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JANUARY
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MONTHLY MAINSTORMING

JANUARY 2022

G.S PAPER I

1. SOCIETY

Analyse the population outlook of the country in the context of National Family Health Survey – 5.

KEY POINTS

- The recent National Family Health Survey (NFHS-5, 2019-21) has shown that fertility continues to decline in India.
- From an estimated TFR of around 6 in 1951, the rate declined to 5.2 in 1971, 3.6 in 1991 and 2.4 in 2011, according to the SRS report 2018
- The TFR in UP was higher than in Bihar until about 2000. Since then, the TFR declined at a faster pace in UP.
- Family planning and maternal and child health (MCH) programmes, as well as improvement in women's status, are known to be major drivers of fertility decline.
- The percentage of adult literate women is 57.8 in Bihar and 66.1 in UP, compared to 71.5 in India. Women with 10 or more years of schooling are 28.8 per cent in Bihar and 39.3 per cent in UP compared to 41.0 per cent in India.
- The estimates for sex ratio at birth (SRB), the number of girls per 1,000 boys, vary. The SRS report 2018 had estimated that it declined from 906 in 2011 to 899 in 2018. However, NFHS-4 estimated it to be 919 in 2015-16.
- Bihar and Uttar Pradesh need to strengthen their family planning and maternal and child health programmes as well as improve women's status to bring TFR to replacement level or below.

The emphasis on inclusion, equity and justice, formal collaborations could make a good progress in India's social sector. Discuss

KEY POINTS

- In early 2020, The Bridgespan Group released a report, "Philanthropic Collaboratives in India: The Power of Many", that examined alliances between development sector actors — funders, non-governmental organisations (NGOs) and governments.
- Co-created by three or more independent actors, including at least one funder, a philanthropic collaborative pursues a shared vision and strategy for social impact. In 2019, we studied 15 such collaboratives in India.
- Collaboratives are also mobilising greater funding. The annual budgets of the 13 collaboratives in 2019 ranged from Rs 50 lakh to Rs 50 crore.
- There is growing emphasis on inclusion, equity, and justice. The new generation of collaboratives increasingly focuses on marginalised communities such as informal waste pickers, front-line workers, and migrant labour.

- Although collaboratives can increase the odds of achieving outsize impact, collaboration is complicated.
- Building trust across multiple partners and balancing their priorities and the collaborative's goals can be challenging.
- This new crop of collaboratives is forming relatively faster. Of the 18 we examined, 15 are already "working together".
- "Funding for NGOs, especially for community-based and grassroots organisations, has dropped significantly.
- They can then get strategic and financial support, and a platform to implement their programmes.

Analyse the role of National Human Rights Commission on the issue of citizenship for Chakma and Hajong people.

KEY POINTS

- The Chakma and Hajong communities had fled their homes in the Chittagong Hill Tracts in erstwhile East Pakistan (present-day Bangladesh) after losing land to the construction of the Kaptai dam on the Karnaphuli river in the early 1960s.
- In 2015, the Supreme Court directed the State to grant them citizenship, but this had not yet been implemented. In a judgment in 1996, the Court had stated that the "life and personal liberty of every Chakma residing within the State shall be protected".
- It is difficult, but not impossible, for any State government in the northeast to balance the interests of native tribal communities and those of legitimately settled refugees and their progeny.
- Special rights guaranteed in the Indian Constitution in these States in order to protect the tribal people, their habitat and their livelihoods,.
- Uprooting communities that fled their homelands under duress and have since been well settled in their adopted areas, contributing to the diversity of culture and the economy, would be a violation of their rights and repeating a historic wrong.
- A dialogue between the State government, civil society and those of the Chakma/Hajong communities would go a long way in addressing concerns in implementing the Court judgment of 2015, rather than the course currently adopted by Itanagar.

G.S PAPER II

2. POLITY

The election commission of India can delay the upcoming elections to handle the pandemic situation effectively. Do you agree with this view? Comment

KEY POINTS

- While the debate is raging on what the EC should do, election rallies of all political parties are in full swing, especially in UP.

- As per practice, the EC clubs all elections that are so close to each other to ensure that the results in one state do not influence the voters in the state going to the polls soon after.
- The earliest due date of a state determines the poll dates for all the clubbed states. The EC cannot delay an election even by a day, although it can advance it by up to six months.
- The aftermath of the Bengal elections saw a sharp rise in Covid infections. The EC had banned roadshows and rallies of more than 500 people only after six phases were over and just two were left.
- Many people confuse this poor implementation with the guidelines themselves. In my opinion, the guidelines are perfect and among the best in the world.
- The focus should have been on strict enforcement, which is where the Commission faltered, waiting for the top leaders to finish their preplanned rallies.
- This election is an opportunity for the EC to redeem its image. More importantly, it must guard itself against the trap of postponing the polls under any persuasion.

