed forces. They often hold a commission under the president's sovereign power and are officially instructed to protect the country.
- Aspirants between the ages of 17.5 years and 23 years are eligible to apply.

➤ **Objectives:**

- It is expected to bring down the average age profile of the Indian Armed Forces by about 4 to 5 years.
- The scheme envisions that the average age in the forces is 32 years today, which will go down to 26 in six to seven years.

PAY & BENEFITS: WHAT THE AGNIVEERS GET

■ In Hand (70%)

■ Contribution to Seva Nidhi (30%)*

Similar contribution to corpus fund by Government of India**



All figures in ₹ (Monthly Contribution)

Exit After 4 Years } ₹11.71 Lakh as SevaNidhi Package
(Including interest accumulated on the above amount as per the applicable rates)

What are the Various Concerns Being Raised Regarding the Agnipath Scheme?

In order to seamlessly incorporate the Agniveers into the milieu of military units, it is important that the respective unit commanders are clear about the challenges ahead. These challenges are beyond the individual capacities of the Agniveers, in which they are likely to excel for the sake of being retained. The challenges are more intangible in nature and warrant the attention of the leaders.

➤ Adverse Effect on Professional Capabilities:

- It starts with the very high turnover of young soldiers, the increase in training capacities and infrastructure and the augmentation of the administrative setup for greater recruitment, release, and retention of soldiers.

➤ Degradation of Operational Capability:

- An armed force boasting of a poor **teeth-to-tail ratio (T3R)** is further increasing the tail. The Indian Air Force and the Indian Navy employ their airmen and sailors in very specialised roles, which require technical skills, and a high degree of training and experience.
 - As the short-term contractual soldier model (the Agniveer scheme) will take some years to fully implement at an organisational level, the scheme runs the risk of exacerbating T3R further.

Note:

- The Tooth-to-Tail Ratio (T3R) is a concept used in military strategy and planning to describe the ratio of **combat forces (the "tooth")** to support **personnel (the "tail")**.
 - The "tooth" represents the frontline fighting forces, including infantry, combat pilots, and combat vehicles, while the "tail" includes support elements such as logistics, administration, and medical units.

- A high T3R indicates a larger proportion of support personnel compared to combat forces, which can be indicative of a **well-supported and sustainable military operation**.

➤ Class-Based Recruitment Replaced with All-India All-Class Recruitment:

- Such a drastic shift in pattern bodes ill for the armed forces as it will strike at the core of the organisational management, leadership structures and operating philosophy of the Indian Army.
 - Even though the soldiers in the Indian Army are professionally trained, they also draw their motivation from their social identity where each soldier cares for his reputation among the peers in his caste group or his village or his social setting.

➤ Fomenting Trust and Cooperation Deficit:

- There will be major problems in training, integrating and deploying soldiers with different levels of experience and motivations. The criterion of identifying the 25% short-term contracted soldiers to be retained could result in unhealthy competition.
 - An organisation which depends on trust, camaraderie and esprit de corps could end up grappling with rivalries and jealousies amongst winners and losers, especially in their final year of contract.

➤ Doing Away With State-Wise Quota:

- The Agnipath scheme also does away with the idea of a State-wise quota for recruitment into the Army, based on the Recruitable Male Population of that State which was implemented from 1966.
 - This quota prevented an imbalanced army, which was dominated by any one State, linguistic community or ethnicity, as it happened in the case of Pakistan with its province of Punjab.
 - Academic research shows that the high level of ethnic imbalance has been associated with severe problems of democracy and an increased likelihood of civil war, a worrying scenario for today's India where federalism is being severely tested by the ruling party's ideology.

➤ Lack of Adequate Motivational Aspects:

- In India, the Indian Army has so far provided salary, uniform and prestige, an inheritance of the British who took care of the living conditions, facilities for the soldiers' families, and post-retirement benefits and rewards, such as grants of land.

- A short-term contractual soldier, without earning pension, will be seen as doing jobs after his military service that are not seen to be commensurate in status and prestige with the profession of honour. It will reduce the motivation of those joining on short-term contracts.

➤ **Acute Mismatch Between Requirement and Recruitment:**

- The three services currently face a shortfall of approximately 1,55,000 personnel, with the Army having the highest number of vacancies at 1,36,000. More than 90% of these are of non-officer combat ranks that the Agnipath scheme aims to fill. In such a situation, letting go of 75% of the trained recruits after four years of service would be a wasteful expenditure.

➤ **Worsening Geopolitical Scenario:**

- The breakdown of “peace and tranquillity” at the borders with China means India now needs higher force levels to keep a check on China, Pakistan, and insurgents in Kashmir.
- This mismatch is evident because of the reorientation of some of the Rashtriya Rifles (RR) units, previously involved in counterinsurgency operations, toward the China front.
- Additionally, it cannot overlook emerging security challenges, such as the current Manipur crisis, where the army serves as the go-to force for managing the situation.

➤ **Inadequate Opportunities for Ex-Agniveers:**

- To what extent will the economy absorb or welcome the ex-Agniveer will depend upon their skill-set and the training they receive.
- Especially when meaningful employment opportunities in significant or adequate numbers still elude an ever-increasing number of graduates. But as Agnipath concerns national defence and security, it poses significant challenges.

What are the Different Reforms Required in the Recruitment Process?

➤ **Raising Age Limit and Permanent Retention Quota:**

- By raising the age limit and permanent retention quota to 50%, the government can attract committed and skilled individuals, ensure the armed forces’ operational readiness and achieve a balanced mix of youthful enthusiasm and experience.
- These modifications will be a welcome course correction by the government to ensure that

the armed forces can effectively downsize and modernise over time without compromising their overall operational readiness.

➤ **Psychological Assimilation into the Milieu of Military Units:**

- A military unit is eventually expected to deliver when it is in combat. Preparations for the desired outcomes in the face of an adversary have to go on relentlessly and do not wait for testing combat situations.
- Similarly, the unit commanders will have to focus on the psychological assimilation of the Agniveers into the unit fabric and ensure that they are moulded into becoming effective team players.

➤ **Fostering Military Unit Cohesion:**

- Unit pride flows out of unit cohesion, which is a hallmark of an excellent military unit which, in turn, is contingent on the human element of the individual soldier.
- The basis for soldier discipline and, thereby, his motivation and psychology as a team player is always about his/her individual conscience and character. It is this character that harmonises relationships and builds up unit camaraderie which gives a soldier strength in the battlefield.

➤ **Recognising Human Element and Conventional Methods of Combat:**

- The ongoing Russia-Ukraine conflict or, maybe, setbacks by the Israel Defense Forces (IDF) in the Israel-Hamas conflict, have vindicated the point that the human element and conventional methods of combat shall outlive modern technology, which can only complement the age-old methods and tactics.
- The fact that the Agniveers possess a better technical threshold should not make the leaders complacent. The said attributes will be futile unless these men and women are trained to live a life of camaraderie.

➤ **Value Based Nurturing and Training of Agniveers:**

- The value-based nurturing, based on unit ethos, needs to commence immediately and the onus of planning and executing this rests on the unit leadership. Irrespective of technological advancements in the realm of warfare, the character of a soldier to stand by his flanking mate can never be undermined.

➤ **Ingraining Competitive Collaboration:**

- On the issue of competition for retention versus rejection, the Agniveers would try to outdo each

other. But a tendency of one-upmanship amongst the Agniveers would go contrary to the goal of developing unified force.

- The onerous challenge would be to arrest any germination of an undesired personality trait among the lot given that 25% of the Agniveers will stay back. If not conditioned, this could evolve into something serious and affect the health of the unit in the long run.

➤ **Incorporating Psychology Test:**

- The government should consider introducing a test of 'psychology' as part of the recruitment process, in line with the methodology used in the selection of officers in the military.
- This will help the unit commander manage the human resources available and facilitate the better grooming and assessment of Agniveers.

➤ **Bridging the Military-Civilian Divide:**

- Military has remained that institution that is revered and venerated for the role of national security it plays. The most important aspect and impact of the start of recruitment of Agniveers, is that forces will take a small step to become a citizen's army. Agnipath should facilitate youth's exposure and understanding of the military, thus minimising the military-civilian divide.

➤ **As Futuristic Combat Ready Force:**

- The Ukraine war has proved the importance of trained civilians as part of the defence system. Agnipath has the potential to give India a futuristic combat-ready force which can be available in war and peace time, especially situations such as disaster relief and rescue.
- There even is potential for them to be a resistance force during terror attacks. So, it should be appreciated that after they get trained in the armed forces, the discharged Agniveers can be incorporated as potential reserve youth army among civilians.

Conclusion

The introduction of the Agnipath scheme marks a significant reform in India's defence policy, altering the recruitment process for the armed forces. While the scheme has garnered attention and sparked debates, its initial implementation has shown promising indicators regarding the motivation, intelligence, and physical standards of the recruited Agniveers. The human element remains paramount in military operations, surpassing the significance of technological advancements. Therefore, leaders must prioritise the character development and psychological well-being of Agniveers, ensuring they align with the ethos of unit pride and cohesion.



Supreme Court Reform: The Case for Regional Benches

This editorial is based on "[Should India have regional benches of the Supreme Court?](#)" which was published in The Hindu on 23/02/2024. The article examines the proposal of a parliamentary committee advocating the establishment of regional benches for the Supreme Court.

Tag: GS Paper-2, Indian Constitution, Judiciary, Constitutional Bodies, Judicial Review

The Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice recently conveyed to the Lok Sabha that the Law Ministry has endorsed its proposal to establish regional benches of the Supreme Court throughout India. However, the apex court has consistently dismissed the notion, noting that the matter is currently sub judice.

What are the Differing Legal Positions on the Regional Benches of the Supreme Court in India?

- **Article 130 of the Indian Constitution:** It says that the Supreme Court shall sit in Delhi or in such other place or places, as the **Chief Justice of India (CJI)** may, with the approval of the President, from time to time, appoint.
- **Law Commission Report:** As a step towards making the Court more accessible, the **229th Law Commission Report (2009)** recommended four regional benches to be located in Delhi, Chennai or Hyderabad, Kolkata, and Mumbai to hear non-constitutional issues.
- **Bar Councils:** In July 2021, **Bar Councils** in the south submitted a representation to the Chief Justice of India seeking that a Supreme Court bench be set up in south India.
- **Parliament Standing Committee Report:** The **Parliament Standing Committee** on Personnel, Public Grievances, Law and Justice presented its 107th report on 'Demands for Grant (2021-22) of the Ministry of Law and Justice' and batted for the establishment of the regional benches of the Supreme Court as suggested in the 229th report of the Law Commission.
- **Chief Justices of India:** Until now, no Chief Justice of India (CJI) has deemed it suitable to enable the Supreme Court to convene outside of Delhi. Various CJIs have shown little interest in the concept of regional benches, citing concerns that it could diminish the prestige of the Supreme Court.

