

GOVERNANCE

Human Capital Index Report-2020: World Bank

Recently, the World Bank released the Human Capital Index (HCI) report for 2020. The index benchmarks key components of human capital across countries.

- India has been ranked at the **116th** position in the HCI 2020.

Key Points

Human Capital: It consists of *the knowledge, skills, and health* that people accumulate over their lives, enabling them to realize their potential as productive members of society.

Parameters Used in HCI: The HCI 2020 includes health and education data of children for 174 countries up to March 2020. Thus providing a pre-pandemic baseline.

- It covers 98% of the world's population.

Outcome: The HCI 2020 shows that pre-pandemic, most countries had made steady progress in building human capital of children, with the biggest strides made in low-income countries.

However, despite this progress, a child born in a typical country could expect to achieve just 56% of their potential human capital, relative to a benchmark of complete education and full health.

Pandemic Effect: The pandemic puts at risk the decade's progress in building human capital, including the improvements in health, survival rates, school enrollment, and reduced stunting.

- More than 1 billion children have been out of school and could lose out, on average, half a year of schooling.
- It has created significant disruptions to essential health services for women and children, with many children missing out on crucial vaccinations.
- It has increased income inequality, its economic impact has been particularly deep for women and for the most disadvantaged families, leaving many vulnerable to food insecurity and poverty.

India Specific Data:

Last year India was ranked 115 out of 157 countries. This year India finds itself at 116th from among 174 countries. However, India's score increased to 0.49 in 2020 from 0.44 in 2018.

Recent Initiatives by India to Strengthen Human Capital:

- ❖ Ayushman Bharat Yojana
- ❖ National Education Policy
- ❖ Atmanirbhar Bharat Yojana
- ❖ TULIP: The Urban Learning Internship Program
- ❖ Samagra Shiksha

Other Reports Published by World Bank:

- ❖ Global Economic Prospects
- ❖ Ease of Doing Business
- ❖ World Development Report

Way Forward

- The HCI provides a basis on which the government of India can prioritize and a dimension to support human capital.
- The World Bank is working with India on supporting livelihood for the poor. Given the progress that has been made in recent times, it seems more significant for now due to Covid-19.
- Protecting and investing in people is vital as countries work to lay the foundation for sustainable, inclusive recoveries and future growth.

INTERNATIONAL RELATION

Basic Exchange And Cooperation Agreement:USA

The USA is looking forward to India signing the Basic Exchange and Cooperation Agreement for Geo-Spatial cooperation (BECA), at the next India-USA 2+2 ministerial dialogue likely to be held in October, 2020.

Key Points

2+2 talks:

- They are a dialogue between two appointed ministers from each country. This meeting aims to discuss issues of strategic and security interests between the two countries.
- Defense and foreign ministers or secretaries meet with their counterparts from another country.
- India holds such talks with Japan and Australia, at the foreign secretary and defense secretary level.

- India holds ministerial-level talks only with the USA. Apart from India, the United States holds such ministerial dialogues with Australia and Japan also.
- The talks were announced in June 2017. The 2+2 dialogue has replaced the Strategic and Commercial Dialogue between the foreign and commerce ministers of the two countries that were held previously.

BECA:

- BECA will allow India to use the geospatial maps of the USA to get pinpoint military accuracy of automated hardware systems and weapons such as cruise and ballistic missiles.
- BECA is an important precursor to India acquiring armed unmanned aerial vehicles such as the Predator-B from the USA. Predator-B uses spatial data for accurate strikes on enemy targets.
- BECA is one of the four foundational military communication agreements between the two countries. The other three being GSOMIA, LEMOA, CISMOA.
- Initially, India had reservations to geospatial mapping on the grounds of national security, but they were later addressed by mutual dialogue and discussion between the two countries.

Other Maritime Developments Between India and the USA

- A maritime information agreement is also under active deliberation between India and the USA. Once concluded, India will have such arrangements with all Quad countries.
- Quadrilateral Security Dialogue (Quad) is the informal strategic dialogue between India, USA, Japan and Australia with a shared objective to ensure and support a free, open and prosperous Indo-Pacific region.
- In increasing military to military interactions, the USA has also posted a liaison officer at the Navy's Information Fusion Centre for Indian Ocean Region (IFC-IOR) meant to promote Maritime Domain Awareness (MDA).
- The Information Fusion Centre serves countries that have White Shipping Information Exchange (White-shipping refers to commercial shipping information about the movement of cargo ships) agreements with India.
- MDA is defined by the International Maritime Organization as the effective understanding of anything associated with the maritime domain that could impact the security, safety, economy, or environment of a country.
- Recently, India posted a liaison officer at the USA Navy Central Command in Bahrain.