3. GOVERNANCE

Urban India needs to have a good governance with functional metropolitan cities. Analyse

KEY POINTS

- Tamil Nadu's capital, with an international airport and a major seaport, was gridlocked after heavy rain at the tail end of the northeast monsoon.
- That deluge was akin to the great flood of 2005 in Mumbai, which too raised hopes that policies would be redrawn.
- It would be the future-proofing that India's cities need, to avert sudden dysfunction caused by climate events.
- There is considerable importance given to technological tools, private sector talent and mapping strategies to identify a city's assets and to plan spatially.
- Less than half of all cities have master plans, and even these are ruled by informality, since both influential elites and the poor encroach upon commons such as wetlands and river banks, as Chennai and Mumbai have witnessed.
- Neglect of municipal councils, lack of empowerment and failure to build capacity among municipal authorities have produced frequent urban paralysis in extreme weather.
- India's cities will continue to be drivers of economic growth with significant production and consumption, but that sunrise story is threatened by unsustainable urban development in the era of climate change.
- The need today is not for flashy retrofitted 'smart' urban enclaves but sound, functional metropolitan cities that can handle floods, heat waves.

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The amendments to the Indian Administrative service cadre rules needs to bring neutrality in bureaucracy. Discuss

KEY POINTS

- AIS officers are made available for central deputation through a consultative process involving the Centre, the States and the officers concerned.
- In 2001, the Centre unilaterally “placed at its disposal” the services of three IPS officers of Tamil Nadu cadre.
- An example was that of a senior IPS officer who was not allowed to join the Central Bureau of Investigation despite earlier clearance and was suspended by the Government of Tamil Nadu in 2014.
- The existing Rule 6(1) states that a cadre officer may be deputed to the Central Government only with the concurrence of the State Government concerned.

Disconcerting amendments

- One is a new proviso making it mandatory for the State government to provide a certain fixed number of IAS officers for central deputation every year.
- The proposed amendment more or less compels a State government to offer IAS officers for central deputation even when these officers themselves may not wish to go on central deputation.
- Poor working conditions in junior-level posts, an opaque and arbitrary system of empanelment for senior-level posts.
- The other is a proviso that requires the State government to release such officers whose services may be sought by the Central Government in specific situations.
- States are right in perceiving the proposed amendments as a serious infringement of their rights to deploy IAS officers as they deem best, especially when the cutting edge of policy implementation is mostly at the State level.

4. GOVERNMENT POLICIES

State schemes provide vast scope for the improvement of Pradhan Mantri Matru Vandana Yojana to achieve the desired targets. Explain

KEY POINTS

- India accounts for a fifth of the total childbirths in the world, with a maternal mortality rate of 113 per 1,00,000 live births.
- Despite the Government’s continued emphasis on maternal and child health, the overall budget for women and child development was reduced by 20% for 2021-22.
- While the Centre rolled out the PMMVY scheme at the national level, States such as Odisha, Telangana and Tamil Nadu, respectively, chose to implement State-specific schemes for maternity benefits in the form of MAMATA (2011) or the maternity entitlement scheme.
- Odisha’s MAMATA, for instance, has been offering a conditional cash transfer of Rs 5,000 as maternity benefit for up to two live births for more than a decade now.

- It is imperative to include second live birth under the maternity benefit cover particularly for women in the unorganised sector.
- There must be an increase in the maternity benefit amount. Since the primary objective of the PMMVY is to provide partial wage compensation, we need to revisit the maternity benefit amount offered under the scheme.
- To fulfil India's commitment towards the Sustainable Development Goal of improving maternal health, an ambitious Prime Minister's Overarching Scheme for Holistic Nourishment (POSHAN) Abhiyan and a national maternity benefit scheme are promising initiatives by the Centre.

Despite the massive demographic opportunity, India needs to bridge skill gaps to meet the requirements of industry. Explain

KEY POINTS

- As per reports, around 80% of India's engineers still lack the relevant digital skills needed to be employable.
- Hybrid work patterns are now part and parcel of the new normal. In a borderless climate where work is possible from "anywhere", the opportunities to leverage and enrich India's young human capital must be grabbed with both hands.
- Along with young Indians, young Indian businesses too have the power to change the world. They're already challenging the traditional corporate order, solving modern problems, bringing in big investments and attaining, almost overnight, market valuations that established players took decades to achieve.
- The time is ripe for betting on India's young generation. With our working population likely to surpass the number of dependents soon, India is all set to reap the benefits of its "demographic dividend".
- Along with the top line and bottom line, the green-line will take an equal seat and mindshare at the boardroom as conversations on climate change become a necessity for a better tomorrow.
- By harnessing the power of a young population, emerging technologies and sustainable solutions, we can unlock immense value for millions of families and businesses and bring India to the forefront of the global economy.

