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## News Analysis (03 Jun, 2019)

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### US Withdraws GSP for India

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The US has announced that it will terminate India's designation as a beneficiary of its **Generalized System of Preferences (GSP) from June 5, 2019.**

#### What is GSP?

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- The idea of granting developing countries preferential tariff rates in the markets of industrialized countries was originally presented at the first **United Nations Conference on Trade and Development (UNCTAD)** conference in 1964.
- The GSP was adopted at UNCTAD in New Delhi in 1968 and was instituted in 1971.
- There are currently **13 countries** which **grant GSP preferences to developing and least developed countries: Australia, Belarus, Canada, the European Union, Iceland, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation, Switzerland, Turkey and the United States of America.**
- **GSP is the largest and oldest U.S. trade preference program. Established by the Trade Act of 1974,** GSP promotes economic development by eliminating duties on thousands of products when imported from one of 120 designated beneficiary countries and territories.

#### Impact of GSP Withdrawal

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- **India has been the biggest beneficiary of the GSP regime.**
- In 2018, **\$6.3 billion** of Indian merchandise exports to U.S. were covered by GSP.
- The sectors which could face the impact of withdrawal of GSP regime are **gem and jewellery, leather and processed foods.**
- However, India has said that **the impact is "minimal", given that Indian exporters were only receiving duty-free benefits of \$190 million on the country's overall GSP-related trade of \$5.6 billion.**
- This could impact India's competitiveness in items groups such as raw materials in the

organic chemicals sector and intermediary goods in the US market, alongside items such as iron or steel, furniture, aluminum and electrical machinery.

- The **impact on small industries in the country could be significant**. Such industries would lose their market share in the U.S. without fiscal support to help them maintain their edge.

## Why GSP was Revoked?

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Due to a series of decisions taken by the Indian government has led to trade friction between two countries:

- India's new e-commerce rules — which have impacted American companies like Amazon and Walmart (majority owner of Flipkart).
  - **Price controls on medical devices (cardiac stents)**.
  - **Tariffs on products like smart watches** and high-end mobile phones.
  - **Lack of greater market access for the U.S. dairy industry**.
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## Nilgiri Tribals Tensed Over Destruction of Rock Art

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**40%** of the rock paintings in Karikiyoor at Kil Kotagiri in the Nilgiri forests have been **destroyed by trekkers, tourists, and vandals**.

- **Irula tribal community**, who have an ancestral link to the Nilgiri forest's rock art site, are extremely angered at the damage by illegal trekkers.
- **Scripts** on the rock paintings in Karikiyoor resemble the script found in **Indus civilization** sites of northern India.

### About Irula Tribe

- Irula people reside in northern districts of **Tamil Nadu** and in some parts of **Kerala**.
- Tribes have their origin from ethnic groups of **Southeast Asia and Australia**.
- They speak Irula language that is closely related to **Dravidian language** like Kannada and Tamil.
- Irulas are among the **Particularly vulnerable tribal group**.
  - The PVTGs are the **marginalized section** of the Scheduled tribes of India and are relatively isolated, educationally and socio-economically backward, living in a habitat far away from amenities.
  - PVTG is **not a constitutional category**, nor are these constitutionally recognized communities.
  - It is a Government of India's classification created with the purpose of enabling improvement in the conditions of certain communities with particularly low development.

**Rock Art:** Rock art is human-made markings placed on natural stone.

- Rock art is often divided into three forms: petroglyphs, which are carved into the rock surface, **pictographs**, which are painted onto the surface, and **earth figures**, formed on the ground.
- Rock art in India is extensively found in the caves of:
  - **Bhimbetka caves:** located between Hoshangabad and **Bhopal**, in the foothills of the Vindhya Mountains.
  - **Bagh caves:** located on the bank of Baghani river in the Dhar district of **Madhya Pradesh**.
  - **Jogimara caves:** paintings were created before the Ajanta and Bagh Caves and belong to **Pre-Buddha caves**.  
Situated at Amarnath near the origin of Narmada, in Surguja in Chhattisgarh.
  - **Armamalai caves:** Armamalai cave paintings located in **Vellore district of Tamil Nadu**, are known for a Jain temple with ancient paintings, petroglyphs and rock art.
- **Significance:**
  - The rock paintings serve, as a **“historical record”**, detailing the hunting habits and **ways of life** of the local communities.
  - Rock arts are used for **ritualistic purpose** by local residents.
  - Tribal communities rely on the rock arts for deriving their **cultural connections** by following the customs engraved in the rock art.

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## China’s Gene Editing Rules

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China has decided to introduce new Gene-editing rules.

