



# Monthly Editorial Consolidation



**1<sup>st</sup> May to 31<sup>st</sup> May 2021**

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## Natural Gas: A Stepping Stone

This article is based on "India's road to clean energy goes via natural gas" which was published in *The Indian Express* on 02/05/2021. It talks about the option of natural gas, as a suitable energy transition option.

**Tags:** Biodiversity & Environment, GS Paper - 3, Conservation, Environmental Pollution & Degradation

Recently, many think tanks, climate negotiators, corporates and environmental NGOs in India are currently contemplating on the concept of "net zero carbon emissions" and the appropriate target year for achieving it.

In the effort to secure a global consensus around this target, India must first "green" its fossil fuel energy basket. This can be done by increasing the share of natural gas.

However, the natural gas economy requires policy reforms cutting across all segments of the natural gas value chain from production (domestic and international) to transportation (pipeline and LNG) to markets (current and emergent) to commercial (pricing, taxation) and regulatory issues.

### Natural gas: A Suitable Transition Option

- **Versatility & Abundance:** Natural gas has multiple uses and it is the "greenest" of all fossil fuels. Also, it is abundantly available in and within the Indian subcontinent.
- **Easy Transition Energy Option:** Natural gas is a feasible prospect because it will not generate the headwinds due to shutting down of coal mines.
  - Further, it will not require industries to invest heavily in retrofitting their systems.
  - Moreover, it will allow the government to meet its objective of providing secure and affordable energy to everyone without degrading the environment.
- **Excess Usage of Fossil Fuels:** The average global share of fossil fuels in the energy basket is 84% which is even more for India.
  - According to the International Energy Agency (IEA), India is the world's third largest consumer of oil.
  - Dependence on coal and oil needs to be reduced and natural gas has to be replaced as much as possible.

### Challenges Associated

#### With the Natural Gas Sector

- **Pricing Distortions:** The pricing of natural gas is based on multiple price formulae.

- There is differential pricing for gas produced from domestic fields by the public sector companies and private companies.
- Similarly, differential pricing for production from deep waters offshore under high temperature etc.
- This creates problems in coming up with competitive pricing.

- **Regressive Taxation System:** It is a cascading structure so that the tax rates increase as the gas flows from one zone to another.

- This means that customers located at a distance from the source of gas pay a higher price than those closer to the source.
- The result is the dampening of demand.
- Moreover, gas is not under GST.

- **Conflict-of-interest Situation:** The Gas Authority of India Ltd (GAIL) is currently engaged in the production, transportation and marketing of gas.

- This allows GAIL to leverage its ownership of the bulk of the gas pipelines to deny its competitors access to the market.
- Most countries have tackled this conflict-of-interest situation by separating the upstream (production/import) and downstream (marketing) interests from transportation.

- **Centre-States Issue:** Completion of a national pipeline grid gets affected due to clashes between Centre and state over issues like land acquisition, pipeline routing; and royalty payments.

- Centre-state differences have also delayed the construction of import facilities and the creation of gas markets.

### Way Forward

- **Deregulation of Pricing:** A key aspect of ensuring market reforms to boost gas economy, would be deregulation of pricing for domestically produced gas.
  - It will allow freedom to price and market domestic gas and in turn boost domestic production, making it more viable for players to invest.
  - Moreover, market-determined and affordable pricing would also boost industrial growth and economic competitiveness.
- **Boosting Infrastructure:** These markets have greatly benefited from factors such as open access to infrastructure, system operator, unbundled marketing and transport functions and market-friendly transport access and tariff besides strong pipeline infrastructure.
  - Also, the institutional mechanism should be created to enable better coordination between the central and state governments.

- **Freeing Gas Markets:** Through ensuring price benchmarks, it will drive competition across the value chain and stimulate investments in exploration and production along with downstream infrastructure.
  - Moreover, factors such as inclusion under GST and an overarching regulatory framework will also play an important role in boosting the overall gas markets

### Conclusion

India stands a better chance of reaching the destination of a predominantly clean system if it moves forward incrementally. That is, if it makes natural gas the “next stop” in its energy journey.



## One Health Concept

*This article is based on “A ‘One Health’ approach that targets people, animals” which was published in The Hindu on 04/05/2021. It talks about the relevance of One Health concept, as the world is facing a second wave of Covid-19 pandemic.*

**Tags:** Social justice, GS Paper - 3, Health, Government Policies & Interventions

The father of modern pathology, **Rudolf Virchow**, emphasised in 1856 that there are essentially no dividing lines between animal and human medicine. This concept is ever more relevant as the world is facing a second wave of Covid-19 pandemic.

This approach is referred to as “**One Health**”, focuses on acknowledging the interconnectedness of animals, humans, and the environment. It involves a multi-disciplinary and cross-sectoral approach to address potential or existing risks that originate at the animal-human-ecosystems interface.

To achieve the ‘One Health’ vision, challenges pertaining to veterinary manpower shortages, the lack of information sharing between human and animal health institutions, and inadequate coordination on food safety at slaughter, distribution, and retail facilities and others must be addressed.

### What is One Health Concept?

- ‘One Health’ vision derives its blueprint from the agreement between the tripartite-plus alliance comprising the Food and Agriculture Organization of the United Nations (FAO), the World Organisation for Animal Health (OIE).

- The overarching purpose is to encourage collaborations in research and sharing of knowledge at multiple levels across various disciplines like human health, animal health, plants, soil, environmental and ecosystem health in ways that improve, protect and defend the health of all species.
- The Wildlife Conservation Society (WCS) introduced the term “**One World-One Health**” in 2007 along with 12 recommendations (the Manhattan Principles) that focused on establishing a more holistic approach to preventing epidemic disease and maintaining ecosystem integrity.

### Need for One Health Concept

- Scientists have observed that there are more than 1.7 million viruses circulating in wildlife, and many of them are likely to be zoonotic.
  - This implies that unless there is timely detection, India risks facing many more pandemics in times to come.
- Another category of diseases, “anthropozoonotic” infections, gets transferred from humans to animals.
- The transboundary impact of viral outbreaks in recent years such as the Nipah virus, Ebola, Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome (MERS) and Avian Influenza has further reinforced the need for us to consistently document the linkages between the environment, animals, and human health.

### India’s One Health Framework

- In keeping with the long-term objectives, India established a National Standing Committee on Zoonoses as far back as the 1980s.
- Further, the Department of Animal Husbandry and Dairying (DAHD) has launched several schemes to mitigate the prevalence of animal diseases.
  - In addition, DAHD will soon establish a ‘One Health’ unit within the Ministry.
- Additionally, the government is working to revamp programmes that focus on capacity building for veterinarians and upgrading the animal health diagnostic system such as Assistance to States for Control of Animal Diseases (ASCAD).
- Recently, funds were sanctioned for setting up a ‘Centre for One Health’ at Nagpur.

### Way Forward

- **Consolidating Disease Surveillance:** There is a need for consolidating existing animal health and disease surveillance systems — e.g., the Information Network for Animal Productivity and Health, and the National Animal Disease Reporting System.

- **Developing Guidelines:** Developing best-practice guidelines for informal market and slaughterhouse operation (e.g., inspections, disease prevalence assessments), and creating mechanisms to operationalise 'One Health' at every stage down to the village level.
- **Holistic Collaboration:** One Health initiatives, by their multidisciplinary nature, entail working across ministries and navigating tacit institutional hierarchies and allocating leadership roles.
  - Therefore, One Health consortia requires the cooperation and active engagement of individuals, communities and society are needed.
  - Further, there is a need to cultivate champions in different sectors who can agree on common objectives. This will promote innovation, adaptation and flexibility in terms of political, financial and administrative accountability.
- **Establishing Institutional Mechanism:** There are already several cross-cutting efforts operating in India to develop protocols for a database of research into zoonotic diseases.
  - However, there is no single agency or framework that embraces all interdisciplinary sectorial players under a single umbrella to carry forward the 'One Health' agenda.
  - Thus, a proper institutional mechanism must be set up to implement One Health concept.

### Conclusion

As India battles yet another wave of a deadly zoonotic disease (Covid-19), awareness generation, and increased investments toward meeting 'One Health' targets is the need of the hour.



## India-UK Relations

*This article is based on "Could Modi-Johnson meet improve unsteady Indo-Brit ties?" which was published in The Indian Express on 04/05/2021. It talks about the new opportunities in India-UK relations.*

**Tags:** International Relations, GS Paper -2, effects of policies and politics of countries on India's interests.

India and the United Kingdom share a modern partnership bound by strong historical ties. The bilateral relationship that was upgraded to a strategic partnership in 2004 and further strengthened by the successive government.

Recently, the Prime Ministers of both the countries held a virtual bilateral meeting. While the health sector will necessarily dominate the conversation, India and the UK must tap into the enormous potential for bilateral strategic cooperation

### India & UK: Both Needing Each Other

- **Rise of India:** India is undergoing a transition that could have significant consequences for the UK. India is already the third largest economy in the world (at purchasing power parity exchange rates) and is expected to become the second largest in the coming decades.
  - As its economy is transformed, its political, military and cultural power is also likely to increase, elevating India to a 21st Century superpower.
  - As Jim O'Neill has written, India will soon be 'one of the biggest influences on the world'. It is looking for new partners in the global race. This represents a great opportunity for the UK.
- **Re-surgin UK:** UK has much to offer India in education, research, civil society and the creative sector.
  - The massive growth of India's English-speaking middle classes offers a critical window of opportunity for the UK to become a partner of choice for trade, diplomacy, culture and education before India's next generation turns its attention elsewhere.

### Associated Challenges

While India's relations with countries as different as the US and France have dramatically improved in recent years, ties with Britain have lagged. Following reasons can be cited for this:

- **Colonial Prism:** One reason for this failure has been the colonial prism that has distorted mutual perceptions.
  - Anti-colonial resentment against Britain is always seething barely below the surface among the Indian political and bureaucratic classes.
  - Britain has found it difficult to shed its own prejudices about India.
- **Legacy of Partition:** The bitter legacies of the Partition and Britain's perceived tilt to Pakistan have long complicated the engagement between India and the UK.
  - Further, many former Prime Ministers of Indian have accused Britain of creating the Kashmir problem.
- **Recent Attitude of the Labour Party:** While there is no way of fully separating South Asian and British domestic politics, India's problems have been accentuated by the British Labour Party's growing political negativity towards India.

- The Labour Party had become rather hostile on India's internal matters, including on Kashmir.

### Way Forward: New Opportunities

- **Managing Pandemics:** Britain and the G-7 are well-positioned to help transform India's internal capabilities as well as benefit from them in the management of future global pandemics.
  - The possibilities range from ramping up vaccine production to the structuring of a strong public health system in India.
- **Converging Trade:** Both countries are on the rebound from their respective regional blocs. Britain has walked out of the European Union and India has refused to join the China-centred Regional Comprehensive Economic Partnership.
  - Although both will continue to trade with their regional partners, they are eager to build new global economic partnerships.
- **Strategic Convergence:** While remaining a security actor in Europe, Britain is tilting to the Indo-Pacific, where India is a natural ally.
  - India, which is looking at a neighbourhood that has been transformed by the rise of China, needs as wide a coalition as possible to restore a semblance of regional balance.
- **Domino Effect:** As they deepen their bilateral partnership and expand regional and international cooperation, India and the UK may find it easier to manage the irritations over Pakistan and South Asian diaspora politics in Britain.
  - India and the UK are said to be exploring an agreement on "migration and mobility" to facilitate the legal movement of Indians into Britain.

