

VEDHIK  
**DAJLY NEWS**  
**ANALYSIS**  
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## **FOREWORD**

We, at Team Vedhik is happy to introduce a new initiative - "Daily Current Affairs\_The Hindu" compilations to help you with UPSC Civil Services Examination preparation. We believe this initiative - "Daily Current Affairs\_The Hindu" would help students, especially beginners save time and streamline their preparations with regard to Current Affairs. A content page and an Appendix has been added segregating and mapping the content to the syllabus.

It is an appreciable efforts by Vedhik IAS Academy helping aspirants of UPSC Civil Services Examinations. I would like to express my sincere gratitude to Dr. Babu Sebastian, former VC - MG University in extending all support to this endeavour. Finally I also extend my thanks to thank Ms. Shilpa Sasidharan and Mr. Shahul Hameed for their assistance in the preparing the compilations.

We welcome your valuable comments so that further improvement may be made in the forthcoming material. We look forward to feedback, comments and suggestions on how to improve and add value for students. Every care has been taken to avoid typing errors and if any reader comes across any such error, the authors shall feel obliged if they are informed at their Email ID.

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# Kushinagar now hub of Buddhist tourist circuit

Prime Minister inaugurates airport, says focus is on developing places associated with Lord Buddha

JAGRITI CHANDRA  
KUSHINAGAR

Prime Minister Narendra Modi on Wednesday inaugurated the Kushinagar International Airport in Uttar Pradesh, which will help connect key Buddhist pilgrimage sites.

Kushinagar is an important Buddhist pilgrim destination, and is believed to be the final resting place of Gautam Buddha.

An inaugural flight of Sri Lankan Airlines landed at the airport earlier in the day, bringing a large contingent of Buddhist monks and Sri Lankan Ministers, including Sports Minister Namal Rajapaksa, nephew of President Gotabaya Rajapaksa and son of Prime Minister Mahinda Rajapaksa. They met Mr. Modi at an event at the Mahaparinirvana Temple here.

## Diplomats attend

Diplomats from 12 countries where Buddhism is practised, including Mongolia,



**Pilgrims way:** PM Narendra Modi with a Sri Lankan delegation, led by Minister Namal Rajapaksa, in Kushinagar. ■PTI

Myanmar, Vietnam, Cambodia, Thailand, Bhutan, Republic of Korea, Nepal and Japan, were also present.

“There is a special focus on the development of places associated with Lord Buddha through better connectivity, and creation of facilities for devotees. Lumbini, the birth place of Lord Buddha, is not far from here. Sarnath, where Lord Buddha gave the first sermon, is also within a radius of 100-250 km. Bodh Gaya, where Buddha attained enlightenment,

is also a few hours away. With the launch of this airport, I, as a representative of Poorvanchal, have also fulfilled one of my commitments to this region,” Mr. Modi said.

With the Uttar Pradesh Assembly election slated for early next year, several Union Ministers had also flown in from Delhi.

Apart from Civil Aviation Minister Jyotiraditya Scindia, Minister of State for External Affairs Meenakshi Lekhi, Tourism Minister G. Kishan

Reddy, Law Minister Kiren Rijju and Minister of State for Parliamentary Affairs Arjun Ram Meghwal were present.

## Air India privatisation

In his first comments on Air India since privatisation, Mr. Modi said, “The decision on Air India will give new energy to the aviation sector in the country.”

Chief Minister Yogi Adityanath said, “This will be Uttar Pradesh’s ninth airport, seven of which have been developed in the past seven years alone. The State will get 11 more airports in the years to come, including two international ones.”

Secretary of the Ministry of Civil Aviation Rajiv Bansal told *The Hindu* that Thailand sends the largest number of tourists to this region, and he expected charter flights from there to Kushinagar to start soon.

On the sidelines of the Kushinagar airport inaugura-

tion, Mr. Namal Rajapaksa presented to Mr. Modi a Sinhala-Tamil-English translation of the Bhagavad Gita.

The Sri Lankan delegation also brought relics from the ‘Rajaguru Sri Subhuthi Maha Vihara’, a famed Buddhist shrine located 40 km south of Colombo.

Indian officials would organise an exposition of the relics in several cities, including Kushinagar and Sarnath, a statement from the Indian High Commission in Colombo said. The Sri Lankan delegation would visit Varanasi and offer prayers at the Kashi Vishwanath temple.

On Wednesday, Mr. Namal Rajapaksa met Foreign Secretary Harsh Vardhan Shringla and had a “cordial and productive conversation,” the Indian mission said in a tweet.

(With inputs from  
Suhasini Haidar in New  
Delhi and Meera Srinivasan  
in Colombo)

# Northeast monsoon to set in over T.N. on Oct. 26

## NE monsoon to set in over T.N. on Oct. 26

**SPECIAL CORRESPONDENT**  
CHENNAI

The northeast monsoon is expected to set in over Tamil Nadu on October 26.

Northeasterly winds are likely to set in at the lower tropospheric levels over the Bay of Bengal that day, leading to the parallel retreat of the southwest monsoon and start of the northeast monsoon in the southern peninsular region.

