

News Analysis (16 Jun, 2020)

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Increasing Nuclear Stockpiles

Why in News

According to a recent report published in the **SIPRI Yearbook 2020**, India, Pakistan and China have **increased their nuclear stockpile** in the past year and all nations already having them, are **modernising** their nuclear arsenals.

- The SIPRI Yearbook is released by the Swedish think tank Stockholm International Peace Research Institute (SIPRI) which researches international armament and conflict.
- SIPRI also releases the annual report 'Trends in World Military Expenditure' and in 2019, India was among the top three largest military spenders.

Key Points

• Data Analysis:

• The **nine nations** that have nuclear weapons include the **USA**, **Russia**, **UK**, **France**, **China**, **India**, **Pakistan**, **Israel and North Korea**.

The report has **not counted North Korean** numbers because of the **'highly uncertain'** number of nuclear heads.

- The **total number** of nuclear warheads in these nuclear-armed countries has **gone down** from 13,865 in 2019 to 13,400 in 2020.
 - The decline in the overall numbers was largely due to the dismantlement of old nuclear weapons by Russia and the USA (New START) which together account for more than 90% of the nuclear warheads in the world.
 - Russia and the USA have already announced extensive plans to replace and modernise their nuclear warheads and delivery systems.
- **India, Pakistan and China** have increased their nuclear stockpile and are significantly modernising their arsenals.
 - Both China and Pakistan have a larger stockpile of nuclear weapons compared to India.
 - India and Pakistan are slowly increasing the size and diversity of their nuclear forces.
 - China is developing a so-called nuclear triad for the first time, made up of new land and sea-based missiles and nuclear-capable aircraft.

• Less Transparency:

The report noted that the **availability of reliable information** on the status of the nuclear arsenals and capabilities of the nuclear-armed states **varies considerably** because **governments are hesitant to fully disclose** the information on their arsenals.

- The governments of **India and Pakistan** told about some of their missile tests but provided little information about the status or size of their arsenals.
- In 2019, the USA **ended the practice of publicly disclosing** the size of its stockpile.

• New START:

- The USA and Russia have reduced their nuclear arsenals under the New Strategic Arms Reduction Treaty (New START) 2010 but it will lapse in February 2021 unless both parties agree to prolong it.
- However, discussions on its extension have made no progress so far because
 of the USA's insistence that China must join any future nuclear arms
 reduction talks, which China has categorically ruled out.
- The deadlock over the New START and the collapse of the Soviet-USA
 Treaty on the Elimination of Intermediate-Range and Shorter-Range
 Missiles (INF Treaty 1987) in 2019 suggest that bilateral nuclear arms control agreements might be coming to an end.
- Both countries have given new or expanded roles to nuclear weapons in their military plans and doctrines, which marks a significant reversal of the post-Cold War trend towards the gradual marginalisation of nuclear weapons.

Way Forward

In the times of ever-increasing geo-political tensions, adequate measures are required to monitor nuclear arsenals and to prevent the proliferation of nuclear weapons and materials.

Source: TH

Global Partnership on Artificial Intelligence

Why in News

India has joined the 'Global Partnership on Artificial Intelligence (GPAI)' as a founding member to support the responsible and human-centric development and use of Artificial Intelligence (AI).

Key Points

• **Objective:** GPAI is an international and multi-stakeholder initiative to guide the responsible development and use of AI, based on human rights, inclusion, diversity, innovation, and economic growth.

• Functions:

- Bridge the gap between theory and practice on AI by supporting cutting-edge research and applied activities on AI-related priorities.
 - An example would be looking at how AI could help societies respond to and recover from the Covid-19 crisis.
- Bring together leading experts from industry, civil society, governments, and academia to conduct research and pilot projects on AI.
- It will initially **comprise four working groups** focused on responsible AI, data governance, the future of work, and innovation and commercialisation.
- **Founding Members:** Australia, Canada, the European Union, France, Germany, India, Italy, Japan, the Republic of Korea, Mexico, New Zealand, Singapore, Slovenia, the United Kingdom and the United States.