What are the Arguments in Favour of Regional Benches of the Supreme Court?

➤ Increased Accessibility:

- The report from the Parliamentary Standing Committee emphasized that individuals residing in distant and remote areas face significant challenges in accessing justice in the National Capital.
- Regional benches would make justice more accessible to people living in remote areas or far from the capital. This would reduce the need for individuals to travel to Delhi for legal matters, particularly for those facing financial or logistical challenges.

➤ Enhanced Focus on Constitutional Matters:

- With the primary bench in **New Delhi** exclusively addressing **constitutional issues**, there would be a dedicated forum for the adjudication of complex constitutional cases without the distraction of other appellate matters.
- **Regional benches could specialize in handling appellate cases**, allowing judges to develop expertise in specific areas of law relevant to their respective regions. This specialization could lead to more informed decisions.

➤ Improved Judicial Effectiveness:

- Regional benches would be better positioned to address local issues and concerns that might not receive sufficient attention at the national level.

Judges familiar with regional contexts could deliver more relevant and effective judgments.

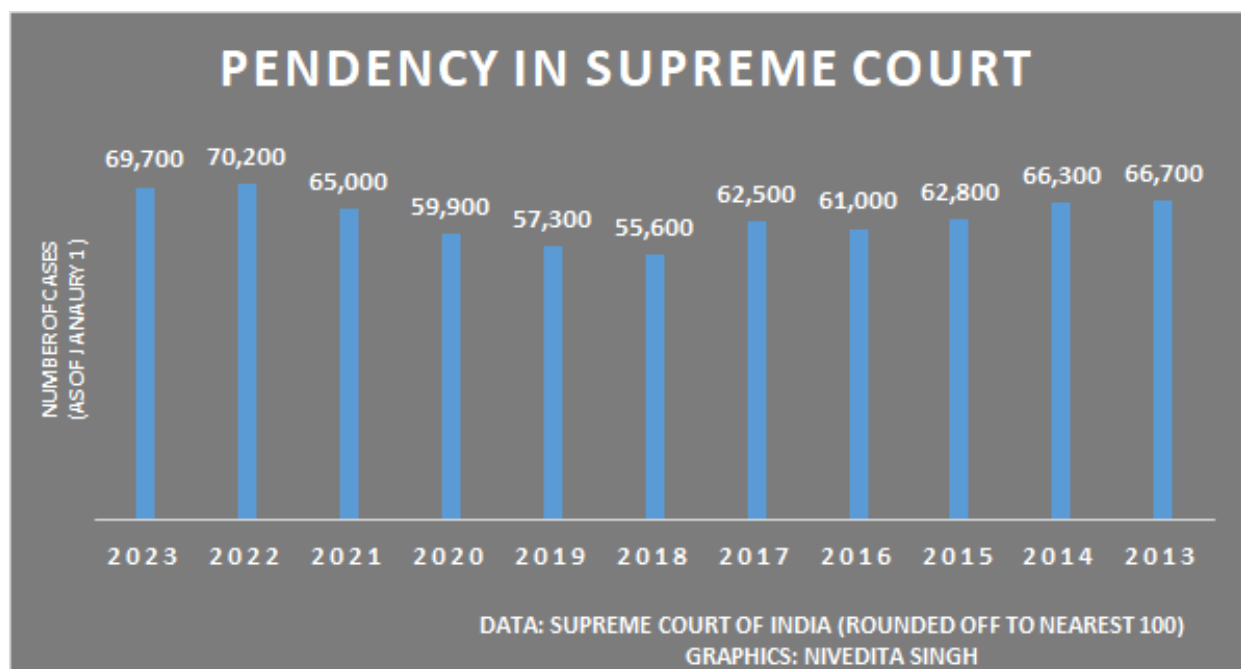
- Regional benches would allow cases to be handled more efficiently by judges familiar with local laws and customs. This specialization could lead to quicker and more informed decision-making.

➤ Greater Opportunities:

- Establishing regional benches could promote the development of legal infrastructure and expertise across different parts of the country, empowering local legal professionals and enhancing legal awareness at the grassroots level.
- The setting up of regional benches would also lead to greater opportunities and the democratization of the Bar.

➤ Reduction in Pendency of Cases:

- In 2023, the Supreme Court witnessed a 31% increase in the disposal of cases compared to 2022. A little more than 80,000 cases are currently pending adjudication out of which 60,000 cases are civil.
- The establishment of regional benches will increase the number of judges as well as lawyers resulting in a much-needed boost to our judicial system.
- By decentralizing the workload of the Supreme Court, regional benches could help ease the burden on the main bench in Delhi. This could lead to faster case resolution and a reduction in pending cases.



What are the Arguments Against the Regional Benches of the Supreme Court?

➤ **Fragmentation of Jurisprudence:**

- Regional benches may lead to divergent interpretations of laws and legal principles, resulting in inconsistencies in judicial decisions across different regions of the country.
- The former CJI, K.G. Balakrishnan, went as far as to suggest that it might result in the disintegration of the institution.

➤ **Increased Litigation:**

- While a majority of the cases filed in the Supreme Court do arise from High Courts close to Delhi, this imbalance will not be rectified by merely constituting regional benches.
- Regional benches could potentially increase frivolous or forum-shopping litigation as litigants seek favorable outcomes from benches perceived to be more sympathetic to their cases.

● **Potential Bias and Influence :**

- There may be concerns about the potential for regional biases or political influence to impact judicial decisions at regional benches, particularly in areas where there are strong local interests or political pressures.
- There may be concerns about the quality and expertise of judges appointed to regional benches, particularly in comparison to the experienced judges at the principal bench in Delhi. This could impact the consistency and reliability of judicial decisions.

➤ **Increased Expenditure on Resources and Infrastructure:**

- Establishing and maintaining regional benches would require significant financial resources and investment in infrastructure, including court facilities and support staff. This could strain already limited judicial resources and budgets.
- As against the sanctioned strength of 1,114 judges in the high courts across the country, as many as 347 positions are vacant.
- Similarly, in the district judiciary, out of the total sanctioned strength of 25,081 judges, the working strength was only 19,781. As many as 5,300 district judges' positions are vacant.

What Should be the Way Forward?

- **A Separation of Constitutional Jurisdiction Benches from Appellate Jurisdiction Benches:** The Tenth Law Commission of India proposed that the Supreme Court be split into two divisions: the Constitutional Division and the Legal Division.

- The proposal stated that only issues about constitutional law would be brought to the proposed Constitutional Division.

- **Establish a National Court of Appeal for Special Leave Petitions (SLPs):** In Bihar Legal Support Society v. Chief Justice of India, 1986, the Supreme Court stated that it was “desirable” to establish a National Court of Appeal that would be able to entertain special leave petitions.

- This would allow the Supreme Court to only entertain constitutional and public law-related questions.

- **Increase the Number of Working Days:** The Malimath Committee suggested that the Supreme Court should work for 206 days and it also recommended that the period of vacation should be reduced by 21 days, keeping in mind the long pendency of cases.

- The 2009 Law Commission, in its 230th report, suggested that court vacations be cut down by 10-15 days at all levels of the judiciary to help cut the backlog of cases.

- **Strengthen Existing Infrastructure:** Prioritize strengthening and modernizing existing judicial infrastructure, including High Courts and district courts, to improve access to justice and reduce backlog of cases.

- Former CJI NV Ramanna proposed to set up the National Judicial Infrastructure Authority of India (NJIAI) which will help improve judicial infrastructure which currently needs urgent attention.

- **Conduct Feasibility Studies:** Conduct thorough feasibility studies to assess the potential benefits, challenges, and implications of establishing regional benches. These studies should consider factors such as legal, logistical, financial, and constitutional aspects.

- Consider implementing pilot projects or experimental regional benches in select locations to evaluate their effectiveness and impact on access to justice, judicial efficiency, and consistency of decisions.

- **Keep the Exclusive Power Intact:** Even if regional benches are established, certain exclusive powers of the Supreme Court should be retained – its original jurisdiction under Article 131, its advisory jurisdiction under Article 143, and its writ jurisdiction under Article 32 of the Constitution.

- **Broader Judicial Reforms:** Undertake broader judicial reforms aimed at addressing systemic issues such as

judicial backlog, delay in justice delivery, and judicial vacancies, which are crucial for improving the overall functioning of the legal system.

- Explore the use of technology, such as **video conferencing** and **virtual courtrooms**, to enhance access to justice and facilitate remote adjudication of cases, especially in remote or underserved areas.

Conclusion

In envisioning the future of India's judiciary, we must embrace a bold vision that balances tradition with innovation, regional diversity with national unity, and accessibility with excellence.

The establishment of regional benches for the Supreme Court could signify a crucial advancement in realizing this vision, holding the potential to deliver a justice system that is more inclusive, responsive, and effective for all citizens.



Analysing Uttarakhand's UCC Bill

This editorial is based on "**A chilling effect on the freedom to love**" which was published in *The Hindu* on 26/02/2024. The article analyses how the Uttarakhand Uniform Civil Code Bill undermines constitutional rights to liberty, privacy, and equality by penalising consensual relationships and infringing on individual autonomy.

Tag: GS Paper-2, Fundamental Rights, Directive Principles of State Policy, Issues Related to Women, Government Policies & Interventions.

The Uttarakhand **Legislative Assembly's** passing of the **Uniform Civil Code (UCC)** of Uttarakhand Bill, 2024, seeks to consolidate laws regarding marriage and property inheritance. The Bill only awaits the **President's** assent to become an enforceable law. However, a concerning feature of the Bill is the mandatory registration of live-in relationships, criminalising them if certain conditions are not met. This move not only violates individual autonomy but also raises questions about the state's role in regulating personal relationships.

What is the Uniform Civil Code?

➤ About:

- The UCC is mentioned in **Article 44** of the Constitution as part of the Directive Principles of State Policy, that the state should work to establish a uniform civil code for all citizens across India.

- However, the Constitution's framers left it to the government's discretion to implement the UCC.
- Goa is the only state in India with a UCC, following the Portuguese Civil Code of 1867.

➤ Supreme Court of India Stance on UCC:

- **Mohd. Ahmed Khan vs Shah Bano Begum Case, 1985:** The Court observed that "it is a matter of regret that Article 44 has remained a dead letter" and called for its implementation.
 - Such a demand was reiterated in subsequent cases such as *Sarla Mudgal v. Union of India*, 1995, and *John Vallamattom v. Union of India*, 2003.
- **Jose Paulo Coutinho v. Maria Luiza Valentina Pereira Case, 2019:** The Court hailed Goa as a "shining example" where "the uniform civil code is applicable to all, regardless of religion except while protecting certain limited rights" and accordingly urged for its pan-India implementation.