The Centre regulating direct selling under consumer protection act is welcome step for a healthy economy. Discuss

KEY POINTS

- After seven years on the drawing board (the first inter-ministerial committee on this sat in 2014), the Centre has finally notified rules for direct selling under the Consumer Protection Act.
- The rules completely ban pyramid and money circulation schemes, which masquerade as 'direct selling' but in reality have Ponzi elements, is quite welcome.
- While there is nothing wrong with consumer firms choosing a direct-to-consumer model that disintermediates the distribution chain.
- It also saves them advertising costs and allows for more affordable pricing, this model assumes discomfiting characteristics when it acquires a pyramid character.
- Unlike a simple direct selling model where a consumer firm directly recruits sales agents to engage in door-to-door selling and takes responsibility for their pitches, pyramid schemes.

- Such MLM schemes have a reputation for luring unqualified recruits with promises of unrealistic ROIs and also hand consumers a raw deal.
- While it is good to tighten the screws on a sector that is crying to be regulated, the process mustn't make it difficult for genuine players who comply with the laws of the land.
- Direct selling generated \$179.3 billion in global retail sales and plays a key role in the health and well-being, beauty and household hygiene categories that have done exceedingly well during the pandemic.

The recasting of commodity boards by Government of India on plantation is a step in the right direction and must not be delayed. Explain

KEY POINTS

- Union Government has come out with a draft Bill that seeks to replace the Tea Act, 1953, with Tea (Promotion and Development) Act, 2022.
- The proposal envisages recasting the boards of such entities. The Boards, which had the powers of giving license for planters, will now be restricted to branding and promoting their respective commodities, if the draft proposals are accepted.
- According to the draft, the Boards should work towards optimising the production, sale and consumption of tea by promoting exports and also encouraging the sale of tea through e-commerce platforms.
- Domestic demand being 83 per cent of production volume is definitely more important in today's scenario, but exports remain the balancing factor that shore up the already low price realisation that the tea farms get today.
- There are many local and State acts which govern the industry. Besides, by empowering the States to give license the law will also ensure that forest land is not used for plantation.
- While the draft is a step in the right direction, the devil lies in detail, therefore how the final proposal shapes up will be the key indicator of how far the government is willing to go.

5. JUDICIARY

The judiciary needs to demonstrate greater precision in interpreting and applying Customary International Law as part of the Indian legal regime. Explain

KEY POINTS

- CIL refers to international law norms derived from a custom that is a formal source of international law.
- An important report on "India and international law" by the parliamentary committee on external affairs was recently presented to the Lok Sabha.
- An act of Parliament is necessary to transform international law into municipal law as recognised by Article 253 of the Indian Constitution.
- As regards customary norms, the Supreme Court in Vellore Citizens Welfare Forum v. Union of India held that CIL which is not contrary to the municipal law shall be deemed to have been incorporated in India's domestic law.

- For instance, the Supreme Court's willingness to readily accept the precautionary principle as part of CIL flies in the face of international law debates where the acceptance of this principle as a customary norm remains contested.
- The committee's recommendation that the executive should take note of the vacuum in domestic legislation on customary norms in international law and develop adequate domestic laws is an important one.
- On the contrary, India should enact domestic laws that are harmonious with CIL. The judiciary, on its part, should demonstrate greater analytical rigour in interpreting and applying CIL as part of the Indian legal regime.

6. HEALTH

Gross domestic product data is reliable in measuring the health of the Indian economy. Do you agree with this view? Comment

KEY POINTS

- The NSO released the current GDP series in 2015, using 2011-12 as its base year. Since then, the new series has been embroiled in controversy. Some have argued that the problem in the new series is the real growth rate.
- the growth rate of real GDP is contaminated by the "double deflation problem". The new series entailed a shift from a volume-based measurement system to one based on nominal values, thereby making the deflator problem more critical.
- But the NSO doesn't deflate away the increase in profits. Instead, it records a purely nominal increase as a real increase in GDP, thereby overstating growth. Simulations have shown that this effect can be substantial.
- But before we jump to conclusions, we need to take into account the third measurement problem — this works in the opposite direction.
- In the meantime, it simply assumes that the sector has been growing at the same rate as the organised sector. This practice was working well when the two sectors were moving in tandem.
- They continue to assume that unorganised sector enterprises have been growing as fast as those in the organised sector. In that case, there would be an upward bias to the reported GDP growth.

