

GOVERNANCE- WELFARE SCHEMES, E-GOVERNANCE, SERVICES ETC.
Suspension of FCRA license of six NGOs

Recently, the Union Ministry of Home Affairs has suspended licenses under the Foreign Contribution Regulation Act (FCRA), 2010 of the six Non Governmental Organisations (NGOs).

- Suspension of FCRA license means that the NGO can no longer receive fresh foreign funds from donors pending a probe by the Home Ministry.

Key Points

- Of the six NGOs, four are Christian associations, Ecreosoculis North Western Gossner Evangelical in Jharkhand, the Evangelical Churches Association (ECA) in Manipur, Northern Evangelical Lutheran Church in Jharkhand and New Life Fellowship Association (NLFA) in Mumbai.
- The two other organisations whose licenses were suspended are the Rajnandgaon Leprosy Hospital and Clinics, Chhattisgarh and the Don Bosco Tribal Development Society, Tamil Nadu.
- The reasons for the suspension have not been specified by the government.
- Earlier, in 2017, USA- based Christian donor, Compassion International, was forced to stop operations in India after the Home Ministry found that it funded NGOs that encouraged religious conversions.

Controversies Related to FCRA

- The FCRA regulates the receipt of funding from sources outside of India to NGOs working in India. It prohibits the receipt of foreign contribution “for any activities detrimental to the national interest”.
- The Act also held that the government can refuse permission if it believes that the donation to the NGO will adversely affect “public interest” or the “economic interest of the state”.
 - However, there is no clear guidance on what constitutes “public interest”.
- The FCRA restrictions have serious consequences on both the rights to free speech and freedom of association under Articles 19(1)(a) and 19(1)(c) of the Constitution.
- The right to free speech is affected in two ways:
 - By allowing only some political groups to receive foreign donations and disallowing some others, can induce biases in favour of the government.
 - NGOs need to tread carefully when they criticise the regime, knowing that too much criticism could cost their survival.
 - FCRA norms can reduce critical voices by declaring them to be against the public interest. This chilling effect on free speech can lead to self-censorship.
 - Similar to this on unclear guidelines on public interest, in *Shreya Singhal v. Union of India* (2015), the Supreme Court (SC) struck down Section 66A of the Information Technology Act. The SC held that the Act could be used in a manner that has a chilling effect on free speech.
- Besides, given that the right to freedom of association is part of the Universal Declaration of Human Rights (Article 20), a violation of this right also constitutes a human rights violation.
- In April 2016, the UN Special Rapporteur on the Rights to Freedom of Peaceful Assembly and of Association undertook a legal analysis of the FCRA, 2010.
 - It stated that restrictions in the name of “public interest” and “economic interest” as invoked under the FCRA failed the test of “legitimate restrictions”.
 - The terms were too vague and gave the state excessive discretionary powers to apply the provision in an arbitrary manner.
- In this context, though it is necessary to regulate corrupt NGOs, there needs to be clarity on terms like public interest.
 - ❖ Foreign Contribution (Regulation) Act (FCRA), 2010
 - Foreign funding of voluntary organizations in India is regulated under FCRA act which is implemented by the Ministry of Home Affairs.
 - The Act ensures that the recipients of foreign contributions adhere to the stated purpose for which such contribution has been obtained.
 - Under the Act, organisations are required to register themselves every five years.

Non Governmental Organisations

- Worldwide, the term ‘NGO’ is used to describe a body that is neither part of a government nor a conventional for-profit business organisation.

- NGOs are groups of ordinary citizens that are involved in a wide range of activities that may have charitable, social, political, religious or other interests.
- NGOs are helpful in implementing government schemes at the grassroots.
- In India, NGOs can be registered under a plethora of Acts such as the Indian Societies Registration Act, 1860, Religious Endowments Act, 1863, Indian Trusts Act, etc.
- India has possibly the largest number of active NGOs in the world, a study commissioned by the government put the number of NGOs in 2009 at 33 lakh.
- That was one NGO for less than 400 Indians, and many times the number of primary schools and primary health centres.
- Ministries such as Health and Family Welfare, Human Resource Department, etc provide funding to a handful of NGOs.
- NGOs also receive funds from abroad, if they are registered with the Home Ministry under the Foreign Contribution (Regulation) Act (FCRA).
- Without this, no NGO can receive cash or anything of value higher than Rs 25,000.