Way Forward

- Signing BECA is crucial for India in order to neutralise the Russia-China-Pakistan axis in the maritime domain and for the stability of the Indo-Pacific region. The acquisition of aerial platforms like the USA naval helicopters and multi-role fighters is a key priority for India in the current scenario of increasing Indo-China conflict.
- The increase in India's maritime interactions with the Quad countries centred around information sharing for improved MDA in the Indian Ocean Region and Indo-Pacific will strengthen India's position internationally.
- Strategic hedging is the key to move forward in relationships with powerful countries like the USA. India and the USA must now strive to complete the unfinished agreements and set the course for a Comprehensive Strategic Global Partnership.

Additional information

General Security Of Military Information Agreement(GSOMIA)

- GSOMIA allows militaries to share the intelligence gathered by them. Signed by India in 2002.
- An extension to the GSOMIA, the Industrial Security Annex (ISA), was signed at the 2+2 dialogue in 2019.
- ISA provides a framework for exchange and protection of classified military information between the USA and Indian defence industries.

Logistics Exchange Memorandum of Agreement

- LEMOA allows both countries to have access to each other's designated military facilities for refueling and replenishment.
- Signed by India in 2016.

Communications and Information Security Memorandum of Agreement

- COMCASA (Communications Compatibility and Security Agreement) is the India specific version of CISMOA.

- Valid for 10 years, COMCASA aims to provide a legal framework for the transfer of highly sensitive communication security equipment from the USA to India that will streamline and facilitate interoperability between their armed forces.
- Signed by India in 2018.

ENVIRONMENT AND BIODIVERSITY

Reversing Global Wildlife Decline

Wildlife populations have fallen by more than two-thirds over the last 50 years, according to a **Living Planet Report 2020** of the World Wildlife Fund.

Key Points

Findings:

Related to Biodiversity:

- There has been a reduction of 68% in the global wildlife population between 1970 and 2016.
- The highest biodiversity loss due to land use change: (1) Europe and Central Asia at 57.9 %; (2) North America at 52.5 %; (3) Latin America and Caribbean at 51.2 %; (4) Africa at 45.9 %; (5) Asia at 43%.
- The sharpest declines have occurred throughout the world's rivers and lakes, where freshwater wildlife has plummeted by 84% since 1970 — about 4% per year.

Related to Land and Oceans:

- 75% of the Earth's ice-free land surface has already been significantly altered.
- Most of the oceans are polluted.
- More than 85% of the area of wetlands has been lost during 1970-2016.

India's scenario:

- India has 2.4% global land share, about 8% global biodiversity and around 16% global population
- However, it has lost 12% of its wild mammals, 19% amphibians and 3% birds over the last five decades.
- India's ecological footprint per person is less than 1.6 global hectares (gha)/person (smaller than that of many large countries). But, its high population size has made the gross footprint significantly high.
- Ecological Footprint: It is the amount of the environment necessary to produce the goods and services necessary to support a particular lifestyle.

Factors responsible for this decline:

- Changes in how land is used – from pristine forest to cropland or pasture – rank among the greatest threats to biodiversity on land worldwide.
- Use and trade of wildlife.
- Natural habitat loss.
- Degradation and deforestation driven by food production processes.

Need for Conservation Efforts:

- Because the health of nature is intimately linked to the health of humans.
- The emergence of new infectious diseases like Covid-19 tend to be related to the destruction of forests and wilderness.
- Healthy ecosystems are the foundation of today's global economies and societies, and the ones we aspire to build.
- As more and more species are drawn towards extinction, the very life support systems on which civilisation depends are eroded.
- As per the World Economic Forum, biodiversity loss is a disturbing threat with few parallels like extreme weather events, climate change, severe income inequality etc.

Areas of Action

Conservation Reserves: There must be renewed ambition from the world's governments to establish large-scale conservation areas, placed in the most valuable hotspots for biodiversity worldwide, such as small islands with species found nowhere else.

- These reserves, in which wildlife will live and roam freely, will need to cover at least 40% of the world's land surface to help bend the curve from decline to recovery for species and entire ecosystems.
- Management is more important than the size of reserves.
- Habitat restoration and conservation efforts need to be targeted where they are needed most – for species and habitats on the verge of extinction.