### Conclusion

The profound ties of culture, history and language already give the UK a potentially strong foundation upon which to further deepen its relationship with India.

With a whole new set of circumstances, India and Britain should recognise that they both need each other to achieve their larger goals.



## New Generation of Banking Reforms

*This article is based on "Time for 5th generation banking reforms" which was published in The Hindu Business Line on 06/05/2021. It talks about the new set of banking reforms in India's banking industry.*

**Tags:** Indian Economy, GS Paper - 3, Banking Sector & NBFCs, Mobilization of resources

The Indian banking sector has been evolving on a continuous basis, from being exclusivist to becoming a carrier of social reform and financial inclusion. However, in recent times, the banking industry has experienced many issues.

For instance, a decline in asset quality, financial soundness, and efficiency has marred the functioning of the Indian banking industry.

Given the current challenges of a burgeoning population, the ongoing Covid-19 pandemic, and the West's intention to shift its manufacturing base to India and elsewhere, it is essential to say 'yes' to fifth generation banking reforms.

### Evolution of Indian Banking Industry

- **First Generation Banking:** During the pre-Independence period (till 1947), the Swadeshi Movement saw the birth of many small and local banks.
  - Most of them failed mainly due to internal frauds, interconnected lending, and the combining of trading and banking books.
- **Second Generation Banking (1947-1967):** Indian banks facilitated concentration of resources (mobilised through retail deposits) in a few business families or groups, and thus neglected credit flow to agriculture.
- **Third Generation Banking (1967-1991):** The government was successful in breaking the nexus between industry and banks through the nationalisation of 20 major private banks in two phases (1969 and 1980) and introduction of priority sector lending (1972).
  - These initiatives resulted in the shift from 'class banking' to 'mass banking'.
  - Further, it had a positive impact on the expansion of branch networks across (rural) India, massive mobilisation of public deposits and incremental credit flow to agriculture and allied sectors.
- **Fourth Generation Banking (1991-2014):** This period saw landmark reforms such as issue of fresh licences to private and foreign banks to infuse competition, enhanced productivity as well as efficiency.
  - This was done by leveraging technology; introduction of prudential norms; providing operational flexibility coupled with functional autonomy; focus on implementation of best corporate governance practices; and strengthening of capital base as per the Basel norms.
- **Current Model:** Since 2014, the banking sector has witnessed the adoption of the JAM (Jan-Dhan, Aadhaar, and Mobile) trinity, and issuance of licences

to Payments Banks and Small Finance Banks (SFBs) to achieve last-mile connectivity in the financial inclusion drive.

### Way Forward: Fifth Generation Banking

- **Big Banks:** The Narasimham Committee Report (1991), emphasised that India should have three or four large commercial banks, with domestic and international presence, along with foreign banks.
  - The second tier may comprise several mid-size lenders, including niche banks, with economy-wide presence.
  - In accordance with these recommendations, the government has already merged a few PSBs, initiated steps towards setting up of DFI, Bad Bank, etc.
- **Need for Differentiated Banks:** Though the universal banking model has been widely preferred, there is a need for niche banking to cater to the specific and varied requirements of different customers and borrowers.
  - Essentially, these specialised banks would ease the access to finance in areas such as RAM (retail, agriculture, MSMEs).
  - Further, the proposed DFI/niche banks may be established as specialised banks to have access to low-cost public deposits and for better asset-liability management.
- **Blockchain Banking:** Risk management can be more specific and the neo-banks can leverage the technology to further (digital) financial inclusion and finance higher growth of aspirational/new India.
  - In this context, technologies like Blockchain can be implemented in Indian Banking.
  - Blockchain technology will allow prudential supervision and control over the banks may be easier.
- **Mitigating Moral Hazard:** Till date, failure of public sector banks has been a rare phenomenon and the hidden sovereign guarantee is the main reason for superior public confidence in the banks.
  - However, with the privatization drive of PSBs, this may not be always true.
  - Therefore, fifth generation banking reforms should focus on the need for higher individual deposit insurance and effective orderly resolution regimes to mitigate moral hazard and systemic risks with least cost to the public exchequer.
- **ESG Framework:** Differentiated Banks also may be encouraged to get listed on a recognised stock exchange and adhere to ESG (Environment, Social Responsibility, and Governance) framework to create value for their stakeholders in the long run.

- **Empowering Banks:** The government should tighten the loose ends by allowing them to build diversified loan portfolios, establishing sector-wise regulators, bestowing more powers to deal effectively with wilful defaulters.

- There is also a need to pave the way for the corporate bond market (shift from bank-led economy) to create a responsive banking system in a dynamic real economy.

### Conclusion

Present scenario calls for a paradigm shift in the banking sector to improve its resilience and maintain financial stability. In this context, the government has recently announced new banking reforms, involving the establishment of a Development Finance Institution (DFI) for infrastructure, creation of a Bad Bank, and privatisation of public sector banks (PSBs) to ease its burden in terms of mobilising additional capital.

However, governance reforms will always form the underlying layer of every generation of making reforms.



## COVID-19 Crisis & Centre–State Relations

*This article is based on “COVID-19 Crisis and the Centre–State Relations” which was published in EPW on 24/04/2021. It talks about the federal issues accentuated during the pandemic.*

**Tags:** Indian Polity, GS Paper - 2, Federalism, Co-operative Federalism, Centre-State Relations

The history of federal relationship between the states and the centre in India can be exemplified by the terms like cooperative federalism, bargaining federalism or quasi-federalism.

However, in most of times, Indian federalism has been conflicting rather than cooperative, which can be reflected in, central government being discriminatory in its attitude towards the states with oppositional political background.

Recently, the tussle between Union & states over vaccine distribution, oxygen supply, availability of life-saving medicines, have not only bode well with the idea of cooperative federalism but also led to loss of many lives of the citizens.

Therefore, as Covid-19 demands unprecedented efforts to fight this pandemic, it is the duty of the government at every level to act in a concerted manner to save the country from this crisis.

### **Federal Issues Accentuated During the Pandemic**

- **Case of Inconvenient Federalism:** On account of the Central government being the sole agency to regulate the production and distribution of the vaccine and oxygen, it was the exclusive responsibility of the centre to ensure adequate and judicious distribution.
  - However, many states are complaining of discrimination on distribution of the vaccination, supply of medicines, availability of oxygen, etc.
  - Moreover, the new vaccination policy, in the garb of relaxing controls, seeks to pass the burden on to the states as it makes the states responsible to procure vaccines directly from the producers and allows for differential price-setting.
  - This would not only add to the financial burdens of the states that are already squeezed but also could give rise to conflicts between different states.
- **Centralising Powers:** The centre had invoked the Epidemic Diseases Act and the Disaster Management Act, centralising the powers to deal with the pandemic.
  - However, state consultation is a legislative mandate cast upon the centre under these acts and binding COVID-19 guidelines are being issued by the Centre to the States.
- **Covid-19 Entering Rural India:** First wave of Covid-19 witnessed the mass exodus of the migrant workers into their home states like Uttar Pradesh, Bihar.
  - Now, as these workers again had to reverse migrate to their home states, this has brought life of fears that Covid-19 entering into rural India.
  - Moreover, the sustenance of agricultural, industrial and construction activities would be difficult in the absence of a majority of the workforce in the backdrop of the lifting of restrictions, given these workers are going back to their hometowns.
  - If both centre and state governments had taken lessons from the first wave, the devastating effects of this crisis could have been minimized.

### **Way Forward**

- **Relaxing FRBM Norms:** The relaxation of limits imposed by the FRBM Act, regarding the market borrowings by the states, is a step in the right direction.
  - However, these borrowings can be backed by sovereign guarantee by the Union Government.
  - Moreover, the Union government can provide money to states so that they can take necessary action to deal with the crisis at the state level.
- **Real Cooperative Federalism:** A successful approach to tackle the crisis would still need Centre's intervention

and guidance in a facilitative manner, where the Centre would communicate extensively the best practices across states, address the financial needs effectively, and leverage national expertise for scalable solutions.

- **Long Term Measures:** Management of disasters and emergencies (both natural and manmade) should be included in the List III (Concurrent List) of the Seventh Schedule.
  - Also, the government should consider making the Inter-State Council a permanent body.

### **Conclusion**

The present situation suggests that one needs to go beyond the framework of cooperative federalism, which is basically based on the act of invoking and promoting participation of centre and the states in achieving the development of the nation as well as regions.



## **Covid-19 & Behavioural Science**

*This article is based on "Time has come to bring in necessary reforms in our social behaviour" which was published in the Livemint on 09/05/2021. It talks about the using social and behavioural science to support Covid-19 pandemic response.*

**Tags:** Indian Society, GS Paper - 1, Salient Features of Indian Society

It is now common knowledge that large gatherings of people serve as super-spreaders of the deadly coronavirus. Despite this, owing to religious & political factors, there have been many mass gatherings in recent times.

For instance, there was footage of women for kalash yatra to perform Jalabhishek at Navapura village in Gujarat's Sanand. Also, Mahakumbh was organized in Haridwar under police protection, where millions of people take holy dip in River Ganga.

In this context, the Covid-19 crisis requires large-scale behaviour change and places significant psychological burdens on individuals, insights from the social and behavioural sciences to the response against the pandemic.

Therefore, apart from upgrading the healthcare system, the time has come when we should think of necessary reforms in our social behaviour.

### **Behavioural Dimensions of Pandemic**

- **Threat:** One of the central emotional responses during a pandemic is fear. Humans, like other animals, possess a set of defensive systems for combating ecological threats.
  - Negative emotions resulting from threat can be contagious, and fear can make threats appear more imminent.
- **Optimism Bias:** There is a general perception in the public that bad things are less likely to befall oneself than others.
  - While optimism bias may be useful for avoiding negative emotions, it can lead people to underestimate their likelihood of contracting a disease and to therefore ignore public health warnings.
- **Prejudice and Discrimination:** The experience of fear and threat has ramifications not only for how people think about themselves, but also how they feel about and react to others—in particular, out-groups.
  - For instance, being threatened with disease is often associated with higher levels of ethnocentrism and greater intolerance toward out-groups.
  - This can undermine empathy with those who are socially distant and increase dehumanization.
- **Disaster and 'Panic':** There is a common belief in popular culture that, when in peril, people panic, especially when in crowds.
  - That is, they act blindly and excessively out of self-preservation, potentially endangering the survival of all.
  - This idea has been used to explain responses to the current Covid-19 outbreak, most commonly in relation to the notion of 'panic buying'.
- **Social Norms:** People's behaviour is influenced by social norms: what they perceive that others are doing or what they think that others approve or disapprove.
- **Social Inequality:** Inequalities in access to resources affect not only who is at greatest risk of infection, developing symptoms or succumbing to the disease, but also who is able to adopt recommendations to slow the spread of the disease.
- **Fake news and Misinformation:** Fake news and misinformation about Covid-19 have proliferated widely on social media, with potentially dangerous consequences.