➤ Law Commission's Stance:

- In 2018, the 21st Law Commission headed by former Supreme Court judge Justice Balbir Singh Chauhan submitted a consultation paper on "Reforms of family law" wherein it observed that the "formulation of a Uniform Civil Code is neither necessary nor desirable at this stage".

Why was the Bill Sent for President's Approval?

➤ Ambiguous Nature of Subject Matter:

- **Article 162** of the **Indian Constitution** indicates that the executive power of a State extends to matters with respect to which the State Legislature has power to make laws.
- In view of the provisions of Entry 5 of the Concurrent List of the **Seventh Schedule**, the constitution of a Committee to introduce and implement Uniform Civil Code (UCC) per se cannot be challenged as *ultra vires*.
 - Entry 5 of the Concurrent List deals with "marriage and divorce; infants and minors; adoption; wills, intestacy, and succession; joint family and partition; all matters in respect of which parties in judicial proceedings were immediately before the commencement of this Constitution subject to their personal law."

➤ Power of Governors to Reserve the Bill:

- **Governors** may reserve the bill for the consideration of the president. The reservation is obligatory where the bill passed by the state

legislature endangers the position of the state high court. However, the governor can also reserve the bill if it is of the following nature:

- Against the provisions of the Constitution
- Opposed to the DPSP
- Against the larger interest of the country
- Of grave national importance
- Deals with compulsory acquisition of property under Article 31A of the Constitution.
 - In this case, the bill overrides several national laws such as Special Marriages Act, 1954, Hindu Marriage Act, 1955, Shariat Act, 1937 etc, and hence was sent for the President's approval before implementation.

What are the Key Highlights of Uttarakhand's UCC Bill, 2024?

➤ About:

- The UCC aims to replace distinct personal laws of every religion, focusing on marriage, divorce, adoption, and inheritance, guided by Article 44 of the Constitution. This code would be a single set of personal laws that would apply to all citizens, regardless of religion.
- Some of the key proposals put forth by the committee include the prohibition of **polygamy**, nikah halala, iddat (a mandatory period of waiting to be observed by women following the dissolution of a Muslim marriage), triple talaq, and child

marriage, uniform age for girls' marriage across all religions, and mandatory registration of live-in relationships.

➤ Significance:

- The UCC Bill, 2024 aims to focus on gender equality by treating men and women equally in matters such as inheritance and marriage.
- The Code is also likely to extend an equal property share to Muslim women against the existing 25% share accorded under Muslim personal laws.

➤ Exemptions:

- **Scheduled tribes (STs)** have been exempted from the purview of the bill. The tribal population in the state, which is around 3%, had been voicing its dissent against UCC in the wake of the special status accorded to them.

➤ Concerns:

- The **minimum age for marriage is set to remain the same** - 18 years for women and 21 years for men.
- A debatable feature of the Bill is the **mandatory requirement of registration of a live-in relationship** and its criminalisation, if certain conditions are not complied with.
- With this mandate, the proposed law will confer disproportionate power on the state to penalise consensual relations and violate individual autonomy.

₹10K FINE IF MARRIAGE NOT REGISTERED

<ul style="list-style-type: none"> ➤ Minimum marriage age 18 yrs for women, 21 yrs for men. Up to 6 months jail and/or ₹25,000 fine for breach ➤ Mandatory registration within 60 days or ₹10,000 fine for marriages solemnised after UCC implementation ➤ Dissolution of marriage in contravention of UCC norms to be punishable with up to 3 years in jail ➤ Polygamy, bigamy prohibited. Halala, iddat, triple talaq banned ➤ Up to 3 years in jail and/or 	<ul style="list-style-type: none"> ₹50,000 fine for violating norms ➤ Live-in couples to register within a month of relationship. Details to be verified by registrar who can conduct inquiry to establish validity of relationship ➤ Cannot rent or buy property without registration ➤ Child born of relationship will be considered legitimate ➤ Must inform officials on termination of relationship ➤ Woman deserted by partner entitled to maintenance
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What are the Concerns in the Bill in Regulating Consensual Relationships?

➤ Overriding Powers to the Registrars:

- The Bill, requires live-in partners to submit a 'statement' to the Registrar concerned. The Registrar has the powers to examine the statement and conduct an inquiry into the relationship.

- Moreover, partners can be required to make a personal appearance and the **Registrar can also refuse to register the relationship**. Termination of a relationship also requires notice to be submitted.
- **Imposition of Criminal Penalty:**
 - Another unwanted feature of the Bill is the **criminal penalty — imprisonment or fine (or both) —** if the statement is not filed.
 - The couple will be penalised for the submission of false information. The Registrar will inform the details of the live-in relations to the police station whose jurisdiction governs the couple.
- **Infringing on Individual Autonomy:**
 - The Bill **ignores the foundational reason for a live-in relationship**, which is that it lacks the formal structure and obligations of a marriage. Those who are living together, therefore, enjoy autonomy in their consensual partnerships, which a regulated marriage does not. Erasing this much-needed distinction between these institutions is not justiciable.
- **Excessive Moral Policing:**
 - In a society that thrives on moral policing of young couples, the Bill, unsurprisingly, imposes a chilling effect on live-in partners and **implicitly discourages such relationships**.
 - The **involvement of the police** accelerates this concern. Couples will be wary of entering into genuine relationships since a lack of compliance not only invites civil consequences, as regulatory laws routinely require, but also criminal ones.
- **Violates the Right to a Dignified Life:**
 - The one-month limit (whoever is in a live-in relationship for more than a month from the date of entering into such a relationship without submitting a statement will be punished) also restraints intimacy in the most direct of ways. It infringes on free decision making and an expression of feelings, protected under **Article 21**, which lays stress on the right to a dignified life.
 - Individuals are constrained by the provisions of the Bill while entering into live-in relationships, which impedes the ability to make the deepest personal choices.

What Considerations Should be Taken into Account when Regulating Consensual Relationships?

- **Adopting a Clear Policy in Sync with Constitution:**
 - A democratic liberal state must have a clear

policy on what it chooses to criminalise and what it does not. This policy must be in consonance with what the Constitution protects. The fact that certain social practices are undesired by a conservative majority is an insufficient reason for criminalisation.

- As the philosopher Joel Feinberg recognises, “Indeed, everything about a person that the criminal law should be concerned with is included in his morals. But not everything in a person’s morals should be the concern of the law.”
- **Following the SC’s Views on Adultery- the Right to Sexual Privacy:**
 - The law on adultery was contained in Section 497 of the erstwhile **Indian Penal Code (IPC)**. The law, as it stood, discriminated on the basis of sex by punishing only men. But another crucial feature of the law was that it criminalised consensual sexual relations.
 - While striking down the law, in **Joseph Shine vs Union of India (2018)**, the judiciary emphatically held: “Treating adultery as an offence would tantamount to the State entering into a real private realm”
 - Moreover, it said that it is not the lookout of the state to interfere in the lives of individuals “which were within the sphere of his or her constitutionally protected rights of privacy and self-determination.”
- **Adhering to the Principles of Right to Privacy:**
 - Further, in **Justice K.S. Puttaswamy and Anr. vs Union of India and Ors. (2017)**, the Supreme Court of India also clarified that “The destruction by the State of a sanctified personal space whether of the body or of the mind is violative of the guarantee against arbitrary State action. Privacy of the body entitles an individual to the integrity of the physical aspects of personhood.”
- **Preventing Discrimination and Fostering Inclusion:**
 - Inter-caste and inter-religious couples face the prospect of severe harassment by the authorities and social stigma in our country. These couples often experience violence, which includes honour killings, as data show.
 - A proposed law with a **high regulatory content on live-in relations is most likely to affect vulnerable couples first**. The provisions of the Bill are bound to further exacerbate the issue rather than alleviate it. States must adopt an inclusionary regulation to support the bodily integrity of its population.

- **Understanding Right to Marry, an Integral Part of Life:**
 - Individuals have the inherent right to choose their life partners, and neither the State or society, nor the parents of the individuals should have the authority to interfere with or restrict this right when it concerns “two consenting adults”.
 - The right to marry is an incident of human liberty. The right to marry a person of one’s choice is not only underscored in the **Universal Declaration of Human Rights (UDHR)** but is also an integral facet of Article 21 of the Constitution of India which guarantees the right to life”.
- **Respecting Women’s Autonomy Over Their Bodies:**
 - The modern society promotes women’s autonomy over their bodies and sexuality as part of the right to privacy, including the right of women to work during at night, protection of reproductive rights, the right to bodily integrity, the rights of unwed mothers, the right against forced sterilisation and the right to decide on marriage, procreation and the choice of a family life.
 - These are matters of one’s most intimate and personal choices and essential in the pursuit of happiness, which is founded upon autonomy and dignity.
- **Ensuring Horizontal Application of the Right to Privacy:**
 - This refers to the protection of the right against non-state actors, holding that there is a need for regulation of how information can be stored, processed and used by non-state actors.
 - It holds that privacy protects the individual from interference from both State and non-State actors and allows the individuals to make autonomous life choices.
- **Incorporating Proportionality Test:**
 - The proportionality test, as is well known, comprises four stages: **legitimate goal, rational connection, necessity** (i.e., least restrictive and effective measure), and **balancing**.
 - Such regulations should be tested on the touchstone of these principles before being brought into effect.

Conclusion

The mandatory registration and potential criminalisation of live-in relationships, as stipulated by the Uniform Civil Code of Uttarakhand Bill, 2024 infringe upon the fundamental rights of individuals. By erasing the distinction between marriage and live-in relationships,

the Bill fails to recognise the unique nature of the latter. This move not only imposes a chilling effect on couples but also violates their right to privacy and freedom of choice. It is imperative that a democratic society upholds principles of autonomy, privacy, and equality, rather than imposing arbitrary restrictions on personal relationships.



Reimagining Land Management for Sustainable Development

*This editorial is based on “**An expansive land management policy is overdue**” which was published in The Hindu on 27/02/2024. The article emphasises the need for urgent action in a previously overlooked area of public policy and human welfare: caring for the long-term sustainability of land, soil, and water resources.*

Tag: GS Paper-3, Conservation, Environmental Pollution & Degradation, Government Policies & Interventions, GS Paper - 2, Important International Institutions.