- Rules require researchers to obtain **prior approval from the government** before undertaking clinical trials.
- Those found violating the rules will be punished and this includes a **lifetime ban on research**.
- The rules would also require **all future trials to be approved** by administrative authorities as well as ethical committees.

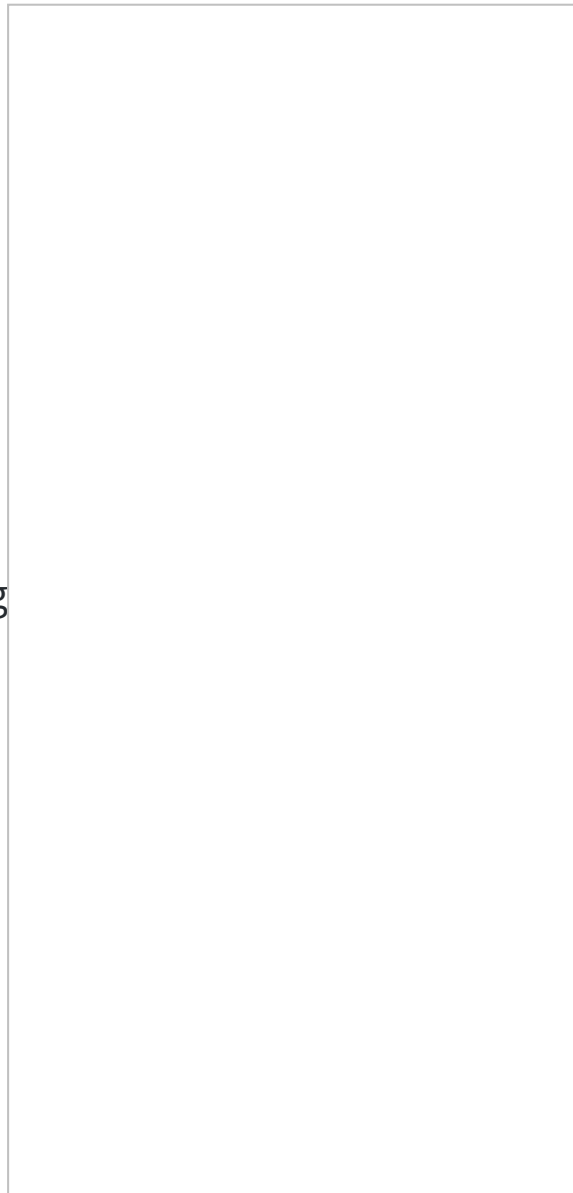
## Background

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- Last year, a chinese researcher, He Jiankui, has claimed that he used CRISPR (**Clustered Regularly Interspaced Short Palindromic Repeats**) to produce the world’s first gene-edited babies to make babies immune to infection by the human immunodeficiency virus (HIV).

- After the news of gene-edited babies came Chinese national health commission investigated and found that Dr. He had violated the national regulations against using gene-editing for reproductive purposes.
- China has now decided to come up with stricter norms regarding gene editing.

## Gene Editing



- Gene editing is also called as **genetic modification, genetic manipulation or genetic engineering**.
- **Genome editing is a group of technologies that give scientists the ability to change an organism's DNA (Deoxyribonucleic acid)**. These technologies allow genetic material to be added, removed, or altered at particular locations in the genome.
- Gene Editing is widely practised in agriculture, to increase productivity or resistance to diseases, etc.

## What is CRISPR?

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- **Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR)** is a gene editing technology, **which replicates natural defence mechanism in bacteria to fight virus attacks**, using a special protein called Cas9.
- CRISPR-Cas9 technology behaves like a **cut-and-paste mechanism on DNA** strands that contain genetic information. The specific location of the genetic codes that need to be changed, or edited, is identified on the DNA strand, and then, using the **Cas9 protein, which acts like a pair of scissors**, that location is cut off from the strand.
- A DNA strand, when broken, has a natural tendency to repair itself. Scientists intervene during this auto-repair process, supplying the desired sequence of genetic codes that binds itself with the broken DNA strand.
- CRISPR-Cas9 is a simple, effective, and incredibly precise technology with potential to revolutionise human existence in future.

## Issues

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- Dr. He used the CRISPR–Cas9 gene editing technique to disable a gene called CCR5 (C-C chemokine receptor type 5), which **encodes a protein that allows HIV to enter and infect cells**.
- Though no guidelines have been drawn up so far regarding gene editing.
- There is a **general consensus** in the scientific and ethics communities that the CRISPR–Cas9 gene-editing technique should not be used clinically in embryos..
- Importantly, **human clinical trials have not been carried out** anywhere in the world to test whether disabling the gene completely prevents HIV infection.
- In the absence of any clinical trial data as well as consensus to use this tool to prevent HIV infection, performing it on babies as a form of medical **intervention is unethical**.

