



News Analysis (09 May, 2020)

 drishtiias.com/current-affairs-news-analysis-editorials/news-analysis/09-05-2020/print

Financial Help by AIIB to India

Why in News

Recently, the **Asian Infrastructure Investment Bank (AIIB)** has approved **US\$ 500 million** for '**Covid-19 Emergency Response and Health Systems Preparedness Project**' initiated by India.

The project is expected to help India to respond to the Covid-19 pandemic and strengthen its public health preparedness.

Key Points

- **Aim:**

- The project intends to **slow down and limit the spread** of Covid-19 in India.
- It includes an immediate support for enhancement of disease detection capacities, oxygen delivery systems and medicines among others.
- The project also strives to strengthen India's **Integrated Disease Surveillance Program (IDSP)** and the capacity to effectively **manage future disease outbreaks**.

IDSP aims to strengthen/maintain decentralized laboratory based and IT enabled disease surveillance systems for epidemic prone diseases to monitor disease trends.

- It also aims to develop capacity and systems **to detect existing and emerging zoonoses** and upgrade viral research and diagnostic laboratories for testing and research.

As around **75% of new infectious diseases** begin with **human-to-animal contacts**.

- **Beneficiaries:**

The project will cover all States and Union Territories across India and address the needs of infected people, at-risk populations, medical and emergency personnel and service providers, medical and testing facilities, and national and animal health agencies.

- **Finances:**

The project is being financed by the World Bank and AIIB in the amount of \$1.5 billion, of which \$1.0 billion will be provided by the World Bank and \$500 million will be provided by AIIB.

- **Implementation:**

It will be implemented by the **National Health Mission (NHM)**, the **National Centre for Disease Control (NCDC)** and the **Indian Council of Medical Research (ICMR)**.

- NHM was launched by the government of India in 2013 subsuming the National Rural Health Mission and the National Urban Health Mission.
- NCDC functions as the nodal agency in the country for disease surveillance facilitating prevention and control of communicable diseases under the Ministry of Health and Family Welfare.
- ICMR is the apex body in India for the formulation, coordination and promotion of biomedical research.

Asian Infrastructure Investment Bank

- The Asian Infrastructure Investment Bank (AIIB) is a **multilateral development bank** with a mission to improve **social and economic** outcomes in **Asia**.
- It is established by the AIIB **Articles of Agreement** (entered into force Dec. 25, 2015) which is a multilateral treaty. The Parties (57 founding members) to agreement comprise the Membership of the Bank.
- It is **headquartered in Beijing** and began its operations in January 2016.
- **India** joined AIIB in **2016** as a **regional member** of the Bank.
- The members of the Bank have now grown to 102 approved members worldwide.
Further, fourteen of the **G-20 nations** are AIIB members including France, Germany, Italy and the United Kingdom.
- By investing in sustainable infrastructure and other productive sectors in Asia and beyond, it connects people, services and markets that over time will impact the lives of billions and build a better future.

Source: PIB

Abolition of Posts in MES

Why in News

Recently, the **Defence Minister of India** has approved a proposal for the abolition of a number of posts in the **Military Engineering Service (MES)**.

- This move is in lines with the recommendations of the **Lt. Gen. D.B. Shekatkar (Retd.) Committee**.
- MES is the **infrastructure development agency** for the armed forces and defence establishments.

Key Points

- **Optimum Utilisation of Resources:** This step of abolition of around 9000 posts of basic and industrial staff will **lead to significant savings**.
Almost **70% of the budget** is used for **payment of salaries and allowances** and leaves very little money for actual infrastructural development.
- **Restructuring of Workforce:** The committee also recommended to restructure the civilian workforce in a manner that the work of the MES could be **partly done** by **departmentally employed staff** and **other works could be outsourced**.
- **Efficient & Lean Workforce:** Its goal is to make the MES an effective organisation with a leaner workforce, well **equipped to handle complex issues** in an efficient and cost-effective manner.
- **Projected Savings:** The recommendations can **save up to ₹25,000 crore** in defence expenditure, if implemented over the next five years.
According to **Stockholm International Peace Research Institute (SIPRI)**, **India was the among the top three top military spenders** in the world in **2019** after the **US and China**.

Shekatkar Committee

- It was a **11-member committee**, appointed by the **erstwhile Defence Minister in mid-2016**.
- It was headed by **Lt. Gen. D.B. Shekatkar (Retd)**.
- It had the **mandate** to suggest measures to **enhance combat capability** and **rebalance defence expenditure of the armed forces**.
- It **submitted its report** in **December 2016**.