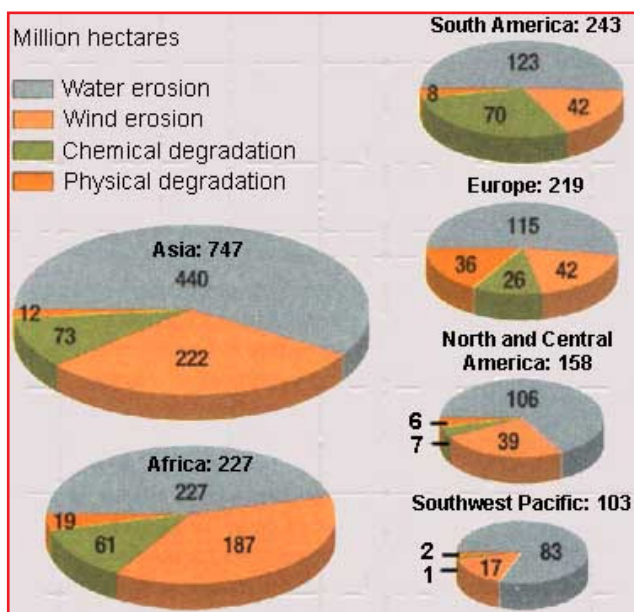
Land is central to all human activities. It provides ecological, economic, social, and cultural services. But this multi-dimensional character of land is often overlooked in land management practices, resulting in excessive stress, **land degradation**, and environmental draw down.

Globally, the annual losses of ecosystem services due to land degradation has been estimated at USD 6 trillion. The **United Nations Convention to Combat Desertification (UNCCD)’s 14th Conference of Parties (COP14)** in New Delhi in 2019 specifically discussed the problem of land degradation experienced by different countries and the need to find ways of achieving **Land Degradation Neutrality (LDN)**.

What is the Current Status of Land Degradation?

- **Global Scenario:**
 - There are significant disparities when it comes to the proportion of degraded land per region. Sub-Saharan Africa, Western and Southern Asia, Latin America, and the Caribbean experienced land degradation at rates faster than the global average during 2015-2019.
 - **Eastern and Central Asia, Latin America, and the Caribbean regions experienced the most severe degradation**, affecting at least 20% of their total land area, as of 2019.

- However, since 2015, the proportion of land degraded in Sub-Saharan Africa has increased from 6.7% to 14.63%, and in Western Asia and the Northern African region, the same has risen from 3.78% to 7.18%.



➤ **UNCCD Data Regarding India:**

- From 2015-2019, 30.51 million hectares of India's

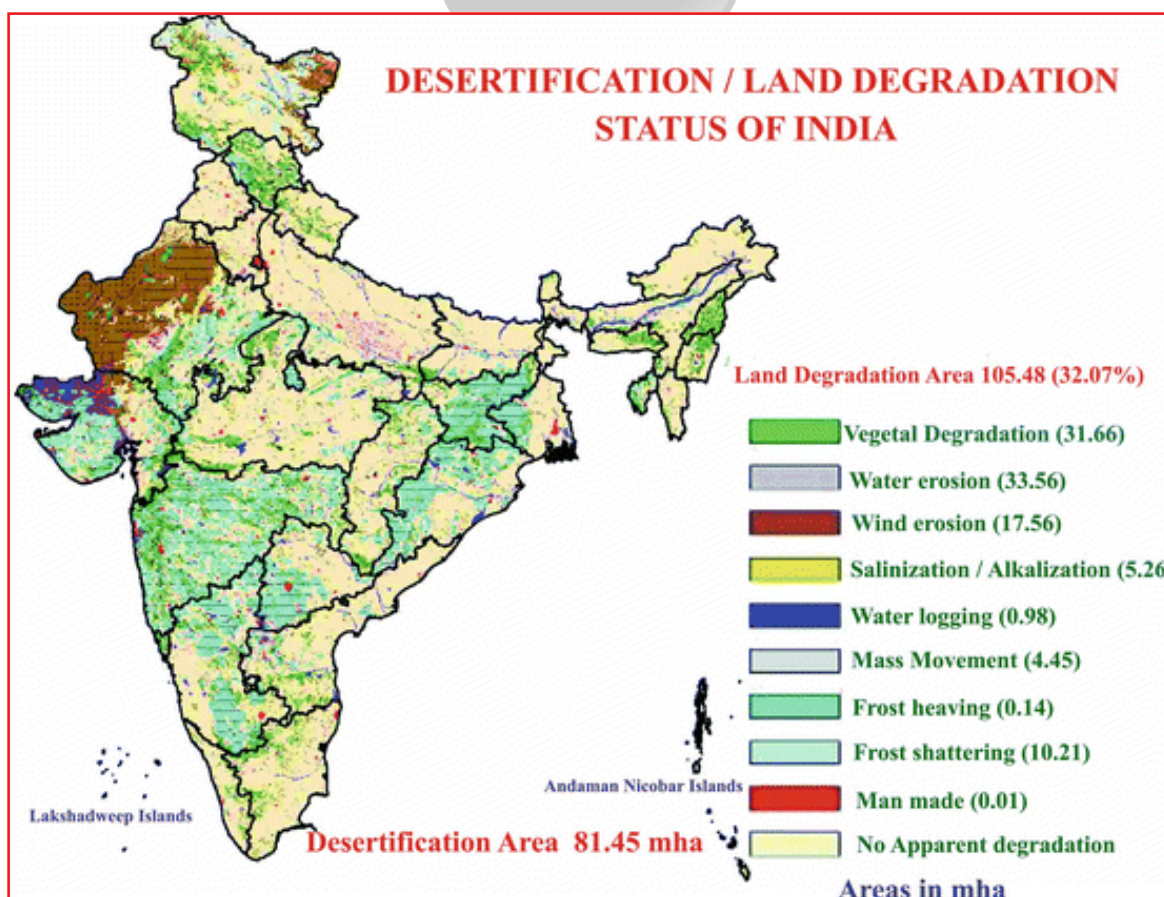
total reported land was degraded, according to UNCCD data. This means that **9.45% of the country's landmass was degraded as of 2019**. This was **4.42% in 2015**.

- The UNCCD data dashboard also reflected that 251.71 million Indians constituting 18.39% of the country's population were exposed to land degradation during the same period.

- Moreover, it added, 854.4 million of the country's people were exposed to drought from 2015-2018.

➤ **According to Desertification and Land Degradation Atlas of India:**

- Desertification and Land Degradation Atlas of India, published by Space Applications Centre (SAC) **Indian Space Research Organisation (ISRO)** which provides the extent of land degradation and desertification in India, states that the land degradation and desertification in the country has been estimated to be 97.84 million hectares in 2018-19.
- It provides state-wise area of degraded land which is helpful in planning and implementation of schemes aimed at restoration of land by providing important data and technical inputs.



What are the Different Causes of Land Degradation?

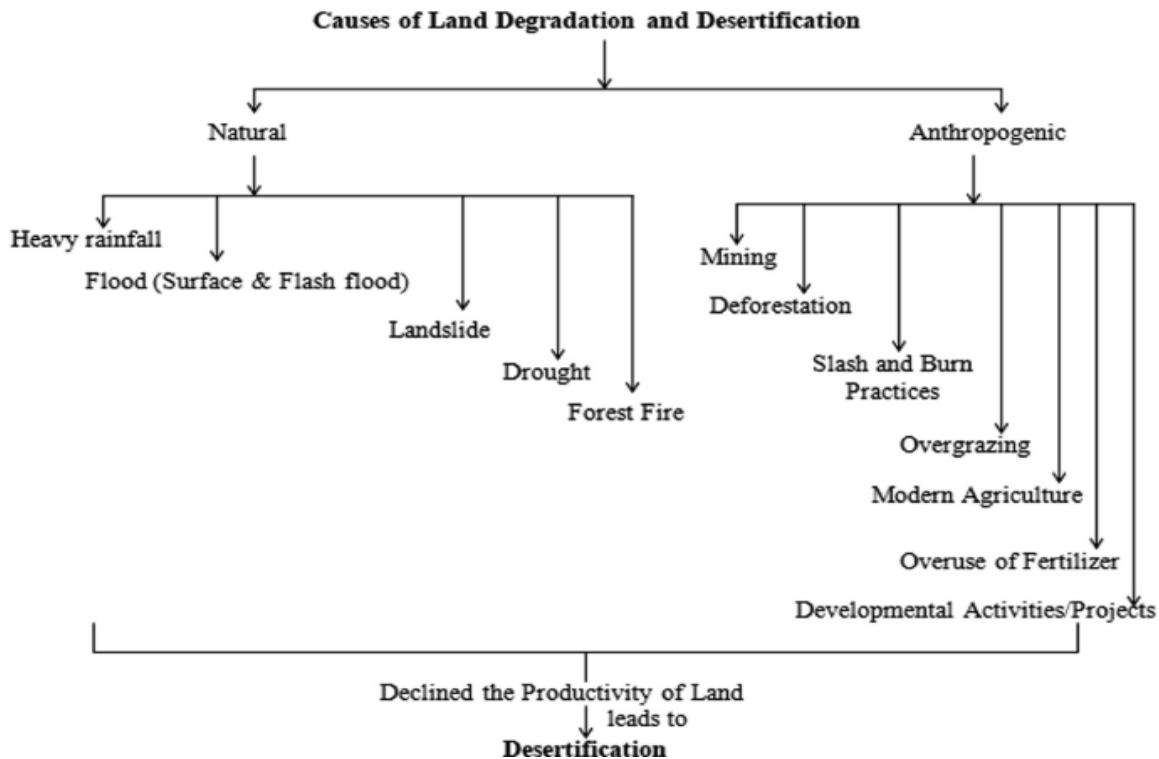
In the preparation of a world map as a first systematic evaluation of the status of human-induced soil degradation, **Global Assessment of Soil Degradation (GLASOD)** identified seven different causes of human interventions that have resulted in soil degradation worldwide:

➤ Soil Erosion and Nutrient Depletion:

- Soil erosion is a serious form of land degradation in croplands closely associated with unsustainable

land management in combination with climatic parameters, some of which are subject to climate change.

- High winds can blow away loose soil from flatter, hilly terrains. Water erosion generally occurs on slopes and its severity increases with the severity of slope.
- Soil erosion is mainly caused in areas of crop land expansion, particularly in sub-Saharan Africa, South America and Southeast Asia. Soil can also be eroded away by wind and water.



➤ Deforestation:

- Deforestation and the removal of the natural vegetation for fuel wood, agriculture and industry is increasing at an alarming rate and this is causing serious land degradation on 579 million ha of which **50% is located in Asia, followed by South America with 17%.**
- The **World Bank** estimates that about 10 million km² of forest have been lost since the beginning of the 20th century. In the past 25 years, forests shrank by 1.3 million km², an area bigger than the size of South Africa.

➤ Overgrazing by Livestock:

- Overgrazing by cattle reduces plant cover, eliminating the most desirable forage species first. This opens up the land to undesirable weeds, brush, and trees and leads to increasing soil

erosion and lower soil fertility. The land becomes less and less productive.

