NATIONAL SOCIAL ISSUES- WOMEN, POPULATION, URBANISATION, EMPOWERMENT ETC

EBPG quota

The Haryana government has withdrawn its quotas of posts kept reserved under the Economically Backward Persons in General Category (EBPG) and Backward Class (Block-C) in government jobs and state-run educational institutions. The six castes – Jats, Jat Sikhs, Muslim Jats, Tyagis, Rors and Bishnois – that were included in backward class (Block-C) category were the beneficiaries of the scheme.

Why such move?

- EBPG quota was withdrawn in view of reservation provided under the Economic Weaker Section (EWS) by the central government.
- Since EWS reservation has come into effect, there was no requirement to continue with reservation of EBPG and such reservation is hereby withdrawn.

GOVERNANCE- WELFARE SCHEMES, E-GOVERNANCE, SERVICES ETC.

Welfare policy and Modi 2.0

Housing, sanitation, gas connections (Ujjwala), direct benefit transfers (DBT), income support (PM-Kisan) — contrary to early indications, the Narendra Modi government's first term proved to be far more welfarist than was expected of a government that campaigned on the slogan of minimum government.

Analysis of welfare projects

1.Technology and bureaucracy

- Early in its tenure, the government embraced Aadhaar and DBT with gusto. And in its last few months, it began the transition to basic income support through PM-Kisan.
- Underlying this approach is the assumption that technology can substitute for an incompetent and corrupt welfare bureaucracy.
- Moving money directly to beneficiary accounts removes bureaucratic layers and tightens monitoring, thus improving efficiency and curbing corruption.

The flaw in design –

- But recent studies show that rather than reducing bureaucracy, getting the DBT architecture right requires significant bureaucratic intervention. From opening accounts to promoting financial literacy and facilitating bank transactions, local bureaucrats are critical to DBT.
- Getting the DBT architecture right requires bureaucrats to engage citizens and coordinate across departments — a skill that Indian bureaucrats simply do not posses.

Way ahead

- Building a competent welfare bureaucracy,-The success of welfare programmes in Modi 2.0 will depend on willingness to recognise that building a competent welfare bureaucracy, even if its only task is to move money, will require empowering local governments with skills and resources.

Challenges with Digitised welfare systems

- Digitised efficiency risks casting citizens as passive recipients of government largesse rather than active claimants of rights.
- Digitised welfare systems genuinely risk closing off spaces for citizens to complain, protest and demand accountability when rights are denied.
- Case study – Consider the many documented instances of using coercive threats (cutting ration and electricity) to meet Swachh Bharat goals. This is not to argue against administrative efficiency, rather to highlight risks that need resolution.

2. Analysis of Ayushman Bharat

- Second, with Ayushman Bharat, Modi 1.0 took a significant step towards engineering an architectural shift in India's welfare system, away from direct provisioning (government running hospitals and schools) towards financing citizens (through income support and health insurance) and regulating private providers.

Challenges

- But can a state that struggles with routine tasks regulate a sector as complex as healthcare?

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- Consider this. In the United States, medicare employs 6,000 staff to cover 44 million beneficiaries who handle insurance audits, pricing, and anti-trust cases.
- The staffing requirement, at equivalent levels in Uttar Pradesh alone, would amount to 10,000 employees.

Strengthening health care infrastructure –

- Importantly, in a sector like health where predatory practices are rife, well-functioning government hospitals are a necessary check and balance. Regulation cannot be a substitute for investing in public systems.
- Ayushman Bharat must be complemented with a concerted focus on strengthening public hospitals.

3. Balance in Centre-state relations

- This multiplicity of central schemes has served to entrench a silo-driven, one-size-fits-all approach that is inefficient as it fails to capture state-specific needs.

Way Ahead to balance centre state relation

- But, sensible rationalisation needs a coherent framework.
- The World Bank's social protection analysis calls for developing a national social protection strategy with a core basket of schemes that states can adapt to their needs.
- Greater flexibility to states was also recommended by the Niti Aayog's chief ministers sub committee report in 2016.
- Implementing these recommendations will require a radical shift in the role of the central government away from designing and controlling schemes to strategic thinking and supporting states.
- There are obvious trade-offs with administrative efficiency from centralised schemes that will need to be negotiated.

4. Education Policy

- Finally, no government can afford to ignore India's learning crisis.
- Yet this was one of the most under-prioritized areas in Modi 1.0's welfare agenda.
- The newly-released national education policy emphasizes the urgent need to ensure all students achieve foundational literacy and numeracy.
- This needs to be adopted and implemented in mission mode.

