

News Analysis (21 Nov, 2020)

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Covid-19 and Children: UNICEF

Why in News

Recently, the **United Nations Children's Fund** (UNICEF) has released the report "Averting a lost Covid generation", which highlights significant and growing consequences of **Covid-19** on children.

The report came ahead of the **World Children's Day** (20th November).

Key Points

• About the Report:

- It is the **first UNICEF report to comprehensively outline** the dire and growing consequences for children as the pandemic goes on.
- It shows that while symptoms among infected children remain mild, infections are rising and the longer-term impact on the education, **nutrition and well-being of an entire generation** of children and young people can be life-altering.

• Data Analysis:

- Children and adolescents account for 1 in 9 reported Covid-19 infections.
- As of the **beginning of November 2020**, children and adolescents accounted for **11% of the 25.7 million infections** reported across 87 countries.
- It estimated that a third of the countries analysed, witnessed a drop of at least 10% in coverage of health services and there was a 40% decline in the coverage of nutrition services for women and children across 135 countries.
- As of October 2020, 265 million children were still missing out on school meals globally.
- **65 countries** reported a **decrease in-home visits by social workers** in September 2020, compared to 2019.

• Concerns:

- These numbers **bust the myth that children are barely affected** by the disease, which has been prevalent throughout the pandemic.
- **Disruptions to key services** and **soaring poverty rates** pose the biggest threat to children and the longer the crisis persists, the deeper its impact on children's education, health, nutrition and well-being.
- Vulnerabilities of women and children have increased, as health services continue to be disrupted and schools shut, denying children free mid-day meals offered at schools for underprivileged children.
- While children could transmit the virus to each other and to older age groups, there was strong evidence that, with basic safety measures in place, the net benefits of keeping schools open outweighed the costs of closing them.

Schools are not the main driver of <u>community transmission</u>, and children are more likely to get the virus outside of school settings.

• India Specific Highlights:

Infections in Under 20:

As per data from the **Indian Council of Medical Research** (ICMR) on the dashboard of the **National Centre for Disease Control**, 11.89% of Covid-19 cases in India are in under 20.

• Education:

1.5 million school closures have impacted 247 million children enrolled in elementary and secondary education and **28 million** children who were attending pre-school education in **Anganwadi Centres.**

• Nutrition:

- An estimated 20 million children under 5 years of age are suffering from wasting (low weight for height), over 40 million children are chronically malnourished and more than half of the Indian women aged 15-49 years are anaemic.
- The pandemic has **further exposed the fragility** of children, less by the virus itself but much more by the indirect and long-term fallout.

• Newborn Mortality:

Covid-19 poses a grave threat to the gains made by India in the **Neonatal Mortality Rate** (NMR) and **Infant Mortality Rate** (IMR) which saw improvements in recent years.

- **NMR** is defined as the 'number of deaths during the first 28 completed days of life per 1,000 live births in a given year or period'.
- **IMR** is defined as the 'number of deaths of children under the age of 1 year per 1000 live births for a given year.'

• Sanitation:

- The <u>socio-economic stress and migration</u> resulting due to the Covid-19 put access to <u>toilets</u> and the practice of using them at risk.
- The schools which offered improved access to and quality of water, sanitation and hygiene facilities are closed and the facilities are not accessed.

• Recommendations:

- Ensure all children **learn**, including by closing the **digital divide**.
- Guarantee access to **nutrition** and **health services** and make **vaccines**affordable and available to every child.
- Support and protect the **mental health** of children and young people and bring an end to abuse, gender-based violence and neglect in childhood.
- Increase access to **safe drinking water**, **sanitation and hygiene** and address **environmental degradation** and **climate change**.
- Reverse the rise in **child poverty** and ensure an inclusive recovery for all.
- Redouble efforts to protect and support children and their families living through **conflict**, **disaster and displacement**.

World Children's Day

- It is celebrated on 20th November each year to promote international togetherness and awareness among children worldwide, and improve children's welfare.
- The date of 20th November is an important date because, on this date, the <u>United</u> <u>Nations General Assembly</u> adopted the <u>Declaration of the Rights of the</u> <u>Child in 1959</u> and the <u>Convention on the Rights of the Child in 1989</u>.
 - Convention on the Rights of the Child recognises every human being under 18 years old as a child and is the world's most widely ratified human rights treaty.
 - India ratified it in 1992.

Source: TH

World Fisheries Day

Why in News

The World Fisheries Day is observed on the 21^{st} November every year.