## CCR5

- C-C chemokine receptor type 5, also known as CCR5 or CD195, is a protein on the surface of white blood cells that is involved in the immune system as it acts as a receptor for chemokines.
- CCR5, which encodes a protein that allows HIV to enter and infect cells. The CCR5 gene protective role against the West Nile virus is well established.
- The CCR5 gene also helps to protect the lungs, the liver and the brain during certain serious infections and chronic diseases.
- The gene is known to prompt the immune system to fight the influenza virus in the lungs.

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## Google and Amazon to Face Antitrust Scrutiny

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are under Scrutiny for their influence on **consumer privacy, labor conditions, public discourse and violation of antitrust law.**

- U.S. government's antitrust enforcement agencies, the Federal **Trade Commission** and the **Department of Justice** are carrying out Antitrust Investigations against Amazon and Google respectively.
- In 2018, **The Competition Commission of India (CCI)** has also imposed Rs.136 crore fine on Google for unfair business practices and for infringing antitrust conduct in India.
- **Amazon:** Amazon's Prime program amount to **predatory pricing scheme** designed to choke out competitors.
  - Amazon's Marketplace platform, where third-party sellers can list products, are accused of **one-sided contracts, disputes over advertising policies,** and a **ruthless competitive environment.**
  - Amazon's continued growth also threatens to give it **monopsony power** (a market situation in which there is only one buyer)over other industries like shipping.
  - Some consumer groups and vendors have complained that **Amazon edges out new competition,** particularly as the company enters into new business lines like groceries and fashion.
- **Google:** It is accused of abusing its **dominance of the online search market** by showing its biases towards certain ads and searches.  
In 2017, European regulators also slapped a \$1.7 billion penalty on Google for barring websites from selling ads from rivals alongside some Google-served ads near search results.

## Antitrust Law

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- Antitrust law also referred to as **competition laws** aims to protect trade and commerce from **unfair restraints, monopolies and price fixing.**  
They ensure that fair competition exists in an open-market economy.
- **The Competition Act, 2002** is India's antitrust law. It replaced the **Monopolistic and Restrictive Trade Practices Act of 1969.**

## The Competition Act, 2002

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The Act prohibits:

- anti-competitive agreements.
- abuse of dominant position by enterprises.
- regulates combinations (Mergers and Acquisition), which causes or likely to cause an appreciable adverse effect on competition within India.

## Competition Commission of India

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- From the provisions under the Competition Act, 2002, the central government has established Competition Commission of India in 2003.
  - CCI consists of a Chairperson and 6 Members appointed by the Central Government.
  - It is the duty of the Commission to eliminate practices having adverse effect on competition, promote and sustain competition, protect the interests of consumers and ensure freedom of trade in the markets of India.
  - The Commission also give opinion on competition issues on a reference received from a statutory authority established under any law and to undertake competition advocacy, create public awareness and impart training on competition issues.
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## Important Facts For Prelims (3rd June 2019)

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### Indian Navy Steps Up Anti-piracy Patrol

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- The Navy deployed its **P-8I long-range maritime surveillance aircraft** for **anti-piracy** sorties from Salalah in Oman to patrol the **Gulf of Aden** under its **Mission Based Deployments (MBD)** in the Indian Ocean Region (IOR),
- Under the MBD concept, the Navy maintains a ship at every choke point in the IOR at any point of time.

#### **P-8I Aircraft**

The P-8I is a long-range anti-submarine warfare, anti-surface warfare, intelligence, surveillance and reconnaissance aircraft capable of broad-area, maritime and littoral operations.

[Download map](#)

### IIT Madras Develops New Material

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- Recently, Indian Institute of Technology (IIT) Madras has developed a material with properties suitable for **quantum optoelectronics**.
- The materials like tungsten diselenide and molybdenum diselenide were being studied for their **opto-electronic properties – a combination of optics and electronics**.
- Researchers from IIT Madras have found a way of enhancing this property of these materials about 30 times in tungsten diselenide, by drop-casting gold nanoparticles on to a two-dimensional film.
- A key property of these materials is **photoluminescence** which can be used in various

devices such as quantum LEDs which can be used in communication and computation.

**Photoluminescence:** Photoluminescence is a process in which a molecule absorbs a photon in the visible region, exciting one of its electrons to a higher electronic excited state, and then radiates a photon as the electron returns to a lower energy state.

**Optoelectronics:** Optoelectronics concerns the study and application of electronic devices that source, detect and control light.

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