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## News Analysis (09 Nov, 2020)

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### Impact of US Election Results on India

#### Why in News

**Joseph Robinette Biden Jr. has defeated Donald Trump to become the 46<sup>th</sup> US President.**

- Biden's **running mate Kamala Devi Harris** has become the first woman and first Indian- and African- American **Vice President** of the country. Biden and Harris will be **sworn into office on 20<sup>th</sup> January 2021.**
- The **US** has a **Presidential System**, whereas **India** has the **Parliamentary System of Government.**
- There are **several ways** in which the **US economy**, its health and the **policy choices of its government affect India.** Both the countries recently had **2+2 dialogue.**

#### US Presidential System

- The US President is both the **head of the State** and **head of the Government.**
- The **law making is done by the legislature** (called the Congress in the US), but the President can veto any law.
- S/he has a **fixed tenure of four years** and completes it even if her/his party does not have a majority in the Congress.
- The President and the Vice President are **chosen by 'electors'** through a process called the Electoral College.

The **presidential candidate** of each of the political parties, **chooses a vice presidential running mate.** Voters vote on the two—presidential and vice presidential candidates—as a team.

- The President **can be removed** for conviction of treason, bribery, or other high crimes or misdemeanor.

## Indian Parliamentary System

- There is a **President who is the formal Head of the state of India** and the **Prime Minister and the Council of Ministers**, which **run the government** at the national level.
- The **Constitution of India vests the executive power of the Union formally in the President**. In reality, the President exercises these powers through the Council of Ministers headed by the Prime Minister.

The Prime Minister has the support of majority in the Lok Sabha.

- The President is **elected for a period of five years**. S/he is **elected indirectly**. This means that the President is elected not by the ordinary citizens but by the elected MLAs and MPs.
- The President can be **removed only for ‘violation of the Constitution’ (impeachment procedure)**.

## Key Points

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- **Economic Relations:** Under Biden administration, India’s trade with the US could recover from the dip since 2017-18.
  - **Trade Surplus:** A recent analysis by experts of CARE Ratings (a credit rating agency) shows that over the past 20 years, **India has always had a trade surplus** (exports exceeding imports) **with the US**.
    - The trade surplus has widened from USD 5.2 billion in 2001-02 to USD 17.3 billion in 2019-20. Trade surplus had **peaked at USD 21.2 billion in 2017-18** and has moderated to some extent.
    - In 2019-20, India **exported** goods worth **USD 53 billion** to the US - that’s roughly 17% of all Indian exports that year and **imported** goods worth USD 35.7 billion in return - that’s roughly 7.5% of all Indian imports.
  - **Trade in Services:** India accounts for **nearly 5% of USA’s services imports** from the World.
  - **Investment:**
    - The **US is the fifth-biggest source for Foreign Direct Investment** (FDI - investment in the physical assets inside India) **into India**. Only Mauritius, Singapore, Netherlands, and Japan have invested more FDI since 2000.
    - The US also accounts for **one-third of all Foreign Portfolio Investments** (that is, investment in financial assets) into India.

- **H1-B Visa Issue:** How a US President looks at the H1-B visa issue, affects the prospects of Indian youth far more than the youth of any other country.
  - Under President Trump, who severely **curtailed the visa regime**, owing to his policy of “**America First**”, India had suffered the most.
  - H-1B visa is a **non-immigrant visa** that allows American companies to employ foreign workers in speciality occupations that require theoretical or technical expertise.
- **US’ Generalized System of Preference:** India’s exclusion from the US’ **Generalized System of Preference (GSP)** could come up for reconsideration under Biden.
  - In 2019, President Donald Trump had **terminated India's designation as a beneficiary developing nation under the GSP trade programme** after determining that it has not assured the US that it will provide "equitable and reasonable access" to its markets.
  - India **was the largest beneficiary of the programme in 2017** with USD 5.7 billion in imports to the US given duty-free status.
  - GSP is designed to promote economic development by allowing duty-free entry for thousands of products from designated beneficiary countries.
- **Other Issues:** Other points of contention between India and US - such as the tricky issue of **data localisation** or **capping prices of medicines and medical devices** - have a chance of getting towards a resolution.
  - Further, under the Trump administration, the **US sanctions on Iran severely limited India’s sourcing of cheap crude oil.**
  - On **China**, it is more likely that a **Biden administration will help India against China**, instead of clubbing the two together.
- **Paris Climate Accord:** Biden has promised to **rejoin the Paris Climate Accord**, and this may help countries such as India in dealing with the massive challenges - both technical and financial - on this front.
- **Civil Liberties and Democratic Rights in India:**
  - Although some US Congressmen and women had raised red flags on the human rights situation following the revoking of J&K’s special status under **Article 370** and passage of the **Citizenship (Amendment) Act** alongside the proposed nationwide **National Register of Citizens (NRC)**, the Trump administration had not taken any actions beyond making some perfunctory statements.
  - According to the Biden campaign’s policy paper, **Biden** has been “**disappointed** by the measures that the Government of India has taken with the implementation and aftermath of the National Register of Citizens (NRC) in Assam and the passage of the Citizenship (Amendment) Act into law”.