On the occasion of the **World Fisheries Day**, for the first time in the Fisheries Sector, the Government of India will award best performing States.

- World Fisheries Day is celebrated to demonstrate solidarity with all fisherfolk, fish farmers and concerned stakeholders throughout the world.
 - It was started in the year 1997 when "World Forum of Fish Harvesters & Fish Workers" met at New Delhi leading to formation of "World Fisheries Forum" with representatives from 18 countries and signed a declaration advocating for a global mandate of sustainable fishing practices and policies.
 - **Aim:** To draw attention to overfishing, habitat destruction and other serious threats to the sustainability of marine and inland resources.

• Importance of Fisheries Sector:

- Around 30 million to over 60 million people in the developing world are involved in inland fisheries; it is thought that about 50% are women.
- Around **65**% of fish caught from inland fisheries are from low-income food deficit countries.
- More than **25%** of world dietary protein is provided by the fish.

• Importance of Fisheries for India:

- India is the **second major producer of fish through aquaculture** in the world.
- India is the 4th largest exporter of fish in the world as it contributes 7.7% to the global fish production.
- Fish constituted about **10%** of total exports from India and almost **20%** of agriculture exports in 2017-18.
- The fisheries and aquaculture production contribute around **1%** to India's GDP and over **5%** to the agricultural GDP.
- Around **28 million people** are employed in the fisheries sector in India.
- The sector has immense potential to more than double the **fishers and fish farmers' incomes**, as envisioned by the government.

• Challenges for Fisheries sector:

- The <u>Food and Agriculture Organization (FAO)</u> points out that nearly 90% of the global marine fish stocks have either been <u>fully exploited or</u> <u>overfished or depleted</u> to the extent that recovery may not be biologically possible.
- Discharge of **harmful substances** like plastics and other waste into water bodies that cause devastating consequences for aquatic life.
- Changing climate.

- Indian Government's Effort to Improve Fisheries:
 - Establishment of <u>Fisheries and Aquaculture Infrastructure</u> <u>Development Fund (FIDF)</u> during 2018-19.
 - **Pradhan Mantri Matsya Sampada Yojana**: The programme aims to achieve 22 million tonnes of fish production by 2024-25. Also, it is expected to create employment opportunities for 55 lakh people.
 - **Focus on** <u>Blue Revolution</u>: Focuses on creating an enabling environment for integrated and holistic development and management of fisheries for the socioeconomic development of the fishers and fish farmers.
 - Extension of **Kisan Credit Card (KCC)** facilities to fishers and fish farmers to help them in meeting their working capital needs.

Source:PIB

APEC Virtual Meet

Why in News

Recently, a virtual meeting of the **21-member Asia-Pacific Economic Cooperation (APEC)** forum was held.

The meeting was **hosted by Malaysia. New Zealand** will also **host next year's APEC meetings** virtually due to the pandemic.

- With **growth in the Asia-Pacific region expected to decline by 2.7%** this year, from a 3.6% growth in 2019, APEC's focus was on accelerating economic recovery and developing an affordable vaccine.
- **Focus Areas:** Trade and investment, Digital Economy and Technology, Structural Reform, Economic and Technical Cooperation and Thematic and institutional matters.
 - APEC leaders adopted the **Putrajaya Vision 2040**, a new 20-year growth vision to **replace the Bogor Goals** named after the Indonesian town where leaders agreed in 1994 to free and open trade and investment.
 - Recognised the **importance of a free, open, fair, non-discriminatory, transparent and predictable trade and investment environment** to drive economic recovery at such a challenging time (Covid-19).
 - Discussed the **Free Trade Area of the Asia-Pacific (FTAAP) agenda** and the **APEC Internet and Digital Economy Roadmap (AIDER).**

China has become the main driving force behind the grouping after the
 United States began withdrawing from multilateral bodies during Trump's
 presidency.

But Trump made the surprise decision to take part in this year's event, after **not participating at APEC since 2017.**

• China's Stand:

It vowed to keep its "super-sized" economy open for business and warned against protectionism as the world battles the Covid-19 pandemic. It needs to be noted that Trump's "America First" policy has alienated trading partners.

- After the signing of the world's largest trade pact 'Regional'
 Comprehensive Economic Partnership (RCEP)', China is trying to set the agenda for global commerce.
- Although China is promoting openness in trade, its own actions go against it, for example:

Australian exports of beef, wine and barley to China, their biggest market, have been restricted.