- **Recommendations:**

- It made about **99 recommendations** from optimising defence budget to the need for a Chief of the Defence Staff.
Of these, the first batch of **65 recommendations** pertaining to the Army were **approved in August 2017**.
- It recommended that **India's defence budget should be in the range of 2.5-3% of GDP (Gross Domestic Product)**, in view of current and future threats.
- It had also suggested the **establishment of a Joint Services War College** for training of middle-level officers, with three separate **war colleges at Mhow** (Madhya Pradesh), **Secunderabad** (Telangana) and **Goa**, focusing on training younger officers.
- The committee had also mooted for the **Military Intelligence School at Pune** to be **converted to a tri-service intelligence training establishment**.
- The recommendations on the creation of the **Chief of Defence Staff** post and a **Department of Military Affairs** have been already implemented.
- **Restructuring of Army headquarters**
 - The Army headquarters had **instituted 4 studies** with an overall aim to **enhance the operational and functional efficiency** of the force, optimize budget expenditure, facilitate modernization and address aspirations.
 - These **studies** are Re-organisation and right-sizing of the Indian Army, Re-organisation of the Army Headquarters, Cadre review of officers and Review of terms of engagement of rank and file.
- **Government Owned Contractor Operated (GOCO) Model**
 - In the model, the **assets** owned by the government are **operated by the private industries**.
 - The **main advantage** of the model is that it is **efficient** and will **boost competitiveness** among the private entities.
- **Closure of Military Farms and Army Postal Establishments** in peace locations.
- **Other recommendations which have been implemented** include, optimisation of signals establishments, restructuring of repair units, redeployment of ordnance echelons, better utilisation of supply and transportation units and animal transport entities, etc.

Source: TH

Locusts Appeared Early in Rajasthan

Why in News

Recently, scientists at the **Locust Warning Organisation (LWO)** observed groups of **desert locusts** at Sri Ganganagar and Jaisalmer districts of Rajasthan.

- This has raised the alarm-bell for the authorities as they caused huge damage to the growing rabi crops along western Rajasthan and parts of northern Gujarat during December, 2019-January, 2020.
- The **desert locust (*Schistocerca gregaria*)** is a short-horned grasshopper. These winged insects differ from normal hoppers.
- The **genesis of present desert locust upsurge** lies in the Mekunu and Luban **cyclonic storms** that struck Oman and Yemen, respectively in 2018.

These storms turned large desert areas in remote parts of the southern Arabian Peninsula into lakes, which allowed the insects to breed undetected across multiple generations.

Locust

- A locust is a large, **mainly tropical grasshopper** with strong powers of flight. They **differ from ordinary grasshoppers** in their ability to change behaviour (gregarize) and form swarms that can migrate over large distances.
Gregarization means transformation of solitary insects etc. into a swarm due to rapid growth in population.
- Locusts are generally seen during the **months of June and July** as the insects are active from summer to the rainy season.
- **Locusts have a high capacity to multiply, form groups, migrate over** relatively large distances (they can fly up to 150 km per day) and, if good rains fall and ecological conditions become favourable, rapidly reproduce and increase some 20-fold in three months.
- **Threat to Vegetation:** Locust adults can eat their own weight every day, i.e. about two grams of fresh vegetation per day. A very **small swarm eats as much in one day as about 35,000 people**, posing a devastating threat to crops and food security.
- **If infestations are not detected and controlled, devastating plagues can develop** that often take several years and hundreds of millions of dollars to bring under control with severe consequences on food security and livelihoods.
- **Locust Control measures** include destroying egg masses laid by invading swarms, digging trenches to trap nymphs, using hopperdozers (wheeled screens that cause locusts to fall into troughs containing water and kerosene), using insecticidal baits, and applying insecticides to both swarms and breeding grounds from aircraft.
Organophosphate insecticides such as **Malathion** are effective against locusts.

- The **Food and Agriculture Organisation (FAO)** provides information on the general locust situation to the global community and gives **timely warnings** and **forecasts** to those countries in danger of invasion.

The FAO raised alarm over the locust outbreak in northeast Africa and Saudi Arabia in February, 2019.