- In South America the overexploitation of vegetation for domestic use is largely confined to dry land areas of North-West Argentina and southern Bolivia where shrubs are collected for firewood.

➤ Traditional Farming Practices:

- It refers to a type of farming practice that farmers are following without properly identifying the relationship between crop soils requirement and without following several soil and water conservation measures which are highly vital for conservation of land resources, compromising future generation benefits.
- The protective layer called topsoil is eroded away through this backward farming system, rendering the land unproductive.

➤ **Loss of Vegetative Cover:**

- The lack of permanent vegetative cover in certain locations results in extensive wind erosion. Loose, dry, bare soil is the most susceptible; however, crops that produce low levels of residue (e.g., soybeans and many vegetable crops) may not provide enough resistance.

➤ **Population Growth:**

- India confronts severe pressure on agricultural land. Over the past fifty years, while India's total population increased by about 3 times, the total area of land under cultivation increased by only 15.92% from 118.75 to 141.23 million hectares.
- Despite past expansion of the area under cultivation, less agricultural land is available to feed each person in India. The extent of agricultural intensification and extensification is characterised by increase in cropping and irrigation intensity and higher use of chemical fertilisers, pesticides and insecticides.
- The process of agricultural extensification and intensification is leading to land degradation, overexploitation of underground water resources, increased use of chemical fertilisers.

➤ **Impact of Climate Change:**

- Changes in rainfall patterns, such as distribution in time and space, and intensification of rainfall events increase the risk of land degradation.
 - Landslides are a form of land degradation induced by extreme rainfall events. There is a strong theoretical reason for increasing landslide activity due to intensification of rainfall.
- Erosion of coastal areas as a result of sea level rise will increase worldwide. In cyclone prone areas (such as the Caribbean, Southeast Asia and the Bay of Bengal), the combination of sea level rise and more intense cyclones, will lead to land subsidence in the areas.

What are the Different Challenges in Management of Land Degradation in India?

➤ **Acute Disparity Between Land Area and Population:**

- India with only 2.4% of the world's geographical area and more than 17% of the world population experiences several land management challenges. **Arable land in India is around 55% of total geographical area and forest cover accounts for another 22%. The rest is desert, mountains, etc.**

- Around 30% of total geographical area is degraded land. Access to agricultural land continues to be an important livelihood issue as a significant share of the population depends on agriculture for their sustenance.

- Development targets and the demand for land to accommodate the growing population, infrastructure, rapid urbanisation, and social, cultural, and environmental aspects are placing **unprecedented pressure on land.**

➤ **Competition Between Agriculture and Other Land-resources Based Sectors:**

- Continuously increasing stress on land results in competition among farmers and between agriculture and other land resource-based sectors, as well as **land use conflicts, escalation of land prices**, and changing land rights. Across the country, natural areas are being squeezed and ecological functions being lost.

➤ **Adverse Effects of Climate Change:**

- Not only does land degradation adversely affect the livelihood opportunities of the people who directly depend on environmental resources, but also the buffering effects of natural ecosystems in the face of disasters such as floods and droughts, temperature rise, and environmental pollution are severely compromised.

➤ **Sectoral Approach to Land Management:**

- In India, current land management practices are sectoral with each department following its own approach. Land management falls under the purview of State governments. Further, cultural land is privately owned and land-use decisions are constitutionally vested with the owner which creates issues in adopting synchronised approach.

➤ **Inadequate Land Management Practices:**

- Apart from the administrative complexity, the challenges to adopt and implement appropriate land management practices in the country include knowledge gaps, a short-term planning bias, a fragmented approach, lack of action for unforeseen events, and regulatory barriers.

What are the Suggestions for Effectively Managing the Land Degradation?

➤ **Setting Up Multi-Stakeholder Platform:**

- As a critical mechanism to achieving sectoral integration and addressing the challenges, it is imperative to set up a multi-stakeholder platform at the district and sub-district levels to **bring together farmers, other land managers, policymakers, civil society organisations**, business leaders, and investors under a common platform.

- **Article 243ZD (1)** of the Constitution provides for district planning committees to consolidate plans from panchayats and municipalities. This committee may be activated in the direction of preparing a land management plan, covering both agricultural and non-agricultural sectors.
- **Following the Climate-Smart Landscape Approach:**
 - A landscape approach will be useful in this context as it will provide deep insights to assess the potential of land and the scope of allocation and reallocation of land for appropriate uses. This will help evaluation, negotiation, trade off, and decision-making.
 - A climate-smart landscape approach will contribute to climate objectives, increased agricultural production, improved local livelihoods and the conservation of biodiversity.
- **Promoting Integrated Landscape Management:**
 - Science has shown the importance of considering land as a system and promoting integrated landscape management. There is considerable experience on the ground to follow this approach, but systematic institutional support is hardly available.
 - The European Landscape Convention proclaimed that landscape is a key element of individual and social well-being.
 - The UK Parliamentary Office of Science and Technology in its Brief 42, 'Sustainable land

management: managing land better for environmental benefits', in 2021 observed that tackling the biodiversity crisis is embedded in and dependent on how land is managed".

➤ **Ensuring Involvement of Different Actors:**

- Perhaps, India's parliamentarians can initiate deliberations on the emerging challenges of integrated land management practices and help devise appropriate policies for long-term sustainability by involving all actors across the scale, both horizontal and vertical.

➤ **Country Level Stock-Taking of Land Management:**

- The **Intergovernmental Panel on Climate Change's** special report on 'Climate Change and Land' (2019) suggested country-level stocktaking of land management practices.
- It also proposed several near- and long-term actions with the thrust on land management options that reduce competition for land with co-benefits and minimum negative impacts on key ecosystem services.

➤ **Stand of Food and Agriculture Organisation (FAO):**

- The **FAO** report, 'State of the World's Land and Water Resources for Food and Agriculture: The System at Breaking Point' (2021), argued that a sense of urgency needs to prevail over a hitherto neglected area of public policy and human welfare— that of caring for the long-term future of land, soil, and water.

GLOBAL CALL TO RESTORE LAND AND SAVE SOIL

INDIA

Goal:
Restore 26 million hectares (Mha) of degraded land by 2030

Land Outlook

India's total geographical area



Land under degradation
(It's 29.3% of India's total geographical area)

GLOBAL

Goal: Restore 1 billion hectares of degraded land by 2030

Land Outlook

- Up to 40% of the planet's land is degraded
- 50% of humanity affected by land degradation
- Degradation threatens roughly half of global GDP (\$44 trillion)
- Additional degradation of an area almost the size of South America will happen if business as usual continued through 2050
- Nations' current pledge to restore 1 billion degraded hectares by 2030 requires \$1.6 trillion this decade
- Over 40% of global land area occupied by agriculture
- 52% of total agricultural land is degraded



- Agriculture is responsible for 80% of global deforestation
- Over 70% tropical forest cleared for agriculture between 2013 and 2019 in violation of national laws or regulations
- An additional 69 gigatonnes of carbon (17% of current annual GHG emissions) is emitted from 2015 to 2050 due to land use change and soil degradation

What are the Different Initiatives Taken to Control Land Degradation?

➤ Global Initiatives:

- [United Nations Convention to Combat Desertification \(UNCCD\)- COP 14 and COP- 15](#)
- [UNCCD 2018-2030 Strategic Framework](#)
- [New Delhi Declaration of 2019](#)
- [The Bonn Challenge](#)
- [Great Green Wall](#)
- [Land Degradation Neutrality](#)

➤ National Initiatives:

- [Integrated Watershed Management Programme \(IWMP\)](#)
- [Desert Development Programme](#)
- [National Afforestation Programme \(NAP\)](#)
- [National Mission for Green India \(GIM\)](#)
- [National Action Programme to Combat Desertification](#)
- [Desertification and Land Degradation Atlas by ISRO](#)
- [Soil Health Card Scheme](#)

Conclusion

Land plays a pivotal role in supporting various human activities by providing ecological, economic, social, and cultural services. However, the multi-dimensional nature of land is often overlooked, leading to excessive stress, degradation, and environmental depletion.

In India, with its limited geographical area and a large population dependent on agriculture, there are significant challenges in managing land sustainably. To address these challenges, a multi-stakeholder platform at the district and sub-district levels, along with a landscape approach, can be instrumental in integrating sectoral interests and ensuring the long-term sustainability of land resources.



Secretary General Warns of UN's Uncertain Future

This editorial is based on "[The global order — a fraying around many edges](#)" which was published in *The Hindu* on 28/02/2024. The article discusses the Secretary-General of the United Nations expressing increased concern about the organisation's future. It emphasises the need for reform and underscores doubts about the long-term viability of the existing global order.

Tag: GS Paper-2, Important International Institutions, Groupings & Agreements Involving India and/or Affecting India's Interests, Effect of Policies & Politics of Countries on India's Interests.

At the opening of the 55th regular session of the [United Nations Human Rights Council \(UNHRC\)](#), the UN Secretary General remarked that the 'lack of unity' amongst [United Nations Security Council \(UNSC\)](#) members had 'perhaps fatally undermined its authority'. Reform is essential, but given the divisions, superficial changes may not be enough.

What is UNHRC?

➤ About:

- The Human Rights Council is an inter-governmental body within the UN system responsible for strengthening the promotion and protection of human rights around the world.

➤ Formation:

- The Council was created by the UN General Assembly in 2006. It replaced the former United Nations Commission on Human Rights.
- The Office of the High Commissioner for Human Rights (OHCHR) serves as the **Secretariat of the Human Rights Council**.
- OHCHR is headquartered in **Geneva**, Switzerland.

➤ Members:

- It is made up of 47 UN Member States which are elected by the UNGA.
- The Council's Membership is based on equitable geographical distribution

What is the Role of the UN in the Present Status of the Global Order?

➤ Managing Power Rivalry Between Nations:

- At stake is the post-World War order whose foundations were built even as the Second World War raged on, reflecting a structure that the Allied powers felt would prevent another global conflagration.
 - This order is anchored in the UN itself, along with its specialised agencies, funds and programmes.
- This is a system of international relations built to manage great power rivalry as it existed three quarters of a century ago.
 - In the years since, power and prosperity have flowed and shifted between and from the original signatories and the international community of states has more than quadrupled.