Conclusion: The difficult task of building a high quality, 21stcentury welfare state awaits Modi 2.0. India doesn't need new schemes, rather it needs consolidation and balancing between competing welfare strategies. Getting this right will require significant investments in state capacity. This is the welfare challenge for Modi 2.0.

INTERNATIONAL AFFAIRS- BILATERAL, GROUPINGS, ORGANISATIONS

New START Policy

Russia has warned to US to withdraw the Obama-era nuclear weapons pact New START due to the US disinterest in its renewal.

New START pact

- The New Strategic Arms Reduction Treaty (New START) pact limits the number of deployed nuclear warheads, missiles and bombers and is due to expire in 2021 unless renewed.
- The treaty limits the US and Russia to a maximum of 1,550 deployed nuclear warheads and 700 deployed missiles and bombers, well below Cold War caps.
- It was signed in 2010 by former US President Barack Obama and then-Russian President Dmitry Medvedev.
- It is one of the key controls on superpower deployment of nuclear weapons.
- If it falls, it will be the second nuclear weapons treaty to collapse under the leadership of US President Donald Trump.
- In February, US withdrew from the 1987 Intermediate-Range Nuclear Forces Treaty (INF), accusing Moscow of violating the agreement.

Ocean of neighbours

Prime Minister Narendra Modi's first visit abroad in his second term to Maldives and Sri Lanka is being billed as the reaffirmation of Delhi's traditional diplomatic emphasis on "Neighbourhood first".

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Focus on ocean Island states

- The visit to Male and Colombo offers the opportunity to firmly place the Indian Ocean island states into India's regional geography.
- Modi must now expand the ambit of the strategy to draw in Madagascar, Comoros, Reunion and Diego Garcia. Reunion is part of France and Diego Garcia hosts a major American military facility.
- Similarly, Delhi should focus on a number of small islands that dot the sea lines of communication in the eastern Indian Ocean — the Cocos and Keeling islands belonging to Australia come readily to mind.

Dysfunctioning SAARC

- At the only SAARC summit during his first term, held in Kathmandu at the end of 2014, Modi saw the forum's dysfunction.
- It could not wrap up regional connectivity agreements negotiated for years before, thanks to Pakistan's decision to pull the plug at the last minute.
- With SAARC going nowhere, Modi turned to the BIMSTEC grouping, invited its leaders to join the BRICS summit at Goa during 2016, and again last month for the inauguration of Modi's second term.
- Delhi should have no problem recognising that Islamabad is not ready for economic integration with India; it wants a settlement of the Kashmir question to precede any economic and political cooperation with India. That might take a while.

Revival of BIMSTEC

- Modi's focus on BIMSTEC was as much about rediscovering a forgotten regional organisation as it was about putting the Bay of Bengal on India's mental map.
- Over the last few years, Colombo has been persistent in claiming an "Indian Ocean identity" rather than a South Asian identity.
- The future of the Maldives, sitting astride one of the world's busiest sea lines of communication, is in the Indian Ocean.
- Both of them are acutely conscious of their growing maritime salience and have not been hesitant to develop all-round political leverage.

Realities to be acknowledged

- First, it needs to recognise that island states and territories — including the smallest pieces of real estate — are coming into strategic play amidst the return of great power rivalry to the littoral.
- Second, the island states in the south western Indian Ocean form a coherent group and must be dealt within an integrated framework.
- In eastern Indian Ocean, a focus on developing the Andaman Islands opens up possibilities for sub-regional cooperation with Thailand, Indonesia and Singapore.
- Third, India needs to develop its own national capabilities — especially in the delivery of strategic economic and security assistance to the island states. Without that the ambitious goals identified under the SAGAR vision will remain elusive.

Conclusion: Finally, in his SAGAR vision, Modi signalled India's readiness to work with other powers in promoting regional prosperity and security. There are big possibilities for collaboration with France, the US, Australia and Japan in different corners of the Indian Ocean. The joint bidding by India and Japan for the development of East Container Terminal in the Colombo port underlines the potential.

INDIAN ECONOMY

RBI revises stressed asset resolution norms

The RBI has released revised set of norms on stressed asset resolution which are substantially less stringent from the previous one.

Inter-Creditor Agreement (ICA)

- The inter-creditor agreement is aimed at the resolution of loan accounts with a size of Rs. 50 crore and above that are under the control of a group of lenders.
- It is part of the Sashakt plan approved by the government to address the problem of resolving bad loans.