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“Normally, the northeast monsoon sets in around October 20. The prolonged southwest monsoon has led to the delay in onset this year. The India Meteorological Department (IMD) is monitoring the changes in the weather pattern,” said S. Balachandran, Deputy Director-General of Meteorology, Chennai.

The IMD has also forecast a fairly widespread rainfall over the State till October 24. A cyclonic circulation that lies over south Tamil Nadu and a trough extending from the weather system to the northern parts would trigger isolated intense rainfall, particularly over districts in the south and those along the Western Ghats, on Thursday, he said.

Nearly 22 districts, including Tiruchi, the Nilgiris, Namakkal, Salem, Kallakurichi and Vellore, are likely to experience heavy to very heavy rainfall at one or two places. The coastal region is likely to receive light to moderate rainfall on Thursday. Many places in the State and Puducherry would continue to receive rainfall of

different intensity till the weekend.

### **Chennai humid**

In Chennai, officials said the increase in moisture in wind during the transition period led to such a humid weather. Thunderstorm with light rain is expected in some areas till Friday, and the maximum temperature may remain around 35 degrees Celsius, three degrees above normal, as it was on Wednesday.

Weather experts noted that many parts of Tamil Nadu had already received a significant share of their annual rainfall. They predicted a good northeast monsoon. Senior meteorologist Y.E.A. Raj said a majority of the places had already received 70%-80% of the annual rainfall. Chennai had so far registered 90 cm against its annual average of 140 cm. A positive southern oscillation and the chances of La Nina – the global weather parameters that have a strong influence on monsoon – indicate subdued northeast monsoon rainfall.

# Army strengthens firepower along LAC in eastern sector

'Integrated defended localities' set up at several locations

**DINAKAR PERI**  
BUMLA

The Army has significantly augmented its firepower along the 1,300-km Line of Actual Control (LAC) in the eastern sector, while also beefing up overall defences in the region, especially in the Tawang sector, by integrating various services in real time through automation.

This includes upgraded L-70 air defence guns, M777 Ultra Light Howitzers, and automated and electronic fusion of Bofors and other artillery guns deployed along the LAC.

## Integration of arms

The Army has set up "integrated defended localities" at several locations along the LAC. These integrate various arms of the Army such as infantry, engineers, artillery, air defence, aviation and also the fighter aircraft of the Air Force, to respond to any threat in real time and bring in maximum firepower, ex-



**On the frontline:** Bofors guns deployed in the Tawang sector near the LAC. ■ DINAKAR PERI

plained Maj. Rufus Johnson, a Company Commander at one such locality near the LAC near Bumla in Arunachal Pradesh.

Talking of the significance of integrated defences built around the Bumla area, Maj. Johnson said there were primarily two approaches for the enemy to move towards Tawang, 35 km from the LAC. One was the valley after the ridgeline of the LAC and the road from Bumla to Tawang for a stretch of 35 km. Dominating this area would help in thwarting the enemy's plans.

Speaking of the upgraded L-70 air defence guns, Capt. Sariya Abbasi, an Air Defence officer posted in the Tawang sector near the LAC, said this was their first deployment in high altitude areas across the country.

The M-777 Ultra-Light Howitzers inducted in November 2018 have been deployed all along the LAC. The M777 is a 155-mm, 39-calibre towed artillery gun and weighs just four tonnes.

The M777 had given significant flexibility in employment options for long range fire power, one officer said.

# Indian team meets Taliban Dy. PM

In Moscow, 10-nation statement recognises the 'new reality' in Afghanistan

**SUHASINI HAIDAR**  
NEW DELHI

India joined a 10-nation statement recognising the "new reality" of the Taliban in power in Afghanistan at the Moscow format meeting on Wednesday, as Indian officials reportedly met Taliban Deputy Prime Minister Abdul Salam Hanafi and offered humanitarian aid to the regime in Kabul.

News of the meeting between the Taliban delegation and J.P. Singh, Joint Secretary for Pakistan-Afghanistan-Iran, Ministry of External Affairs, was reported over the Twitter handle of the Taliban Deputy Information and Broadcasting Minis-



**New equations:** Members of the Taliban Government delegation in Moscow on Wednesday. ■ AP

ter and spokesperson, Zabihullah Mujahid.

The MEA made no immediate comment, but Government sources confirmed to *The Hindu* that the meeting

had taken place, and India was considering donation of a large consignment of wheat and other aid to Afghanistan.

"Both sides considered it

necessary to take into account each other's concerns and improve diplomatic and economic relations. The Indian side finally expressed readiness to provide a wide range of humanitarian assistance to the Afghans," Mr. Mujahid said in a series of tweets announcing the meeting between "the Special Representative of India for Iran, Pakistan and Afghanistan" and Mr. Hanafi in Moscow.

This would be the first time India has officially announced aid for Afghanistan after the August 15 takeover of Kabul by the Taliban.