UN Security Council (UNSC)

The UN Charter vests the primary responsibility for maintaining international peace and security to the UNSC

About

One of the **6 principal organs** of UN; established in 1945 by UN Charter

Headquarters

New York City

First Session

17 January 1946 at Church House, Westminster, London

Membership

- 15 members - 5 Permanent Members (P5), 10 Non-Permanent Members elected for two-year terms (5 elected each year)
- P5 - the US, the UK, Russia, France and China

Presidency

- Rotates every month among the 15 members
- India's Presidency for year 2022 - December

Voting Powers

- 1 member = 1 vote
- P5 have veto power
- Members of UN sans membership of UNSC participate without vote

UNSC Committees/Resolutions

Terrorism

- Resolution 1373 (Counter Terrorism Committee)
- Resolution 1267 (Da'esh and Al Qaeda Committee)

Non-Proliferation Committee

- Resolution 1540 (against nuclear, chemical and biological weapons)

India and UNSC

- Served 7 times as non-permanent member; elected for the 8th time for 2021-22; advocates for a permanent seat
- Arguments for a permanent seat:
 - 43 peacekeeping missions
 - Active participation in formulating Human Rights Declaration (UDHR)
 - India's population, territorial size, GDP, economic potential, cultural diversity, political system etc.



G4

Group of 4 countries (Brazil, Germany, India and Japan) which advocate each other's bids for permanent seats in the UNSC

Uniting for Consensus (UfC) Movement

- Informally known as the **Coffee Club**
- Countries oppose the expansion Permanent Seats of UNSC
- Prime movers of the club - Italy, Spain, Australia, Canada, South Korea, Argentina and Pakistan
- Italy and Spain are opposed to Germany's bid; Pakistan - India's bid; Argentina - Brazil's bid and Australia - Japan's bid

Major Challenges in UNSC

- Usual UN rules don't apply to UNSC deliberations; **no records of meetings kept**
- Powerplay in UNSC; **anachronistic veto powers** of P5
- Deep polarisation** among P5; frequent divisions end up blocking key decisions
- Inadequate representation** of many regions among of the world



➤ Upholding Sovereign Equality:

- The UN was created to stop another global war by upholding the sovereign equality of all nations subscribing to the principle of collective security.
- Sovereign equality, however, faltered at the doors of the Security Council, with its five Permanent Members of super equals, all of whom were Allied powers, and including, of course, two major colonial powers.
 - Emergence of bipolar world order further struck at the very roots of sovereign equality.

➤ Strengthening Multilateral Institutions:

- The Bretton Woods Conference in July 1944 established the **International Monetary Fund (IMF)** and the **International Bank for Reconstruction and Development (or the World Bank)** and, in 1947, the General Agreement on Tariffs and Trade (GATT) which was succeeded by the **World Trade Organization (WTO)** in 1995.

- Together, this financial and trade architecture sought to create a shared international economic order that would not repeat the mistakes of the 1920s and 1930s, plan post-War reconstruction and liberalise global trade.

➤ International Law and Human Rights:

- The UN promotes the development and adherence to international law and human rights standards. The organisation has established numerous treaties, conventions, and declarations that govern areas such as human rights, humanitarian law, environmental protection, and disarmament.
- The UNHRC and various specialised agencies work to monitor and address human rights abuses globally.

➤ Sustainable Development:

- The UN plays a crucial role in promoting sustainable development worldwide. The **2030 Agenda for**

Sustainable Development, adopted by all UN member states in 2015, sets out a comprehensive framework for tackling global challenges, including poverty, inequality, climate change, and environmental degradation.

- The UN's development agencies, such as the **United Nations Development Programme (UNDP)** and the **United Nations Environment Programme (UNEP)** work to support countries in achieving the Sustainable Development Goals (SDGs).

➤ **Humanitarian Assistance:**

- The UN plays a vital role in providing humanitarian assistance to populations affected by conflicts, natural disasters, and other emergencies.
- Through its agencies like the **United Nations Children's Fund (UNICEF)** the **World Food Programme (WFP)** and the **Office for the Coordination of Humanitarian Affairs (OCHA)**, the UN coordinates and delivers aid, supports refugees and internally displaced persons, and works to alleviate suffering and protect vulnerable populations.

What are the Challenges to Multilateralism in the 21st Century?

➤ **Reforming Multilateralism, a Difficult Task:**

- Reforming multilateralism is a difficult task for various reasons as it is deeply entrenched in global power politics. As a result, any action in reforming multilateral institutions and frameworks automatically transforms into a move that seeks changes in the current distribution of power.
- Modifications in the distribution of power in the global order are neither easy nor normal. Moreover, it may have adverse implications if not done cautiously.

➤ **Lack of Consensus Among Status Quo Powers:**

- The status quo powers see multilateral reforms as a zero-sum game. For instance, in the context of the Bretton Woods system, the US and Europe believed reform would reduce their influence and dominance.
- This makes decisions about reform in these institutions, by consensus or voting, hard. Multilateralism appears at odds with the realities of the emerging multiplex global order. The emerging order seems more multipolar and multi-centred.

➤ **Clash of Chinese and US Values:**

- The clash between China and the US marks the end of the multilateralism of the past 70 years. It

marks another seismic shift within the UN. The US faces an uphill task in seeking to lead a new multidimensional institution as China's re-emergence is based on technology, innovation and trade balancing US military superiority at a time of declining global trust in free-market liberalism, central to western civilisation.

➤ **Multiple Crisis Confronting Multilateralism:**

- Multilateral cooperation today is confronting multiple crises. First, due to **persistent deadlocks**, multilateralism has lost the majority's trust. Second, **multilateralism is facing a utility crisis**, where powerful member-states think it is no longer useful for them.
 - Moreover, increasing great-power tensions, **de-globalisation, populist nationalism, the pandemic, and climate emergencies** added to the hardships.
- This impasse led states to seek other arenas, including bilateral, plurilateral and minilateral groupings, which subsequently contributed to further polarisation of global politics.

➤ **Challenges to Multilateralism in Terms of Concepts, Methods and Institutions:**

- **Concepts** of multilateralism are becoming volatile, eroded by problems of global dimension that have to be handled over national borders. Some examples include national sovereignty versus human rights concerns or international criminal justice decisions, environmental and health problems.
- **Negotiation methods** and techniques do not capture the complexity of modern society.
 - Analogies from IT such as open software mode in terms of organisation, contributions, negotiation and decision-taking might be better suited to the modern challenges.
 - The negotiation experience from the scientific and technical communities could provide helpful information in learning how to handle those challenges that are not purely political.
 - The use of sectoral approaches in practice runs counter to intrinsically transversal concepts such as that of sustainable development.
- The **existing institutions** do not reflect the increasing role of regionalism and the changing balance of power. The Security Council reform is still being discussed after a few decades, and there is a problem of inadequate voting rights of emerging and African economies in the International Monetary Fund and World Bank, despite recent progress.

- The rapid emergence of new global players such as **BRICS** has profound implications on negotiations and international governance. Emerging powers are building alliances and common positions in various international fora. African countries increasingly realise that they can better defend their interests when speaking with one voice.

What are the Different Issues in Functioning of UNSC?

➤ **Reflecting Colonial Mindset:**

- The UN effectively granted these major Allied powers a permanent veto. After **World War II**, the newly independent states were not consulted when the US imposed global institutions fostering trade, capital and technology dependence, ignoring socio-economic development. This occurred at a time when mounting calls for decolonization and the impacts of a global conflict were eroding the dominance of imperial powers.

➤ **Disproportionate Powers to Select Few:**

- The old world clung on to the power structures of the new institutions, as reflected in the governance of the Bank and the Fund. The World Bank is always headed by an American citizen; 'Europe' (Western Europe, in practice) gets to nominate the head of the IMF.

○ **Voting Rights:**

- The voting rights of member-states of the Fund are virtually frozen in time, despite some limited reform. Currently, the percentage voting rights for, say, the original BRICS members are 2.22, 2.59, 2.63, 6.08 and 0.63.
- The US alone commands 16.5; add to it the votes of the UK (4.03), Germany (5.31) and the rest of the G-7 that tends to vote with the US, and that percentage approaches 30.

○ **Disbursal of Funds:**

- Allocating **Special Drawing Rights** and most reform requires an 85% majority vote, effectively handing the US a powerful veto.
- The IMF maintains global stability by promoting financial stability, offering advice, and providing funds to countries in financial difficulty, as long as they accept conditions set by the leadership of the Fund.

➤ **Against the Interests of Developing Countries:**

- The UN system, based on international treaties now firmly entrenched in law, facilitated global relations, though favouring original UN Charter

signatories. Decolonization, the **Cold War**, and the Soviet Union's dissolution challenged this framework.

- However, developing nations, including ex-colonies, struggled against the Security Council's veto and Bretton Woods' voting structures. China, notably, wielded influence as a rule maker in one arena but as a rule taker in another.

➤ **Various Contemporary Faultlines:**

- **COVID-19** shut down borders, for people, for goods, for vaccines, thereby undermining the promise of a shared global prosperity based on ever greater cooperation.
- Russia's invasion of Ukraine exposed the hypocrisy of a major power that is supposed to uphold global rules. Additionally, the conflict in Gaza has highlighted divisions between developed and developing nations.
 - This conflict tests the commitment of several of the Permanent Members to the bedrock of the UN system — a commitment to human rights and the genocide convention.

What are the Suggestions for Reforming UNSC?

➤ **Role of G-20:**

- **G-20** should first focus on setting proper narratives of multilateral reform. G-20 may constitute an engagement group dedicated to bring the narrative to the forefront of global discourse.
- India should also urge the upcoming chairs of the grouping, Brazil and South Africa, **to place multilateral reforms in UNSC** as their presidential priorities.
- While supporting multilateral cooperation, **G-20 should continue encouraging minilateral groupings** as a new form of multilateralism and try to transform them into multi-stakeholder partnerships.
 - Creating networks of issue-based minilaterals, particularly in areas related to the governance of the global commons will be helpful in preventing competitive coalitions where other actors play the same game to their advantage, leading to a more fragmented world order.

➤ **Need for Comprehensive Reforms:**

- World needs an all-encompassing, comprehensive reform process which includes expansion in permanent as well as non-permanent categories of membership of the Security Council, the question of the veto, the relationship between the General Assembly and the Security Council and an improvement in the working methods.

- India stressed that the primacy and legitimacy of the UNGA flow from the inclusive nature of its membership and the principle of sovereign equality of all its constituents.

➤ India's Anticipated Role:

- The global vacuum, shift in relative power and its own potential, provides India the capacity to articulate a benign multilateralism as a **NAM-Plus** that resonates with large parts of the world and brings both BRICS and the **G7** into the tent.
- India has been calling for the reform of the UNSC along with Brazil, Germany and Japan for a long time, emphasising that it rightly deserves a place at the UN high table as a permanent member.
 - The **G4 nations of Brazil, Germany, Japan and India** support each other's bids for permanent seats on the UNSC.

➤ Understanding the Asian Century in UNSC Reforms:

- The Asian Century should be defined in terms of peaceful co-existence, freezing postcolonial sovereignty. Non-interference in the internal affairs of others is a key lesson from the perspective of USA and also the rise of China.