Food Production: Need is to transform our food systems to produce more on less land.

- If every farmer on Earth used the best available farming practices, only half of the total area of cropland would be needed to feed the world. There are lots of other inefficiencies that could be ironed out too.
- Reducing waste and favouring healthier and more environmentally friendly diets.

Restoring Land: Efforts to restore degraded land are also required. Such as farmland that's becoming unproductive as a result of soil erosion.

- This could return 8% of the world's land to nature by 2050.

Afforestation: This can help not only in arresting soil erosion but also expansion of desertification along with avenues for biodiversity replenishment.

Way Forward

- While giving back to nature, the conservation measures would simultaneously slow climate change, reduce pressure on water, limit nitrogen pollution in the world's waterways and boost human health.
- Only a comprehensive set of policy measures that transform our relationship with the land and rapidly scale down pollution can build the necessary momentum.

INDIAN ECONOMY

Scheme for Integrated Textile Parks

Recently, the Union Minister of Textiles provided information on implementation of Scheme for Integrated Textile Park (SITP), in Rajya Sabha.

Key Points

- Scheme for Integrated Textile Parks(SITP) was launched in 2005.

Objectives: To provide the industry with world-class state of the art infrastructure facilities for setting up their textile units.

- To attract foreign investors to the domestic textile sector.

Key features:

- Under the SITP, infrastructure facilities for setting up of textile units are developed in a Public-Private-Partnership (PPP) model.
- The Government of India grants upto 40% of the project cost.
- However, it grants upto 90% of the project cost for the first two projects (each) in the North Eastern States, Himachal Pradesh, Uttarakhand and Union Territory of Jammu & Kashmir and Union Territory of Ladakh.
- The government's support is limited to Rs. 40 crores for each textile park.
- Each Integrated Textile Park (ITP) under the scheme would normally have 50 units. The number of entrepreneurs and the resultant investments in each ITP could vary from project to project.

Status:

- A total of 59 textile parks have been sanctioned under SITP by the textiles ministry out of which 22 textile parks have been completed.
- Further, the proposal to set up Mega Textile Parks by the Ministry of Textiles is at the advanced stage of discussion.
- The government is considering a plan to set up 1,000-acre mega textile parks.

The slow progress of SITP is attributed to:

- Delay in obtaining land.
- Other statutory clearances from state governments.
- Slow fund mobilisation by the textile parks.

Significance of Textile Sector

- The sector accounts for 7% of India's manufacturing output, 2% of GDP, 12% of exports and employs directly and indirectly about 10 crore people.
- Owing to the abundant supply of raw material and labour, India is-
- The largest producer of cotton, accounting for 25% of the global output.
- The world's second-largest producer of textiles and garments after China.
- The second-largest producer of man-made fibres — polyester and viscose.
- As per India Brand Equity Foundation, the sector has demonstrated encouraging growth trends in India with a compounded annual growth rate (CAGR) of 8% for the last few years wherein it has reached a size of \$13 billion.

Challenges

- Highly fragmentation and domination by the unorganized sector.
- The introduction of new tax structure under GST (Goods and Service Tax) makes the garments expensive.
- Increasing interest rates and labor wages and workers' salaries.
- Faces a lack of access to the latest technology and fails to meet the global standards in the highly competitive export market.
- The fierce competition from China, Bangladesh and Sri Lanka in the low price garment market.
- The environmental and social issues like child labor and personal safety.

Major Government Initiatives

- Comprehensive Scheme for Development of Knitting and Knitwear Sector: The Government has launched a separate scheme for development of Knitting and Knitwear Sector to boost production in the knitting and knitwear cluster at Ludhiana, Kolkata and Tirupur.
- The scheme is launched under Power-Tex India.
- North East Region Textile Promotion Scheme (NERTPS) for promoting textiles industry in the NER by providing infrastructure, capacity building and marketing support to all segments of textile industry.
- A skill development scheme titled SAMARTH (Scheme for Capacity Building in Textile Sector) covers the entire value chain of the textile sector, excluding Spinning and Weaving in the organized sector, on pan India basis.
- Power-Tex India
- Silk Samagra Scheme
- Amended Technology Upgradation Fund Scheme (ATUFS)
- National Handloom Day
- Jute ICARE
- National Technical Textile Mission

Way Forward

- **Toward an organised sector:** India can make the sector organised by setting up mega apparel parks and common infrastructure for the textile industry.
- This will increase the scale of production and help Indian players to produce faster and at a lower cost with maximum efficiency in operation.
- **Facilitate modernisation of the industry:** Focus should be on the modernisation of the obsolete machinery and technology. This can help increase the production and productivity of the textile industry and thereby increase the export also.