Locusts in India

- **Four species** viz. Desert locust (*Schistocerca gregaria*), Migratory locust (*Locusta migratoria*), Bombay Locust (*Nomadacris succincta*) and Tree locust (*Anacridium* sp.) are found in India.
- The existing series of locust swarms that have entered India via Pakistan had originated in Iran. Movement of locusts is facilitated by summer dusty winds, which flow from the Arabian Sea, taking along these creatures from Sindh in Pakistan to western Rajasthan.
- The **last major locust outbreak that was reported in Rajasthan was in 1993.**
- **Locust Warning Organisation (LWO), Ministry of Agriculture & Farmers Welfare**, is responsible for monitoring, survey and control of Desert Locust in Scheduled Desert Areas mainly in the States of Rajasthan and Gujarat.

Source: IE

Strict vs Absolute Liability Principle

Why in News

Recently, the **National Green Tribunal** (NGT) found **LG Polymers** prima facie liable under the **strict liability principle** for the **Vizag gas leak**.

However, according to the lawyers, the term **absolute liability principle** should have been used instead.

Key Points

- The NGT directed the company to deposit an initial amount of ₹50 crore and formed a fact-finding committee.
- The use of the term **strict liability has been questioned** by the lawyers because it was **made redundant in India by the Supreme Court in 1987**.

- **Strict Liability Principle:**
Under it, a party/company is **not liable** and **need not pay compensation** if a hazardous substance escapes its premises **by accident** or by an '**act of God**' (**Force Majeure**) among other circumstances.
- **Absolute Liability Principle:**
Under it, a party/company in a hazardous industry **cannot claim any exemption**. It has to **mandatorily pay compensation**, whether or not the disaster was caused by its negligence.
- The **National Green Tribunal Act of 2010** incorporates **the absolute liability** principle.
 - **Section 17** of the act mandates that the Tribunal should apply the absolute liability principle even if the disaster caused is an accident.
 - A hazardous enterprise is liable **even if the disaster is an accident** and not caused by the negligence of the company.

Background

- The Supreme Court, in the **M.C. Mehta vs Union of India 1987**, found **strict liability principle inadequate** to protect citizens' rights and **replaced it with the absolute liability principle**.
- This judgement came on the **Oleum gas leak case of Delhi in 1986**.
 - Oleum gas leaked from a fertiliser plant of **Shriram Food and Fertilisers Ltd.** complex at Delhi, causing damages to several people.
 - **Oleum** or **fuming sulfuric acid** refers to solutions of various compositions of sulfur trioxide in sulfuric acid or sometimes more specifically to disulfuric acid (also known as pyrosulfuric acid).
- The court found that strict liability which was evolved in an English case called **Rylands versus Fletcher, 1868**, **provided companies with several exemptions** from assuming liability.
- Absolute liability, on the other hand, provides them with no defence or exemptions and is part of **Article 21 (Right to Life)**.
Article 21 declares that **no person shall be deprived of his life or personal liberty** except according to procedure established by law. This right is available to **both citizens and non-citizens**.
- The court wanted **corporations** to be made **fully liable for future undeserved suffering of innocent citizens** and held that a hazardous enterprise has an **absolute non-delegable duty** to the community.
- That time, India was still under the shock of the **Bhopal gas tragedy, 1984**.
Methyl Isocyanate (MIC) leaked from the pesticide plant of **Union Carbide** in the capital city of **Madhya Pradesh**.

Source: TH

Helicopter Money

Why in News

Recently, the Telangana Chief Minister suggested that the **helicopter money** can help states to come out of the economic chaos created by Covid-19 pandemic.

Key Points

- **Helicopter money:**
 - It is an unconventional **monetary policy tool**, which involves **printing large sums of money and distributing it to the public**, to stimulate the economy during a recession (decline in general economic activity) or when interest rates fall to zero.
 - Under such a policy, a central bank "directly increases the money supply and, via the government, distribute the new cash to the population **with the aim of boosting demand and inflation**."
 - The term was coined by **American economist Milton Friedman**. It basically denotes a helicopter dropping money from the sky.
- **Difference between helicopter money and quantitative easing:**
 - Helicopter money should **not be confused with quantitative easing**, because both aim to boost consumer spending and increase inflation.
 - In case of **helicopter money**, currency is distributed to the public and there is **no repayment liability**.
 - Whereas in case of **quantitative easing**, it involves the use of printed money by central banks to buy government bonds. Here the **government has to pay back for the assets that the central bank buys**.
- **Benefits of helicopter money:**
 - It does not rely on increased borrowing to fuel the economy, which means that it doesn't create more debt.
 - It boosts spending and economic growth more effectively than quantitative easing because it increases aggregate demand – the demand for goods and services – immediately.
- **Issues with helicopter money:**
 - It does not involve repayment liability, therefore many people argue that it's not a feasible solution to revive the economy.
 - It may lead to over-inflation.
 - It may devalue the currency in the foreign exchange market.