Asia-Pacific Economic Cooperation

- Established: 1989
- Members: 21
- India is not a Member.
- **Member Nations:** Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore, Chinese Taipei, Thailand, Vietnam and the United States.
- Its 21 member economies are home to around **2.8 billion** people and represented approximately **59% of world GDP** and **49% of world trade** in 2015.

India and APEC

- India had requested membership in **APEC**, and received initial support from the United States, Japan, Australia and Papua New Guinea. Officials have decided **not to allow India to join as India does not border the Pacific Ocean**, which all current members do.
- India was invited to be an **observer for the first time in November 2011.**
- Reasons for India to join APEC:
 - India will be more integrated with the global economy since APEC economies constitute an important trading bloc in the world.
 - It will help India bargain and negotiate a better deal with the countries of the Asia-Pacific region.

• Expected Benefits to APEC:

- In India, APEC will find an **alternate market** for labour, consumers and investments, and an additional counterweight to help check unilateral economic ambitions in the region.
- It will also help APEC embrace **some notion of 'Indo-Pacific'** and give it a renewed purpose in a renewed 21st century.

Source:TH

RCEP & Sri Lanka's Dilemma

Why in News

Various economists have speculated chances of Sri Lanka joining **Regional Cooperation Economic Partnership** (RCEP) and its impact on the island nation.

- Recently, the RCEP, a mega trade bloc comprising 15 countries, has come into existence.
- Even as **India opted to stay out** after walking out of discussions last year, the new trading bloc has made it clear that the door will remain open for India to return to the negotiating table.

- Advantages to Sri Lanka on joining RCEP:
 - Trade expansion:
 - Diversify its trade basket in the asia pacific region and beyond.
 - Many leaders in the past have argued that Sri Lanka needs to turn more eastward in its economic and trade diplomacy.
 - Strategic location:
 - Sri Lanka is located along one of the busiest shipping routes in the world.
 - Recently, the Prime Minister of Sri Lanka said that the country must develop the Hambantota and Colombo Ports together with the Airports to be at a centre in the international commercial processes.
 - In the current situation amid a **global pandemic**, **no country can stick to an isolationist policy**.

• Challenges in joining:

• Unclear Trade policy:

The government's position on **Free Trade Agreements** (FTA) has not been consistent.

- For example, the proposed Economic and Technology Cooperation Agreement (ETCA) with India has not been finalised, while the country has expressed interest to revive Free Trade Agreement (FTA) negotiations with China.
- The government is also re-examining the FTA signed with Singapore.

• Increase in Competition:

RCEP would make it more difficult for Sri Lanka to compete with the **markets** of Vietnam, Cambodia, Laos, etc. in other countries unless a **bilateral agreement** is finalised.

- **Pandemic**, marked by the disruption to **global supply chains**, led to a critique of globalization making Sri Lanka suspicious of joining it.
- Sri Lanka's Dilemma:
 - India will be a powerful economy in the world in the next decade. China together with several other Asian countries (part of RCEP) will be amongst the five most powerful economies in the world.
 - India and China are also two biggest sources of imports for the country.
 - Thus it would be tough for Sri Lanka to decide whether to join China led RCEP or side with India by not joining it.

• Concerns for India:

 Sri Lanka joining RCEP will increase the **influence of China** in India's neighbourhood.

The government of Sri Lanka has a focus on China-backed 1.4 billion USD Colombo Port City as a hub for international business and investment.

- o Reduce Sri Lanka's dependency on India.
- Sri Lanka has a list of highly strategic ports located among busiest sea lanes of communication. India may get limited access to them.

Source:TH

Status of Radicalisation in India

Why in News

The **Ministry of Home Affairs (MHA)** has, for the first time, approved a research study on **'status of radicalisation'** in the country.

Key Points

- Study will be conducted by **G.S. Bajpai**, Director of the Centre for Criminology and Victimology, National Law University, Delhi.
- The study will attempt to legally define **'radicalisation'** and suggest amendments to the **Unlawful Activities (Prevention) Act, 1967.**
 - Radicalisation is yet to be defined legally, this **leads to misuse by the police.**
 - **Aggressive policing measures could be counter-productive** as the youth who were radicalised were "misguided" and not the culprits.
- A huge local population engulfed by systematic radicalisation can create a major security challenge for the state.

The United Nations' 26th report of the Analytical Support and Sanctions Monitoring Team concerning the IS (Islamic State), al-Qaeda and associated individuals and entities had pointed out "significant numbers" of the IS and al-Qaeda members in Kerala and Karnataka.