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- The lenders may also choose to initiate legal proceedings for insolvency or recovery as per the news circular.
- If the RP is to be implemented, lenders have been asked to enter into an inter-creditor agreement (ICA), within the review period, to provide for ground rules for finalization and implementation of the RP.
- The ICA shall provide that any decision agreed by lenders representing 75% by value of total outstanding credit facilities (fund-based as well as non-fund based) and 60% of lenders by number shall be binding upon all the lenders.
- The RP will have to implement within 180 days from the end of review period.

Review Period
- The new circular asked lenders to undertake a prima facie review of the borrower account within 30 days from a default, which is termed as review period.
- During this review period, lenders may decide on the resolution strategy, including the nature of the resolution plan (RP), the approach for implementation of the RP etc.
- The review period shall commence not later than the date of the this circular for loans above Rs. 2000 crore; January 1 ,2020 for loans above Rs. 1,500 crore to Rs. 2,000 crore.

What if Resolution Plan delayed?
- There is a disincentive for banks if they delay implementing a viable resolution plan.
- In case the plan is not implemented within 180 days from the end of review period, banks have to make additional provision of 20% and another 15% if the plan is not implemented within 365 days from the start of the review period.
- The additional provisions would be reversed if resolution is pursued under Insolvency and Bankruptcy Code (IBC).

SEBI, MCA sign pact for more data scrutiny

The Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs (MCA) signed a MoU to facilitate seamless sharing of data and information for carrying out scrutiny, inspection, investigation and prosecution.

A move for data scrutiny
- The MCA has the database of all registered firms while SEBI only regulates listed entities that may have unlisted subsidiaries, with the MCA having access to all the data of such unlisted entities.
- The MoU comes in the wake of increasing need for surveillance in the context of corporate frauds affecting important sectors of the economy.
- As the private sector plays an increasingly vital role in economic growth, the need for a robust corporate governance mechanism becomes the need of the hour.

Impact of the MoU
- Incidentally, there is already a protocol of sharing of data between the capital markets regulator Ministry and, in many cases; the regulator has also sent its orders against various entities to the MCA for further action.
- The MoU will facilitate the sharing of data and information between the regulator and the MCA on an automatic and regular basis.
- It will enable sharing of specific information such as details of suspended companies, delisted firms, shareholding pattern from the SEBI and financial statements filed with the Registrar by corporates, returns of allotment of shares and audit reports relating to corporates.
- The MoU will ensure that both the MCA and the SEBI have seamless linkage for regulatory purposes.
- In addition to regular exchange of data, the two will also exchange with each other, on request, any available information for scrutiny, inspection, investigation and prosecution.
- A Data Exchange Steering Group will meet periodically to review the data exchange status.

QUOTE OF THE DAY

A Dream without a strategy is just an Illusion.

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DAILY ANSWER WRITING PRACTICE

Qns: Outline the importance of Malidives to India. What are the realities to be acknowledged by India to strengthen its relationship further.

India and Maldives share ethnic, linguistic, cultural, religious and commercial links and enjoy close, cordial and multi-dimensional relations. As per India's "Neighborhood First Policy," India "stands ready to fully support the Government of Maldives in its socio-economic development" and Maldivian government has reiterated its "India First" policy"e. to work closely with the government of India on all issues.

Maldives importance to India:

Security:

- Geostrategic: Maldives is located just 700 km from the strategic Lakshadweep island chain and 1,200 km from the Indian mainland, and the growing Chinese presence in the archipelago could have serious security implications.
- Indian Ocean Region hegemony:Chinese heavy presence in Maldives would have given China an opportunity and a base to influence and control the Indian Ocean region.Also, the energy supplies coming from Gulf nations to India pass through this area.
- Regional imbalance: India enjoys unparalleled access and influence in many of the Indian Ocean island states, including the Maldives, Seychelles, and Mauritius which has been a problem for China. China-Maldives bonhomie can act as a counter to Indian influence in the region.

Economic:

- Indian expatriates: There are about 25,000 Indian expatriates in Maldives who are engaged in a number of professional pursuits and their security is also of prime concern for India.
- Blue economy:Maldives plays an integral role in realising the potential of Indian Ocean blue economy as a contributor to the security and sustainable development of sea resources.
- Tourism: India and Maldives see regular tourist visits between the two and Indian tourists also account for close to 6% of tourists Maldives receives each year.
- Health: India is a preferred destination for Maldives citizens seeking health services, which boosts Indian healthcare sector.

Political:

- Political chaos: Uncertainty in Maldives could prove a fertile breeding ground for extremism and religious fundamentalism, smuggling and drug trafficking.Islamic State (IS) and Lashkar-e-Taiba are also reported to have established bases in Maldives.