Source: TH

Relevance of the Consol Bonds amid Covid-19

Why in News

The **Covid-19 pandemic** and consequential national lockdown in the country has laid a grave impact on the Indian economy.

- Considering the above scenario, the **large stimulus needs to be introduced** by the government to pull back the economy where the required stimulus will exceed the current revenue receipts of the government.

The **stimulus** refers to attempts to use monetary or fiscal policy (or stabilization policy in general) to stimulate the economy.

- Thus, an introduction of a **Consol Bond** is one of the solutions for the government to fund the stimulus.

Background

- In the **Budget (2020)** before the pandemic, India projected a **deficit of Rs.7.96-lakh crore**.
- Further, the financial deficit is expected to **increase** by a wide margin due to **revenue shrinkage** from the coming depression accompanied by a **lack of disinvestment**.
- Though, **the government and RBI have announced various economic measures** to deal with the economic impact of nationwide lockdown but these measures are considered to be inadequate.

In addition to the planned expenditure, the government needs to spend nearly Rs.5-lakh crore and Rs.6-lakh crore as stimulus.

Consol Bonds

- **Description:**
 - Consol bond (also known as **perpetual bond**) is a **fixed income security with no maturity date**.
 - It is often considered a **type of equity, rather than debt**.
 - The major benefit of these bonds is that they **pay a steady stream of interest payments forever**. However, **these bonds can be redeemed at issuer's discretion**.

- **Notable Existence of Consol Bonds in the History:**

- The console bonds were majorly used by the British government during **World War-I.**
- The bonds were issued in **1917** as the British government sought to raise more money to finance the ongoing cost of World War-I.
- In 2014, the British government, a century after the start of World War-I, paid out 10% of the total outstanding Consol bond debt.

Consol Bonds and Current Indian Economic Scenario

- **Consol Bonds Instead of PM-CARES:**

- The introduction of the Consol bonds would have been a better solution for the government if people would have invested in consol bonds instead of making donations to **PM-CARES.** It could have made **citizens as active participants** in handling the economic scenario of the country.
- Unlike PM-CARES, the proceeds of the bonds could have been used to **fulfil the various essential medical as well as economic requirements** of the country.

- **One of the Available Solutions:**

- The fall of real estate and given the lack of safe havens outside of gold, the bond would offer a dual benefit as a **risk free investment for retail investors.**
- An **attractive coupon rate for the bond or tax rebates** can also be an incentive for investors.
- The government can consider a phased redemption of these bonds after the economy is put back on a path of high growth.

Source:TH

New Road to Kailash Mansarovar

Why in News

Recently, the **Defence Minister of India** has inaugurated a new **80-km road in Uttarakhand** connecting the **Line of Actual Control** (LAC) and opening a new route for **Kailash Mansarovar yatra** via **Lipulekh Pass (China border).**

It is scheduled to be completed by December 2022 and will significantly reduce the travel time for pilgrims.

Key Points

- The Link Road is named as the **Kailash-Mansarovar Yatra Route** under which the **Border Roads Organisation** (BRO) achieved road connectivity from **Dharchula (Pithoragarh, Uttarakhand) to Lipulekh**.
 - Lipulekh Pass also known as **Lipu-Lekh Pass/Qiangla or Tri-Corner** is a high altitude mountain pass situated in the **western Himalayas** with a height of 5,334 metre or 17,500 feet.
 - It is an **International mountain pass** between **India, China and Nepal**.
- The road was made under directions of the **China Study Group** (CSG) and is funded by **Indo-China Border Road** (ICBR).
- It was approved by the **Cabinet Committee on Security** (CCS) in **2005**.
- The last 5-km of the road could not be finished due to a **temporary ban** placed on the **last-mile connectivity** in 2016 by the **Director General Military Operations**, which is yet to be lifted.
- **Advantages:**
 - It is the **shortest and cheapest route** with just **one-fifth distance** of road travel as compared to other old routes. The other route is via Sikkim.
 - There is **no air travel involved** and the **majority of the travel (84%) is in India** and only 16% in China compared to other routes where 80% road travel is in China.
 - Except for a 5-km trek, **whole travel will be on vehicles** reducing the 5-day trek to 2- days road travel.