SCIENCE AND TECHNOLOGY

DRDO tested Hypersonic Technology Demonstrator Vehicle

Recently, the Defence Research and Development Organisation (DRDO) successfully flight tested the Hypersonic Technology Demonstrator Vehicle (HSTDV).

Key Points

- About: HSTDV is an unmanned scramjet demonstration aircraft that can travel at hypersonic speed.
 - It uses hypersonic air-breathing scramjet technology.
 - The vehicle travelled its desired flight path at a velocity of six times the speed of sound i.e. Mach 6.
 - Mach number: It describes an aircraft's speed compared with the speed of sound in air, with Mach 1 equating to the speed of sound i.e. 343 metre per second.
- Conducted at: The test was conducted from Dr APJ Abdul Kalam Launch Complex at APJ Abdul Kalam island off the coast of Odisha.
- Implications: India became the fourth country to have demonstrated this technology after the USA, Russia and China.
 - China successfully tested its first waverider hypersonic flight vehicle in 2018.

Advantages:

- The indigenous development of the technology will boost the development of the systems built with hypersonic vehicles at its core.
- It can be developed as a carrier vehicle for long range cruise missiles in the defence sector. This includes both offensive and defensive hypersonic cruise missile systems,
 - Due to its high speed, most RADARs will be unable to detect it. It will also be able to penetrate most missile defence systems.
- This technology will be helpful in the space sector in development of low-cost, high efficiency reusable satellites.

Disadvantages:

- Very high cost.

Background: The DRDO started on the development of the HSTDV engine in early 2010s.

- The Indian Space Research Organisation (ISRO) has also worked on the development of the technology and successfully tested a system in 2016.
- DRDO conducted a test of this system in June 2019 also.

Way Forward

- The successful demonstration is certainly a significant milestone towards Atmanirbhar Bharat. DRDO with this mission, has demonstrated capabilities for highly complex technology that will serve as the building block for NextGen Hypersonic vehicles in partnership with industries.
- While the successful test is a major milestone, many more rounds of tests will have to be done to achieve the level of technology with countries like the US, Russia and China.

Additional Information:

Air Breathing Engine

- Air-breathing engines use oxygen from the atmosphere in the combustion of fuel. They include the turbojet, turboprop, ramjet, and pulse-jet.

- This system is lighter, efficient and cost-effective than other systems in use.
- Worldwide efforts are on to develop the technology for air breathing engines for satellite launch vehicles.
- Presently, satellites are launched into orbit by multi-staged satellite launch vehicles that can be used only once (expendable). These launch vehicles carry oxidiser along with the fuel for combustion to produce thrust.
- A propulsion system which can utilise the atmospheric oxygen during their flight will considerably reduce the total propellant required to place a satellite in orbit.
- If those vehicles are made reusable, the cost of launching satellites will further come down significantly.

Types of Air Breathing engines

Ramjet: A ramjet is a form of air-breathing jet engine that uses the vehicle's forward motion to compress incoming air for combustion without a rotating compressor.

Ramjets work most efficiently at supersonic speeds but they are not efficient at hypersonic speeds.

Scramjet: A scramjet engine is an improvement over the ramjet engine as it efficiently operates at hypersonic speeds and allows supersonic combustion.

Dual Mode Ramjet (DMRJ) : A dual mode ramjet (DMRJ) is a type of jet engine where a ramjet transforms into a scramjet over Mach 4-8 range, which means it can efficiently operate both in subsonic and supersonic combustion modes.

INTERNATIONAL RELATION

Tensions between Russia and Germany

Recently, tensions between Russia and Germany have deepened over the alleged poisoning of Russian opposition figure Alexei Navalny.

- Germany has threatened sanctions against Russia which, in turn, has accused Germany of delaying the investigation on the matter.