- Former US President Jimmy Carter rightly observed that while the US spent USD 3 trillion on military spending, "China has not wasted a single penny on war".

➤ Need for Amendments in UN Charter to Accommodate Emerging Concerns:

- Altering the council's size, terms for members, thresholds for approving resolutions or the powers of the permanent members require amending the charter.
 - Amendments enter into force when they have a 2/3rd vote of support in the UNGA and 2/3rd of the assembly's member states – including the UNSC P5 – have ratified them.
- With such barriers in place, amendments are rare. The UN Charter has been amended only five times since its adoption in 1945, with the most recent changes entering into force in 1973.
 - These amendments increased the Security Council's size from 11 to 15 members by adding four additional elected members. Similar amendments need to be explored to map the present realities.

Key UN reforms



Conclusion

The current global order, anchored in the UN and its agencies, was established post-World War II to prevent another global conflict, but it is now facing significant challenges. The power dynamics within the UN, particularly the veto power of the P5 of the UNSC reflect an outdated structure that does not account for the changing global landscape.

As the world grapples with new challenges such as the COVID-19 pandemic and geopolitical conflicts, there is a pressing need to reevaluate and potentially reform the current global architecture to ensure it remains relevant and effective in addressing global issues.



Overhauling Early Childhood Education

This editorial is based on "[The economic case for investing in India's children](#)" which was published in *The Hindu* on 29/02/2024. The article discusses the necessity for heightened attention to early childhood care and education, emphasising the requirement for greater investment in this area.

Tag: GS Paper-2, Education, Government Policies & Interventions, Issues Related to Women, Issues Related to Children.

Early Childhood Care and Education (ECCE) has remained both under-invested and under-explored over decades despite it seeming self-evident that India's children deserve economic investment, given the country's focus on demographic dividend, education and jobs.

ECCE is often limited to the household domain, perhaps because it has traditionally been women's work. With the increasing focus by the government on women-led development, care work and early childhood are finally being seen as part of the critical work of running a country.

What is the Current Status of ECCE?

- **Free and Compulsory Education:**
 - The Constitution makes the following provisions under [Article 45](#) of the [Directive Principles of State Policy \(DPSP\)](#) that, "The state shall endeavour to provide within a period of ten years from the commencement of this Constitution, for free and compulsory Education for all children until they complete the age of fourteen years."
- **Improvements in Gross Enrolment Ratio (GER):**
 - The argument for increased investment in ECCE is a basic one - human resources are the bedrock of a nation, and early childhood is the bedrock of a human being. Slowly, but surely, the Indian developmental state has fostered and catered to parental aspirations for education, targeting first access, crossing 100% GER at the primary level.
- **Dilemmas in Learning Outcomes:**
 - In recent times, there has been increased focus on measuring learning outcomes. The [National Sample Survey Office \(NSSO\)](#) (75th Round) data and the learning outcomes study of the NCERT ([National Achievement Survey, 2023](#)) (along with [ASER Report 2023](#)) show that India's children are not learning at the primary stage, and as they move to higher levels, they are struggling to cope with the curriculum.

➤ Enhanced Focus for Children-Under-Six:

- Government has made significant strides in focusing even earlier in the life cycle, i.e., children under six, leading to initiatives such as the [National Initiative for Proficiency in Reading with Understanding and Numeracy \(NIPUN\) Bharat Mission](#) for foundational literacy and numeracy, and the program - [Poshan Bhi Padhai Bhi](#) to improve ECCE quality through the Anganwadi system.

Note:

Poshan Bhi, Padhai Bhi:

- Promoting early stimulation during the first thousand days and facilitating ECCE for children aged 3 to 6 years.
- Enhancing the capacities of Anganwadi workers by providing them with a foundational understanding of ECCE curricula and pedagogical approaches. This enables them to deliver high-quality play-based ECCE at the grassroots level.
 - Anganwadi is a type of rural child care center in India. It was established as part of the [Integrated Child Development Services \(ICDS\)](#) program.
- To enable Anganwadi Workers to focus on the domains of development (physical and motor, cognitive, socio-emotional-ethical, cultural/artistic), and the development of Foundational Literacy and Numeracy (FLN), as well as related assessments.
- To reinforce Anganwadi workers' understanding of nutrition, including [Poshan 2.0](#) and [Saksham Anganwadi](#), innovations in [Poshan](#), [Poshan Tracker](#), feeding practices, micronutrient deficiencies etc.

➤ Budgetary Allocations:

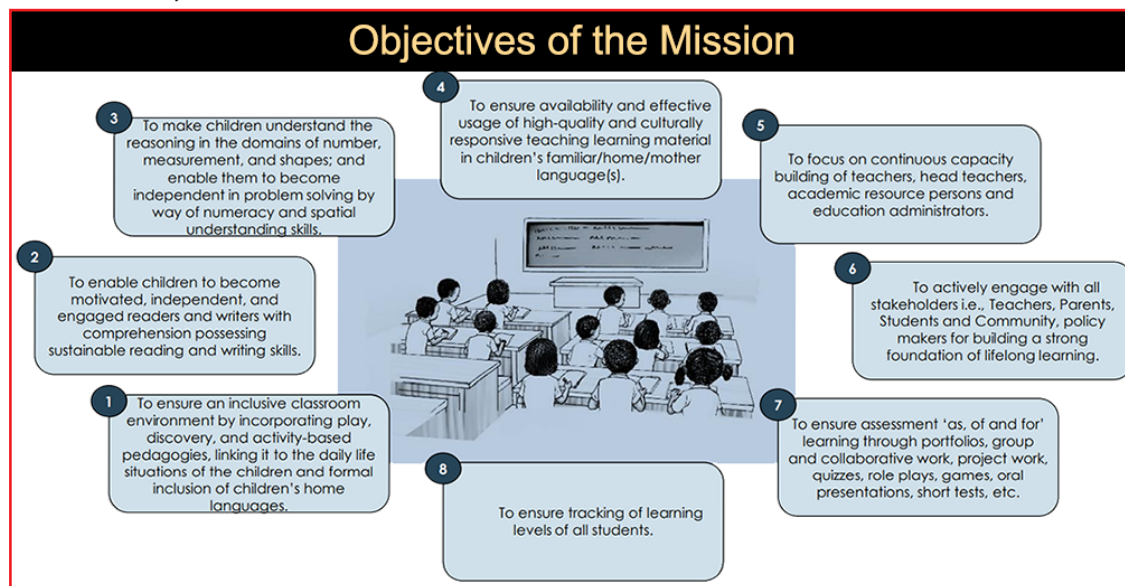
- The interim Budget 2024's promise of expediting the upgradation of [Saksham Anganwadis](#) and providing [Ayushman Bharat](#) services for Anganwadi workers, [Accredited Social Health Activist \(ASHA\)](#), and helpers is encouraging.
 - In 2023, the outlay for teaching-learning materials tripled, increasing from approximately Rs 140 crore to Rs 420 crore per annum, assuming 14 lakh Anganwadi centres, catering to India's poorest eight crore children under six.

➤ Disparities in Fund Allocations Compared to Higher Education:

- The 2024-25 budgeted expenditure on centrally sponsored schemes, which form a substantial part of Centre-State fiscal transfers, is Rs 5.01 lakh crore. Of this, the Anganwadi system is allocated

about Rs 21,200 crore, which is more than rural roads (Rs 12,000 crore) and irrigation (Rs 11,391 crore).

- But this is less than the National Education Mission (Rs 37,500 crore) and the **National Health Mission** (Rs 38,183 crore). The Department of Higher Education receives around Rs 47,619 crore, for a total of approximately four crore enrolled learners, who undoubtedly come from the more privileged sections of Indian society.



What are the Different Challenges to ECCE In India?

➤ **Affordability:**

- According to recent research, the total cost of educating a child in a private school from the age of 3 to 17 in India amounts to a staggering Rs 30 lakh. Early childcare costs in India can often constitute around 20-30%. These expenses' financial burdens hinder investments in ECCE.
- The NSSO's 75th Round report reveals that around 37 million children lack access to any form of early education service, regardless of public or private options.

➤ **Accessibility:**

- Traditional early learning formats such as preschools and daycare are not always accessible to all families due to factors like geographical location or traditional child-rearing practices. Moreover, India needs more skilled early-learning educators and essential infrastructure.

➤ **Availability:**

- While there has been an increase in government investment in ECCE in India, including the establishment of digital labs and infrastructure, the challenges persist. ECCE in the country is marked by regulatory gaps, fragmentation, and the need for targeted initiatives, underscoring opportunities for enhancement.

➤ **Low Parental Engagement:**

- Parents are a child's first teachers, and they can help their child learn in many ways like teaching them to read, write and count. They can also help them develop social skills by spending time together at home or out in the community.
- However, they often face challenges in getting involved in their children's education such as work schedules that don't allow for much time away from work; lack of transportation; low literacy skills; not knowing where or how to get information about early childhood education programs.

➤ **Lacunae in Right to Education Act, (RTE) 2009:**

- The **86th Constitutional Amendment Act** passed in 2002, made the right to primary education a **fundamental right under Article 21(A)**. This amendment aimed to provide free and compulsory education to children between the ages of six and fourteen.
- It was further supported by the **Right of Children to Free and Compulsory Education Act, also known as the RTE Act**, which was passed in 2009 and came into effect in 2010.
- However, this Act did not accommodate sufficient provisions for foundational literacy and numeracy and early childhood care and education for children in the age group of upto 6 years.

➤ **Low Public Spending:**

- The **Incheon Declaration** to which India is a signatory, expects member states to spend 4-6%

of their **GDP** on education to achieve **SDG-4 (Quality Education)** to this declaration.

- However, the Union Budget 2024 budget allocates only around 2.9 % of the GDP to education, significantly lower than the global average of 4.7 %.

What are the Suggestions for Reforming ECCE?