7. EDUCATION

National Digital Educational Architecture is a great vision to utilize the power of technology to enhance India's education system. Explain

KEY POINTS

- A ray of hope in this context is the National Digital Educational Architecture (NDEAR), the blueprint for which was recently released by the government.
- At its core is the principle of interoperability, i.e., enabling disparate education related tech systems to "talk to each other" seamlessly, rather than operating in silos, thereby multiplying the possibilities of impact.

- To ensure adoption of NDEAR enabled solutions and build the legitimacy of digital learning, it will be important to recognise the role parents play in both monitoring and facilitating their children's learning, and engage them meaningfully.
- NDEAR will need to ensure that the data rights of children remain secure. The potential of EdTech solutions delivered through NDEAR will depend on their responsible deployment, which would include responsible collection, sharing and processing of data.
- Given the pace at which digital learning is growing, NDEAR's development should be firmly anchored in an 'accountable institution'.
- The proposed National Educational Technology Forum may be a good forum for this, and such an institution should have representation from tech and domain experts as well as teachers and parents to help ensure the NDEAR architecture delivers tech solutions that are truly student-centric.

8. INTERNATIONAL RELATIONS

There has to be a significant upward trend in the uptake of international climate finance by developed countries. Examine

KEY POINTS

- In 2009, at the COP15 Summit in Copenhagen, developed countries committed to jointly mobilise \$100 billion a year for climate finance so that developing nations can take effective actions.
- For example, based on recent estimates of the Organisation for Economic Co-operation and Development (OECD), climate finance provided and mobilised by developed countries amounted to \$79.6 billion in 2019.
- To make up for the shortfall and fulfilment of internationally agreed climate objectives by 2030, the developed countries must take immediate action.
- there is a need for clarity and consensus on the definition of international climate finance to put all controversies surrounding the classification of "climate relevant" projects to rest.
- Climate adaptation finance must be ramped up. Denmark, for instance, has committed to allocating 60 per cent of its climate finance to adaptation projects.
- International climate finance should be allocated to recipient countries on a need basis. Despite having a relatively smaller share in global greenhouse gas emissions historically, climate change vulnerable nations such Pacific Island Countries (PICs).
- The \$100-billion target should be revised to reflect the true extent of finance required to respond to existing and future adverse consequences of climate change.

The proposal for a temporary waiver of Trade Related Intellectual Property Rights (TRIPS) for Covid-19 vaccines can curb vaccine inequity. Discuss

KEY POINTS

- Despite numerous meetings and exchanges of views stretching over a year, a consensus still seems elusive at the WTO on the India-South Africa proposal for a temporary waiver of Trade Related Intellectual Property Rights (TRIPS) for Covid-19 vaccines and medical products.

- India and South Africa, which have so far emphasised on the growing vaccine inequity and the resulting threat to global recovery to gain support for their proposal, have to plan their next moves cautiously.
- For the rich countries, protection offered by the WTO's TRIPS agreement, which was actually mostly drafted by them, has not proved to be enough.
- There has been a growing clamour that all countries should adopt 'TRIPS plus' regulations, by framing more stringent patent norms, so that patent holders can keep earning more profits.
- It is true that there still remains a wide gap between India and South Africa's demand for a three-year TRIPS waiver on a whole range of health products and technologies and what the US and the EU are willing to negotiate.
- With countries grappling to deal with the highly contagious Omicron variant, constant threats of new mutants emerging and growing concern over abysmally low rates of vaccination in low-income countries.

Striking the right balance between continental and maritime security will enable India's long-term security interests. Examine

KEY POINTS

- India's continental strategy, in which the Central Asian region is an indispensable link, has progressed intermittently over the past two decades promoting connectivity, incipient defence and security cooperation, enhancing India's soft power and boosting trade and investment.
- India's maritime vision and ambitions have grown dramatically during the past decade, symbolised by its National Maritime Strategy, the Security and Growth for All in the Region (SAGAR) initiative.
- This was perhaps an overdue correction to the historic neglect of India's maritime power. It was also a response to the dramatic rise of China as a military power.
- India's partition and the emergence over the past six decades of a persistent two-front threat from Pakistan and China set the stage for a tough continental dimension of our security.
- It is clear India will not have the luxury of choosing one over the other; we would need to acquire strategic vision and deploy the necessary resources to pursue our continental interests without ignoring our interests in the maritime domain.
- In doing so, at a time of major geopolitical change, maintaining our capacity for independent thought and action (namely strategic autonomy) will help our diplomacy and statecraft navigate the difficult landscape and the choppy waters that lie ahead.