• Instances of Radicalisation in India:

- Cases have revealed instances of **internet-facilitated indoctrination** and active radicalisation in multiple states.
- Instances of **Left Wing Extremism** (LWE) have grown despite the continued government intervention. Encounters, ambushes and arrests still occur with regular frequency in the red corridor districts.
- Increased incidents of **mob lynching**, **cow vigilantism** and the string of assassinations of rationalists such as Narendra Dabholkar, Govind Pansare and Gauri Lankesh point towards rising extremism in the right wing cadres.

• Maharashtra Model:

- The Maharashtra Government has rolled out a **Deradicalisation Programme** for the minority community to counter both **home-grown** extremism and the global Islamic State (IS) threat. The plan has been chalked out by the State Home Department that includes a **50-point socio-economic strategy.**
- Deradicalisation is a process in which people reject the ideology they once embraced. This is a step further than disengagement, characterised by a change in behaviour (leaving the radical group, stopping violence) without giving up.

Radicalisation

• Meaning:

- The word "radical" refers to change in the fundamental nature of something, thus Radicalism is a set of beliefs or actions of people who advocate thorough or complete political or social reform.
- Radicalisation refers to the process of an individual's transformation from a moderate, law-abiding citizen into an active, anti-state, violent extremist.

• Types of Radicalisation:

• Right-Wing Extremism:

It is characterized by the violent defence of a racial, ethnic or pseudonational identity, and is also associated with radical hostility towards state authorities, minorities, immigrants and/or left-wing political groups.

• Politico-Religious Extremism:

It results from political interpretation of religion and the defence, by violent means, of a religious identity perceived to be under attack (via international conflicts, foreign policy, social debates, etc.). Any religion may spawn this type of violent radicalization.

• Left-Wing Extremism:

- It focuses primarily on anti-capitalist demands and calls for the transformation of political systems considered responsible for producing social inequalities, and that may ultimately employ violent means to further its cause.
- It includes anarchist, maoist, Trotskyist and marxist—leninist groups that use violence to advocate for their cause.

• Factors behind Radicalisation:

- Individual socio-psychological factors, which include grievances and emotions such as alienation and exclusion, anger and frustration and a strong sense of injustice.
- **Socio-economic factors**, which include social exclusion, marginalisation and discrimination (real or perceived), limited education or employment etc.
- **Political factors**, which include weak and non-participatory political systems lacking good governance and regard for civil society.
- Social media, which provide connectivity, virtual participation and an echochamber for like-minded extremist views, accelerates the process of radicalisation.

Way Forward

- At the primary level, the government needs to reinvest in educational institutions.
 The aim should be to decrease prejudice, stereotyping and discrimination and to
 increase knowledge about democracy. Collective sports and citizen programmes
 based on exchanges have been found helpful.
- The success of Kerala and Maharashtra programmes of deradicalisation indicates how community-based programmes may work in vulnerable states. The disaffected youth with no real job prospects and limited futures are vulnerable. The war on terror is to be countered more in the human mind, and requires different skills and tactics.

Source: TH

Internal Working Group Recommendations: RBI

Why in News

Recently, an **Internal Working Group** (IWG) of the **Reserve Bank of India** (RBI) has **recommended** the guarded entry of corporates into the banking space, conversion of big **Non-Banking Financial Companies** (NBFCs) into banks, hike in promoters' stake and also a hike in minimum capital for new banks, among others.

The IWG, **headed by PK Mohanty**, was constituted by the RBI in **June 2020**, to **review the extant ownership guidelines** and **corporate structure for private sector banks** in India.

Key Points

- Entry of Corporates into Banking Space:
 - Large corporates and industrial houses may be allowed as promoters
 of banks only after necessary amendments to the Banking Regulation Act,
 1949.

A promoter is an **individual or organization that helps raise money for some type of investment activity.**

- This is **to prevent connected lending and exposures** between the banks and other financial and non-financial group entities.
 - **Connected lending** is modeled as a situation in which the bank's controlling owner extends loans of inferior quality at lower interest rates to himself or his connected parties.
 - **Credit exposure** is a measurement of the maximum potential loss to a lender if the borrower defaults on payment.
- The RBI has been against allowing corporate houses to set up or run commercial banks due to their poor track record on governance and credit disbursement.

Corporate houses **routinely delay payments** to banks and the **system** has no in-built incentives or disincentives for orderly debtor behaviour.

• Conversion of NBFCs into Banks:

Well-run large NBFCs, with an **asset size of Rs. 50,000 crore and above**, **including those which are owned by a corporate house**, may be considered for conversion into banks **subject to completion of 10 years of operations and meeting due diligence criteria** and compliance with additional conditions specified in this regard.