- India should be prepared to hold its own in tough conversations on sensitive issues. A Biden presidency may see a **renewed push towards a rules-based trading system** across the world - instead of outright ad-hocism as was the case under Trump - as well as a move away from the protectionist approach that has been getting strong across the world.
- Combined with the control of Covid infections and the economic recovery, the US could yet again provide a growth impulse to the global economy that countries such as India need to boost their exports and grow.

**Source: IE**

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## **Four Years of Demonetisation**

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### **Why in News**

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**8<sup>th</sup> November 2020** marked the **four year anniversary of demonetisation**, when Rs. 500 and Rs. 1,000 notes were withdrawn from the system in 2016.

**Demonetisation:** It is the act of **stripping a currency unit of its status as legal tender**. It occurs whenever there is a **change of national currency** and the current form or forms of money is **pulled from circulation and retired, often to be replaced with new notes or coins**.

### **Key Points**

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- **Objectives of Demonetisation:**
  - To **discourage the use of high-denomination notes for illegal transactions** and thus **curb the widespread use of black money**.
  - To **encourage digitisation of commercial transactions, formalise the economy** and so, **boost government tax revenues**.

The **formalisation of the economy** means bringing companies under the regulatory regime of government and subject to laws related to manufacturing and income tax.
- **Operation Clean Money:**
  - It was launched by the **Income Tax Department (CBDT)** for **e-verification of large cash deposits** made during the period from 9<sup>th</sup> November to 30<sup>th</sup> December 2016.
  - The programme was launched on 31st January 2017 and entered into the second phase in May 2017.
  - It aimed to **verify cash transaction status** (exchange/savings of banned notes) of taxpayers during the demonetisation period and to **take tax enforcement action** if transactions do not match the tax status.

- **Impact of the Move:**

- Currency with public stood at **Rs. 17.97 lakh crore on 4<sup>th</sup> November 2016 and declined to Rs 7.8 lakh crore in January 2017** after demonetisation.
  - **Currency with Public:** As per the Reserve Bank of India (RBI) definition, currency with public is arrived at after deducting cash with banks from total currency in circulation.
  - **Currency in Circulation:** It refers to cash or currency within a country that is physically used to conduct transactions between consumers and businesses.
- **Demands fell**, businesses faced a crisis and gross domestic product (GDP) **growth declined nearly 1.5%**, with many **small units and shops being shut** down and it also **created a liquidity shortage.**

Liquidity shortages or crises arise when financial institutions and industrial companies scramble for, and **cannot find the cash they require to meet their most urgent needs or undertake their most valuable projects.**