### **Way Forward**

Slowing viral transmission during pandemics requires significant shifts in behaviour. In this context:

- **Public Messages:** Changing behaviours by correcting such misperceptions can be achieved by public messages reinforcing positive (for example, health-promoting) norms.
  - Further, communication strategies must strike a balance between breaking through optimism bias without inducing excessive feelings of anxiety and dread.
- **Nudge Theory:** Another way to leverage the impact of norms falls under the general category of 'nudges', which influence behaviour through modification of choice architecture.
  - For instance, a message with compelling social norms might say, 'the overwhelming majority of people in your community believe that everyone should stay home'.
- **Fighting Fake News:** Fighting misinformation requires a preventative approach involving subtle prompts that nudge people to consider accuracy.
  - For example, periodically asking users to rate the accuracy of randomly selected posts.
  - The crowdsourced accuracy ratings generated by this process may also be useful for identifying misinformation, as has been found for crowd ratings of source trustworthiness.
- **Persuasion:** Several messaging approaches may be effective, including emphasizing the benefits to the recipient, focusing on protecting others. For example, 'wash your hands to protect your parents and grandparents'.
  - Also, communication aligning with the recipient's moral values, appealing to social consensus or scientific norms, may help.
- **Leadership:** Crises like the Covid-19 pandemic create an opportunity for leadership across groups of varying levels: families, workplaces, local communities and nations.
  - Leadership can coordinate individuals and help them avoid behaviours that are no longer considered socially responsible.

### **Conclusion**

A recent report from the World Health Organization declared that "health communication is seen to have relevance for virtually every aspect of health and well-being, including disease prevention, health promotion and quality of life."

Urgent action is needed to mitigate the potentially devastating effects of COVID-19, action that can be supported by the behavioural and social sciences.



## Inequalities in Digital World

*This article is based on "Decoding inequality in a digital world" which was published in The Hindu on 11/05/2021. It talks about how digital technologies are re-organising education and health in ways that make access more inequitable in an already unequal society.*

**Tags:** Social justice, GS Paper - 2, Government Policies & Interventions

The Covid-19 pandemic has increased economic inequality. This can be attributed by the fact that the super-rich have even become richer and millions of people are facing job losses and income shocks.

As a response against the pandemic, there has been an accelerated use of digital technologies in India. Essential services such as health and education are at the forefront of this drive.

Though these digital initiatives are helping in mitigating the disruption caused by pandemic, these are causing digital divide as education and health are getting re-organised in ways that make access more inequitable in an already unequal society.

### Digital Inequalities

The digital technologies and automated decision-making tools exacerbated inequalities, especially by raising the barrier for people to receive services they are entitled to. This can be majorly reflected in main pillars of social infrastructure i.e. Education & Health.

- **Digital Inequalities in Education:** Online education kept a semblance of uninterrupted education, but the fact is that the privileged are getting ahead not necessarily because they are smarter, but because of the privileges they enjoy.
  - Surveys by the NCERT, the Azim Premji Foundation, ASER and Oxfam suggest that between 27% and 60% could not access online classes for a range of reasons: lack of devices, shared devices, inability to buy "data packs", etc.
  - Besides this, many lack a learning environment at home: a quiet space to study is a luxury for many.
  - For girls, there is the additional expectation that they will contribute to domestic chores if they are at home.
  - Many students have been robbed of peer learning opportunities due to online education.
  - Equality of Opportunity is one of the basic principles of the Indian Constitution. Shifting to a system that benefits only a section of people and leaves behind the neediest is in violation of constitutional ethos.

- **Digital Inequalities in Health:** Like Education something similar is happening with health care. Moreover, the private health sector in India is poorly regulated in practice. Both put the poor at a disadvantage in accessing good health care.
  - As there is a shortage of essentials: drugs, hospital beds, oxygen, vaccines, patients are being charged whatever hospitals like, and a black market has developed for scarce services (such as oxygen).
  - In order to deal with these issues, developing an app is being seen as a solution for allocation of various health services. However, it creates many issues.
  - For instance, digital solutions create additional bureaucracy for all sick persons in search of these services without disciplining the culprits.
  - Platform- and app-based solutions can exclude the poor entirely, or squeeze their access to scarce health services further. Like the use of CoWIN to book a slot makes it that much harder for those without phones, computers and the Internet.
  - The digital health ID project is being pushed during the pandemic. However, given that we lack a data privacy law in India, it is very likely that our health records will end up with private entities without our consent, even weaponised against us (e.g., private insurance companies may use it to deny poor people an insurance policy or charge a higher premium).

### Way Forward

- **A Multi-Pronged Approach for Education:** Flexible scheduling the academic timetable and exploring options in collaboration with schools, teachers, and parents for providing access to education to a larger section of students.
  - Giving priority to the less advantaged students who do not have access to e-learning.
  - Genuine efforts must be invested to ensure every child gets good quality equitable education as a fundamental right.
- **A Multi-Pronged Approach for Health:** Unless health expenditure on basic health services (ward staff, nurses, doctors, laboratory technicians, medicines, beds, oxygen, ventilators) is increased, apps such as Aarogya Setu, Aadhaar and digital health IDs can improve little.
  - Further, unless laws against medical malpractices are enforced strictly, digital solutions will obfuscate and distract us from the real problem.
  - Thus, there is a need to do systemic reforms in the healthcare sector.

## Conclusion

Surely, technology has emerged as a saviour, but there is another side of the coin too which sometimes fall disproportionately on the vulnerable. Hopefully, the pandemic will teach us to be more discerning about which digital technologies we embrace.



## American Exit From Afghanistan

*This article is based on "The Middle East reset" which was published in The Indian Express on 11/05/2021. It talks about the implications of the American troops withdrawal from Afghanistan over the whole region and beyond.*

**Tags:** International Relations, GS Paper - 2, Effect of Policies & Politics of Countries on India's Interests

Since it replaced Britain as the major external power, the US has been the pivot around which global and regional politics has played out. Many regional actors sought alliances with America to secure themselves against ambitious or troublesome neighbours.

In the Middle eastern region, Israel's security, ensuring oil supplies, competing with other powers, making regional peace, promoting democracy, and stamping out terrorism were the factors that demanded American military, political and diplomatic investments in the region.

Now, the US turns away from its priorities from the Middle East to the Indo-Pacific, it has sought to exit from Afghanistan. As the last American troops begin to leave Afghanistan it could have implications for the whole region and beyond.

### Reasons for US Exit

- **Ending Endless Wars:** After the costly and prolonged military interventions in the Middle East, the US has begun to see that it can't fix centuries-old conflicts in the region.
  - The promise to end America's "endless wars" in the greater Middle East region was one of the central themes of former US President Donald Trump's foreign policy.
  - The new US President is just maintaining the policy stance on this front.
- **Changing Priorities From Middle East to Indo-Pacific:** US now sees China as revisionist power, challenging the US' hegemony around the globe.

- Thus, the US now has other urgent priorities such as the challenge from an assertive China and subsequently wants to shift its military, political and diplomatic resources from the Middle east to Indo-pacific.

### Implication For the Middle Eastern Region

As America steps back from the Middle East, most regional actors either need alternate patrons or reduced tensions with their neighbours. Thus, learning to live with neighbours might then become an urgent priority. In this pursuit:

- **Normalization of Turkey:** Turkey might realize that its troubled economy can't sustain the ambitious regional policies. After years of challenging Saudi leadership of the Islamic world, Turkey may normalise its relations with Saudi Arabia & Egypt.
- **Normalization of Saudi-Iran Conflict:** After years of intense mutual hostility, Saudi Arabia and Iran may now explore means to reduce bilateral tensions and moderate their proxy wars in the region.
  - Saudi Arabia is also trying to heal the rift within the Gulf by ending the earlier effort to isolate Qatar.
- **Abraham Accords:** These changes come in the wake of the big moves last year by some Arab states — the UAE, Bahrain, Morocco and Sudan — to normalise ties with Israel.

### Implications for India

- **Return of Taliban:** India and other neighbouring countries will have to live with the consequences that include the triumphal return of the Taliban to power in Afghanistan and a boost to violent religious extremism across the region.
  - The prospect of trans-border links between the Taliban and other extremist forces in the region is also a challenge.
  - Withdrawal of US troops could result in the breeding of fertile ground for various anti-India terrorist outfits like Lashkar-e-Taiba or Jaish-e-Mohammed.
- **Undermining India's Role in Afghanistan:** The US withdrawal from Afghanistan poses major challenges to the Indian Subcontinent.
  - For India, American military presence would have kept a check on extremist forces and created conducive conditions for an Indian role in Afghanistan.
  - As Afghanistan is the gateway to Central Asia, the American exit might dampen India's interest in Central Asia.

- **Normalising India-Turkey Relations:** India has managed to expand its ties with most regional actors in the middle east. However, Turkey has turned hostile to India under Erdogan.
  - Hopefully, the new regional churn will encourage Turkey to take a fresh look at its relations with India.

### Conclusion

America's exit from Afghanistan will trigger a geopolitical flux in the region. As these factors will increasingly push India into a geopolitical tough spot in the region, smart statecraft, therefore, is required to deal with changing dynamics in Afghanistan.



## India-EU Relations

*This article is based on "Can India and the EU operationalise their natural partnership?" which was published in The Hindustan Times on 12/05/2021. It talks about the areas of cooperation between India and the EU.*

**Tags:** International relations, GS Paper - 2, Groupings & Agreements Involving India and/or Affecting India's Interests

Recently, a virtual India-EU leaders meeting was held between Indian Prime Minister and 27 EU leaders. Due to changing geo-political circumstances Europe is changing its perception of India, which can be reflected in this virtual meet also.

Further, in 2018, the EU released a new strategy for cooperation with India, calling it a geopolitical pillar in a multipolar Asia, crucial for maintaining the balance of power in the region.

From Indian perspective, collaboration with the EU can promote peace, create jobs, boost economic growth and enhance sustainable development. Therefore, the EU and India appear to be natural partners and they need to leverage existing opportunities.

### Highlights of the Virtual Summit

- **Resumption of FTA Talks:** The most significant outcome of the summit was that after eight years, India and the EU have decided to resume negotiations for a comprehensive trade agreement.
  - These talks were suspended in 2013 after the two sides failed to bridge their differences on some key issues such as tariff reductions, patent protection, data security and the right of Indian professionals to work in Europe.
- **Resumption of BIT Talks:** The two sides have also agreed to commence talks for a standalone investment

protection pact and an accord on geographical indications.

- **Connectivity Partnership:** The virtual summit saw India and the EU launching an ambitious "connectivity partnership" in digital, energy, transport, and people-to-people sectors, enabling the two to pursue sustainable joint projects in regions spanning from Africa, Central Asia to the wider Indo-Pacific.

### EU and India: Natural Partners

- **EU's Need to Pivot Away from China:** EU recently signed a Comprehensive Agreement on Investment with China, which has drawn a lot of criticism and its ratification has now been suspended because of diplomatic tensions.
  - The European Parliament remains overwhelmingly opposed to this deal after China imposed sanctions on some of its members, in response to the EU imposing sanctions against China for its treatment of the Uyghur Muslim minority in the Xinjiang region.
- **Economic Logic:** With the EU being India's largest trading partner and the second-largest export destination, the economic logic of strong India-EU economic relations is self-evident.
  - Further, India wants to showcase its commitment to open trade at a time of renewed focus on developing a domestic manufacturing base.
- **Cooperation in Global Health:** Given the current situation, health cooperation assumed a new salience.
  - EU member-states have rallied to support India by sending critical medical supplies in the last few weeks in recognition for the role India had played in helping others over the last year.
  - As the two sides commit themselves to working together on global health, the need to focus on resilient medical supply chains is all the more evident.
- **Convergence in Indo-Pacific Theatre:** The EU is being forced to reckon with the geopolitical implications of its foreign policy imperatives and India is looking for substantive partnerships with like-minded nations to bring stability to the Indo-Pacific theatre.
  - Further, India is looking beyond the bipolar geopolitical competition between the US and China and works towards the establishment of a Multi-polar world.
- **Combating Climate Change:** India can learn from a new industrial strategy called the Green Deal of EU to render its carbon-emission neutral by 2050.
  - The EU and India could endeavour transforming into carbon-neutral economies by 2050 by investing in clean energies.