IMPORTANT FACTS FOR PRELIM

Indian National Space Promotion and Authorization centre

Recently, the Government of India has created the Indian National Space Promotion and Authorization Center (IN-SPACe), an independent nodal agency under the Department of Space.

- This move is a part of the reforms announced under the economic stimulus packages.

Key Points

- IN-SPACe is to be established as a single-window nodal agency, with its own cadre, which will permit and oversee the activities of private companies.
- This is part of reforms aimed at giving a boost to the private sector participating in space-related activities or using India's space resources.

Functions:

- Encourage, promote and handhold the private sector for their participation in the Space Sector.
- Currently, there are more than 500 private companies which partner with the Indian Space Research Organisation (ISRO) in carrying out various space activities.
- They provide materials used in manufacturing, mechanical fabrication, electronic fabrication, system development, integration, etc.
- Draw up an integrated launch manifest considering the requirements for ISRO, New Space India Limited (NSIL) and private companies based on priorities and readiness level.
- After these reforms are implemented fully, the role of NSIL would be to build launch vehicles, provide launch services, build satellites, provide space-based services, technology transfers, etc.
- Work out a suitable mechanism to offer sharing of technology, expertise and facilities on free of cost wherever feasible or at reasonable cost basis to promote private companies.

- The government will allow utilising those infrastructures of ISRO which are otherwise not available elsewhere in India.
- Permit establishment of facilities, within ISRO premises, based on safety norms and feasibility assessment.
- The decision of IN-SPACE shall be final and binding on all stakeholders including ISRO and private players will not be required to seek separate permission from ISRO.

BRICS National Security Advisor's Meet

Recently, Russia hosted virtual National Security Advisers (NSAs) meet of the **Brazil-Russia-India-China-South Africa (BRICS)** grouping.

Key Points

Draft Anti-terrorism Plan:

- The group discussed a draft anti-terrorism strategy that is expected to be approved at an upcoming summit.
- The anti-terrorism plan reflects fundamental aspects of the BRICS states, such as respect for sovereignty and non-interference in internal affairs, adherence to international law and recognition of the United Nation (UN)'s central role in security matters.

Other Discussed Issues:

- Challenges and threats to global, regional and national security.
- Called for biological security cooperation and information and communications technology security.
- There was also a proposal to continue work on a system for countering security threats in the sphere of information.
- The Russian side criticised the deployment of weapons in space by the USA and the use of outer space for military operations.
- It also expressed concern over the escalation of tensions with the USA in Iran, Venezuela and Syria.
- It also proposed the creation of new mechanisms in the field of countering epidemiological threats and to conduct expert consultations on biosafety in the BRICS format.
- The five countries are cooperating within the framework of building a multi-polar system based on justice and equality.
- They have also agreed to work on deepening coordination at key international organisations and forums, especially the United Nations (UN).

Way Forward

- Terrorism is a big threat to India. If the draft anti-terrorism strategy is adopted by the BRICS members, it will help India to counter the terrorism. It will also expose the terror sponsored countries.
- Although the India-China standoff at Ladakh was not discussed at the NSAs meet, BRICS is an important platform where India can engage with China diplomatically.

DAILY ANSWER WRITING PRACTICE

Qns. What is the structure and the mandate of the International Labour Organisation (ILO)? Discuss.(250 words)

Ans.

The International Labour Organization (ILO) is the only tripartite U.N. agency as it brings together governments, employers and workers of 187 member States, to set labour standards, develop policies and devise programmes promoting decent work for all women and men.

- The unique tripartite structure of the ILO gives an equal voice to workers, employers and governments to ensure that the views of the social partners are closely reflected in labour standards and in shaping policies and programmes.
- The ILO is established in 1919 by the Treaty of Versailles as an affiliated agency of the League of Nations. It became the first affiliated specialized agency of the United Nations in 1946. It has its headquarter in Geneva, Switzerland.

Structure of ILO: The ILO accomplishes its work through three main bodies which comprise **governments', employers' and workers'** representatives:

International Labour Conference: It sets the International labour standards and the broad policies of the ILO. It meets annually in Geneva. It is often referred to as an International Parliament of Labour. It is also a forum for discussion of key social and labour questions.