# Indian team meets Taliban Deputy PM

India was also a signatory to the joint statement issued by representatives of China, Iran, Russia, Pakistan, Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan and Uzbekistan which called on the Taliban to keep their commitment on forming an “inclusive” government and ensuring that their territory is not used by terror groups to threaten the security of other countries, curb transnational drug routes and pursue “friendly relations” with neighbouring countries.

“It was stated that further practical engagement with Afghanistan needed to take into account the new reality, that is the Taliban coming to power in the country, irrespective of the official recognition of the new Afghan government by the international community,” the statement said, marking a decided shift in India’s previously tough stand on engaging the Taliban.

In the past few months, the Indian Ambassador in Doha has met with Taliban representatives and an Indian delegation took part in

another multi-country meeting in Doha that included Taliban representatives as well. However, this is the first such official participation by India where the delegation, which also includes MEA Joint secretary for Eurasia Adarsh Swaika met directly with Taliban officials who are part of the new regime in Kabul that remains unrecognised by any country.

## Donor conference

The Moscow format meeting, part of a series of meetings on Afghanistan since 2017, concluded with a proposal to launch a collective initiative for an international donor conference convened by the United Nations to collect funds for Afghanistan’s economic and financial reconstruction.

The U.S. did not send any representative to the meeting, in a possible indication of the Biden administration’s waning interest in Afghanistan, with a renewed focus on groupings in the Indo-Pacific, a move Russian Foreign Minister Sergey Lavrov criticised.

# The global tax revolution

New regime may bring in ‘Golden Era’ of direct taxes

T.C.A. RAMANUJAM  
T.C.A. SANGEETHA

International tax jurisprudence received a shot in the arm when 130 countries agreed to introduce a new global tax regime for taxing multinational corporations (MNCs) operating the globe over. For over a century now, the corporate tax system was based on the application of the twin principles of the source rule and the residence rule. All that a MNC had to do to avoid high tax in a country where they did business was to get registered in a tax haven. Globalisation allowed MNCs to replace fears of double taxation with the joys of double non-taxation by exploiting mismatches between the tax laws of various countries and by cutting taxable profits. A digitalised world made their task easier.

Tax havens came in handy for the MNCs. It became easier with the rise of intangible assets, which could easily be shifted from one country to another. But shifting of profits to low tax havens deprived poor countries of revenue by as much as 5% as compared to an alternative system where profits are taxed based on the current location of companies, revenues, their employees and their wage codes. Small countries wanted investments on a grand scale. That could be achieved with low direct taxes. Countries like Belgium, Britain, India and Indonesia brought in Digital Services Taxes on the local sales of foreign firms with online platforms. The U.S. objected and threatened retaliatory tariffs.

Hence, realisation dawned on all the countries that the time had come for a radical change in the tax system. U.S. Treasury Secretary Janet Yellen announced that it was time to end the “race to the bottom” on corporate tax. Egged on by the Organisation for Economic Co-operation and Development (OECD), 130 countries achieved a historic agreement in June on a more stable and fairer international tax architecture. As per the agreement, MNCs would no longer pay taxes in the country where they register their headquarters for tax purposes, but would pay in the country where they generate their sales. A minimum global tax of 15% on profits would be introduced in all countries.

How did this happen? The Global Financial Crisis of 2008 forced all countries to change the international tax rules to prevent base erosion and profit shifting. Anti-abuse provisions, new transfer pricing documentation provisions, countering harmful tax practices more effectively taking into account transparency and economic substance and the introduction of an effective dispute resolution mechanism were the objectives that were agreed upon.

The OECD estimates that the proposal to levy 15% minimum tax on global corporations that do business in each country would fetch additional \$150 billion per year and move taxing rights of over \$100 billion in profits to different countries. Taxing rights would be reallocated so that a slice of the profits could be levied according to the location of a company’s sales. A minimum rate of 15% would be levied on such a slice of profits. As per the agreement, countries where MNCs operate would get the right to tax at least 20% of the profits exceeding a 10% margin.

India, China, Russia, Germany and other countries have signed the agreement, which has to be implemented from 2023. But there are hurdles to cross. India would have to reconsider the equalisation levy. Revenue from the equalisation levy should be compared with the 15% global minimum tax. The Ministry of Finance said significant issues, including the share of profit allocation and the scope of subject-to-tax rules, would have to be addressed and a consensus agreement had been reached on October 8. The draft rules would reset the system for international taxation and subject MNCs to new nexus and profit allocation rules.

Simultaneous implementation of the law by all the signatories to the agreement would be a stupendous job. If achieved, it may herald the dawn of the ‘Golden Era’ of direct taxes. Revamping India’s Direct Tax Code to sail with the concept of global minimum tax requires effort, which is easier said than done.