- In India's efforts to increase the use of renewable energy in India, the investment and technology of Europe is of paramount importance.

### Way Forward

- **Geo-Economic Cooperation:** India can pursue EU countries to engage in Indo-pacific narrative, geo-economically if not from security prism.
  - It can mobilise massive economic resources for sustainable development of regional infrastructure, wield political influence and leverage its significant soft power to shape the Indo-Pacific discourse.
- **Finalisation of Indo-EU BIT Treaty:** India and the European Union have been negotiating a free trade deal, but it is pending since 2007.
  - Therefore, for closer convergence between India and the EU, both should engage in finalisation of the trade deal as soon as possible.
- **Collaborating With Important Players:** French President Emmanuel Macron's visit to India in early 2018 unveiled an expansive framework for revitalising the strategic partnership.
  - India's partnership with France now has a strong regional anchor in the Indo-Pacific narrative.
  - Further, India should supplement its partnership with the US with a network of multilateral groups with other middle powers, such as the India-Australia-Japan forum and the trilateral dialogue with France and Australia.

### Conclusion

As strategic realities evolve rapidly in an era defined by Covid-19 and its aftermath, India and the EU have a new opening to re-evaluate the fundamentals of their engagement.

Whether the two "natural partners" can make the most of this unique synergy remains to be seen.



## Rethinking PSE Policy

*This article is based on "Is it time to rethink PSE policy?" which was published in The Hindu Business Line on 14/05/2021. It talks about the relevance of Public Sector Enterprises (PSEs) in the present scenario.*

**Tags:** Indian Economy, GS Paper -3, Industrial Policy

Recently, the government has announced that it will be using three public sector enterprises (PSEs) for manufacturing Covaxin to augment the manufacturing capacity under Mission COVID Suraksha.

Apart from it, several PSEs in the steel, petroleum and natural gas sectors have supplemented the efforts of the government in making available liquid medical oxygen as well as transportation of it.

PSEs in India, since their inception, have played a pivotal role in realising the objective of achieving higher growth and equitable socio-economic development of the country. Their sustained contribution to the economic and social fabric of the country has become even more relevant in the present scenario.

Therefore, the recent decision has also revived the debate on the government's policy of minimising presence of PSEs' and creating new investment space for the private sector.

### Relevance of PSEs

- **India, Not Yet A Developed Economy:** Historically, PSEs have provided a very strong infrastructure base for the economy as well as for the industry.
  - Further, PSEs were set up with socio-economic objectivity and not only profit have created a right kind of infrastructure for the economy.
  - So to say the government has no business to be in doing business perhaps, to my mind, needs to be revisited.
- **Employment Creation:** PSEs were regarded as one of the key generators of remunerative employment in the formal sector, providing safe and secure jobs.
- **Creation of Assets:** The contribution of PSEs towards creation of national assets in the initial decades following independence is particularly noteworthy, especially in sectors that are regarded as high risk and low return on investments by the private sector
- **Expanding Global Footprint:** Indian PSEs are already present across the globe in regions such as the Middle East, Africa, Europe, Asia, Latin America and North America and there is tremendous potential for Indian CPSEs and PSEs to expand their global footprint further by enhancing their competitiveness.

### Way Forward

- **Adopting PPP Model:** There is a need to revisit the PSE policy, but more in terms of their functioning.
  - These companies should be run by a professional board without government interference. These PSEs could be run under the PPP model or as JVs too
- **Systemic Reforms:** For the industry's future growth and development, the government also needs to urgently focus on providing support in some key areas in the following domains: revival of PSUs, land, finance/banking/working capital, utilities and services, environmental issues and R&D.

- **Adopting a Competitiveness Model:** CII Research report- 'The Rise of the Elephant' recommends adopting a Competitiveness Model for transforming CPSEs into efficient and globally competitive entities. The key elements of the model are:
  - Clarity in Roadmap and Objective
  - Role Demarcation
  - Operational Independence
  - Independent and Empowered Board
  - Level Playing Field
  - Future Ready

### Conclusion

Yes, the private sector has a role to play in the growth of the economy, but what PSEs have contributed cannot be ignored, particularly in testing times like today. PSEs have time and again risen to the occasion and this time too it is no different.



## National Tribunals Commission

*This article is based on "Restructuring the tribunals system" which was published in The Hindu on 17/05/2021. It talks about the benefits associated with the establishment of the National Tribunals Commission.*

**Tags:** Indian Polity, GS Paper -2, Separation of Powers, Tribunals

Recently, the Tribunals Reforms (Rationalisation and Conditions of Service) Ordinance 2021 has been promulgated by the central government. Through this ordinance the centre has abolished several appellate tribunals and transferred their jurisdiction to other existing judicial bodies.

The Ordinance has met with sharp criticism for not only bypassing the usual legislative process, but also for abolishing several tribunals such as the Film Certification Appellate Tribunal without consultations with stakeholders.

Further, this is not the time that the central government has tried to interfere with the functioning of the tribunal. This interference of the executive in the domain of the tribunals can be dubbed as violation of separation of powers.

One way to regulate the matters of tribunals without compromising their independence is the establishment of the National Tribunals Commission (NTC).

### Current State of Tribunals in India

- **Lack of Independence:** According to the Vidhi Centre for Legal Policy report (Reforming The Tribunals

Framework in India) the lack of independence is one of the key issues plaguing tribunals in India.

- At the outset, the system of appointment through selection committees severely affects the independence of tribunals.
- Additionally, the issues of reappointment and the proclivity to appoint retired judges have the potential to affect the independence of tribunals.
- **Problem of Non-Uniformity:** Added to this is the problem of non-uniformity across tribunals with respect to service conditions, tenure of members, varying nodal ministries in charge of different tribunals.
  - These factors contribute significantly to malfunctioning in the managing and administration of tribunals.
- **Institutional Issues:** Executive interference in the functioning of tribunals is often seen in provision of finances, infrastructure, personnel and other resources required for day-to-day functioning of the tribunals.

### National Tribunals Commission & Its Impact

The idea of an NTC was first mooted by the Supreme Court in L. Chandra Kumar v. Union of India (1997).

- **Objective:** NTC is envisaged to be an independent umbrella body to supervise the functioning of tribunals, appointment of and disciplinary proceedings against members, and to take care of administrative and infrastructural needs of the tribunals.
- **Uniformity:** NTC will support uniform administration across all tribunals. It could set performance standards for the efficiency of tribunals and their own administrative processes.
- **Ensuring Separation of Powers:** Giving the NTC the authority to set members' salaries, allowances, and other service conditions, subject to regulations, would help maintain tribunals' independence.
  - The NTC could pave the way for the separation of the administrative and judicial functions carried out by various tribunals.
- **Expansion of Services:** A 'corporatised' structure of NTC with a Board, a CEO and a Secretariat will allow it to scale up its services and provide requisite administrative support to all tribunals across the country.
- **Autonomous Oversight:** NTC could function as an independent recruitment body to develop and operationalise the procedure for disciplinary proceedings and appointment of tribunal members.
  - An NTC will effectively be able to bring in uniformity in the appointment system meanwhile ensuring that it is independent and transparent.

## Way Forward

- **Legal Backing:** Developing an independent oversight body for accountable governance requires a legal framework that protects its independence and impartiality.
  - Therefore, the NTC should be established via a constitutional amendment or be backed by a statute that guarantees it functional, operational and financial independence.
- **Learning From NJAC Issue:** NTC will need to adhere to the standards set by the judiciary in maintaining its independence.
  - Due to an overwhelming executive role, the National Judicial Appointments Commission (NJAC) was seen to be severely compromising the independence of the judiciary.
  - Thus, the executive as well as the bar, being relevant stakeholders, should form a part of any NTC, but it needs to give primacy to judicial members.
- **Doing Away With Re-Appointments:** The NTC must also do away with the system of re-appointment of tribunal members due to its impact on the independence of the tribunal.

## Conclusion

It is important to understand that the tribunals were set up to reduce the burden of cases from regular courts. A reform to the tribunals system in India may as well be one of the keys to remedy the age old problem that still cripples the Indian judicial system – the problem of judicial delay and backlog.

In this context, establishing the NTC will definitely entail a radical restructuring of the present tribunals system.



## TRIPS Waiver or Compulsory License

*This article is based on "Walk the talk on TRIPS waiver" which was published in The Hindu on 18/05/2021. It talks about the need for invoking compulsory licensing under WTO norms to bridge the vaccine shortage for Covid-19.*

**Tags:** Indian Economy, GS Paper - 3, Health, Intellectual Property Rights (IPRs)

Recently, India and South Africa have piloted the proposal to waive key provisions of the TRIPS agreement on Covid-19 vaccines, drugs, therapeutics, and related technologies. This proposal has been now backed by the U.S also.

The TRIPS waiver proposal would give immunity to member countries from a legal challenge at the WTO if their domestic Intellectual Property Regulation (IPR) laws suspend or do not enforce IP protection.

The core idea behind this TRIPS proposal is that the IPR should not become barriers in scaling up production of medical products essential to combat Covid-19. However, the TRIPS waiver is unlikely to solve India's Covid-19 vaccine shortage.

Instead of trying to obtain an IP waiver, the Indian government must enable vaccine manufacturers to expand production (through compulsory licensing) & reduce inefficiencies in procurement & distribution.

## TRIPS Agreement & Indian Law

- The TRIPS agreement was negotiated in 1995 at the WTO, it requires all its signatory countries to enact domestic law.
  - It guarantees minimum standards of IP protection.
  - Such legal consistency enables innovators to monetise their intellectual property in multiple countries.
- In 2001, the WTO signed the Doha Declaration, which clarified that in a public health emergency, governments could compel companies to license their patents to manufacturers, even if they did not think the offered price was acceptable.
  - This provision, commonly referred to as "compulsory licensing", was already built into the TRIPS Agreement and the Doha declaration only clarified its usage.
  - Under Section 92 of the 1970 Indian Patents Act, the central government has the power to allow compulsory licenses to be issued at any time in case of a national emergency or circumstances of extreme urgency.

## Why is the TRIPS waiver unlikely to solve India's Covid-19 vaccine shortage?

- **Complex Intellectual Property Mechanism:** The process of vaccine development and manufacturing has several steps, and involves a complex intellectual property mechanism.
  - Different types of IP rights apply to different steps and there is no one kind of IP that could unlock the secret to manufacturing a vaccine.
  - The expertise to manufacture it may be protected as a trade secret, and the data from clinical trials to test vaccine safety and efficacy may be protected by copyright.
- **Complex Manufacturing Mechanism:** Manufacturing vaccines will need to design the process for manufacturing the vaccines, source necessary raw

materials, build production facilities, and conduct clinical trials to get regulatory approvals.

- The manufacturing process itself has different steps, some of which may be subcontracted to other parties.
- Thus, a patent waiver alone does not empower manufacturers to start vaccine production immediately.