Kailash Mansarovar

- To Hindus it is the **earthly embodiment** of the dominant mountain of heaven, Meru, and the residence of **Lord Shiva** and his consort Goddess Parvati.
- The Kailash range's supreme peak lies in the **Chinese-occupied Tibet** at the height of **6,675 meters**.
- The pilgrimage to **Kailash** and to the sacred **Mansarovar** lake that lies 30 km to its south, is run exclusively by a government organization, the **Kumaon Mandal Vikas Nigam** (KMVN).

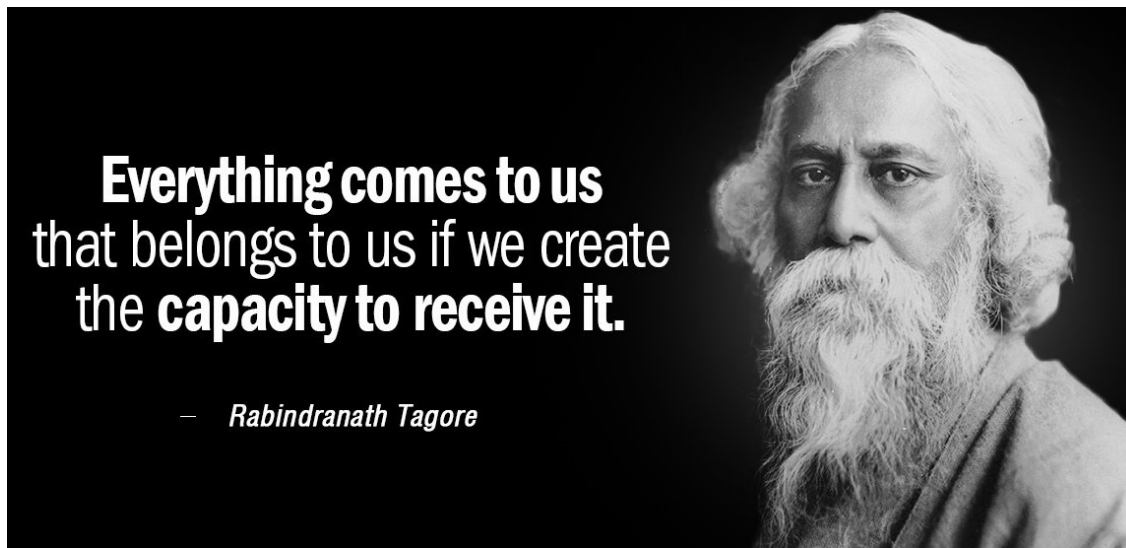
The organization works in collaboration with the Government of India's Ministry of External Affairs and the Government of China.

Source: TH

Rabindranath Tagore

Why in News

The Prime Minister of India paid tributes to **Rabindranath Tagore on his 159th Jayanti on 7th May, 2020.**



Key Points

- **Rabindranath Tagore** was born in Calcutta on May 7, 1861. He was also **referred to as 'Gurudev', 'Kabiguru', and 'Biswakabi'.**
- Regarded as the **outstanding creative artist of modern India** and hailed by W.B Yeats, Rabindranath Tagore was a **Bengali poet, novelist, and painter**, who was highly influential in introducing Indian culture to the west.
- Rabindranath was an exceptional **literary figure** and a renowned **polymath** who singlehandedly reshaped the region's literature and music.
- In 1913 Rabindranath Tagore was **awarded the Nobel Prize in Literature** for his work on **Gitanjali.**

He was the **first non-European to receive the Nobel Prize.**

- In 1915 Tagore was **awarded knighthood** by the British King George V. In 1919, following the **Jallianwalla Bagh massacre** he renounced his Knighthood.
- Besides all his literary achievements **he was also a philosopher and educationist** who in 1921 **established the Vishwa-Bharati University**, a university that challenged conventional education.
- Rabindranath Tagore was a good friend of **Mahatma Gandhi** and is **said to have given him the title of Mahatma.**
- Tagore had always stressed that **unity in diversity** is the only possible way for India's national integration.
- He not only gave the **national anthems for two countries, India and Bangladesh**, but also **inspired a Ceylonese student of his**, to pen and compose the **national anthem of Sri Lanka.**

Source: PIB

National Centre for Polar and Ocean Research and Covid-19

Why in News

National Centre for Polar and Ocean Research, Goa has contributed in the fight against **Covid-19 pandemic** through significant analytical work in the different laboratories for research work.