Realities to be acknowledged

- First, it needs to recognise that island states and territories — including the smallest pieces of real estate — are coming into strategic play amidst the return of great power rivalry to the littoral.
- Second, the island states in the south western Indian Ocean form a coherent group and must be dealt within an integrated framework.
- In eastern Indian Ocean, a focus on developing the Andaman Islands opens up possibilities for sub-regional cooperation with Thailand, Indonesia and Singapore.
- Third, India needs to develop its own national capabilities — especially in the delivery of strategic economic and security assistance to the island states. Without that the ambitious goals identified under the SAGAR vision will remain elusive.

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DAILY CURRENT AFFAIRS BASED MCQS

1. Consider the following statements w.r.t the reservation for Economically weaker section.
    1. It was introduced in the 103rd amendment of the Constitution of India.
    2. In view of the reservation, recently Rajasthan Govt has withdrawn its Economically Backward Persons in General Category (EBPG).
    Which of the statements is/are correct?
    (a) 1 only   (b) 2 only
    (c) Both 1 and 2   (d) Neither 1 nor 2

2. Consider the following statements w.r.t the Ayushman Bharat Scheme.
    1. It includes all the levels of healthcare delivery from primary to tertiary.
    2. Generation of Employment Especially for Women is another benefit of the scheme.
    Which of the statements is/are correct?
    (a) 1 only   (b) 2 only
    (c) Both 1 and 2   (d) Neither 1 nor 2

3. Consider the following statements w.r.t Indian Bureaucracy
    1. Policy-making is the function of the Bureaucratic Executive.
    2. The political executive simply exercises guiding, controlling and supervising functions in running of the administration.
    3. The Civil Service has the sole responsibility of keeping systematically all government records.
    Which of the statements are correct?
    (a) 1 and 2   (b) 1 and 3
    (c) 2 and 3   (d) 1, 2 and 3

4. Consider the following statements w.r.t the Direct Benefit Transfer.
    1. It was first introduced by Ministry of Petroleum & Natural Gas in India.
    2. Aadhar is mandatory for DBT Benefits.
    Which of the statements is/are correct?
    (a) 1 only   (b) 2 only
    (c) Both 1 and 2   (d) Neither 1 nor 2

5. Which of the following is not related to the Administrative Reform Commission?
    (a) Rajmannar Committee
    (b) Sarkaria Commission
    (c) West Bengal Remembrance Letter
    (d) Hanumantaiya Commission

6. What are the correct territorial limits of legislative powers vested in centre and state?
    1. Parliament can make law for a part of territory of India.
    2. 'Extra-territorial legislation' can be made by Parliament as well as states (in some cases).
    3. In case of overlap in concurrent and state list, concurrent list prevails.

4. During a financial emergency the President can ask the states to reserve their financial bills including money bills for his consideration.
    Select the correct answer from the codes given below
    (a) 1, 2 and 4   **(b) 1, 3 and 4**
    (c) 2 and 3   (d) 1, 2, 3 and 4

7. Consider the following statements w.r.t the New Strategic Arms Reduction Treaty (New START).
    1. It is a treaty signed to limit the no. of nuclear missiles among the P-5 Countries.
    2. It is supposed to be expired in 2021 unless renewed.
    Which of the statements is/are correct?
    (a) 1 only   (b) 2 only
    (c) Both 1 and 2   (d) Neither 1 nor 2

8. Consider the following statements w.r.t to Maldives.
    1. Willingily Island in the Indian Ocean belongs to Maldives.
    2. Operation Cactus of Indian Armed Forces is related to the Maldives.
    3. Maldives is the only South Asian Country which is not a member of SAARC.
    Which of the statements is/are correct?
    (a) 1 and 2   (b) 2 only
    (c) 1 and 3   (d) 1, 2 and 3

9. Which of the following is incorrect about the SAGAR Programme of Govt of India?
    1. It is a maritime initiative which gives priority to Indian Ocean region only.
    2. It works in consonance with India's 'Act East' policy.
    Select the correct answer from codes given below
    (a) 1 only
    (b) 2 only
    (c) Both 1 and 2
    (d) Neither 1 nor 2

10. Which of the following is correct w.r.t Inter-Creditor Agreement (ICA)?
    1. It aims at the resolution of loan accounts with a size of Rs.50 crore and above that are under the control of a group of lenders.
    2. It is part of the Sashakt plan approved by the government to address the problem of resolving bad loans.
    Select the correct answer from codes given below
    (a) 1 only
    (b) 2 only
    (c) Both 1 and 2
    (d) Neither 1 nor 2