T.C.A. Ramanujam is Chief Commissioner of Income Tax (retd.) and an advocate of the Madras High Court. T.C.A. Sangeetha is an advocate of the Madras High Court

## For change

Changes in law on same-sex relations must be along with an attitudinal change in society

A recent advisory from the National Medical Commission (NMC) emphasising the need to avoid derogatory references to the LGBTQIA+ community in medical textbooks or teaching methods has underscored the value of institutional awareness on issues concerning queer and trans people. The advisory came after the Madras High Court voiced concern over “unscientific and derogatory information” in some textbooks. The NMC cautioned medical universities, colleges and other institutions to avoid such references while teaching subjects relating to gender. The institutions were also asked not to approve books with such references, while textbook authors were instructed to amend what has been written on issues such as virginity and homosexuality. The circular represents the fruition of efforts by Justice N. Anand Venkatesh, who framed guidelines in an order in June, to protect the community’s rights. He had expanded the scope of a writ petition filed by a lesbian couple for protection against harassment into one that went into the status of those who did not conform to gender identity assigned at birth or to hetero-normative sexual orientation. The court’s attention was then drawn to psychiatry, forensic medicine and toxicology textbooks. Justice Venkatesh had suggested that the NMC and the Indian Psychiatric Society bring in necessary changes in the curriculum.

The judge had directed the police not to harass sexual minorities, but later noted with consternation that such harassment was not only continuing, but sometimes extended to NGOs and other allies of the LGBTQIA+ community. He mooted changes to the police conduct rules to provide for punishing erring police personnel in this regard. He also noted disparaging references in the media. He found that a psychiatrist had referred a gay man for cognitive behavioural therapy, while prescribing anti-depressants and drugs meant to treat erectile dysfunction under the wrong impression that sexual orientation required some sort of therapy. In the course of the hearing, the judge had subjected himself to counselling so that he could overcome his own mindset, limitations in understanding and lack of exposure to issues of gender non-conformity and to go beyond the binary understanding of sex and sexuality. Judicial intervention generally has a salutary effect on the behaviour of the state, its institutions and structures. However, barring specific directions, the spirit of judicial orders, especially with regard to social issues, rarely percolates to every limb of the administration. The queer and gender non-conforming people have found an ally in the court, but they would need greater effort on the part of the authorities at various levels, if their rights are to be protected. In any case, any change in law in terms of recognising same-sex relations or understanding self-identification of gender must be complemented by an attitudinal change in society at large.

## Is the coal crisis over?

The supply of coal in India is well below the demand



ANIL SWARUP

Initially, there was a huge debate on whether there was a coal crisis at all. We aren’t discussing coal any more. Hence, wasn’t there a crisis? Or, if there was one, is it all over?

“Crisis” is a subjective term. There are no objective criteria of determining whether there is a crisis or not. However, “shortage” can be determined objectively. No one can deny the fact that the supply of coal in India is well below the demand. Whereas the demand is nearly a billion million tonnes (MT), the supply is well below 800 MT within the country. When this shortage becomes acute, in terms of the availability of coal at power plants, it is sometimes called a crisis. The acute shortage can be on the account of production, an increased demand or a failure of supply chain management when the stocks are sufficient at the pit head but requisite supply is not made to the power plants.

Coal crises keep recurring in the country primarily due to the shortage in coal production. Ironically, India sits on 300 billion MT of coal and, as mentioned earlier, our annual requirement is around a billion MT per annum. A similar crisis had occurred in 2014. Back then, it was on account of a Comptroller and Auditor General who played to the gallery after making his calculations just like an accountant. It led to devastating consequences and coal production suffered. The crisis was managed through meticulous planning and execution.

The immediate coal crisis is attributed to an increase in the demand for power on account of the post-pandemic economic recovery, an increase in international prices of coal, unseasonal rainfall and a mismanagement of the supply chain within the country. Apparently, some of it has been managed and we are no longer discussing the crisis. No one seems to be talking about the stagnation in the production of coal by Coal India Limited (CIL). The production has stood at 600 MT for the past three years. Had the production grown at the rate at which it was increasing (8-9%) during 2014-16, the current production of CIL itself would have been more than 750 MT. Also not being discussed is the stagnant coal production from the non-CIL domain. A number of mines were allocated to entities other than CIL. Why haven’t these mines augmented coal production? Non-CIL coal production fell from 128 MT in 2019-20 to 120 MT in 2020-21. The de-

pendence on imported coal increased and, hence, when the international prices shot up, as they did recently, there is a crisis.

The crisis will recur in case the coal production is not augmented. How then can the production of coal be increased? Some of the answers lies in what happened during 2014-16.

### Supported, not monitored

CIL has a fabulous team. It needs to be supported and not “monitored”. The Union Government has an important role to play. CIL should focus on mining. Government officers should interact with the States, but before that, this ongoing “war” between the Union Government and the States will have to stop. Ironically, all the coal resides in States that are ruled by non-National Democratic Alliance (NDA) parties. Officers from the Union Government will have to go down to the States, convey a value proposition and sit with State-level officers to resolve issues related to land acquisition and forest clearances. During 2014-16 not a single meeting with the States was held in Delhi. All meetings were held at the State headquarters. The Union Government will also have to take up clearance-related issues with the Ministry of Environment, Forest and Climate Change.