It also actively participated in the various webinars and sessions organized by the Ministry of Earth Sciences during the lockdown.

National Centre for Polar and Ocean Research

- National Centre for Polar and Ocean Research (NCPOR) was established as an autonomous Research and Development Institution of the **Ministry of Earth Sciences** in **1998**.

It is located in **Goa**.

- It is the nodal agency for planning, promotion, coordination and execution of the entire gamut of **polar and southern ocean scientific research** in the country as well as for the associated logistics activities.
- Its responsibilities include:
 - Management and upkeep of the Indian **Antarctic** Research Bases “**Maitri**” and “**Bharati**”, and the **Indian Arctic** base “**Himadri**”.
 - Management of the **Ministry’s research vessel** ORV Sagar Kanya as well as the **other research vessels** chartered by the Ministry.
 - **Scientific research activities** being undertaken by several national institutions and organizations in Antarctica, the Arctic and in the Indian Ocean sector of the Southern Ocean.
 - Geoscientific surveys of the country’s **Exclusive Economic Zone (EEZ)** and its extended continental shelf beyond 200m, deep-sea drilling in the Arabian Sea basin through the **International Ocean Discovery Program (IODP)**, exploration for ocean non-living resources such as **gas hydrates** and multi-metal sulphides in mid-ocean ridges.

IODP is an international marine research collaboration that explores Earth's history and dynamics using ocean-going research platforms to recover data recorded in seafloor sediments and rocks and to monitor subseafloor environments.

Source:PIB

Olive Ridley Turtles

Why in News

Mass hatching of Olive Ridley turtles has begun at Odisha's Rushikulya rookery (near Ganjam district).

The **coast of Odisha in India is the largest mass nesting site for the Olive-ridley**, followed by the coasts of Mexico and Costa Rica.



Key Points

- **Features:**
 - The Olive ridley turtles are the **smallest and most abundant of all sea turtles** found in the world.
 - These turtles are **carnivores** and get their name from their olive colored carapace.
- **Habitat:** They are **found in warm waters of the Pacific, Atlantic and Indian oceans.**
- **Migration:** They migrate thousands of kilometers between feeding and mating grounds in the course of a year.
- **Arribada (Mass Nesting):** They are best **known for their unique mass nesting called Arribada**, where thousands of females come together on the same beach to lay eggs.

They lay their eggs over a period of five to seven days in conical nests about one and a half feet deep which they dig with their hind flippers.
- **Threats:**
 - They are extensively **poached for their meat, shell and leather, and their eggs.**
 - However, the most severe threat they face is the **accidental killing through entanglement in trawl nets and gill nets due to uncontrolled fishing** during their mating season around nesting beaches.

- **Protection Status:**
 - **IUCN Red List:** Vulnerable
 - **CITES:** Appendix I
 - Indian **Wildlife (Protection) Act**, 1972: Schedule I
- **Step Taken for Conservation:** To reduce accidental killing in India, the Odisha government has made it mandatory for **trawls to use Turtle Excluder Devices (TEDs)**, a net specially designed with an exit cover which allows the turtles to escape while retaining the catch.

Source: TH

World Red Cross Day

Why in News

Recently, the World Red Cross Day was celebrated by the Indian Red Cross Society (IRCS).

Key Points

- World Red Cross day is observed on **May 8 on the birth anniversary of Henry Dunant**, who was the founder of the International Committee of the Red Cross. Henry Dunant was also the **recipient of the first Nobel Peace Prize**.
- The main aim of the Red Cross Society is basically to inspire, initiate and encourage all kinds of humanitarian activities under all times and circumstances.
- **Programmes** conducted by the Red Cross Society can be broadly **categorised into four parts** including the promotion of humanitarian principles and values; disaster response; disaster preparedness; and health and care.
- The Red Cross Society is **based on 7 principles** namely, humanity, impartiality, neutrality, independence, voluntary, unity and universality.

Indian Red Cross Society

- IRCS is a **voluntary humanitarian organization** to protect human life and health with the help of its network of over 1100 branches throughout India.
- It was **established in 1920** and has completed its 100 years of existence.
- It is a **part of** the largest independent humanitarian organisation in the world, the **International Red Cross and Red Crescent Movement**.
- Its **mission** is to provide relief at the time of disasters/emergencies and also promotes healthcare facilities among vulnerable people and communities.
- The **President of India** is the President and the **Union Health Minister** is the Chairman of the Society.