### **Way Forward: Need for Invoking Compulsory Licensing**

- **Plugging Shortage of Vaccine:** The richest countries have cornered about 80 percent of vaccine supplies so far.
  - While India needs to supplement its output to ensure that a population of over 900 million which is above 18 years of age gets about 1.8 billion doses at the earliest.
  - Thus, compulsory licensing can be used to augment the supply of drugs and other therapeutics.
- **Nudging Voluntary Licensing:** An assertive posture on compulsory licences would also have the advantage of forcing several pharmaceutical companies to offer licences voluntarily.
- **Leading By Example:** Licensing Covaxin widely would enable India to live up to its reputation of being the 'pharmacy of the world' and also put pressure on developed countries to transfer their vaccine technology to developing countries.
  - Thus, the government should not only transfer Covaxin's technology to domestic pharmaceutical companies, to boost national supplies, but also offer it to foreign corporations.
  - By unlocking its vaccine technical know-how to the world, India would demonstrate its resolve to walk the talk on the TRIPS waiver.
- **Favourable Regulatory Environment:** A commitment to supply vaccines to India requires trust in the country's regulatory and institutional environment, which the government must strive to instil through dependable commitments.
  - Such confidence, combined with the expedited process for vaccine approval, can help India quickly overcome its supply shortage.

### **Conclusion**

India has historically played a leading role in mainstreaming TRIPS flexibilities like the compulsory licence at the WTO. In this global and national health emergency, the government should inexplicably make use of compulsory licences.



## **India's Western Pivot**

*This article is based on "Act west, think east: India is sealing relationships with US, UK, Europe after the double reality check from China" which was published in The Times of India on 16/05/2021. It talks about the growing relationship between India and western countries.*

**Tags:** International Relations, GS Paper -2, Effect of Policies & Politics of Countries on India's Interests

In the recent months, India took two big steps in the domain of foreign policy viz. crafting a post-Brexit relationship with the UK and reinvigorating the India-Europe relationship.

Improved trade is the bedrock of both the deals. This is significant after India decided to exit the RCEP in 2019 and calls for Atmanirbhar Bharat and resilient supply chains became the dominant narrative. Moreover, India and the US are also negotiating a mini trade deal.

Apart from trade engagement, India's strategic convergence with the EU, UK and US signals the formation of India's western pivot. This growing relationship between India and the West is also a result of rising China.

In this scenario where the global economy has been hit by the pandemic, India must seriously consider reforms that make the relationship with the western countries permanent in nature.

### **India's Western Pivot**

- **Acting Swiftly After Brexit:** Taking advantage of Brexit, the enhanced trade partnership between India and the UK will start with market access to confidence-building measures (CBMs) before graduating to an Free-Trade Agreement (FTA).
- **Reinvigorating India-EU Relationship:** In a recently held virtual summit, India and the EU have decided to resume negotiations for a comprehensive trade agreement.
  - Further, the summit witnessed the launching of an ambitious "connectivity partnership" in digital, energy, transport, and people-to-people sectors, enabling the two to pursue sustainable joint projects in regions spanning from Africa, Central Asia to the wider Indo-Pacific.
- **Engaging With Independent European Countries:** For years, India has treated the EU as an anomaly, preferring to build independent ties with France, Germany, the UK etc.
  - For example, France has become India's go-to partner in Europe, cutting across sectors such as defence, strategic, nuclear and multilateral spheres, to the extent that it can almost replace Russia.

- The Nordics countries are India favourites in areas like smart cities, 5G, AI and semiconductors.
- Further, India's interest in things like clean water, sanitation, and smart cities naturally gravitated towards European countries that had solutions on tap.
- **Quad:** As a member of the Quad and at the geopolitical heart of the Indo-Pacific, India is a strategic opportunity for the West.

### Challenges Involved

- **A Rigid EU:** The UK deal is likely to be much faster because of vested interests on both sides. However, the EU is much more rigid and more demanding of reciprocity.
- **Chinese Lesson:** The US and Europe were collectively instrumental in the growth of China.
  - Their idea was a prosperous China would become a more democratic China, not a threatening China.
  - However, today China's actions are a prime strategic challenge for these countries.
  - So, India should not expect that its transformation as a result of its engagement with the EU, US and UK will be anything but hard won.
- **Resistance From China:** China sees Quad as a small geopolitical grouping that wants to divide Asia and contain China.
  - Due to this narrative, preventing the emergence of any countervailing Asian coalition is very much the top strategic priority for China now.

### Way Forward

- **Building Domestic Consensus:** For closer convergence between India and the western countries, India should bridge the supply-chain gaps and build domestic consensus on the big issues: Goods, services, agriculture, government procurement, international arbitration.
- **Alignment With Middle Powers:** India should supplement its partnership with the US with a network of multilateral groups with other middle powers, such as the India-Australia-Japan forum and the trilateral dialogue with France and Australia.
- **Natural Relationship:** India is already a robust democracy and a market economy.
  - Further, India can leverage a lot of its strengths: Technology advances; a western-oriented pool of 21st century talent; a climate change believer to strengthen its relationship with western countries.

### Conclusion

From Indian perspective, collaboration with the western countries can provide regional stability, promote peace, bring economic growth and enhance sustainable development.



## India's African Diplomacy

*This article is based on "The story of Indian diplomacy in Africa" which was published in The Hindustan Times on 19/05/2021. It talks about the new opportunities in India-Africa relations.*

**Tags:** International Relations, GS Paper - 2, Effect of Policies & Politics of Countries on India's Interests

Under the vaccine-maitri diplomacy, the Indian government aimed to become one of the major global suppliers of Covid-19 vaccines, pledging deliveries to many developing and underdeveloped countries.

With this pledge, India directly targeted neighbours in South Asia as well as providing 10 million vaccine doses to the African continent.

Although the devastation wreaked by the second wave of Covid-19 in India has led to much criticism of the government's vaccine-maitri diplomacy, this will have a forward-looking effect on India's African diplomacy.

### India-Africa Relations

- **Strong Foreign Policy Linkages:** India's foreign policy ideas after Independence impacted African decolonisation movements.
  - India's role in organising the 1955 Bandung conference marked the first time that Asian and African countries came together to denounce imperialism and colonialism.
  - Further, with the subsequent pioneering of the Non-Aligned Movement (NAM), India established many links to African nations.
- **Strong People-to-People Connection:** Historically, Indian traders travelled regularly to the East African coast, forming relationships with local inhabitants in ports leading to the establishment of Africa-based family businesses, some of which exist even today.
  - This combined with the presence of an influential Indian diaspora has meant that India has meaningful, and positive, relationships with many African countries.
- **Battling Chinese Influence:** Because of the social capital India has in Africa, acquired through the

historical, political, economic and people-to-people ties, its presence is welcomed by African countries in a way that China's is not.

### Chinese Challenge In Africa

- Yet, despite these achievements, India's immense social capital among African nations has not matched this in material ties, and China's economic and investment presence in Africa has been outstripping India's for many years.
- China's economic footprint in Africa dwarfs that of India, with over 10,000 Chinese firms operating on the continent and China becoming Africa's largest trading partner.
- With the Belt and Road Initiative (BRI) projects, China is essentially trying to offer an alternative authoritarian model of development to African countries.

### Way Forward:

#### Opportunities In India-Africa Relations

- **India, as a Balancer:** China has been actively pursuing chequebook and donation diplomacy in Africa. However, Chinese investment is seen as neo-colonial in nature.
  - India's approach, on the other hand, is one that focuses on building local capacities and an equal partnership with Africans and not merely with African elites concerned.
  - In this context, though Africa has been actively engaged with China, it wants India to act as a balancer and net security provider.
- **Enabling Strategic Convergence:** Both India and Japan share a common interest in forging a partnership for Africa's development through the Asia-Africa Growth corridor.
  - In this context, India can leverage its global status to establish Africa on the strategic map of global politics.
- **Becoming Voice of Developing World:** Just as India and Africa fought colonialism together, both can now collaborate together for a just, representative and democratic global order that has a voice for around one-third of humanity that lives in Africa and India.
- **Preventing Global Rivalries:** In recent years, several global economic players have strengthened their engagement with African states, with an eye to rising economic opportunities, including in energy, mining, infrastructure and connectivity.
  - As global engagement in Africa increases, India and Africa can ensure that Africa does not once again turn into a theatre of rival ambitions.

### Conclusion

India has an intrinsic interest in helping Africa achieve progress. However, had India's investments in Africa kept any kind of comparable pace with that of China, it could have made deeper inroads today.



## Critical Infrastructure Protection

*This article is based on "Cyber attacks on critical infrastructure: Is India ready?" which was published in The Hindustan Times on 20/05/2021. It talks about the need for securing critical infrastructure in India.*

**Tags:** Science & Technology, GS Paper -3, IT & Computers, Cyber Security, Cyber Warfare

Recently, a major cyber attack crippled one of the largest pipelines in the United States (US), Colonial Pipeline, which carries about 45% of all fuel consumed on the country's East Coast. The attack disrupted fuel supplies and caused a surge in gas prices in some parts of the country.

This was a case of ransomware attack, where hackers usually threaten to block the system or publish the targeted company or victim's confidential data, unless a ransom is paid.

The attack on Colonial Pipeline fits the broader trend witnessed in recent years of cyberattacks on critical infrastructure which require to be operational at all times such as traffic systems, banks, power grids, oil pipelines and nuclear reactors.

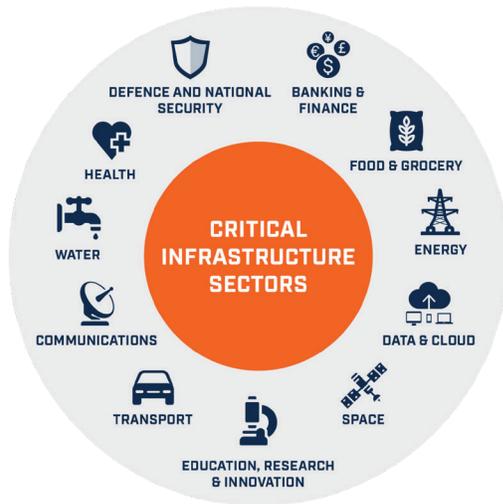
Given the increasing number of cyber attacks on critical infrastructure, it is essential for countries like India to develop a robust cyber security architecture.

### What is Critical Infrastructure?

- Critical infrastructure is the body of systems, networks and assets that are so essential that their continued operation is required to ensure the security of a given nation, its economy, and the public's health and/or safety.

### Need For A Cyber Security Framework

- **Increasing Attack on Critical Infrastructure:** In recent years, attacks targeting critical infrastructure and businesses have surged.
  - These include the 2017 WannaCry and NotPetya ransomware attacks, the 2015 attack on Ukrainian power grids and 2010 Stuxnet attack on Iranian nuclear reactor.



- Most recently, in 2020, a China-linked hacker group RedEcho targeted India's power sector, ports and parts of the railway infrastructure.
- **Cyber Wars:** States are deploying cybersecurity attacks in order to have geo-political gains.
  - Moreover, to escape responsibility for such debilitating attacks, many States use hacking syndicates as proxies.
  - This has made critical infrastructure protection a major cybersecurity priority for India.

### Associated Challenges

- **Reluctance in Sharing Information:** A significant challenge in protecting critical infrastructure is the inhibition in the private (and public) sector to share information about the vulnerability of their systems.
  - By revealing their vulnerabilities and, therefore, their proprietary information, businesses fear exposing themselves and losing a competitive edge over rivals.
  - Due to this, Indian regulators have warned that only reactive measures to cyberattacks overlooks the possibility of concerted cyber warfare by adversarial States against India.
- **Capability Asymmetry:** India lacks indigenization in hardware as well as software cybersecurity tools. This makes India's cyberspace vulnerable to cyberattacks motivated by state and non-state actors.
- **Absence of a Credible Cyber Deterrence Strategy:** Further, the absence of a credible cyber deterrence strategy means that states and non-state actors alike remain incentivized to undertake low-scale cyber operations for a variety of purposes — espionage, cybercrime, and even the disruption of critical information infrastructure.