• Hike in Promoters' Stake:

- The cap on promoters' stake in the long run (15 years) may be raised from the current level of 15% to 26% of the paid-up voting equity share capital of the bank.
- On non-promoter shareholding, the panel has suggested a uniform cap
 of 15% of the paid-up voting equity share capital of the bank for all types
 of shareholders.

• Hike in Minimum Capital for New Banks:

The minimum initial capital requirement for licensing new banks **should be enhanced from Rs. 500 crore to Rs. 1,000 crore for universal banks** and from **Rs. 200 crore to Rs. 300 crore for small finance banks**.

Universal Banks combine the three main services of banking viz. wholesale banking, retail banking, and investment banking under one roof. For example, Deutsche Bank, Bank of America, HSBC, etc.

• Payments Banks' Conversion into Small Finance Bank:

For <u>payments banks</u> intending to convert to a <u>Small Finance Bank</u> (SFB), a **track record of 3 years of experience** as payments bank may be considered as sufficient.

- **Payments banks** (Airtel Payments Bank, India Post Payments Bank, etc.) are like any other banks, but operating on a smaller or restricted scale.
- **Small Finance Banks** are the financial institutions which provide financial services to the unserved and unbanked region of the country.
- Harmonisation and Uniformity in Different Licensing Guidelines:
 - The RBI should **take steps to ensure harmonisation and uniformity** in different licensing guidelines, to the extent possible.
 - Whenever new licensing guidelines are issued, if new rules are more relaxed, the benefit should be given to existing banks, and if new rules are tougher, legacy banks should also conform to new tighter regulations, but a non-disruptive transition path may be provided to affected banks.
- Non Operative Financial Holding Company:

NOFHC should continue to be the preferred structure for all new licenses to be issued for universal banks. However, it should be mandatory only in cases where the individual promoters, promoting entities and converting entities have other group entities.

- NOFHC is a financial institution through which promoter/promoter groups will be permitted to set up a new bank.
- Entities or groups in the private sector, public sector and NBFCs can set up these wholly-owned NOFHCs.

Way Forward

- The recent failures on internal and external controls like in the case of <u>PNB leading</u> to an alarming fraud, the <u>failures of bank and NBFCs</u> like <u>Lakshmi Vilas</u>
 <u>Bank</u>, <u>Yes Bank</u>, etc. where all stakeholders lost money and credibility have given rise to the need of new regulations with a very high degree of supervisory mechanism and corporate governance which has strong Information Technology (IT) and <u>Artificial Intelligence</u> (AI) enabled platform.
- Where a corporate house is a promoter, strict regulations on the use of funds held with the bank and monitoring of related party transactions will be essential. Fit and proper criterion needs to be foolproof and the common citizens should become the beneficiaries in the process.

Source: IE

India-Thailand Coordinated Patrol

Why in News

Recently, the 30th edition of **India-Thailand Coordinated Patrol** (CORPAT) has been concluded in the **Andaman Sea** close to the **Strait of Malacca**.



• Naval Exercise: India and Thailand have been carrying out CORPAT along their International Maritime Boundary Line twice a year since 2005.

Indian Naval Ship (INS) *Karmuk* (an indigenously built Missile Corvette) and Thailand Frigate HTMS *Kraburi*, along with **Dornier Maritime** Patrol Aircraft from both the navies participated in the 30th edition.

• Aims:

- To keep **part of the Indian Ocean safe and secure** for commercial shipping and international trade.
- To **ensure effective implementation** of the <u>United Nations</u> <u>Conventions on Laws of the Sea</u> (UNCLOS).

UNCLOS specify regulations regarding protection and conservation of natural resources, conservation of marine environment, prevention and suppression of illegal, unregulated fishing activity, drug trafficking, piracy, exchange of information in prevention of smuggling, illegal immigration and conduct of search and rescue operations at sea.

• In line with India's SAGAR Vision:

As part of Indian Government's vision of <u>Security And Growth for All in</u> <u>the Region</u> (SAGAR), the Indian Navy has been involved in assisting countries in the <u>Indian Ocean Region</u> with <u>Exclusive Economic Zone</u> (EEZ) <u>Surveillance</u>, <u>Humanitarian Assistance and Disaster Relief</u> (HADR), and other capacity building and capability-enhancement activities, on their request.

- Other Military Exercises between India and Thailand:
 - **Exercise MAITREE** (Army).
 - Exercise SIAM BHARAT (Air Force).

Source: PIB