The establishment of diplomatic relations between Japan and India can help global peace, prosperity. Explain

KEY POINTS

- The year 2022 marks the 70th anniversary of the establishment of diplomatic relations between Japan and India.
- Even before the establishment of diplomatic relations, the goodwill between the people of the two countries was deeply rooted through business, academic and cultural exchanges.

- Many Japanese travelled to India to purchase cotton, iron ore, etc. The exchanges among artists should also be mentioned. This includes an interaction between the Nobel Laureate in literature, Rabindranath Tagore and Okakura Tenshin, a Japanese philosopher.
- As democratic countries in Asia, can cooperate to contribute to global peace and prosperity, share political, economic and strategic interests based on the firm foundations of common values and traditions.
- Economic relations can be further augmented. For long, Japan has been the largest ODA (Official Development Assistance) donor to India.
- One of the most recent and ongoing examples of our collaboration is the Mumbai-Ahmedabad High-Speed Rail project.
- Cultural exchanges including literature, movies, music, sports and academics are essential for our relations, enabling a better understanding.
- Despite the coronavirus pandemic, our ties continue to flourish. Even though the number of in-person interactions may have been impacted, this in no way does this imply that our ties have weakened.

Greater engagement with Europe and dealing with its multiple contradictions must necessarily be important elements of India's international relations. Discuss

KEY POINTS

- For India, an important strategic priority today is to rebalance the Indo-Pacific that has been destabilised by China's assertiveness in the region.
- The difficulty of integrating Russia into a European order on mutually acceptable terms.
- The growing tension between the US and Europe. Since the Second World War, Europe has relied on the US for its security, but it never stopped resenting the American dominance over its geopolitics.
- The ambition to construct a strong geopolitical personality for the EU is hobbled by divisions over the role of Russia and the US in the region as well as the historically rooted mutual suspicions among European states.
- This is compounded by the reluctance to spend more on defence and the inability to develop collective defence arrangements outside of NATO led by the US.
- The sharpening struggle for Indian independence, and more broadly the liberation of Asia between the two World Wars, inevitably involved exploiting the contradictions between different imperial powers.
- This was complicated, however, by rapid realignment among the major powers friends became adversaries and enemies became allies. The Indian and Asian national movements were deeply divided in coping with the shifting great power dynamic.

India's engagement with Myanmar is critical for the economic development and security of the north eastern region. Discuss

KEY POINTS

- India, in all its wisdom, should find ways to support Naypyidaw for its critical requirements of systems and platforms like UAVs, surveillance systems and communication equipment.

- In addition, there is a need for dynamic economic engagement with Myanmar, to expedite the completion of the earlier agreement on the operationalisation of the Sittwe port, the establishment of an oil refinery and joint vaccine production facilities at a cost of \$6 billion.
- Myanmar — regardless of who governs its polity — is not only the decisive lynchpin for India's Act East policy but critical for the economic development and security of India's Northeast.
- The attack on the Assam Rifles in Manipur's Churachandpur, could in all probability be a manifestation of such a development.
- The humiliation which China faced in Eastern Ladakh has driven it to adopt a different modus operandi. To that end, active Chinese interest seems to be gearing itself towards fuelling insurgency in the Northeast.
- It is, therefore, of the utmost importance for India to positively engage Naypyidaw and stave off attempts to exploit Myanmar by countries inimical to India's growth.
- Any ambiguity or delay in India's constructive engagement with Myanmar would only serve the interests of anti-India forces.

Sri Lanka's economic emergency provides an opportunity for India to counter the influence of China in South Asia. Explain

KEY POINTS

- Sri Lanka is on the edge of the precipice even as it just managed to ward off a sovereign default a few days back.
- It paid off \$500 million due on sovereign bonds from its reserves of just over \$3 billion. These reserves, which include a currency swap in Chinese currency amounting to \$1.5 billion, are now barely enough to cover 45 days' imports.
- Amid fears of an imminent sovereign default Sri Lanka must service \$7 billion outstanding debt in 2022 pressure is being brought on the government to approach the IMF for a relief package.
- Besides China, which has arguably ensnared (some would say 'colonised') Sri Lanka in a debt trap by building its Hambantota port, South Korea and Bangladesh are involved in extending credit lines and debt restructuring.
- India was initially neutral to Prime Minister Mahinda Rajapaksha's public appeal for a three-year debt moratorium during his visit to New Delhi in February 2020.
- India is probably justified in being miffed over the current Sri Lankan dispensation's tilt towards China, but the best way to correct that will be by stepping in to help the island nation in its hour of need.