### Way Forward:

#### Opportunities In India-Africa Relations

- **Doctrine on Cyber Conflicts:** There is a need to clearly articulate a doctrine that holistically captures its approach to cyber conflict, either for conducting offensive cyber operations or the extent and scope of countermeasures against cyber attacks.
- **Setting a Global Benchmark:** India should see the National Cyber Security Strategy as a key opportunity to articulate how international law applies to cyberspace.
  - This could also mould the global governance debate to further India's strategic interests and capabilities.
- **Specifying Redlines:** National Cyber Security Strategy should include positioning on not just non-binding norms but also legal obligations on 'red lines' with respect to cyberspace-targets, such as health-care systems, electricity grids, water supply, and financial systems.
- **Promoting Indigenisation:** There is a need to create opportunities for developing software to safeguard cybersecurity and digital communications.
  - The Government of India may consider including cybersecurity architecture in its Make In India program.
  - Also, there is a need to create suitable hardware on a unique Indian pattern that can serve localized needs.
- **Public-Private Partnership:** Given the mutual distrust and vulnerability of the public and private sector, any solution involves sharing responsibility through a public-private partnership for critical infrastructure protection.
  - These should focus on building an institutional framework, expanding and deepening capacity, creating security standards and strict audits and evolving a cybersecurity incident reporting framework.

### Conclusion

Given the future of technology under Industrial Revolution 4.0, only an integrated, whole-of-the-ecosystem approach for securing critical infrastructure will be successful.



## Boosting Oilseed Production

*This article is based on "Making India Atmanirbhar in oilseeds" which was published in The Hindu Business line on 21/05/2021. It talks about the challenges and policy measures to improve the oilseed production in India.*

**Tags:** Indian Economy, GS Paper -3, Cropping Patterns, Agricultural Marketing

Historically, member-countries of WTO questioned India on various agricultural issues including continued restrictions on pulses import, wheat stockpiling, short-term crop loans, export subsidies or minimum support price for various crops.

However, the latest attack is on India's ambitious plan to step up domestic oilseeds output. According to the recent directives, the government envisages to reduce dependence on vegetable oil imports (palm, soybean and sunflower oils) which cost roughly \$10 billion.

In order to prevent countries from dragging India in another WTO litigation, India should ensure the incentives are well within the permissible limits.

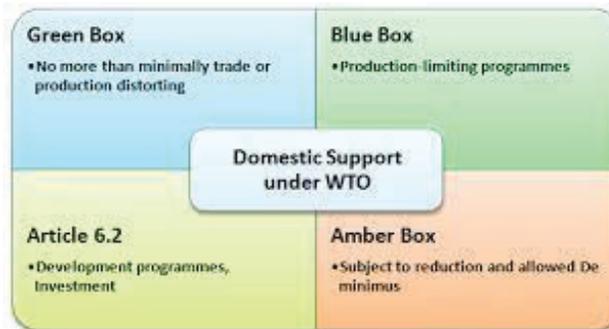
However, in the long term, India must find ways where it can boost domestic oilseeds output even without direct financial incentives or monetary support to growers.

### Associated Challenges With Oilseed Imports

- **Trade Policy:** It is well known that more often than not, vegetable oil imports are excessive and speculatively driven.
  - Due to this, importers build large inventory of low-priced imported oils within the country, which depresses domestic oilseeds prices and discourages oilseed growers.
- **Credit Period & Import Debt-Trap:** Overseas suppliers grant 90 to 150 days credit to Indian importers; but the cargo reaches Indian shores in about 10 days (palm oil) or 30 days (soft oils).
  - The Indian importer sells the material immediately and enjoys liquidity for several months during which he indulges in rampant speculation and over-trading before he is required to remit payment.
  - This is leading to a never-ending import cycle.
- **Stagnant Production:** Despite huge demand, oilseed production in India has got trapped at 31-32 million tonnes. We need to break this stagnation and aim to increase the output by at least two million tonnes a year, if not more.

### Way Forward

- **Increasing Green Box Subsidies:** There is a need to increase public research spending in oilseed crops for development of biotic and abiotic stress tolerant varieties and other potential areas for yield breakthrough.
  - Strengthening the oilseed crop seed chain, particularly in groundnut to match the variety specific demand for higher yield, will help immensely.



- **Smart Agriculture:** Ensuring availability of key physical (fertilizers, pesticides), financial (credit facilities, crop insurance) and technical inputs (extension services) in major crop ecological zones for oilseed crops.
- **Marketing Reforms:** Implement market reforms and policies, such as contract farming and publicprivate partnership in production and processing, to ensure a competitive market for oilseeds and edible oil along with adequate protective measures to avoid unfair competition from the international markets.
- **Reducing Speculation:** Reducing speculative and excessive imports of vegetable oil will immediately have a salutary effect on domestic oilseed prices.
  - Further, to prevent dangerous debt-trap, the credit period for vegoil import should be restricted to maximum 30 days for palm oil and 45 days for soft oils.
  - This will automatically discourage excessive imports, over-trading and speculation and encourage growers to plant more, improve agronomic practices and realise higher yields.

### Conclusion

Improving local capacities and the social, economic and environmental sustainability of agriculture through delivery of technology and services and strengthening of institutions shall bring in the desired growth in the oilseed crop economy. This growth will be of immense benefit to the country as oilseeds are grown mainly in the disadvantaged regions.



## Environment Tax

*This article is based on "The many benefits of an eco tax" which was published in The Hindu on 24/05/2021. It talks about the benefits & challenges associated with the environmental tax.*

**Tags:** Biodiversity & Environment, GS Paper -3, Conservation, Environmental Pollution & Degradation

Environmental challenges are increasing the pressure on governments to find ways to reduce environmental damage while minimising harm to economic growth. The Covid-19 pandemic has also forced countries all over the world to rethink climate change and the need for preservation of the environment.

In this context, an Environmental tax is a novel idea to enforce or introduce taxes on substances, which pollute the environment, the ultimate aim being the substantial reduction of pollution.

India currently focuses majorly on the command-and-control approach in tackling pollution. The success of an environmental tax in India would depend on its architecture, that is, how well it is planned and designed.

### **Environment Tax & Benefits**

- **Aim:** The aim and purpose of environmental taxes is to curb or reduce the extent and amount of the use or consumption of harmful substances or activities, or depletion of a resource.
- **Constituents:** Environmental tax reforms generally involve three complementary activities:
  - Eliminating existing subsidies and taxes that have a harmful impact on the environment.
  - Restructuring existing taxes in an environmentally supportive manner.
  - Initiating new environmental taxes.
- **Rationale:** To the extent that promotion of 'environment' is a public good, like all public goods, financing of this public good should also be from the general pool of taxes including the environmental taxes.
- **Intended Benefits:** The implementation of an environmental tax in India will have broad benefits:
  - **Environmental:** It can induce appropriate environmental decisions by raising the relative costs of polluting inputs and outputs and thereby correcting the negative externalities of a polluting activity.
  - **Fiscal:** Environmental tax reforms can mobilise revenues to finance basic public services when raising revenue through other sources proves to be difficult or burdensome.

### **Associated Challenges**

- **Inflationary Effect:** Environmental regulations may have significant costs on the private sector in the form of slow productivity growth and high cost of compliance, resulting in the possible increase in the prices of goods and services.
- **Diversion of Funds:** A large part of taxes raised for environmental purposes are being diverted or lying unutilized.

### **Status of Environmental Tax in India**

- Under the Forest Conservation Act, 1980, any entity that diverts forest land for non-forest purposes is required to provide financial compensation for the purpose of afforestation in non-forest or degraded land.
  - In 2002, the Supreme Court had directed that a Compensatory Afforestation Fund (CAF) should be created to manage the funds generated.
- Similarly, India's Clean Environment Cess or coal cess acts as a carbon tax.
  - The coal cess is levied on coal, lignite and peat at the rate of ₹ 400 per tonne, and the funds raised are managed by the National Clean Environment Fund.

- Most countries' experiences suggest negligible impact on the GDP, though such revenues have not necessarily been used for environmental considerations.

- **Affecting Competitiveness:** The adding of costs to a producer within one country or region, that is not imposed on producers outside that country or region, may of course impact on the competitiveness of the local producer.

### **Way Forward**

- **Assessment of Externalities:** The environmental tax rate ought to be equal to the marginal social cost arising from the negative externalities associated with the production, consumption or disposal of goods and services.
  - This requires an evaluation of the damage to the environment based on scientific assessments.
- **Provisioning:** In developing countries like India, the revenue can be used to a greater extent for the provision of environmental public goods and addressing environmental health issues.
- **Better Targeting:** In India, environmental taxes can target three main areas:
  - Differential taxation on vehicles in the transport sector purely oriented towards fuel efficiency and GPS-based congestion charges;
  - In the energy sector by taxing fuels which feed into energy generation;
  - Waste generation and use of natural resources.
- **Environmental-Fiscal Reforms:** There is also a need to integrate environmental taxes in the Goods and Service Tax framework as highlighted by the Madras School of Economics in its studies.

## Conclusion

Green taxes shall have a deterrent effect, sensitizing the citizens about pollution control and management. Hence, this is the right time for India to adopt environmental fiscal reforms.



## Pendency of Cases

*This article is based on "Spike in other caseload" which was published in The Indian Express on 25/05/2021. It talks about the delays and inefficiencies arising from the huge pendencies of cases in the Indian courts.*

**Tags:** Indian Polity, GS Paper -2, Judiciary

The Covid-19 pandemic has impacted virtually every aspect of socio-economic-political setup in India and quite obviously Judiciary hasn't been immune to it. By and large, the courts have not worked with a full caseload since March 2020.

As a result, when the lockdown of March 2020 was declared, there were 3.68 crore cases across all levels; which have already shot up to 4.42 crore.

These delays and inefficiencies arising from the heavy dockets in Indian courts have long been a matter of concern and complements the saying that justice delayed is justice denied.

Thus Judicial reforms, if taken seriously, expeditious and effective justice can see the light of day.

### Reasons for Delay

- **Persisting Vacancies:** Across India, there are vacancies against even the sanctioned strengths of courts and in the worst performing states those vacancies exceed 30 per cent.
  - Due to this, the average waiting period for trial in lower courts is around 10 years and 2-5 years in HCs.
- **Poor State of Subordinate Judiciary:** District courts across the country also suffer from inadequate infrastructure and poor working conditions, which need drastic improvement, particularly if they are to meet the digital expectations raised by the higher judiciary.
  - Also, there is a yawning digital divide between courts, practitioners and clients in metropolitan cities and those outside. Overcoming the hurdles of decrepit infrastructure and digital illiteracy will take years.
- **Government, the Biggest Litigant:** Poorly drafted orders have resulted in contested tax revenues equal to 4.7 per cent of the GDP and it is rising.

- Crowding out investment: Roughly Rs 50,000 crore are locked up in stalled projects and investments are reducing. Both these complications have arisen because of injunctions and stay orders granted by the courts primarily due to poorly drafted and poorly reasoned orders.

- **Less budgetary allocation:** The budget allocated to the judiciary is between 0.08 and 0.09 per cent of the GDP. Only four countries — Japan, Norway, Australia and Iceland — have a lesser budget allocation and they do not have problems of pendency like India.