CIL, which had reserves of around ₹35,000 crore in 2015, now appears to be strapped for funds, especially cash flows as power generating companies (GENCOs) owe more than ₹20,000 crore to CIL. Funds will have to be arranged for the expansion of existing mines as well as the opening of new ones. First, the Union Government should stop squeezing more funds out of CIL as it has done during the past few years by way of dividends to balance its own Budget, when this money should have been used for opening new mines and expanding existing ones. Second, it should consider providing cash to CIL against the dues owed by GENCOs. Non-CIL production will have to be augmented. There was an inter-ministerial Coal Project Monitoring Group (CPMG), which was set up in 2015 to fast-track clearances, that became dormant. This will need to be revived.

The coal crisis may be temporarily over, but if the fundamentals of the crisis are not taken care of, it is likely to recur. What also needs to be looked at is the financial crisis that is brewing in the power sector. GENCOs have a receivable of more ₹2,00,000 crore from distribution companies. They, in turn, owe more than ₹20,000 crore to CIL. There is, hence, a serious cash crunch though most of these entities show profit in their balance sheets.

Anil Swarup is a retired civil servant and a former Secretary in the Government of India

# 'High oil prices will sap global recovery'

Puri urges Saudi Arabia, other OPEC nations to work towards affordable and reliable supplies

**PRESS TRUST OF INDIA**  
NEW DELHI

India, the world's third-largest energy consumer, on Wednesday warned that high oil prices will undermine global economic recovery, and nudged Saudi Arabia and other OPEC nations to work towards affordable and reliable supplies.

Petrol and diesel prices have hit record highs across the country after relentless price increases since May.

"If energy prices remain high, global economic recovery will be undermined," Petroleum and Natural Gas Minister Hardeep Singh Puri said at the India Energy Forum by CERAWEEK.

Global oil prices crashed to \$19 per barrel in April 2020 as demand evaporated with most nations clamping



**Dearer by the day:** India's oil import bill rose to \$24 billion, from \$8.8 billion in June 2020, says Puri. ■ VIJAY SONEJI

lockdowns to control the spread of the novel coronavirus.

Demand recovered this year as vaccination against the infection revived economies worldwide.

International benchmark Brent crude has since rallied to \$84 per barrel.

This, he said, had made fuel expensive and was stoking fears of inflation.

Mr. Puri said India's oil im-

port bill had climbed from \$8.8 billion in June 2020 quarter to \$24 billion this year because of a spike in global oil prices.

## 'Energy access crucial'

"India believes energy access has to be reliable, affordable and sustainable," he said adding economic recovery after a devastating pandemic had been fragile and it was further being threatened by the high prices.

India, which imports almost two-thirds of its oil needs from West Asia, has told oil producers, including the Organisation of Petroleum Exporting Countries (OPEC), that high crude prices will hasten the transition to alternate fuels and such rates will be counter-productive for the producers.

Mr. Puri has in recent weeks flagged the issue of high oil prices to Saudi Arabia, the UAE, Kuwait, Qatar, the U.S., Russia and Bahrain. He conveyed India's strong preference for responsible and reasonable pricing, which was mutually beneficial for consumers and producers.

Mr. Puri said volatility in international prices was not just hurting India but also industrialised nations.

While the world had begun the transition towards cleaner fuels such as electric-powered vehicles and hydrogen, most nations were still dependent on oil to fuel their economies. And high oil prices would hurt the recovery in demand.

India is 85% dependent on imports to meet its oil needs.

## Maharashtra firm sold 'GM-contaminated' rice

**PRISCILLA JEBARAJ**  
NEW DELHI

The Centre has identified a Maharashtra-based exporter as the source of the broken rice flagged in Europe as contaminated with genetic modifications (GM) earlier this year, the Commerce Ministry said on Wednesday.

It added that the 500-tonne consignment was given a non-GMO certification by an independent agency.

While reiterating that GM rice is not grown commercially in India, the Ministry

asked genetic and rice experts, including the Indian Agricultural Research Institute (IARI), to investigate.

IARI Director A.K. Singh told *The Hindu* that the European Commission must share details of specific genetic markers found in the consignment, so that it could be tracked to ascertain if there were any linkages to any of the approved field trials of GM rice in India.

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# Plugging the leak

India must assuage importers that its produce is compliant with trade demands on GM foods

Since June, the export of about 500 tonnes of rice from India has triggered an uproar in several European countries on the grounds that it was genetically modified (GM) rice. This emerged during a check by the European Commission's Rapid Alert System for Food and Feed that was testing rice flour by the French company Westhove. In June, France had issued a notification for unauthorised GM rice flour, identifying India as the point of origin, and alerting Austria, Belgium, the Czech Republic, Germany, Italy, the Netherlands, Poland, Spain, the U.K. and the U.S. as the possible destination of products made with the flour. So in August, the American food products company Mars, fearing GM contamination, announced that it was recalling four of its product lines of 'Crispy M&M'. GM-free rice that is tagged as 'organic rice' is among India's high-value exports worth ₹63,000 crore annually. India does not permit the commercial cultivation of GM rice, but research groups are testing varieties of such rice in trial plots. So the suspicion is that rice from some of these test-plots may have "leaked" into the exported product. The Indian government has denied this possibility with a Commerce Ministry spokesperson alleging that the contamination may have happened in Europe "to cut costs". However, India has indicated that it will commission an investigation involving its scientific bodies.