- **Current Trends:**

- **Currency with Public:** On **23<sup>rd</sup> October 2020**, the currency with the public stood at a record high of **Rs. 26.19 lakh crore, up 45.7%** from November 2016.
  - The **pace of rise in currency with the public has been very sharp over the last 10 months** as it has risen from Rs. 21.79 lakh crore as on 3rd January 2020 to the current number in October 2020.
  - The hike was mainly **driven by a rush for cash by the public between March and May amidst the stringent lockdowns** to tackle the spread of the **Covid-19 pandemic**.
  - It shows that the **cash in the system has been steadily rising**, even though the government and the RBI had pushed for a less-cash society, digitisation of payments and slapped restrictions on the use of cash in various transactions.
- **Digitisation:** According to an **RBI study on digital payments**, although digital payments have been growing gradually in recent years, both in value and volume terms across countries, **currency in circulation to GDP ratio has increased in consonance with the overall economic growth**.
- **Tax Revenues:** Along with demonetisation, the introduction of the **Goods and Services Tax (GST)**, the **Insolvency and Bankruptcy Code (IBC)**, **Real Estate (Regulation and Development) Act 2016** and **Benami Transactions (Prohibition) Amendment Act, 2016** encouraged compliance such that the **number of income tax returns and the number of income tax filers grew** at a healthy rate in 2017 and 2018.
- **Counterfeit Currency:** In the year **2015-16**, more than **4 lakh fake notes** of Rs. 500 and Rs. 1,000 were captured. This number **reduced to 45,400 fake notes** of Rs. 500 and Rs. 2,000 in **2018-19**. However, the number of fake notes among the new design notes of Rs. 500 **more than doubled** with an increase of 121% whereas those of Rs. 2000 increased by 21.9% over the previous year during 2018-19, according to the annual report of RBI.
- **Terrorism:** It was believed that **stopping the high-value currency from circulating will restrict funds used for terrorist activities** which will gradually decrease the terrorist activities in the country. But, on the contrary, the number of such **incidences rose in the years 2016, 2017, and 2018, compared to 2015**.
- While 728 people died in terrorist activities in 2015; the number of casualties rose to 905, 812, and 940 in such activities in 2016, 2017, and 2018, according to the **South Asia Terrorism Portal (SATP)** data.

## Way Forward

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- Demonetisation was an expeditious move to boldly counter the black money and parallel economy (illegal economy, such as money laundering, smuggling, etc.) threat with visible impact on how the government's policies are perceived in international circles of economic power.
- This move by the government achieved larger significance for a globally connected India as it showed boldness in tackling an issue which has remained a thorn in the growth success story of this generation.

**Source: IE**

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## **Petition for Declaring ESA Unconstitutional**

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### **Why in News**

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Recently, a Kerala-based NGO for farmers has moved the **Supreme Court** (SC) to declare the draft notification on the **Western Ghats Ecologically Sensitive Area** (ESA) unconstitutional.

It has sought a direction to the government to **not implement the Madhav Gadgil and Kasturirangan committees' reports** on the conservation of the Western Ghats.

### **Key Points**

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- **Background:**
  - The **Western Ghats Ecology Expert Panel** (WGEEP), also known as **Gadgil Committee**, and the **Kasturirangan Committee, a High-Level Working Group**, were constituted to **conserve and protect the biodiversity of Western Ghats** while allowing for sustainable and inclusive development of the region.
  - They recommended that **identified geographical areas falling in the six States of Kerala, Karnataka, Goa, Maharashtra, Gujarat and Tamil Nadu** should be declared as ESA.
  - A **draft notification related to the same was issued in 2018** mentioning the areas to be notified in the ESA.

- **Issues Highlighted by the Petition:**
  - The draft notification would declare 123 agricultural villages in Kerala as ESA **converting the semi-urban villages in the region into forests with no facilities and roads.** It will **affect 22 lakh people** and **cripple the economy** of Kerala.
  - The Centre had **wrongly branded people** who had been residing in the Western Ghats area, **as the “destroyers of the biodiversity and agents of ecological damage.”**
  - Apart from that, it suggested that **ESA in Kerala should be restricted to reserved forests and protected areas.**
- **Gadgil Committee:**
  - It recommended that **all of the Western Ghats should be declared as the ESA** with only limited development allowed in graded zones.
  - It classified the Western Ghats into **ESA 1, 2 and 3** of which **ESA-1 is a high priority zone** where almost all of the **developmental activities** (mining, thermal power plants, etc) should be **restricted.**
  - It also recommended the **constitution of Western Ghats Ecology Authority (WGEA)**, as a statutory authority under the Ministry of Environment, Forests and Climate Change (MoEFCC) with the powers under **Section 3 of the Environment (Protection) Act, 1986.**
  - It was **criticised for being more environment-friendly and not in tune with the ground realities.**
- **Kasturirangan Committee:**
  - It sought to **balance the development and environment protection** in contrast to the system proposed by the Gadgil report.
  - The committee’s **major recommendations were:**
    - Instead of the total area of Western Ghats, **only 37% of the total area to be brought under ESA.**
    - A complete **ban on mining, quarrying and sand mining** in ESA.
    - **No thermal power projects** to be allowed and **hydropower projects to be allowed only after detailed study.**
    - **Red industries** (highly polluting industries) to be strictly **banned.**
    - Exclusion of inhabited regions and plantations from the purview of ESAs making it a **pro-farmer approach.**

## Ecologically Sensitive Areas

- **Eco-Sensitive Zones or Ecologically Fragile Areas** are located **within 10 km of Protected Areas, National Parks and Wildlife Sanctuaries.**
- ESAs are **notified by the MoEFCC under Environment (Protection) Act 1986.**



- **Aim:** To regulate certain activities around National Parks and Wildlife Sanctuaries so as to minimise the negative impacts on the fragile ecosystem encompassing the protected areas.