• Organisation:

- GPAI will be supported by a Secretariat, to be hosted by **Organization for Economic Cooperation and Development (OECD)** in Paris, as well as by two Centers of Expertise- one each in Montreal (Canada) and Paris (France).
- GPAI will be able to take advantage of the OECD's expertise on AI policy and its leadership in setting out the first international standard for trustworthy AI – the OECD Principles on Artificial Intelligence.
- The OECD will also be a Permanent Observer to the GPAI's governing bodies.
- **Background:** Born out of the Canadian and French G7 Presidencies in 2018 and 2019, GPAI was officially proposed by France and Canada at the Biarritz Summit in August 2019.

Artificial Intelligence

- It describes the action of machines accomplishing tasks that have historically required human intelligence.
- It includes technologies like machine learning, pattern recognition, big data, neural networks, self algorithms etc.
- **Example:** Facebook's list of suggested friends for its users, self-driving cars, etc.
- AI automates processes and reduces human error but the principal limitation of AI is that it learns from the data. This means any inaccuracies in the data will be reflected in the results.

Organization for Economic Cooperation and Development

- It was formed in 1961. It has 37 member countries. India is not a member but one of the key partners of the organisation.
- It is an international organisation, having a goal to shape policies that foster prosperity, equality, opportunity and well-being for all.

- **PISA** is the OECD's programme for international student assessment. India will participate in the PISA test 2021.
- It is headquartered at Paris, France.

The **Financial Action Task Force (FATF)** Secretariat is located at OECD headquarters.

G7

It is a bloc of **industrialised democracies -** Canada, France, Germany, Italy, Japan, the United Kingdom and the United States.

Recent Initiatives by India in the Field of Al

- India has recently launched National AI Strategy and National AI Portal and have also started leveraging AI across various sectors such as education, agriculture, healthcare, e-commerce, finance, telecommunications, etc.
- The **National AI strategy** was released in 2018 by NITI Aayog. It is termed '**AIForAll**' as it is focused on leveraging AI for inclusive growth in line with the Government policy of Sabka Saath Sabka Vikas.
 - Role of the Government has been clearly delineated to develop the research ecosystem, promote adoption and address skilling challenges.
 - The strategy also flags important issues like ethics, bias and privacy issues relating to AI and envisions Government promoting research in technology to address these concerns.
 - The focus is on sectors like agriculture, health and education where public investment and lead would be necessary.
- National AI Portal: It has been developed jointly by the National e-Governance Division of the Ministry of Electronics and Information Technology (MeitY) and the National Association of Software and Service Companies (Nasscom). The portal is meant to work as a "one stop digital platform" for all AI related developments in India.
- **Responsible AI for Youth Programme:** It is aimed at imparting education and skills in AI to students in government schools.

Way Forward

- By joining GPAI as a founding member, India will actively participate in the global development of Artificial Intelligence, leveraging its experience around use of digital technologies for inclusive growth.
- AI is rapidly penetrating into all the sectors of economy, if used empathetically and reasonably, it has the potential to change global social and economic interactions for the better.

Indian Gas Exchange: IGX

Why in News

Recently, India launched its **first gas exchange** which has been named as the **Indian Gas Exchange (IGX).**

Key Points

• IGX:

- The IGX is a **digital trading platform** that will allow buyers and sellers of natural gas to trade both in the **spot market and in the forward market for imported natural gas** across three hubs —Dahej and Hazira in Gujarat, and Kakinada in Andhra Pradesh.
 - The **spot market** is a public financial market in which financial instruments or commodities are traded for immediate delivery.
 - A **forward market** is an over-the-counter marketplace that sets the price of a financial instrument or asset for future delivery.
- However, domestically produced natural gas will not be sold on the exchange.
 The price of domestically produced natural gas is decided by the government.

• Benefits:

- IGX is expected to facilitate transparent price discovery in natural gas, and facilitate the growth of the share of natural gas in India's energy basket.
- It removes the requirement for buyers and sellers to find each other to ensure a fair price deal.
- Shorter and longer contracts period will allow buyers and sellers greater flexibility.

The exchange allows much shorter contracts. i.e. for delivery on the next day, and up to a month. Ordinarily contracts for natural gas supply are as long as six months up to a year.