Governing Body: It is the executive council of the ILO. It meets three times a year in Geneva. It takes policy decisions of ILO and establishes the programme and the budget, which it then submits to the Conference for adoption. The work of the Governing Body and the Office is aided by tripartite committees covering major industries.

It is also supported by committees of experts on such matters as vocational training, management development, occupational safety and health, industrial relations, workers' education, and special problems of women and young workers.

International Labour Office: It is the permanent secretariat of the International Labour Organization. It is the focal point for ILO's overall activities, which it prepares under the scrutiny of the Governing Body and under the leadership of the Director-General.

Regional meetings of the ILO member States are held periodically to examine matters of special interest to the regions concerned.

Mandate of ILO:

- ILO has mandate for creation of coordinated policies and programs, directed at solving social and labour issues.
- It also has mandate for adoption of international labour standards in the form of conventions and recommendations and control over their implementation.
- It provides Assistance to member-states in solving social and labour problems.
- It also works in Human rights protection field (the right to work, freedom of association, collective negotiations, protection against forced labour, protection against discrimination, etc.).
- It also facilitates Research and publication of works on social and labour issues.
- As part of its mission, the ILO aims to achieve decent work for all by promoting social dialogue, social protection and employment creation, as well as respect for international labour standards.

So far ILO has worked as per its mandate and strived to achieve following glorious achievements:

- **ILO Declaration on Fundamental Principles and Rights at Work:** It was adopted in 1998, the Declaration commits member states to respect and promote eight fundamental principles and rights in four categories, whether or not they have ratified the relevant conventions.
- **Core Conventions of the ILO:** The eight fundamental conventions form an integral part of the United Nations Human Rights Framework, and their ratification is an important sign of member States' commitment to human rights.

However ILO faced criticism on certain issues as it lacked to address them, they are as follows:

- A universal labour guarantee that protects the fundamental rights of workers', an adequate living wage, limits on hours of work and safe and healthy workplaces.
- Guaranteed social protection from birth to old age that supports people's needs over the life cycle.
- Managing technological change to boost decent work, including an international governance system for digital labour platforms.

Conclusion:

The eight-core conventions of the ILO provide relevance and bring justice to the workers all around the world. The conventions are formulated keeping in mind the economic challenges faced by the workers of all classes. They help the workers get fair pay for their work and get the opportunity to be treated equally. It also regulates the employment of children for minimum wages. However, ILO needs to formulate policies to address the emerging challenges due to global integration so that interest of every worker is addressed.

DAILY QUIZ

1. Consider the following statements:

1. The Montreux Record is a register of wetland sites of international importance.
2. Three wetlands of India are in Montreux Record.

Which of the statements given above is/are not correct?

- a) 1 only
- b) 2 only
- c) Both 1 and 2
- d) Neither 1 nor 2

2. With reference to 'Basic Exchange and Cooperation Agreement (BECA)', consider the following statement

1. BECA will allow India to use the geospatial maps of the USA for military use.

2. It is one of the four foundational military communication agreements between India and USA.

Which of the statements given above is/are correct?

- a) 1 only
- b) 2 only
- c) **Both 1 and 2**
- d) Neither 1 nor 2

3. **Which of the following reports are published by the World Bank?**

- 1. Global Economic Prospects
- 2. Ease of Doing Business
- 3. Global Risks Report
- 4. World Development Report
- 5. Human Capital Index

Select the correct answer using the code given below:

- a) 1, 2, 3 and 5
- b) **1, 2, 4 and 5**
- c) 2, 3, 4 and 5
- d) 1, 2, 3, 4 and 5

4. **With reference to the Convention on Biological Diversity (CBD), consider the following statements:**

- 1. Nagoya and Cartagena protocols are signed under CBD.
- 2. CBD has also released Aichi Targets on biodiversity for 2030.
- 3. India is a party to the CBD convention.

Which of the statements given above is/are correct?

- a) 1 only
- b) 2 and 3 only
- c) **1 and 3 only**
- d) 1, 2 and 3 only

5. **With reference to Prime Minister's Employment Generation Programme, consider the following statements:**

- 1. It is a credit-linked subsidy scheme which promotes self-employment.
- 2. Khadi and Village Industries Commission (KVIC) is the nodal agency for Implementation at the national level.

Which of the statements given above is/are correct?

- a) 1 only
- b) 2 only
- c) **Both 1 and 2**
- d) Neither 1 nor 2