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G.S PAPER III

9. ECONOMY

Despite flaws, NITI Aayog's health index is helpful for the socio-economic progress of the country. Analyse

KEY POINTS

- The NITI Aayog's health index, which ranks states across the three broad categories health outcomes, governance and information.
- While Kerala coming in at the top is no surprise, poll-bound Uttar Pradesh, which is at the bottom of the list, has registered the biggest incremental improvement over 2018-19, albeit over a low base.
- To illustrate how the base influences the ranks, Bihar recorded the highest fall in neonatal mortality rate (NMR), from 28 to 25, in the reference period over the base period; Kerala, where the NMR remained unchanged at 0, ranks 13th in this list.
- A long gestation for central funds to translate into meaningful on-ground spending is important in the context of the Centre's recent concern over states having collectively used a mere 17% of the Rs 23,000 crore available to them under the Emergency Covid Response Package II.
- The index also gives us a picture of how far most of our states are from the desired levels of health and healthcare. Nine large states are below the mid-point mark, with only the southern states (except Karnataka) above or close to the 70-point mark.
- The pandemic is likely to have gotten administrations to shed inertia, even so, getting healthcare to perform optimally remains an uphill task.

Discuss the various export growth strategy which are required to strengthen the macroeconomic parameters of Indian economy.

KEY POINTS

- International trade posted a strong recovery in 2021 on the back of relaxation in pandemic associated restrictions.
- Globally, trade in goods is expected to reach record levels of \$22 trillion in 2021, an increase of 23 per cent as compared to the levels in 2020, and 11 per cent as compared to the pre-Covid levels in 2019.
- The increase was not simply due to a low base-effect as merchandise exports were also an impressive 19.3 per cent higher than the pre-Covid levels in the corresponding period of 2019.
- Promoting trade resilience through regional integration has been a noticeable trend in 2021. The African Continental Free Trade Area became effective from January 2021, and the RCEP also comes into effect from January 2022.
- With production likely to outpace consumption growth, commodity prices are expected to gradually ease during 2022.
- The growth momentum in exports from technology-intensive sectors is likely to be bolstered through the implementation of schemes such as the Production-linked incentive scheme.

- Going forward, strengthening export infrastructure through State-level participation, striking mutually beneficial trade agreements, and diversification of exports basket towards technology-intensive sectors would be the core motifs of India's export growth strategy.

Practical training and imparting right skills matters in one of the most advanced economies like India. Elaborate

KEY POINTS

- India is a highly stratified society, and economic inequality has been increasing. There is naturally and deservedly a lot of attention on the bottom rungs of society and the economy.
- Firms can potentially be successful global competitors, and will likely provide more employment and more balanced domestic competition than further success for India's handful of giant business houses.
- For this to happen, India needs to improve connections to global production networks, improve financing conditions, and reduce some regulatory burdens. Each of these is a complex set of tasks, and will require sustained attention and careful policy design.
- Inadequate skilled labour is also a major constraint, and can lead to substitution of machines or more automated processes for workers. India's education system reflects its society—highly stratified.
- VET is supposed to help students enter the workforce when a standard high school education is not enough, or a college education is out of reach.
- Entrepreneurship has recently become a hot academic topic, but perhaps it needs to be grounded in specific technological and market trends.
- Of course, India needs more large factories that will employ thousands of workers each. But it also needs small firms that will be productive and will grow, not to be giants, but to be successful in the long run.

To what extent the unemployment in India impinges on the quality of the economic recovery. Analyse

KEY POINTS

- India's unemployment rate has been soaring. It went up to 7.91 per cent in December 2021 from 6.3 per cent in 2018-2019 and 4.7 per cent in 2017-18, when the trend started to change .
- India's Labour Force Participation (LPR) does not compare favourably with other emerging countries — a category that is vanishing quickly.
- According to the World Bank, it stood at 46 per cent in 2020 (it has not improved since then), while that of Brazil stood at 59 per cent, Chile's at 57 per cent, China's at 67 per cent, Ethiopia's at 76, Ghana's at 66, per cent, Indonesia's at 66 per cent and Malaysia's at 64 per cent.
- The absorption of women in the workforce, as compared to men, is much less for two main reasons. One, most women were involved in agricultural jobs in rural areas; the mechanisation of these jobs has had a huge impact on female labour force participation in the country.
- One of the reasons why companies do not invest is weak demand — which is partly due to joblessness — that dissuades enterprises from hiring more. This vicious circle is also fostered by growing inequalities, resulting in the shrinking of the middle class.