• India's Import Dependence:

- The natural gas imports are set to become a larger proportion of domestic gas consumption as India moves to **increase the proportion of natural gas** in the energy basket from 6.2% in 2018 to 15% by 2030.
- Also, India's **domestic production of gas has been falling** over the past two fiscals as current sources of natural gas have become less productive.
- Domestically produced natural gas currently accounts for less than half of India's natural gas consumption. While imported natural gas accounts for the other half.

• Regulations:

- Currently, the pipeline infrastructure necessary for the transportation of natural gas is controlled by the companies that own the network.
- State-owned **Gas Authority of India Limited (GAIL)** owns and operates India's largest gas pipeline network, spanning over 12,000 km.

• Government Initiatives:

- The Indian gas market has multiple price bands for assets including <u>pre-NELP</u>, High Temperature and High pressure (HTHP) and Deepwater and Ultra Deep Water blocks.
- India has long-term gas contracts with many countries like Qatar, Australia, Russia and the US, and has made investments abroad in strategic assets in Mozambique, Russia and other countries.
- India has taken various ongoing projects to strengthen the gas
 infrastructure in the country like Urja Ganga, Eastern India grid,
 Indradhanush project in the North-east, Dhamra-Dahej pipeline, coal
 gasification and CBM policy.

Way Forward

- An independent system operator for natural gas pipelines needs to be created. This would help ensure transparent allocation of pipeline usage, and build confidence in the minds of buyers and sellers about neutrality in the allocation of pipeline capacity.
- Natural gas can be included in the **Goods and Services Tax (GST)** regime to avoid buyers having to deal with different levies such as **Value Added Tax (VAT)** across states, when purchasing natural gas from the exchange.
- IGX which prices gas fairly may lead to the government stepping away from pricing domestically produced gas and move towards more market-oriented pricing.

Source: IE

Rise in Net Financial Assets

Why in News

According to the Reserve Bank of India's recent **Quarterly Estimates of Households' Financial Assets and Liabilities,** net financial assets of Indian households rose to 7.7% of the **Gross Domestic Product (GDP)** in the Financial Year (FY) 2019-20.

Key Points

• Net Financial Assets:

- Net Financial Assets are the difference between Gross Financial Assets (GFA) (deposits and investments) and Financial Liabilities (borrowings).
 - The net financial assets jumped from Rs. 13.73 lakh crore in FY 2018-19 (7.2 % of GDP) to Rs. 15.62 lakh crore (7.7% of the GDP) in FY 2019-20.
 - The GFA rose marginally from Rs. 21.23 lakh crore in FY 2018-19 to Rs. 21.63 lakh crore in FY 2019-20.
 - The **financial liabilities witnessed a sharp decline** from Rs. 7.5 lakh crore to Rs. 6.01 lakh crore in the same period, thereby contributing to the rise in net financial assets.
- In the first quarter of FY 2020-21, RBI also expects a **spike in net financial assets of households** on account of a **sharp drop in lockdown induced consumption.**

Studies show households tend to save more during a slowdown and income uncertainty.

• Decline in Borrowing:

- The rise in net financial assets was **accompanied by decline in bank borrowings by households.**
- The decline in bank borrowing by households is a reflection of slowdown in the economy and risk aversion of banks.

The economic slowdown may be because income levels of individuals are either going down or not increasing.

• Savings:

- In value terms GFA has increased marginally from Rs. 21.23 lakh crore in FY 2018-19 to Rs 21.63 lakh crore FY 2019-20.
- The overall savings have not grown in proportion. However, the **household** savings in bank deposits as a percent of GDP declined to 3.4% in FY 2019-20 compared to FY 2018-19 where it stood at 3.8%.
 - The decline in household savings is because banks reduced their interest rates following sharp cut in repo rate by the RBI over the last 18-months.
 - A repo rate is the rate at which RBI lends to commercial banks.
 - Between January 2019 and March 2020, RBI cut the repo rate by 210 basis points from 6.5% to 4.4%. In May, 2020 RBI reduced it further to 4%.
 - **Small saving instruments** that continued to offer higher rates than bank deposits witnessed a higher deployment of household savings as their share as percent of GDP increased from 1.1% to 1.3% in the same period.
- Savings into life insurance funds and mutual funds as a percent of GDP also declined from 2.2% in FY 2018-19 to 1.9% in FY 2019-20.

• Issues Involved:

There is a possibility that households may use their savings due to lags in the pickup of economic activity post Covid-19 lockdown.