India's history of crop modification using GM is one of test-plants finding their way to commercial cultivars before they were formally cleared. Thus, Bt-cotton was widely prevalent in farmer fields before being cleared. Though they have not been cleared, Bt-brinjal and herbicide-tolerant cotton varieties too have been detected in farmer fields. Though the Genetic Engineering Appraisal Committee is the apex regulator of GM crops, it is mandated that trials of GM crops obtain permission from States. Because of the close connections between farmers and State agriculture universities, which are continuously testing new varieties of crops employing all kinds of scientific experiments ranging from introducing transgenes to other non-transgenic modification methods, and the challenges of ensuring that trial plots are strictly segregated from farms, there is a possibility that seeds may transfer within plots. Because many Indian farmers are dependent on European imports, the Centre must rush to assuage importers that India's produce is compliant with trade demands. The fractious history of GM crops in India means that passions often rule over reason on questions of the safety of GM crops, and so India must also move to ensure that research in to all approaches – GM or non GM – should not become a casualty in this matter of export-quality compliance.

# The carbon markets conundrum at COP26

Success in Glasgow hinges to a great extent on the conclusion of one of the most technical and highly contentious issues



RAVI S. PRASAD

If climate negotiations are compared to a game of diplomatic chess, Article 6 of the Paris Agreement would be the king to be checkmated and captured for concluding the Paris Agreement Work Programme (PAWP) at the 26th Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC). Article 6 of the Paris Agreement introduces provisions for using international carbon markets to facilitate fulfilment of Nationally Determined Contributions (NDCs) by countries. The success of COP26 at Glasgow hinges, to a great extent, on the conclusion of carbon markets discussions. Despite several rounds of high-level meetings, it remains one of the most technical and highly contentious unresolved issues of the PAWP.

## A sensitive issue

Developing countries, particularly India, China and Brazil, gained significantly from the carbon market under the Clean Development Mechanism (CDM) of the Kyoto Protocol. India registered 1,703 projects under the CDM which is the second highest in the world. Total carbon credits known as Certified Emission Reductions (CERs) issued for these projects are around 255 million which corresponds to

an overall anticipated inflow of approximately U.S.\$2.55 billion in the country at a conservative price of U.S.\$10 per CER. Therefore, logically, India has a lot to gain from a thriving carbon market. However, with the ratification of the Paris Agreement, the rules of the game have changed.

Unlike the Kyoto Protocol, now even developing countries are required to have mitigation targets. Developing countries are faced with a dilemma of either selling their carbon credits in return for lucrative foreign investment flows or use these credits to achieve their own mitigation targets. This has made Article 6 a highly sensitive issue that requires careful balancing of interests and expectations.

## What should be debated

For developing countries, the new market mechanism is much more than a tool for achieving mitigation targets under the NDCs. Much like its predecessor, it should help promote sustainable development and assist climate change adaptation in the developing countries. It should encourage private sector participation and attract foreign investments to support low carbon development. While over 50% of the countries have communicated their intention of using market mechanisms to achieve NDC targets, India is not one of them as it aims to rely on domestic mitigation efforts to meet its NDC goals. It is the developed countries that would rely more on market mechanisms for achieving their climate targets as they would be comparatively low-cost options.



GETTY IMAGES/ISTOCKPHOTO

The three critical issues that would be hotly debated in Article 6 negotiating rooms are CDM Transition, Accounting rules and Share of Proceeds to the Adaptation Fund. Let us examine them one by one.

**CDM transition:** The CDM projects have gone through due diligence and credits have been issued under UNFCCC oversight. Therefore, the Article 6 mechanism should honour the previous decisions and allow for a smooth transition of these projects and credits to ensure not only the viability of these projects but also inspire trust among the private investors in the UNFCCC decision-making process.

However, some countries have cast doubts on the environmental integrity of these credits and while there is greater acceptance for transition of projects/activities, the same is not the case for transition of credits. If the decision regarding transition of CDM is not favourable, it could lead to a loss of billions of dollars worth of potential revenue to India alone. A possible landing zone can be that the new supervisory body to be formed under the Paris Agreement can re-examine the validity and rigour of such credits.

Accounting rules: Article 6.4

mechanism is meant to incentivise the private sector and public entities to undertake mitigation activities for sustainable development. Under this mechanism, a country can purchase emission reductions from public and private entities of the host country and use it to meet its NDC targets. However, this does not automatically imply that emission reductions transferred from a host country be adjusted against its NDC targets. It must be appreciated that these reductions represent additional efforts of the private sector or public entities to mitigate greenhouse gas emissions, and in fact raise global climate ambition. This is also in line with the provision of Article 6.5 of the Paris Agreement wherein the host country is not required to undertake corresponding adjustment for the projects outside its NDC.