➤ **Utilising Digital Penetration:**

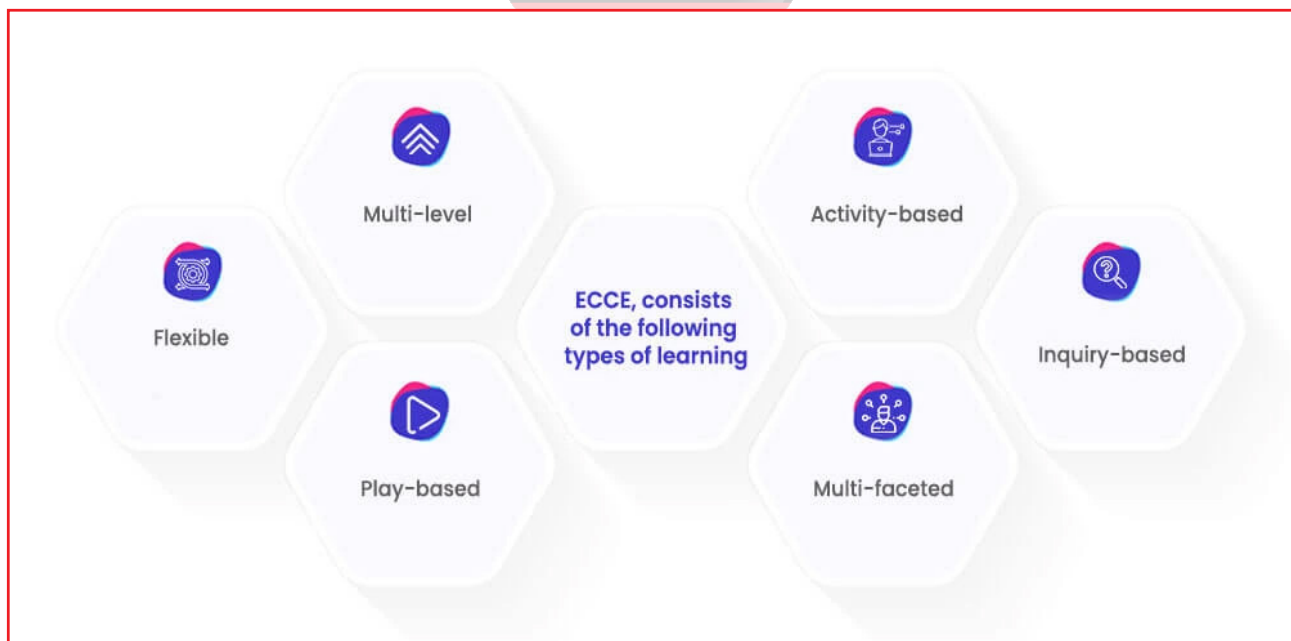
- **Offers Engaging and Age Appropriate Content:** The availability of smartphones and internet connectivity has grown remarkably. Digital learning platforms are emerging as dynamic tools catering specifically to early learners.
 - These apps offer engaging and age-appropriate content, ensuring an enriching educational experience for young minds.
 - This connectivity allows the delivery of educational content directly to parents and caregivers, enhancing their capacity to engage in their children's early learning journey.
- **Promotes Inclusivity and Accessibility:** Through interactive activities, vibrant visuals, and tailored curricula, these platforms shape how children embark on their learning journey.

- The learning modules offered through digitization offer cost-effectiveness and convenient access from virtually anywhere, reaching children and qualified educators from across geographies.

- Their advent makes quality early learning education more inclusive by breaking physical barriers and reaching a wider range of children and educators.

➤ **Filling Infrastructural Gaps:**

- This calls for initiating comprehensive teacher training programmes and career progression strategies through established institutions, alongside investments in necessary infrastructure.
- Additionally, ECE would benefit significantly from creating specialised laboratories, modern learning centres, play areas, digital resources, and innovative learning materials for early learners.
- Expanding ECE centres to accommodate India's growing population and implementing structured curricula, well-trained educators, and clear learning objectives. These foundational elements are crucial to address the existing constraints.



➤ **Recognising Diversity in Approaches:**

- Early childhood education is versatile, accommodating various family circumstances and preferences. It encompasses a spectrum of possibilities, ranging from parents providing care and education at home to leveraging informal or formal gamified learning methods.
- Larger preschool setups also play a crucial role in providing structured learning experiences. Recognising this diversity in approaches is pivotal to creating a comprehensive and inclusive framework for childcare and early education.

➤ Need For Investments:

- **Investments in Anganwadi Centres:** Recent researches provide further cause for expanding allocation and expenditure by the Centre and the States.
 - Quasi-experimental impact evaluations using existing survey data have proven cognitive and motor skills improvement in Anganwadi-attending children over others, particularly reducing gender and income-related gaps.
 - According to a study in 2020, children exposed to the Anganwadi system from ages zero to three go on to complete 0.1-0.3 more grades of school.

○ For Strengthening ECCE System:

- To determine what to spend on — infrastructure, capacity building, materials, and staffing — it is necessary to match the micro to the macro, the amounts in paise to the amounts in lakh and crore.
- Estimates are required of the potential gains to GDP from the proven individual benefits of strong ECCE: improving women's physical and mental health, lifespan, public health expenditure, children's educational attainment, their physical and mental health, and even social unrest.
 - Nobel Laureate Heckman's Perry Preschool study found that children who received high quality ECCE grew into less violent adults — stronger socio-emotional skills built early might even help prevent later student suicides.

➤ Need for Research in ECCE:

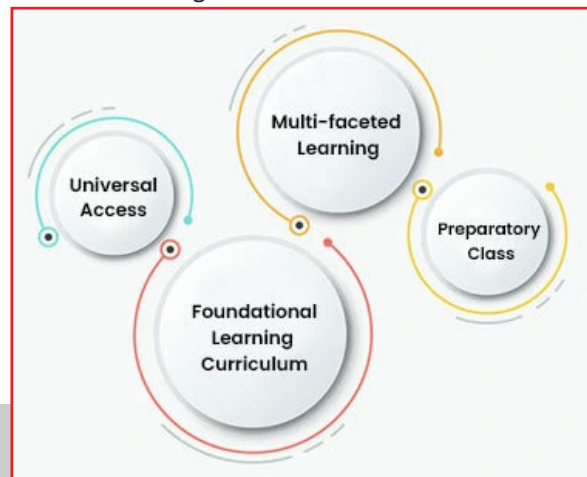
- There is also a clear need for systematic rigorous research in the Indian context, building on the work of leading academics on the macroeconomic and social implications of early childhood development.
 - In order to formulate evidence-based policy, it is critical to understand the opportunity cost of inadequate allocation of material resources, money, and high-quality talent to the early childhood sector.
- India needs to conduct longitudinal studies exploring the impact of early childhood care, including the Anganwadi system, which remains the world's largest public provisioning system for ECCE.

➤ Effectively Implementing the Mandate of NEP, 2020:

- Over 85% of a child's cumulative brain growth takes place in the first six years, according to the NEP, 2020, which emphasises the necessity of

providing the brain with the right care and stimulation in the early years to promote a child's holistic development.

- The updated policy states that it is urgently necessary to provide all young children with nationwide access to high-quality ECCE, with a particular focus on kids from socioeconomically disadvantaged households.



- **Foundational Learning Curriculum:** The curriculum is split into two sections for ages 3 to 8: foundation learning curriculum for ECCE students from ages 3-6 and classes I and II for primary school students from ages 6 to 8.
- **Universal Access:** All kids between the ages of 3 and 6 have access to free, secure, and high-quality ECCE at pre-schools, anganwadis, and Balvatikas.
- **Preparatory Class:** Every child will be relocated to a "Preparatory Class" or "Balvatika" (before Class 1) before the age of five, where ECCE-qualified teachers would impart play-based learning.
- **Multi-faceted Learning:** A flexible learning method with a heavy emphasis on play, activity, and inquiry-based learning to build Foundational Literacy & Numeracy (FLN).

Conclusion

Investing in ECCE is crucial for India's future, yet it has been overlooked for years. Recognizing ECCE as fundamental to human development, the government has started focusing on this area, evident in initiatives like NIPUN Bharat and Poshan Bhi Padhai Bhi. The recent budgetary allocation for ECCE shows a positive trend, but more is needed, considering the proven benefits such as improved cognitive skills and educational attainment.

Research in the Indian context is essential to understand the full impact and formulate effective policies. As India aims for development milestones, investing in ECCE will be pivotal in ensuring a prosperous future for its children and the nation.



Drishti Mains Questions

1. Discuss the role of fiscal policy in enhancing economic resilience, considering its evolution post-pandemic and the challenges posed by global uncertainties.
2. Examine the significance of counter-cyclical fiscal policy in economic management, its challenges, and the impact on sustainable growth.
3. Examine the challenges within the bilateral relationship between India and Myanmar. Suggest measures.
4. Discuss the reforms needed for the World Trade Organisation (WTO) to address challenges, especially focusing on the dispute settlement mechanism, and its impact on global trade governance.
5. How has the Swachh Bharat Mission Grameen impacted rural sanitation practices and what challenges remain for achieving sustainable sanitation coverage in India?
6. Discuss the implications of reduced financial transfers to States by the Union government, analysing its impact on fiscal federalism in India.
7. Discuss the legal and societal implications of child sexual abuse and pornography, addressing legislative measures, societal attitudes, and preventive strategies.
8. Discuss the role of a high-powered population committee in harnessing India's demographic dividend for inclusive and sustainable development.
9. India's growth strategy must include adequate democratic representation in Ladakh. Comment.
10. In the context of India-UAE relations, critically analyze the strategic, economic, and cultural dimensions, emphasizing recent developments and future prospects.
11. Critically evaluate the necessity and feasibility of legalising Minimum Support Price (MSP) in India.
12. Discussing deep industrialization, highlight its importance, challenges, and potential impact on economic and societal development.
13. Discuss the implications of implementing paid menstrual leave on gender equality and workforce dynamics, citing global examples. What measures can ensure its effective implementation?
14. Critically evaluate the standards of parliamentary functioning in India. Suggest measures to enhance accountability and productivity within the Indian Parliament.
15. Discuss the significance of the Supreme Court's decision striking down the Electoral Bonds Scheme and its implications for political funding transparency in India.
16. Discuss the implications of Artificial Intelligence on the concept of meritocracy, considering its impact on social stratification, biases, and workforce dynamics. Examine potential reforms.
17. How can India enhance the employability of engineering graduates in the service sector, considering the mismatch between education and job demands? Discuss with solutions.
18. Discuss the challenges faced by Panchayati Raj Institutions in generating their own revenue and suggest measures to enhance their financial autonomy.
19. Discuss the Pradhan Mantri Awas Yojana's impact on affordable housing and its sustainability challenges. How can these be addressed for long-term environmental benefits?

Drishti Mains Questions

20. Discuss the significance and challenges of the Agnipath Scheme introduced by the Indian government for recruitment in the armed forces. What measures can ensure its success?
21. Critically examine the necessity of establishing regional benches for the Supreme Court in India.
22. Discuss the implications of the Uniform Civil Code (UCC) on individual autonomy and privacy, considering its potential impact on personal relationships and societal dynamics.
23. Discuss the challenges of land degradation in India, its implications on agriculture, environment, and livelihoods, and suggest measures for sustainable land management.
24. Discuss the need for reforms in the United Nations Security Council (UNSC) in light of its current structure and challenges. What reforms would you propose?
25. Discuss the challenges and initiatives in improving elementary education quality and access in India. What role can technology play in this?