Since the inclusive development of MSME is imperative, major MSME associations can be designated as Self Regulatory Organisations (SROs). Elaborate

KEY POINTS

- India has 6.33 crore MSMEs that employ 40% of the country's non-farm workforce, contributing nearly 25% of services output and 33% of manufacturing output.
- Almost 99% of the MSME firms in India are in the 'micro' segment. Prior to Independence, the landscape was different, with composite groups of village and small industries.
- SROs are non-governmental organisations that set and enforce rules and standards relating to the conduct of entities in their respective segments.
- SROs would help the MSME sector come together strongly to set higher quality parameters and monitor the industry performance, improve reliability and productivity parameters.
- This, in turn, would help Indian MSMEs upgrade their export-competitiveness, which is the very basis for increased trade volumes and improved business margins.
- SROs can take the lead in shaping their sector and pitch ideas to the government for development-oriented policies.
- Having MSME SROs would also bolster the confidence of the lending institutions on giving better access to credit to MSMEs and enable the former to be policy-participants in improving the acknowledgment.
- To translate the atmanirbharta values, we need to empower and trust our local entrepreneurs. With SROs, MSMEs will have power that would rightfully come with accountability.

Given the developments in the financial sector, curbing of retail reservation of Initial public offering (IPO) is required. Discuss

KEY POINTS

- The Indian as well as the global economies are reeling under the pandemic. However, stock markets, including IPOs, are booming everywhere.
- Since the indices are on a roll, the number and size of IPOs has been unprecedented in India, with 63 companies raising almost Rs 1.2 lakh crore in 2021, up from about Rs 6,000 crore in 2011.
- The scale of money mobilised by a few new age companies, average issue size, retail participation, etc, are also unprecedented.
- Revolutionary ICT changes have created modern organisations with structures and characteristics quite different from the past.
- Asset-light e-commerce and networking entities are clear examples. Their practices and conduct are also quite different from that of traditional companies.
- Coupled with the changes in the structure, conduct and performance of the companies is the gyrating nature of the secondary market.
- IPO pricing does not help the investors; milking the cow with generally nothing left to the calf is the general practice of issuers.

- Given these new developments in the financial markets—the paradigm-shifting new-age companies, their short life-cycles, rapid growth of algorithmic and high frequency trading and the emergence of adventurous investors.
- Regulatory safety-nets and retail quotas, or even just simple nudging, create a false sense of safety, a sort of moral hazard.

As India is facing major demand deficiency, the Government of India needs to step in to increase the public spending. Explain

KEY POINTS

- The CSO's recently released advance estimates of GDP, which are explicitly intended "to serve as essential inputs to the Budget exercise" provide some indications of how the fiscal stringency of the pandemic year played out in terms of macroeconomic indicators.
- The CSO admits that the estimates are based on limited data and compiled using the Benchmark-Indicator method .
- The latter reveals that when 84 per cent of households in the country suffered a decline in their income in a year marked by tremendous loss of life and livelihoods, the number of Indian billionaires grew from 102 to 142.
- This is clearly terrible from a welfare perspective, but it also has major macroeconomic implications. An economy of India's size cannot be sustained for very long by demand from a tiny minority of privileged large companies and wealthy individuals.
- At some point, therefore, the impoverishment of the mass of people inevitably reflects in declining domestic demand, which in turn impacts negatively on domestic sales and profitability of even the large capital that is currently benefiting at the expense of smaller enterprises.
- For possibilities for a stable and equitable economic recovery, they must go beyond the usual finance-driven obsession with the fiscal deficit to looking at these numbers.

India must work collectively towards a structural shift in order to capitalize on the coming wave of demographic change. Examine

KEY POINTS

- The time has come for India to turn a new leaf on population policy. The country's fertility rate has already fallen below the replacement level, 2, according to the latest data from the National Family Health Survey, which was largely collected before the nation felt the heat of Covid-19.
- With a lower number of births, the youth population will keep shrinking. As the size of the youth population falls, the number of older adults will surpass the young.
- Less than 1% of older adults have health insurance, and ageing-related morbidities are a grey area in terms of coverage. Most older adults depend on families and immediate relatives for healthcare.
- Many studies have suggested that older and widowed women are at greater risk of both chronic and acute health disorders and less likely to engage in health-seeking behaviour.

- Making specialised health services available at the primary care level, improving the older-adult-friendly transportation system, replicating the model of ASHA workers, and creating a cadre of health outreach workers trained in first-line care of geriatrics will be helpful.
- Even though the effects of the demographic transition will not be felt tomorrow, India must get the ball rolling early, as the shifting in the sociocultural landscape towards those of advanced age will take time.