## The path ahead

Being a developing country, India does not need to undertake economy-wide emission reduction targets at this stage of its development. This means, not all mitigation actions fall within the purview of its NDC. Therefore, it can significantly gain from the market mechanism under Article 6.4 by selling emission reductions that lie outside its NDC. The counter view of developed countries, that this will deter raising ambition levels, is flawed as such efforts will in fact be additional to what have been committed in the NDC. Robust accounting will ensure that there will be no double-counting of emission reductions.

Share of Proceeds (SOP) to the

Adaptation Fund: For developing countries, adaptation is a necessity. However, it remains severely underfunded compared to financing for mitigation activities. While developing countries emphasise that the SOP must be uniformly applied to Articles 6.2 and 6.4 to fund adaptation, developed countries want to restrict its application to Article 6.4. This would disincentivise the Article 6.4 mechanism and limit voluntary cooperation to the cooperative approaches under Article 6.2 favoured by developed countries.

In a way, carbon markets allow developed countries to keep emitting greenhouse gases while developing countries benefit from the revenue generated from the sale of their carbon credits. Central to the discussions on Article 6 is equitable sharing of carbon and developmental space. Climate justice demands that developing countries get access to their fair share of global carbon space. As developing countries are nudged to take greater mitigation responsibilities, a facilitative carbon market mechanism that respects the principles enshrined in UNFCCC would greatly help accelerate their transition to low carbon development and would be a win-win solution for all countries.

Ravi S. Prasad was Additional Secretary, Ministry of Environment, Forest & Climate Change and Chief Negotiator, Climate Change - India (till February 2021). He is now Additional Chief Secretary and Agriculture Production Commissioner (Agriculture, Veterinary and Fisheries), Government of Assam. The views expressed are personal

# The outlines of a national security policy

Once cybertechnology becomes a key variable in the defence policies of a nation, land size or GDP size are irrelevant



SUBRAMANIAN SWAMY

National security concepts have, in the two decades of the 21st century, undergone fundamental changes. These fundamental changes reveal that a large country, in terms of size of geography, population and GDP, will not deter any country. Cyber warfare has vastly reduced the deterrent value of these sizes since cyber weaponry will be available even to small island countries, and the capacity to cause devastation to a large nation by cyber warfare is within the reach of even small and poorer nations.

## An equaliser

Innovations in weapons moved from stones in the pre-historic era, to bows and arrows, and later to cannons and guns in the 19th century. These were followed by aeroplanes, nuclear bombs, and inter-continental missiles in the 20th century. In the 21st century, the world is moving to cyber weapons-based warfare which will also immobilise current tangible advanced weapon systems in a war.

Therefore, in the 21st century, after cybertechnology enters as an important variable in nations' defence policies, the size of a country will cease to matter. Sri Lanka, or North Korea, empowered by cybertechnology, will be equal to the United States, Russia, India or Chi-

na, in their capability to cause unacceptable damage. Weapons in the 21st century will merely mean a cyber button on the desk of the nation's military and the leader of the government. Geographical land size or GDP size will be irrelevant in war-making capacity or deterrence.

## More innovations

These fundamental changes are entirely due to the earlier 20th century innovations in cybertechnology and software developments. Drones, robots, satellites and advanced computers as weapons are already in use. More innovations are around the corner. Some examples of further innovations are artificial intelligence and nanotechnology.

Warfare, therefore, will be no more just mobilisation of weapons or be dependent on the size of the armed forces of men. It will be cyber warfare. From remote controlled drones to artificial intelligence driven weapons systems, etc., will matter in the 21st century.

Hence, national security in the 21st century covers not merely the overt and covert operations but, more crucially, electronic operations from a remote centre beyond the front lines of ground forces or air power to track enemy assets by these newly weaponised cyber instruments of technology. Tracking those cyber warfare centres of the adversary will need a new national security policy.

By credible accounts, China, recently, publicly cautioned Indians to sit up and take notice by using cybertechnology to shut down Mumbai's electric supply in popu-



GETTY IMAGES/STOCKPHOTO

lated areas of the city, for a few hours. This was to overawe Indians as we were clueless for hours as to what went wrong till reports emerged about a possible cyberattack. Thus, each nation will have to prepare more for bilateral conflicts in the 21st century that are based on cyber warfare rather than in multilateral acts of conventional war or rely on military blocs for mobilisation.

## The four dimensions to this

National security at its root in the 21st century will depend on mind-boggling skills in four dimensions:

Objectives: the objective of the National Security Policy in the 21st century is to define what assets are required to be defended, the identity of opponents who seek to overawe the people of a target nation, by unfamiliar moves to cause disorientation of people. Although the novel coronavirus is perhaps accidental, it has completely destabilised peoples globally and their governments in all nations of the world over, and also derailed the global economy because nations were most unprepared for such a pandemic, even conceptually. So far, nearly two years of the pandemic have left several millions [or more] dead with most

economies having been driven to the edge of disaster. Normal life has been disrupted. Never before has there been such a virus attack of this dimension. This is a preview of the kinds of threats that await us in the coming decades which a national security policy will have to address by choosing a nation's priorities.