- This may cause the financial surplus (savings) of households to decrease in coming days.
- This may decrease the investment, which may further add to the economic slowdown.

Way Forward

- The government must remove the issues emerged post Covid-19 lockdown, which will lead to increase in economic activity.
- The government can also consider to provide cash in hand to the public to increase the demand, which will lead to increase in production.

Source: IE

USA Sanctions Against the International Criminal Court

Why in News

Recently, **the USA** has **authorised sanctions** against **International Criminal Court (ICC)** officials involved in investigations into possible war crimes by USA troops and its allies.

Key Points

• The Sanction:

- Under it, any individuals who have directly engaged in any effort by the ICC to investigate, arrest, detain, or prosecute any United States personnel without the consent of the United States or have attempted the same against the USA ally may be subject to sanctions.
- It has **broadened the visa restrictions on ICC officials** or anyone who has sponsored, or provided financial, material, or technological support to them.
- The restrictions also extend to the officials' family members.
- The economic sanctions would be decided on a case-by-case basis.
- Israel supported the decision as it accused the ICC of fabricating charges against the country.

• The USA's Stand:

- The USA has considered the ICC a threat to USA sovereignty, and announced the strict punitive measures that are generally reserved for use against terror groups and those accused of abusing human rights.
- It has called the 123 nations-strong tribunal a "kangaroo court".
- It blamed the ICC office for financial corruption and maladministration.
- It has also blamed Russia for manipulating the ICC in its favour.

• The ICC's Stand:

- The ICC supported its officials, and called the sanction as an **unacceptable attempt to interfere with the rule of law.**
- It said the **sanction represents an attack against the interests of victims** of atrocity crimes.

• Reactions Against the Sanction:

- The United Nations had taken serious note about the USA order.
- The European Union called the USA decision a matter of serious concern.
- The international NGO Human Rights Watch has observed that by penalising war crimes investigators, the USA is openly siding with those who commit and cover up human rights abuses.

Background

• The Bill Clinton administration (1993-2001) was involved in **Rome Statute negotiations**, and signed the **document in 2000**.

The Rome Statute of the International Criminal Court (International Criminal Court Statute) is the **treaty** that established the International Criminal Court (ICC).

- However, the next president, **George W. Bush in 2002 had unsigned** the Statute and signed into law the **American Service-Members' Protection Act** to protect the **USA nationals from the ICC's reach.**
- The USA adopted a positive approach towards the forum during several instances—in 2005 it did not veto a UN Security Council request to the ICC to investigate crimes during the Darfur crisis (Sudan) and in 2011 voted for Libya's referral to the court.

It also provided critical support in transferring suspects from Africa to the ICC for trial.

• However, in the UN General Assembly in 2018, the USA decided that it would not support or recognize the International Criminal Court.

According to it, the ICC has no jurisdiction, no legitimacy, and no authority.

• In 2020, the ICC asked for a formal probe into alleged atrocities committed during the Afghanistan War between 2003 and 2014—leading to possible charge against the USA military and the Central Intelligence Agency (CIA-USA's agency) officials.

The International Criminal Court

- It is a **permanent judicial body created by the 1998 Rome Statute of the International Criminal Court** (its founding and governing document), and began functioning on 1st July 2002 when the Statute came into force.
- **Headquarter:** The Hague, Netherlands
- Members:
 - 123 nations are States Parties to the Rome Statute and recognise the ICC's authority.
 - The **USA**, **China**, **Russia**, **and India** are not the members.
- The forum was **established as a court of last resort to prosecute offences** that would otherwise go unpunished, and has jurisdiction over **four main crimes: genocide, crimes against humanity, war crimes, and the crime of aggression.**
- Difference between ICC and ICJ:
 - Unlike the International Court of Justice (ICJ), the ICC is not part of the United Nations system, with the UN-ICC relationship being governed by a separate agreement.
 - The ICJ, which is among the UN's 6 principal organs, mainly hears disputes between nations. It was established in 1945 and is seated at The Hague (Netherlands). Judge Dalveer Bhandari (India) is a member of the Court.
 - **The ICC,** on the other hand, **prosecutes individuals** its authority extending to offences committed in a member state or by a national of such a state.