Key Points

- Alexei Navalny is Russia's opposition leader and anti-corruption campaigner who was evacuated to Germany after falling ill.
- Germany claims that the opposition leader has been poisoned using the Soviet-era nerve agent Novichok.
 - It is one of the strongest accusations yet from Germany on the basis that the deadly substance has been used by the Russian authorities, in the past as well.
- Germany, which currently holds the rotating presidency of the European Union (EU), will discuss possible sanctions against Russia if it fails to provide an explanation.
 - The EU can discuss sanctions on Nord Stream 2, which is a critical energy export project for the Russian government.

INDIAN ECONOMY

Development Finance Institution (DFI)

The government is planning to set up a new Development Finance Institution (DFI) essentially to fill the gap in long-term finance for infrastructure sectors.

Key Points

Proposed DFI:

It will be used to finance both social and economic infrastructure projects identified under the National Infrastructure Pipeline (NIP).

- In April 2020, the Government released the final report on NIP for 2019-25, which had drawn up projects totalling investments of Rs. 111 lakh crore across roads, railways, energy and urban sectors.
- The task force on NIP was headed by Atanu Chakraborty (economic affairs secretary).
- NIP will enable a forward outlook on infrastructure projects which will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby making growth more inclusive.

Role of Government in DFI:

The DFI can have two types of character:

- I. Either it should be promoted by the government.
- II. Or it should be given a private sector character with the government restricting its holding to 49%.

There are clear advantages if the DFI is fully held by the government, the most important being fund-raising.

- The securities from the DFI could be made Statutory Liquidity Ratio (SLR) eligible. This will encourage banks to subscribe to the securities issued by DFI and fulfil their SLR obligations.
- The Reserve Bank of India (RBI) requires banks to set aside 18% of their net demand and time liabilities towards SLR.
- However, the issue involved in this is that the senior management of the DFI may be hounded by investigative agencies such as the Central Bureau of Investigation (CBI), and be subject to the scrutiny of the Comptroller and Auditor General (CAG) and the Central Vigilance Commission (CVC).

A DFI with a private sector character will require the government to believe and trust the private sector.

- This will require the government to maintain some distance from the private sector DFI institution and let it implement and execute projects aimed at improving the quality of life of all citizens.
- The institution can also work without fear of the CBI, CVC or the CAG.

Issues in Infrastructure Funding:

- Funding Gap: Banks are unable to provide long-term finance to infrastructure projects.
- Infrastructure financing is currently dominated by bank lending, with outstanding credit to the infrastructure sector touching 15% until FY16.
- However, due to rising non-performing assets in the banking sector driven by declining asset quality in the infrastructure sector, the share has declined to 12% in FY19.
- Asset/Liability Management Mismatch: In India, most lenders borrow funds with maturity under 5 years. The reason is primarily the absence of a deep bond market to borrow from. As a result, they lend to a project with a maturity of, say 20 years, with funds of 2-year maturity. This leads to a mismatch in the maturities of assets and liabilities for the lender.
- Asset/liability management is one of the main tools for evaluating financial risk and for periodic testing and preparation of financial policies.

Way Forward

- If India has to grow 8-10% continuously, credit growth for infrastructure must be 12-14%. Since, infrastructure projects require long-term funds, and given the scale of investment required, a large DFI is a good idea.
- Compared with banks, a DFI provides long-term finance for social and economic infrastructure. However, DFIs involve higher risk than what the ordinary financial system may be willing to bear.

INDIAN POLITY

Kesavananda Bharati Case: Doctrine of Basic Structure

Main petitioner, Kesavananda Bharati, of *Kesavananda Bharati Sripadagalvaru and Ors v State of Kerala Case*, 1973 (known for the basic structure doctrine of the Supreme Court), passed away.

Key Points

Kesavananda Bharati:

- He challenged the Kerala land reforms legislation in 1970, which imposed restrictions on the management of religious property.
- The case was challenged under Article 26, concerning the right to manage religiously owned property without government interference.
- A 13-judge Bench was set up by the Supreme Court, the biggest so far, to hear the case.
- Question underlying the case also included: Was the power of Parliament to amend the Constitution unlimited? In other words, could Parliament alter, amend, abrogate any part of the Constitution even to the extent of taking away all fundamental rights?

Background:

- The Supreme Court conceded absolute power to Parliament in amending the Constitution, as was seen in the verdicts in *Shankari Prasad case* (1951) and *Sajjan Singh case* (1965).
 - In both the cases the court had ruled that the term “law” in Article 13 must be taken to mean rules or regulations made in exercise of ordinary legislative

power and not amendments to the Constitution made in exercise of constituent power under Article 368.