### Way Forward

- **Increasing Strength of Judicial Service:** One of the solutions is to substantially increase the strength of the judicial services by appointing more judges at the subordinate level — improvements must start from the bottom of the pyramid.
  - Strengthening the subordinate judiciary also means providing it with administrative and technical support and prospects for promotion, development and training.
  - Institutionalising All-India Judicial Service can be a step in the right direction.
- **Adequate Budgeting:** The appointments and improvements will require significant but absolutely necessary expenditure.
  - The recommendations of the Fifteenth Finance Commission and the India Justice Report 2020 have raised the issue and suggested ways to earmark and deploy funds.
- **Hibernating Unnecessary PILs:** The Supreme Court should mandate summary disposal of all 'hibernating' PILs — those pending for more than 10 years before HCs — if they do not concern a question of significant public policy or law.
- **Correcting Historical Inequalities:** Reforms in Judiciary should also encompass addressing social inequalities within the judiciary.
  - Women judges, and judges from historically-marginalised castes and classes must finally be given a fair share of seats at the table.
- **Promoting Alternative Dispute Resolution:** It should be mandated that all commercial litigation will be entertained only if there is an affidavit from the petitioner that mediation and conciliation have been attempted and have failed.
  - Mechanisms such as ADR (Alternate Dispute Resolution), Lok Adalats, Gram Nyayalayas should be effectively utilised.

## Conclusion

Courts are sitting on a pendency bomb and it has never been more urgent to strengthen the judiciary. Thus, there is a need to take a holistic and realistic view of the present situation of the Indian Judiciary.



## Reviewing Act East Policy

*This article is based on "What's going wrong with India's Act East policy?" which was published in The Indian Express on 26/05/2021. It talks about the recent developments that are testing Indian diplomacy in the Southeast Asia region.*

**Tags:** International Relations, GS Paper - 2, Effect of Policies & Politics of Countries on India's Interests

Recently, the relation between Singapore and India got a little bit tense due to New Delhi Chief Minister's recent remarks about a Singapore variant of Covid reaction.

Although the External Affairs ministry was quick to disown the critical comments, many Indian policymakers and foreign policy analysts presented a wider and larger challenge to India's standing in Southeast Asia as a whole.

Three developments over the past five years are testing Indian diplomacy in the region. First, the rising profile of China combined with growing China-India tensions; second, disappointment in the region with India's economic under-performance; and, third, rising concern in the region with India's approach towards its minorities, especially Muslims and Christians.

These developments warrant a review of domestic politics and how it impacts the Act East policy of India.

### Evolution of Act East Policy

- Ever since 1992 when Prime Minister PV Narasimha Rao enunciated a "Look East Policy" reaching out to Southeast Asia, India has engaged the region on all fronts — diplomatic and security, economic and people-to-people.
- Prime Ministers Atal Bihari Vajpayee and Manmohan Singh built on Narasimha Rao's foundation and constructed a robust relationship with the Association of Southeast Asian Nations (ASEAN), so much so that in 2007 Singapore's founder-mentor, Lee Kuan Yew, a longstanding India sceptic, went to the extent of naming China and India as the two engines of Asian economic growth.
- Continuing this approach, present Prime Minister Narendra Modi graduated Look East into an Act East policy.

## Recent Challenges to Act East Policy

- **India's Economic Underperformance:** China's accelerated rise since the trans-Atlantic financial crisis 2008-09 and the growing assertiveness initially generated a strong pro-India sentiment in the region with many ASEAN countries wanting India to balance China's enhanced power.
  - However, India's economic slowdown and inward orientation, expressed through the decision to stay out of the Regional Comprehensive Economic Partnership (RCEP) agreement, has disappointed regional business.
- **Concerns About Hindu Majoritarianism:** In most ASEAN countries, ethnic Chinese practise Islam, Buddhism or Christianity.
  - The growing concern about Hindu majoritarianism in India has impacted civil society attitudes in countries like Indonesia, Malaysia, Thailand and Singapore.
  - Further, India deployed the soft power of "Buddhist diplomacy" but that too has not gained much traction as inter-religious tensions in the region grow.
- **Impact of Covid-19 Pandemic:** Regarding handling of pandemic, China has handled the challenge efficiently while India is seen to have bungled.
  - This has generated a pro-China sentiment among the region's ethnic Chinese communities and development of ASEAN's increasingly accommodative approach towards China.
- **Combine Effect:** Taken together, all these developments weakened the business-to-business (B2B) and people-to-people (P2P) connection between India and ASEAN despite the best efforts of hard-pressed diplomats to maintain good government-to-government (G2G) relations.

## Way Forward

- **Reviewing RCEP Decision:** Acknowledging India's economic power and value as a market, the RCEP members have left the door open for India to invite it to be an observer member.
  - Given the global economic scenario in present times and the near future, it would be in India's interest to dispassionately review its position on RCEP and carry out structural reforms.
- **Leveraging Soft power:** Cultural and civilizational linkages are India's niche advantage while pursuing Act East Policy.
  - Thus, policymakers should refrain from such policies that appears to be majoritarian in nature.

- **Tackling China:** Just like China is showing its assertiveness in the Indian Ocean, India must increase its engagement in the South China Sea.
  - In this context, India's engagement with Quad and ASEAN countries is a step in the right direction.
  - Recently, the Indian prime minister proposed an "SAGAR (Security & Growth For ALL in the Region) Initiative" for the safe, secure and stable maritime domain. It focuses on creating partnerships among interested states in enhancing maritime security, sustainably using marine resources, disaster prevention & management.

### Conclusion

Recent trends suggest that despite the best intentions of an Act East Policy, India's standing and image in Southeast Asia have suffered. Therefore, Indian diplomacy must take a fresh look at its Act East policy.



## Pandemic & Infodemic Relation

*This article is based on "In a pandemic, the power of the rumour" which was published in The Hindustan Times on 26/05/2021. It talks about the challenges put forward by the combined effect of Covid-19 pandemic and infodemic.*

**Tags:** Governance, GS Paper - 2, Government Policies & Interventions, Health

Covid-19 is the first pandemic in history where technology and social media are being used on a massive scale, and widespread dissemination of health rumours has been rampant, prompting the **World Health Organization (WHO)** to also call the pandemic and "infodemic".

Infodemic is an overabundance of information that makes it difficult for people to identify truthful and trustworthy sources from false or misleading ones.

In the present state of emergency, health information specifically on social media, is often published, shared, and re-shared. Irrespective of its veracity, the fake news frequently leads to the spread of misinformation and rumours under the guise of truth.

One such fear misinformation is about the Covid-19 vaccine. Due to this, Vaccine hesitancy was named as one of the top 10 threats to global health by WHO.

### Pandemic & Infodemic Linkage

- **Paradigm Shift:** There is a paradigm shift from the 20<sup>th</sup>-century ecosystem dominated by print and broadcast media to an increasingly digital, mobile and social media dominated ecosystem.

- The lack of filtering on online platforms negates any authentication mechanisms.
- **Cognitive Overload of Information:** The pandemic gives rise to confusion, ambiguity, anxiety, and uncertainty, which, in turn, may lead to increased transmission of health rumours.
  - The accuracy, veracity, and perceived credibility of the source are ignored, more so on social media where users are already cognitively overloaded with too much information.
- **Public's Coping Mechanism:** Many studies have found that during a crisis (e.g. natural disaster, terror attack, global pandemic), sharing rumours works like a coping mechanism.
  - People draw a false sense of relief, such that anxiety or fears associated with the uncertain situation is momentarily reduced.
  - However, in the long-run, during a pandemic, prior research finds that health rumours, exchanged in a community, can instil fear.
- **Systemic Baggage:** In a developing country like India, the rumor-mongering stems from distrust in health institutions and experts, misunderstanding related to herd immunity, fear related to rapid vaccine development.
  - These factors reinforce the conspiracy theories and misinformation circulating widely on social media.

### Way Forward

- **Leveraging Positive Role of Social Media:** Though social media is acting as a fertile ground for dangerous rumour-mongering, it can act as an indispensable source of vital information.
  - Thus, governments and health agencies must establish an engaging web presence to debunk misinformation and fill the knowledge gaps.
  - Further, engaging celebrities and social media influencers can motivate people who are less eager to take the vaccine.
- **Responsibility of Social Media Platforms:** Social media platforms such as Facebook, YouTube, and WhatsApp should be proactive in adding features that allow users to access verified information
  - Also, they must double their efforts in flagging misinformation and rapidly removing health rumours.
- **Information Hygiene:** Though Covid-19 and social media have highlighted the importance of maintaining personal hygiene, the conversation about information hygiene must now happen in the society. Information hygiene includes:

- Verifying the authentic source of fact.
- Double checking with some fact checking website.
- Asking some expert opinion on that particular issue.
- Applying rational thinking while going through a forwarded news on social media.
- Applying these ideas before sharing the same.

### Conclusion

While India's core crisis today is vaccine shortage, and data on hesitancy is inadequate, it would be a mistake to ignore the role of the latter as supplies shore up.

The challenge will not be in supply, but ensuring that citizens understand that a vaccine is the most effective protective mechanism that is currently known and available. Putting the rumours to rest is a national imperative.



## Information Technology Rules, 2021

*This article is based on "Nine-pin bowling aimed at free speech, privacy" which was published in The Hindu on 28/05/2021. It talks about the challenges associated with the Information Technology (Guidelines for Intermediaries and Digital Media Ethics Code) Rules, 2021.*

**Tags:** Governance, GS Paper - 3, IT & Computers, Challenges to Internal Security Through Communication Networks

The Government of India had framed the Information Technology (Guidelines for Intermediaries and Digital Media Ethics Code) Rules, 2021, in February this year. These rules require the social media intermediaries/platforms to adhere to a vastly tighter set of rules within three months, which ended on May 25.

Till now almost all major social media intermediaries have not adhered to all the requirements.

But non-compliance can only make things worse, especially in a situation in which the relationship between some platforms such as Twitter and the Government seems to have broken down.

While there are positive aspects about the said guidelines, there are, equally, glaring ambiguities and susceptibilities that appear to be in conflict with the basic tenets of democracy and constitutional values.

### Positives of The Rules

The Rules must be credited for they mandate duties such as:

- Removal of non-consensual intimate pictures within 24 hours,

- Publication of compliance reports to increase transparency,
- Setting up a dispute resolution mechanism for content removal,
- Adding a label to information for users to know whether content is advertised, owned, sponsored or exclusively controlled.

### Associated Issues With the Rules

- **Rules Ultra-vires to the IT Act:** It is of significant concern that the purview of the IT Act, 2000, has been expanded to bring digital news media under its regulatory ambit without legislative action.
  - There has been criticism about bringing in a plethora of new rules that ought to be normally triggered only via legislative action.
- **Depriving of Fair Recourse:** An intermediary is now supposed to take down content within 36 hours upon receiving orders from the Government.
  - This deprives the intermediary of a fair recourse in the event that it disagrees with the Government's order due to a strict timeline.
- **Undermining Free Speech:** The rules place fetters upon free speech by fixing the Government as the ultimate adjudicator of objectionable speech online.
- **Traceability Issue:** Till now social media platforms have the immunity that users received from end-to-end encryption was that intermediaries did not have access to the contents of their messages.
  - Imposing this mandatory requirement of traceability will break this immunity, thereby weakening the security of the privacy of these conversations.
  - The threat here is not only one of privacy but to the extent of invasion and deprivation from a safe space.
- **Counterproductive in Absence of Data Privacy Law:** It could prove counterproductive in a country where the citizens still do not have a data privacy law to guard themselves against excesses committed by any party.
- **Compliance Burden:** The Rules create futile additional operational costs for intermediaries by requiring them to have Indian resident nodal officers, compliance officers and grievance officers.
  - This may not be in favour of many small digital entities and may open the floodgates for all kinds of interventions.