Way Forward

- Several countries have expressed that the sanction is a challenge to multilateralism and judicial independence of the ICC.
- The independence of the ICC and its **ability to operate without interference** must be guaranteed so that it can decide matters without any influence or pressures.
- Earlier, the ICC has been criticised for not pursuing investigations in Western countries as well as for working inefficiently. There is a need for an independent expert review of its own functioning to address these concerns.

Source: IE

Iran Blocking Sites Access: IAEA

Why in News

In two unreleased reports, the **Vienna-based International Atomic Energy Agency** (IAEA) has expressed **serious concerns** after **Iran has been blocking inspections of two suspect locations** for more than four months.

Key Points

• Although IAEA did not publicly name these sites, it held that Iran's enriched uranium stockpile has exceeded the agreed limit.

According to the IAEA, Iran may have used the sites for **processing and converting uranium ore** in 2003.

• Iran **denied** the reports and hinted that queries were **based on fabricated information from intelligence services.**

Iran has **always denied** that it has ever sought to develop a nuclear weapon, insisting that its **programmes have been peaceful.**

• It comes amid rising **tensions between Iran and the USA**, which pulled out of the 2015 international agreement.

Iran Nuclear Program and JCPOA

- In 2015, Iran with the P5+1 group of world powers the USA, UK, France, China, Russia, and Germany agreed on a long-term deal on its nuclear programme.
- The deal was named as **Joint Comprehensive Plan of Action** (JCPOA) and in common parlance as **Iran Nuclear Deal.**
- Under the deal, Iran agreed to **curb its nuclear activity** in return for the **lifting of sanctions** and access to global trade.

- The agreement allowed Iran to accumulate small amounts of uranium for research but it banned the enrichment of uranium, which is used to make reactor fuel and nuclear weapons.
- Iran was also required to **redesign a heavy-water reactor** being built, whose spent fuel would **contain plutonium suitable for a bomb** and to **allow international inspections.**
- In May 2018, the **USA abandoned the deal** criticising it as flawed and **reinstated** and **tightened its sanctions.**
 - The USA held that it would attempt to force all countries to stop buying Iranian oil and put pressure on Iran to negotiate a new nuclear accord.
 - The top Iranian general **Qassem Soleimani** (the commander of the Al-Quds Force of Iran's Islamic Revolutionary Guard Corps, IRGC) **was assassinated** by the USA during his visit to Iraq. This escalated tensions in the international arena.
- Amid rising tensions, Britain, France and Germany declared that Iran was violating the 2015 pact and launched a **dispute mechanism** that could eventually see the matter referred back to the Security Council and the reimposition of UN sanctions.
- Since sanctions were tightened, Iran has been **steadily breaking some of its commitments to pressure** the remaining signatories to find a way **to provide sanctions relief.**

Way Forward

- All countries part of the 2015 deal should engage constructively and resolve all issues peacefully and through dialogue.
- Both the USA and Iran must act with strategic restraint as any crisis in West Asia will not only affect the region as a whole but will have a detrimental impact on global affairs as well.

Source: TH

Gateway Lunar Orbiting Outpost

Why in News

Recently, the <u>National Aeronautics and Space Administration (NASA)</u> has finalised the contract to design the <u>Habitation and Logistics Outpost (HALO)</u> for its Gateway Lunar Orbiting Outpost.

The **Habitation and Logistics (HALO) support** for the Gateway, is a part of **NASA's Artemis program** that **aims** to send the **first woman** and the next man to the **Moon by 2024.**

• Habitation and Logistics (HALO)

- It refers to the **pressurised living quarters where astronauts will spend their time** while visiting the Gateway.
- These quarters will be **about the size of a small apartment and will provide augmented life support** together with Orion spacecraft.

• The Gateway:

- NASA has targeted the **completion of the Gateway for 2026**, while work on the spaceship is already underway.
- The **Gateway can be used at least once per year** and astronauts can not stay around the year like they do on the International Space Station (ISS).
- Once docked to the Gateway, astronauts will be able to **stay there for three months at a time.**

Compared to the ISS, the Gateway is much smaller.