- This means Parliament had the power to amend any part of the Constitution including Fundamental rights.
 - But Article 13(2) reads - "The State shall not make any law which takes away or abridges the right conferred by this Part (i.e. Part-III) and any law made in contravention of this clause shall, to the extent of contravention, be void."
- However, in the *Golaknath case* (1967), the Supreme Court held that Parliament could not amend Fundamental Rights, and power to amend the Constitution would be only with a Constituent Assembly.
 - The Court held that an amendment under Article 368 is "law" within the meaning of Article 13 of the Constitution and therefore, if an amendment "takes away or abridges" a Fundamental Right conferred by Part III, it is void.
- To dis-effect the judgments of the Supreme Court in the *Golaknath case* (1967), *RC Cooper case* (1970), and *Madhavrao Scindia case* (1970), the then government enacted major amendments to the Constitution. Most notably:
 - 24th Constitutional (Amendment) Act, 1971- Parliament had also given itself the power to amend any part of the Constitution.
 - 25th Constitutional (Amendment) Act, 1972- The right to property had been removed as a fundamental right.

Verdict in the Kesavananda Bharati Case:

- The landmark judgement was delivered on 24th April 1973 by a thin majority of 7:6 wherein the majority held that any provision of the Indian Constitution can be amended by the Parliament in order to fulfil its socio-economic obligations that were guaranteed to the citizens as given in the Preamble, provided that such amendment did not change the Constitution's basic structure.
- The minority, however, in their dissenting opinion, were wary of giving the Parliament unlimited amending power.
- The court held that the 24th Constitutional Amendment was entirely valid. But it found the second part of the 25th Constitutional Amendment to be ultra vires.
 - The Supreme Court declared the Article 31C as unconstitutional and invalid on the ground that judicial review is basic structure and hence cannot be taken away.
- Despite the ruling that Parliament cannot breach fundamental rights, the court upheld the amendment that removed the fundamental right to property.
 - The court ruled that in spirit, the amendment would not violate the "basic structure" of the Constitution.

Doctrine of the Basic Structure:

- The origins of the basic structure doctrine are found in the German Constitution which, after the Nazi regime, was amended to protect some basic laws.
- Learning from that experience, the new German Constitution introduced substantive limits on Parliament's powers to amend certain parts of the Constitution which it considered 'basic law'.
- In India, the basic structure doctrine has formed the bedrock of judicial review of all laws passed by Parliament.
- No law can impinge on the basic structure. What the basic structure is, however, has been a continuing deliberation.
- Parliamentary democracy, fundamental rights, judicial review, secularism- are all held by courts as basic structure, the list is not exhaustive.
- It is the Judiciary that is responsible to decide what constitutes the basic structure.

Implications of the Judgement:

- Politically, as a result of the verdict, the judiciary faced its biggest litmus test against the executive. The government ignored the opinion and superseded three judges.
- Within less than two years of the restoration of Parliament's amending powers to near absolute terms, the Forty-second amendment was challenged before the Supreme Court by the owners of Minerva Mills (Bangalore) a sick industrial firm which was

nationalised by the government in 1974. Basic structure doctrine was reaffirmed in the *Minerva Mills* and later in the *Waman Rao case*, 1981.

IMPORTANT FACTS FOR PRELIM

Moplah Rebellion

Recently, the Indian Council for Historical research (ICHR) has constituted a three-member committee to review the entries in the book Dictionary of Martyrs: India's Freedom Struggle 1857-1947, which was released by the Prime Minister on 7th March 2019.

- The book contains an account of the martyrs from India's First War of Independence in 1857, to India's Independence in 1947. The project for its compilation was commissioned by the Ministry of Culture to ICHR to commemorate the 150th anniversary of the uprising of 1857.