## Way Forward

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- The matter pertains to the debate of ‘Development versus Conservation’, which highlights that destruction in the name of development should not be encouraged and sustainable development should be given priority.
- A proper analysis based on scientific study followed by consensus among various stakeholders by addressing respective concerns is required to solve the differences in a timely manner.
- Delays in implementation will only accentuate degrading of the prized natural resources of the country hence, with a holistic view of threats and demands on the forest land, products and services, devising strategies must be developed to address them.

## Source: TH

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## National Legal Services Day

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### Why in News

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The **National Legal Services Day** is celebrated on **9<sup>th</sup> November** every year to spread awareness for ensuring reasonable fair and justice procedure for all citizens.

### Key Points

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- National Legal Services Day (NLSD) was first started by the **Supreme Court of India** in 1995 to provide help and support to poor and weaker sections of the society.
- Free legal services are provided in matters before **Civil, Criminal and Revenue Courts, Tribunals** or any other authority exercising judicial or quasi judicial functions.

- **In line with Constitutional Provisions:**
  - **Article 39A** of the Constitution of India provides that State shall secure that the operation of the legal system **promotes justice** on a basis of **equal opportunity**, and shall in particular, provide free legal aid, by suitable legislation or schemes or in any other way, to ensure that opportunities for securing justice are not denied to any citizen by reason of economic or other disability.
  - **Articles 14 and 22(1)** also make it **obligatory** for the State to ensure equality before law and a legal system which promotes justice on a basis of equal opportunity to all.
- **Objectives of Legal Services Authorities are:**
  - Provide free legal aid and advice.
  - Spread legal awareness.
  - Organise **lok adalats**.
  - Promote settlements of disputes through **Alternative Dispute Resolution (ADR)** Mechanisms. Various kinds of ADR mechanisms are **Arbitration, Conciliation, Judicial settlement including settlement through Lok Adalat, or Mediation**.
  - Provide compensation to victims of crime.
- **Legal Services Institutions for providing Free Legal Services**
  - **National Level** : National Legal Services Authority. The National Legal Services Authority (NALSA) was constituted under **the Legal Services Authorities Act, 1987**. The **Chief Justice of India** is the **Patron-in-Chief**.
  - **State Level** : State Legal Services Authority. It is headed by the **Chief Justice of the State High Court** who is its Patron-in-Chief.
  - **District Level** : District Legal Services Authority. The **District Judge** of the District is its **ex-officio Chairman**.
  - **Taluka/Sub-Division Level** : Taluka/ Sub-Divisional Legal Services Committee. It is headed by a senior Civil Judge.
  - **High Court** : High Court Legal Services Committee
  - **Supreme Court** : Supreme Court Legal Services Committee

## Way Forward

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It can be noted that the role played by NALSA and its networks is very much relevant to achieving the **Sustainable Development Goal-16**, which seeks to "**Promote peaceful and inclusive societies** for sustainable development, provide **access to justice for all** and **build effective, accountable and inclusive institutions at all levels**".

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## Rescued Exotic Animals

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## Why in News

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Recently six **blue or hyacinth macaws** and two **capuchin monkeys** were released in the **Assam State Zoo-cum-Botanical Garden in Guwahati**.

Earlier, a large consignment of exotic animals was confiscated by the **Directorate of Revenue Intelligence (DRI)** in the same region.

## Key points

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- **Provisions Related to Illegal Wildlife Trade:**
  - Illegally exotic animals are **confiscated under Section 111 of the Customs Act, 1962** which is read with the provision of the **Convention on International Trade in Endangered Species of Wild Fauna and Flora CITES** and the **Foreign Trade Policy (Import-Export Policy) of India**.
  - Also, Sections 48 and 49 of the **Wildlife Protection Act** prohibit trade or commerce in wild animals, animal articles or trophies.
- **Concerns:**
  - The possibility of spread of **zoonotic diseases** on account of smuggling in such exotic species is increasingly becoming a global concern against the backdrop of **Covid-19**.
  - Illegal wildlife trade was ranked the **fourth largest transnational organised crime** globally, after the smuggling of narcotics, counterfeit goods and human trafficking.
  - **West Bengal and northeast India** are vulnerable to cross-border wildlife smuggling because of their proximity to the Bangladesh and Myanmar borders, and to Thailand.
  - Many international organisations involved in wildlife crime use the Indo-Bangladesh Border for various other illegal activities, such as smuggling of drugs, commercial goods, and even gun-running, apart from illegal movement of foreign currency.