10. ENERGY

Is there a need for a dedicated entity to deal with challenges in generation renewable energy in India? Comment

KEY POINTS

- According to the CEEW Centre for Energy Finance, in 2021, Indian RE companies raised a record \$5.9 billion through 'green bonds' from overseas debt markets.
- In spite of these positive signals, the task ahead remains herculean. Since 2016, the average rate of RE deployment in India has been around 10 GW per annum.
- This has to almost quadruple if renewables were to constitute at least 85 per cent of the government's target of setting up 500 GW of clean energy capacity by 2030.
- Through the last decade, India has been at the forefront of adopting innovative approaches and solutions to boost the prospects of its renewable energy sector.
- Financially stressed electricity distribution companies find it difficult to increase the share of renewables in their portfolios. Only four states met or surpassed their renewable purchase obligation in 2019-20.
- Meeting the 2030 targets would require us to fast-track project development, improve implementation efficiency, strengthen procurement processes, and enhance transparency on RE resource potential and grid infrastructure.
- A dedicated entity, mandated to deal with these issues, could ensure coordinated and systematic development of projects.
- At COP26, India once again showed its commitment towards real climate action. In the 2022 Union Budget, India must back its ambition with actions. Success in creating enabling frameworks.

India's Electric Vehicle transition needs to be accompanied by a fillip in charging infrastructure. Explain

KEY POINTS

- India's effort to populate the road space with as many electric vehicles as possible according to NITI Aayog, EVs should account for sales of 80 per cent of two and three wheelers, 50 per cent of four wheelers and 40 per cent of buses by 2030 must be accompanied by a rapid improvement in charging infrastructure.
- They have been aided by a demand side push through FAME, and a production linked incentive for making the EVs and their batteries — the total PLI outlay amounting to nearly Rs45,000 crore. It is no one's case that charging requires a similar public outlay.

- Under these guidelines, residential complexes and offices can be used to charge vehicles. It is necessary for the housing and urban development agencies to frame norms accordingly.
- Once a charging station is sanctioned, it needs to be given an electricity connection within a week in a metro and 15 days in other cities.
- The norms allow for purchase by open access with a cap on the rates, as well as defined land rentals in revenue terms (Rs1 per kWh). However, States mandate that only a 1 MW facility and above qualifies for open access.
- Given the advances in battery technology and the development of renewables, both the quality and quantity of power needed for EVs will not prove to be an issue, going forward.

11. S & T

In the context of Genetically Modified foods, the regulatory landscape should inspire faith among the masses through scientific basis. Elaborate

KEY POINTS

- The anti-GMO activists' demand that the Food Safety and Standards Authority of India (FSSAI) scrap its draft Food Safety and Standards (Genetically Modified or Engineered Foods) Regulations, 2021, and summarily disallow GM food/ingredients, is certainly ill-founded and unscientific.
- The Centre for Science and Environment reported in 2018 that 32% of the 65 food products available in the market that it tested had GMO content; nearly 80% of these products were imported.
- Against this backdrop, labelling GM origin food benefits the consumer, helping her decide between a GM product and a non-GM alternative.
- FSSAI should mandate the explicit mention of GM content, with the packaging indicating the exact degree to which the product contains each individual GM ingredient.
- Genetic modification playing a larger role in food technology is unavoidable in the long run, and in many cases, could even be desirable.
- For a country like India that aims to boost nutrition levels among its vulnerable population, a product like golden rice—rice fortified with Vitamin A—is manna;
- Without a scientific attitude towards GM-foods, we won't be able to benefit from the development of genetically-engineered golden rice.

12. ENVIRONMENT

For better carbon sequestration, India must revisit its policy framework and encourage participation of local communities. Discuss

KEY POINTS

- India's pledge to set a net zero target by 2070, at the COP26 summit, Glasgow, has again highlighted the importance of forests as an undisputed mechanism to help mitigate the challenges of climate change.

- As per the State of Forests Report (1989), the country had 2,57,409 sq.km (7.83% of its geographical area) under the open forest category, having a density of 10% to less than 40%.
- The concept of forest development agencies was introduced to consolidate the efforts in an autonomous model, which paved the way for fund flow from various other sources to joint forest management committees.
- Except for the National Mission for Green India, in all other centrally sponsored programmes such as Project Tiger, fire management, Integrated Development of Wildlife Habitats (IDWH) the lack of priority and policy support to ensure the participation of local communities via the institutions of joint forest management committees slowly made their participation customary.
- The role of local institutions of gram panchayat or joint forest management committees is now restricted to be a consultative institution instead of being partners in planning and implementation.
- This indifference and alienation from the participatory planning and implementation of various schemes further affects the harmony between Forest Departments and communities, endangering the protection of forests.
- To achieve net zero targets there is a need to revisit our existing legal and policy mechanisms, incentivise the local communities appropriately and ensure fund flow for restoration interventions.



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