Key Points

- Background: A review report submitted to the Indian Council of Historical Research (ICHR) by one of its members in 2016 had recommended the delisting 387 names including victims of Wagon Tragedy and Malabar/Moplah Rebellion leaders Ali Musliyar and Variamkunnath Ahmad Haji from the Dictionary of Martyrs.
 - The year 2021 will mark the 100th year anniversary of the Malabar rebellion of 1921.
 - There has been recent controversy on a film being released on this issue.
- Issues involved: The review report of 2016 noted that "almost all the Moplah outrages were communal. They were against the Hindu society and done out of sheer intolerance."
 - The report also said that none of those who died in the Wagon Tragedy were freedom fighters of India as they hoisted the Khilafat flag and established Khilafat and Khilafat courts for a brief period.
 - Issue of forced conversion of Hindus into Islam by the leaders of the rebellion were also raised by many organizations.
 - However, many historians view this as a one of the first cases of nationalist uprisings in Southern India.

Malabar Rebellion or Moplah Uprising or Mapillah Revolt (1921)

- Reasons:
 - The trigger of the uprising came from the Non-Cooperation Movement launched by the Congress in 1920 along with the Khilafat agitation.
 - The anti-British sentiment fuelled by these agitations affected the Muslim Mapillahs (also known as Moplahs) of south Malabar region of Kerala.
 - New Tenancy Laws: After the death of Tipu Sultan in 1799 in the Fourth Anglo-Mysore War, Malabar had come under British authority as part of the Madras Presidency.
 - The British had introduced new tenancy laws that tremendously favoured the landlords known as *Jannis* and instituted a far more exploitative system for peasants than before.
 - The new laws deprived the peasants of all guaranteed rights to the land, share in the produce they earlier got and in effect rendered them landless.
- The Communal Angle: Most of the landlords were Namboodiri Brahmins while most of the tenants were Mapillah Muslims.
- The Revolt: Fuelled by the fiery speeches by Muslim religious leaders and anti-british sentiments, the Mopillahs launched a violent rebellion. Numerous actions of violence were reported and series of persecutions were committed both against the British and the Hindu landlords.
- Support: In the initial stages, the movement had the support of Mahatma Gandhi and other Indian nationalist leaders, but as it turned violent they distanced themselves from it.
- Collapse: By the end of 1921, the rebellion was crushed by the British who had raised a special battalion, the Malabar Special Force for the riot.
- Wagon Tragedy: In November 1921, 67 Moplah prisoners were killed when they were being transported in a closed freight wagon from Tirur to the Central Prison in Podanur. They died of suffocation. This event is called the Wagon Tragedy.

Novichok

- It means "newcomer" in Russian and applies to a group of advanced nerve agents developed by the Soviet Union in the 1970s and 1980s, under a programme codenamed Foliant.

- Nerve agents act by blocking messages from the nerves to the muscles, causing a collapse of many bodily functions.
- The main nerve agents are the chemicals sarin (GB), soman (GD), tabun (GA) and VX. Sarin was used by Syrian air force in chemical attacks on a village in Syria's western Hama region in 2017.
- Nerve agents are man-made and have been manufactured for use in chemical warfare.
- These nerve agents were designed to escape detection and are extremely toxic.

Nord Stream 2

- It is a nearly constructed 1,200-kilometre pipeline from Russia to Germany via the Baltic Sea.
- It will run alongside the already constructed Nord Stream and will double the amount of gas being funnelled through the Baltics to 110 billion cubic meters per year.

Benefits:

- It is intended to provide Europe with a sustainable gas supply while providing Russia with more direct access to the European gas market.
- Its proposed route enters the territorial waters and Exclusive Economic Zone (EEZ) of three other countries: Finland, Sweden and Denmark. National governments and local authorities will benefit economically from investment and employment in the pipeline.

Security Concerns and Criticism:

- The project has been criticized by the USA and Germany's Eastern neighbours like Poland, Czech Republic etc. citing Russian dependence as a threat to the common market and the EU's strategic interests.
- The pipeline will enable Russia to increase its military presence in the Baltic Sea and also to transmit military information on the movements of naval vessels.

DAILY ANSWER WRITING PRACTICE

Qns. The US seeks to formalise ties with countries of the Indo-Pacific region similar to something like the NATO with an aim to counter China. Discuss the prospects and challenges for India to become a regional power. (250 words)

Ans.