## Assam State Zoo-cum-Botanical Garden

- The Guwahati Zoo was established in 1957.
- The Zoo is located in the **Hengrabari Reserve Forest** in the capital city of Guwahati.
- Owing to its rich fauna, the Assam State Zoo is popularly known as "**Green Lung**" of the Guwahati city.

## Blue Macaws



- Scientific Name: ***Anodorhynchus hyacinthinus***
- It is a parrot native to central and eastern South America.
- With a length of about one meter it is longer than any other species of parrot.
- It is the largest macaw and the largest flying parrot species.
- **Threat:** Habitat loss and the trapping of wild birds for the pet trade have taken a heavy toll on their population in the wild.
- **Protection status :**
  - **International Union for Conservation of Nature's Red List:**  
**Vulnerable.**
  - **Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES):** Appendix I.

## Capuchin Monkeys



- Scientific name: **Cebus.**
- **Capuchin Monkeys**, also called **sapajou**, is a common Central and South American primate found in tropical forests from Nicaragua to Paraguay.
- They are named for their “caps” of hair, which resemble the cowls of Capuchin monks.

- **Protection status:**

**International Union for Conservation of Nature's Red List:** Least concerned.

**Source:TH**

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## Warli Art

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### Why in News

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Artists in Hyderabad are using traditional **Warli art (Maharashtra)** form not just to beautify Hyderabad, but also to create awareness on important issues.

### Key Points

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- Warli is a traditional art form of **Maharashtra**.
- Its roots can be traced to as early as **the 10<sup>th</sup> century A.D.**
- These paintings are distinctive with their vivid contrast expressions.
- These paintings are mainly **dominated by basic geometric shapes like circles, triangles and squares.**
- These geometric shapes stand as a symbol of natural elements in our environment.
- For example, the **circles represent the sun and moon, the triangles represent the mountains** and the squares are considered as the central motifs of the painting.
- **People and animals are represented by two inverted triangles** joined together, where the upper triangle is the torso and the lower triangle is the pelvis.
- The central theme of the paintings are scenes portraying huntin, fishing, farming, festival and dances, trees and animals are used to surround the central theme.

- Warli art form is being used by many artists to beautify cities and spread awareness through wall paintings.
- It is also being used to beautify bags, bed sheets and many other items.
- Warli is the vivid expression of daily and social events of the **Warli tribe of Maharashtra**, used by them to embellish the walls of village houses.

## Warli Tribe

- They are an indigenous tribe or Adivasis, living in the Mountainous as well as coastal areas of Maharashtra-Gujarat border and surrounding areas.
- They speak an unwritten **Varli language** which belongs to the southern zone of **the Indo-Aryan languages**.

## Source:TH

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## Dobra Chanti bridge

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### Why in News

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Recently, the Uttarakhand Chief Minister has inaugurated **Dobra-Chanthi suspension bridge** in **Tehri-Garhwal** district.

### Key points

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- The **440-metre** long Dobra Chanti bridge is India's **longest motorable single lane suspension bridge**.
- **Built over Tehri Lake**, it will cut **travel time** between **Tehri and Pratapnagar districts from 5.5 to 1.5 hours**.
- **Benefits of the bridge**
  - Better connectivity within the region.
  - Boost tourism potential.
  - Gateway to development in the region.
  - Local employment promotion.

### Tehri dam

- Tehri Dam is the **highest dam in India** and fourth highest dam in the world.
- It is around 260.5 metre high and 592 metre long. It is part of the Tehri Dam & Hydro Power Project (the multi-purpose river valley project) taken up for construction on **River Bhagirathi** to tap its vast potential for **irrigation and hydro-electric purposes**.
- It is located in the Tehri district of Uttarakhand.

## **River Bhagirathi**

The river stream originates in the Garhwal Himalaya. The river after reaching **Devprayag** meets another head stream, the **Alaknanda**, forming river Ganga.

**Source: BS**

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