• Significance:

- It will act as an airport, where spacecraft bound for the lunar surface
 of Mars can refuel or replace parts and resupply things like food and
 oxygen, allowing astronauts to take multiple trips to the Lunar surface
 and exploration of new locations across the Moon.
- By studying the **geology of the Earth**, **the Moon**, **and Mars** the three planetary bodies and the ways in which they are similar and different from each other, it would give a **sight about how planets and planetary systems** form.
- Significantly, Gateway **would work as a science platform to look back** at the Earth, observe the Sun, and get unobstructed views of the vast universe.

Gateway Lunar Orbit Outpost

- The Gateway is a **small spaceship that will orbit the Moon,** meant for astronaut missions to the Moon and later, for **expeditions to Mars.**
- It will act as a **temporary office and living quarters for astronauts**, distanced at about 250,000 miles from Earth.
- The spaceship will have **living quarters**, **laboratories for science and research and docking ports** for visiting spacecraft.
- One of the most unique features of the Gateway is that it can be moved to other orbits around the Moon to conduct more research.
- It is expected to play a major role in NASA's Artemis program, after 2024.
- While the project is led by NASA, the Gateway is meant to be developed, serviced, and utilized in collaboration with commercial and international partners: Canada (Canadian Space Agency), Europe (European Space Agency), and Japan (JAXA).

The Artemis

- It is a crewed spaceflight program of NASA that has the goal of landing "the first woman and the next man" on the Moon, specifically at the lunar south pole region by 2024.
- It is a key step towards the long-term goal of establishing a sustainable presence on the Moon, laying the foundation for private companies to build a lunar economy, and eventually sending humans to Mars.

Orion Spacecraft

- It is being developed by **NASA**.
- It is a **powerful, advanced launch vehicle** for a new era of human exploration beyond Earth's orbit.
- It is designed to take astronauts to deep space destinations such as the Moon and Mars.

Way Forward

- As NASA sets its sights on returning to the Moon, and preparing for Mars, it is developing **new opportunities in lunar orbit** to provide the **foundation for human exploration deeper into the solar system.**
- It would also support the technology maturation and development of operating concepts needed for missions beyond the Earth and Moon system.
- Building the Gateway with **commercial and international partners** is a critical component of sustainable lunar exploration and the Artemis program.
- So, the partnership would give a **strategic presence of humans** in space.

Source: IE

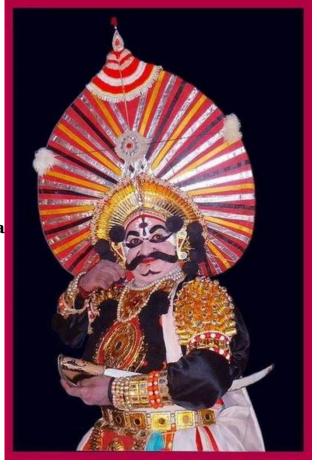
Talamaddale

Why in News

The traditional art of 'talamaddale', a variant of Yakshagana theatre, has gone virtual in times of Covid-19.

Key Points

- In the conventional 'talamaddale,' the artists sit across in a place without any costumes and engage in testing their oratory skills based on the episode chosen.
- It has only spoken words without any dance or costumes. Hence it is **Yakshagana** minus dance, costumes and stage conventions.



Yakshagana

- Yakshagaana, traditional theatre form of Karnataka, is based on mythological stories and Puranas.
- The most popular episodes are from the **Mahabharata** i.e. Draupadi swayamvar, Subhadra vivah, Abhimanyu vadh, Karna-Arjun yuddh and from **Ramayana** i.e. Rajyabhishek, Lav-Kush yuddh, Baali-Sugreeva yuddh and Panchavati.
- Gombeyatta puppet theatre closely follows Yakshagana.
- Other important forms of theatre in India:
 - **Nautanki (Uttar Pradesh)** which often draws on romantic Persian literature for its themes,
 - Tamasha (Maharashtra),
 - Bhavai (Gujarat),
 - Jatra (West Bengal),
 - **Koodiyaattam**, one of the oldest traditional theatre forms of **Kerala**, is based on Sanskrit theatre traditions,
 - Mudiyettu, traditional folk theatre form of Kerala,
 - Bhaona, Assam,
 - Maach, Madhya Pradesh,
 - Bhand Pather, the traditional theatre form of Kashmir, etc.

Source: TH