- The US Deputy Secretary of State revealed the intention of the US to seek to formalise its closer defence ties with countries of the India-Pacific region -- India, Japan and Australia - similar to something like the North Atlantic Treaty Organisation (NATO) with an aim to counter China.
- The external influence in and focus on the Indo-Pacific region has created an opportunity for India to play a bigger role in the region.

Prospect of India becoming a regional power

- Growing international influence: India's influence in international politics and a prominent voice in world affairs have tremendously increased in the recent past.
- Growing economy: The International Monetary Fund (IMF) projects India to be the fastest-growing major economy this year in a world plunged into a recession by the coronavirus pandemic, despite drastically slashing its growth rate to a paltry 1.9%.
 - A bigger economy means a better influence in the region and hence, a regional giant.
- Demography: India has 62.5% of its population in the age group of 15-59 years which is ever increasing and will be at the peak around 2036 when it will reach approximately 65%.
 - This means rapid industrialisation and urbanisation because of a higher number of employment seeking population that would force higher economic activities.
 - This is a significant factor in contrast to the rapidly ageing Asian countries.
- Huge foreign Investment flow: According to the UNCTAD India was the 9th largest recipient of FDI in 2019, with 51 billion dollars of inflows during the year, an increase from the 42 billion dollars of FDI received in 2018 when India ranked 12 among the top 20 host economies in the world.
 - In the "developing Asia" region, India was among the top five host economies for FDI.
- Geographic position: Geography has placed India in a peculiar position and her foreign policy is bound to reflect it. India has been the meeting ground of various cultures and religions. Therefore, her influence on surrounding countries and Indian Ocean has been considerable.

Challenges to India becoming a regional power:

- The increasing influence of China: China remains a key player in South Asian politics and in Indo-pacific region. China's strategic partnership with Pakistan remains a major irritant for India. More recently, India and China's border standoff has increased tension between neighbours.
- Differences with immediate neighbours: The government of India and its neighbours have differences over several issues including sharing of river water, territorial disputes etc. Given its size and power, they are bound to be suspicious of India's intentions. India, on the other hand, feels exploited by its neighbours.
- Chinese Claims: China's military build-up in the South China Sea and its sweeping territorial claims across the strategic waterways.

Way Forward

- To promote peace and stability in the region India must keep in mind three objectives:
 - To enhance Indian security with effective diplomacy
 - To bolster India's economic prosperity.
 - To promote democracy in Asia.
- By pursuing these objectives, India seeks to promote a stable, secure, prosperous and peaceful Asia where it remains a dominant player, partner, and beneficiary.

Conclusion

- India is clearly an emerging power not only in Asia but on a global scale. As it rises to take up its role and responsibilities, the challenges it faces are enormous.
- In the new era of international governance, India needs to reshape its domestic policies and structures in order to gain power and influence in the region.

DAILY QUIZ

1. 'Nord Stream 2' is a gas pipeline between which of the following two countries?
 - a. Russia and France
 - b. Russia and Germany**
 - c. Germany and Sweden
 - d. France and Germany
2. With reference to Development Finance Institutions (DFIs), consider the following statements:
 1. DFIs only provide short-term credit.
 2. It can only be promoted by the government.
 3. DFIs often lend at low and stable rates of interest to promote investments with considerable social benefits.
 Which of the statements given above is/are correct?
 - a. 1 only
 - b. 2 only
 - c. 3 only**
 - d. 1, 2 and 3
3. With reference to the Foreign Contribution (Regulation) Act (FCRA), 2010, consider the following statements:
 1. It regulates foreign funding of voluntary organizations in India.
 2. It is implemented by the NITI Aayog.
 Which of the above statements is/are correct?
 - a. 1 only**
 - b. 2 only
 - c. Both 1 & 2
 - d. None
4. 'Wagon tragedy' is associated with which of the following?
 - a. Komatagaru Incident
 - b. Moplah Rebellion**
 - c. Aligarh Conspiracy
 - d. Paik Rebellion
5. With reference to the Basic Structure doctrine, which of the following is/are correct?
 1. It was propounded in the famous Maneka Gandhi case.
 2. Basic structure doctrine has been mentioned in Part III of the Constitution.
 Choose the correct answer from the codes given below.
 - a. 1 only
 - b. 2 only
 - c. 1 & 2 only
 - d. Neither 1 nor 2**