### Way Forward

- **Uniform Application of Law:** Regulation has an important place in the scheme of things, and no one advocates giving a free pass to digital platforms.

- Further, the laws to combat unlawful content are already in place. What is required is their uniform application.
- **Deliberating with Stakeholders:** There are indeed many problems with the new rules, but the major issue was that these were introduced without much public consultation.
  - The solution to ongoing criticism about these rules is to start afresh with the publication of a white paper.
- **Statutory Backing:** After that, if regulation is still deemed to be necessary, then it must be implemented through legislation that is debated in Parliament instead of relying upon executive rule-making powers.
- **Expediting Data Protection Law:** Making platforms share more information could prove counterproductive in a country where the citizens still do not have a data privacy law to guard themselves against excesses committed by any party.
  - In this context, there is a need to expedite the passing of the personal data protection bill, 2019.

### Conclusion

The Supreme Court, in the case of Life Insurance Corp. Of India vs Prof. Manubhai D. Shah (1992) had elevated 'the freedom to circulate one's views as the lifeline of any democratic institution'.

In this context, five industry bodies, including the CII, FICCI and the U.S.-India Business Council have sought an extension of 6-12 months for compliance. This is an opportunity for the Government to hear out the industry, and also shed its high-handed way of rule-making.



## Challenges of Dairy Sector

*This article is based on "Not milk & honey" which was published in The Indian Express on 28/05/2021. It talks about the challenges associated with the dairy sector in India.*

**Tags:** Indian Economy, GS Paper - 3, Economics of Animal-Rearing, Agricultural Marketing

The second wave of Covid-19 pandemic has thrown the situation of milk producers from difficult to worse.

During the pandemic, there has been a self-imposed ban on door-to-door sale of liquid milk by households both in urban and rural areas, forcing farmers to sell the entire produce to dairy cooperatives at a much lower price.

Further, the closure of shops had cut down the demand for milk and milk products while severe shortage of fodder and cattle feed has pushed up the input cost. Also, private veterinary services have almost stopped due to Covid-19, which has led to the death of milch animals.

Given the nature of production and sale of milk in India, milk producers are highly susceptible to even minor shocks as the demand for milk and milk products are sensitive to changes in the employment and income of consumers. Therefore, a lot needs to be done to save this critical sector of Indian economy.

### Need to Protect Dairy Sector

- In the farm-dependent population comprising cultivators and agricultural labourers, those involved in dairying and livestock constitute 70 million.
  - Moreover, in the total workforce of 7.7 million engaged exclusively in raising cattle and buffalo, 69 per cent of them are female workers.
- In the Gross Value Added (GVA) from agriculture, the livestock sector contributed 28 per cent in 2019-20. A growth rate of 6 per cent per annum in milk production provides a great support to farmers, especially during drought and flood.
- Milk production rises during crop failures due to natural calamities because farmers bank more on animal husbandry than.

### Associated Issues With the Rules

- **Invisible Labour:** Farmers keep two to five in-milk animals for livelihood. In this setup, unpaid female family labour supplies a major part of the labour requirement for milk production.
  - The landless and marginal farmers among them have no livelihood options to fall back when they fall short of buyers for milk.
- **Informal Nature of Dairy Sector:** Unlike sugarcane, wheat, and rice-producing farmers, cattle raisers are unorganised and do not have the political clout to advocate for their rights.
- **Lack of Remunerative Pricing:** Though the value of milk produced outweighs the combined value of the output of wheat and rice in India, there is no official and periodical estimate of the cost of production and Minimum Support Price for milk.
- **Negative Impact of Economies of Scale:** Even though dairy cooperatives handle about 40 percent of the total marketable surplus of the milk in the country, they are not a preferred option of landless or small farmers.

- This is because more than 75 percent of the milk bought by dairy cooperatives is at its lower price band.
- **Half Hearted Government Efforts:** In August 2020, the department reported a requirement of 2.02 lakh artificial insemination (AI) technicians in India whereas the availability is only 1.16 lakh.
- Dairy farmers have been included in the Kisan Credit Card programme. Out of the total 1.5 crore farmers in 230 milk unions in India, not even one-fourth of the dairy farmers' loan applications had been forwarded to banks as of October 2020.
- Dairying was brought under MGNREGA to compensate farmers for the income loss due to Covid-19. However, the budgetary allocation for 2021-22 was curtailed by 34.5 percent.

### Way Forward

- **Increasing Productivity:** There is a need to increase the productivity of animals, better health care and breeding facilities and management of dairy animals. This can reduce the cost of milk production.
  - Also, milk production and productivity can be enhanced by ensuring the availability of veterinary services, artificial insemination (AI), feed and farmer education.
  - The Government and dairy industry can play a vital role in this direction.
- **Augmenting Production, Processing and Marketing Infrastructure:** If India has to emerge as a dairy exporting country, it is imperative to develop proper production, processing and marketing infrastructure, which is capable of meeting international quality requirements.
  - Thus, there is a need for a comprehensive strategy for producing quality and safe dairy products that should be formulated with suitable legal backup.
  - Further, to address the infrastructure deficit in rural areas and address the power shortage, there is a need to invest in solar powered dairy processing units.
  - Also, there is a need to strengthen dairy cooperatives. In this pursuit, the government should promote farmer producer organisations.

### Conclusion

Over the past few decades, the Dairy sector has emerged as a lifeline of the rural economy in India. However, given the high price elasticity of milk and milk products, the dairy sector has become one of the most vulnerable sectors of the rural economy.

Therefore, given the importance of dairy sectors, for

both farmers and consumers, there is a need for governments at various levels to address this crisis and establish a holistic framework for the overall growth of the sector.



## Cryptocurrency and India

*This article is based upon "Catching the New Tech Wave" which was published in the Indian Express on 31/05/2021. It talks about the increasing significance of Cryptocurrencies across the world and why India needs to accept it in order to go hand in hand with the world in the upcoming phase of digital revolution.*

**Tags:** Indian Economy, GS Paper - 3, IT & Computers, Mobilisation of Resources

With the creation of **Bitcoin** in 2008 till present date, cryptocurrencies have gained much significance all around the world. The gains made by this sector since the onset of **Covid-19 pandemic** in January 2020 are astounding; the "cryptomarket" grew by over 500%.

However, in the 2018-19 **budget** speech, the Finance Minister announced that the government does not consider cryptocurrencies as legal tender.

Considering the fact India was a late adopter in all the previous phases of the digital revolution – when semiconductors, the internet and smartphones made their mark, there is a need for a change in the thoughts and acceptance for these virtual currencies as they mark India's first step towards entering the new phase of digital revolution.

### Cryptocurrencies

- **Rise of Cryptocurrencies:** The pioneer cryptocurrency, Bitcoin, was traded at just \$0.0008 in 2010 and commanded a market price of about \$65,000 in April 2021.
  - Many newer coins have also been introduced since Bitcoin's launch and their cumulative market value touched \$2.5 trillion by May 2021.
- **Significance of Cryptocurrencies:**
  - **Corruption Check:** As blocks run on a peer-to-peer network, it helps keep corruption in check by tracking the flow of funds and transactions.
  - **Time Effective:** Cryptocurrencies can help save money and substantial time for the remitter and the receiver, as it is conducted entirely on the Internet, runs on a mechanism that involves very less transaction fees and is almost instantaneous.
  - **Cost Effective:** Intermediaries such as banks, credit card and payment gateways draw almost 3% from the total global economic output of over \$100 trillion, as fees for their services.

- Integrating blockchain into these sectors could result in hundreds of billions of dollars in savings.
- **Cryptocurrencies in India:** In 2018, The RBI issued a circular preventing all banks from dealing in cryptocurrencies. This circular was declared unconstitutional by the Supreme Court in May 2020.
  - Recently, the government has announced to introduce a bill; **Cryptocurrency and Regulation of Official Digital Currency Bill, 2021**, to create a sovereign digital currency and simultaneously ban all private cryptocurrencies.
  - In India, the funds that have gone into the Indian blockchain start-ups account for less than 0.2% of the amount raised by the sector globally.
    - The current approach towards cryptocurrencies makes it near-impossible for blockchain entrepreneurs and investors to acquire much economic benefit.

### **Issues Associated with Banning Decentralised Cryptocurrencies**

- **Blanket Ban:** The intended ban is the essence of the Cryptocurrency and Regulation of Official Digital Currency Bill, 2021. It seeks to prohibit all private cryptocurrencies in India.
  - However, categorising the cryptocurrencies as public (government-backed) or private (owned by an individual) is inaccurate as the cryptocurrencies are **decentralised but not private**.
  - Decentralised cryptocurrencies such as bitcoin aren't or rather, can't be controlled by any entity, private or public.
- **Brain-Drain:** Ban of cryptocurrencies is most likely to **result in an exodus of both talent and business from India**, similar to what happened after the RBI's 2018 ban.
  - Back then, blockchain experts moved to countries where crypto was regulated, such as Switzerland, Singapore, Estonia and the US.
  - With a blanket ban, blockchain innovation, which has uses in governance, data economy and energy, will come to a halt in India.
- **Deprivation of Transformative Technology:** A ban will deprive India, its entrepreneurs and citizens of a transformative technology that is being rapidly adopted across the world, including by some of the largest enterprises such as Tesla and MasterCard.
- **An Unproductive Effort:** Banning as opposed to regulating will only create a parallel economy, encouraging illegitimate use, defeating the very purpose of the ban.

- A ban is infeasible as any person can purchase cryptocurrency over the internet.
- **Contradictory Policies:** Banning cryptocurrency is inconsistent with the Draft National Strategy on Blockchain, 2021 of the Ministry of Electronics and IT (MeitY), which hailed blockchain technology as transparent, secure and efficient technology that puts a layer of trust over the internet.

### **Way Forward**

- **Regulation is the Solution:** Regulation is needed to prevent serious problems, to ensure that cryptocurrencies are not misused, and to protect unsuspecting investors from excessive market volatility and possible scams.
  - The regulation needs to be clear, transparent, coherent and animated by a vision of what it seeks to achieve.
- **Clarity on Crypto-currency definition:** A legal and regulatory framework must first define cryptocurrencies as securities or other financial instruments under the relevant national laws and identify the regulatory authority in charge.
- **Strong KYC Norms:** Instead of a complete prohibition on cryptocurrencies, the government shall rather regulate the trading of cryptocurrencies by including stringent KYC norms, reporting and taxability.
- **Ensuring Transparency:** Record keeping, inspections, independent audits, investor grievance redressal and dispute resolution may also be considered to address concerns around transparency, information availability and consumer protection.
- **Igniting the Entrepreneurial Wave:** Cryptocurrencies and Blockchain technology can reignite the entrepreneurial wave in India's startup ecosystem and create job opportunities across different levels, from blockchain developers to designers, project managers, business analysts, promoters and marketers.

### **Conclusion**

- India is currently on the cusp of the next phase of digital revolution and has the potential to channel its human capital, expertise and resources into this revolution, and emerge as one of the winners of this wave.
  - All that is needed to do is to get the policymaking right.
- Blockchain and crypto assets will be an integral part of the Fourth Industrial Revolution, Indians shouldn't be made to simply bypass it.