Priorities: In such scenarios of uncertainties about the future in the 21st century, national security priorities will require new departments for supporting several frontiers of innovation and technologies such as hydrogen fuel cells, desalination of seawater, thorium for nuclear technology, anti-computer viruses, and new immunity-creating medicines. This focus on a new priority will require compulsory science and mathematics education, especially in applications for analytical subjects. Every citizen will have to be alerted to new remote controlled military technology and be ready for it.

Strategy: The strategy required for this new national security policy will be to anticipate our enemies in many dimensions and by demonstrative but limited pre-emptive strikes by developing a strategy of deterrence of the enemy.

For India, it will be the China cyber capability factor which is the new threat for which it has to devise a new strategy.

The agenda for the new strategy will be critical and emerging technologies, connectivity and infrastructure, cyber security and maritime security. But, alas, India by trying to befriend nations on both sides of the divide ended up with

no serious ally internationally. The position of India is much like that of the bat species in the Panchatantra.

## Methods to use

Resource mobilisation: The macroeconomics of resource mobilisation depends on whether a nation has 'demand' as an economic deficit or not. That means, for example, if demand for a commodity or service is in deficit or insufficient to clear the market of the available supply of the same, then liberal printing of currency and placing it in the hands of consumers is recommended for the economy to recover the demand supply parity. This then is one way of facilitating resource mobilisation in a demand supply balanced market. A way to increase demand is by lowering the interest rate on bank loans or raising the rates in fixed deposits which will enable banks to obtain liquidity and lend liberally for enhancing investment for production.

If it is 'supply' that is short or in deficit compared to demand, then special measures are required to incentivise to encourage an increase in supply. The bottomline is that except for endowments of nature, a true economist adept in macroeconomics and inter-sectoral impact, will not despair for a lack of resources. Macroeconomics has many ways to generate resources without taxation. Printing of notes of currency is one way when there is a demand shortage.

Dr. Subramanian Swamy is a BJP Member of Parliament and former Union Minister for Law and Justice

### General Studies Paper I

A	History of Indian culture will cover the salient aspects of art forms, literature and architecture from ancient to modern times;
B	Modern Indian history from about the middle of the eighteenth century until the present-significant events, personalities, issues;
C	Freedom struggle-its various stages and important contributors / contributions from different parts of the country;
D	Post-independence consolidation and reorganization within the country;
E	History of the world will include events from 18 <sup>th</sup> century such as industrial revolution, world wars, re-drawing of national boundaries, colonization, decolonization,
F	Political philosophies like communism, capitalism, socialism etc.-their forms and effect on the society
G	Salient features of Indian Society, Diversity of India;
H	Effects of globalization on Indian society;
I	Role of women and women's organization;
J	Social empowerment, communalism, regionalism & secularism
K	Salient features of world's physical geography;
L	Geographical features and their location- changes in critical geographical features (including water bodies and ice-caps) and in flora and fauna and the effects of such changes;
M	Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc.
N	Distribution of key natural resources across the world (including South Asia and the Indian subcontinent);
O	Factors responsible for the location of primary, secondary, and tertiary sector industries in various parts of the world (including India);
P	Population and associated issues;
Q	Urbanization, their problems and their remedies

### General Studies Paper II

A	India and its neighbourhood- relations;
B	Important International institutions, agencies and fora- their structure, mandate;
C	Effect of policies and politics of developed and developing countries on India's interests;
D	Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.
E	Indian Constitution, historical underpinnings, evolution, features, amendments, significant provisions and basic structure;
F	Comparison of the Indian Constitutional scheme with other countries;
G	Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein; Inclusive growth and issues arising from it;
H	Parliament and State Legislatures - structure, functioning, conduct of business, powers & privileges and issues arising out of these;
I	Structure, organization and functioning of the executive and the judiciary, Ministries and Departments;
J	Separation of powers between various organs dispute redressal mechanisms and institutions;

K	Appointment to various Constitutional posts, powers, functions and responsibilities of various Constitutional bodies;
L	Statutory, regulatory and various quasi-judicial bodies;
M	Mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections;
N	Salient features of the Representation of People's Act;
O	Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential;
P	Citizens charters, transparency & accountability and institutional and other measures;
Q	Issues relating to poverty and hunger,
R	Welfare schemes for vulnerable sections of the population by the Centre and States, Performance of these schemes;
S	Issues relating to development and management of social sector / services relating to education and human resources;
T	Issues relating to development and management of social sector / services relating to health
<b>General Studies Paper III</b>	
A	Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment;
B	Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth;
C	Inclusive growth and issues arising from it;
D	Infrastructure Energy, Ports, Roads, Airports, Railways etc. Government budgeting;
E	Land reforms in India
F	Major crops, cropping patterns in various parts of the country, different types of irrigation and irrigation systems;
G	Storage, transport and marketing of agricultural produce and issues and related constraints;
H	e-technology in the aid of farmers; Technology Missions; Economics of Animal-Rearing.
I	Issues of buffer stocks and food security, Public Distribution System- objectives, functioning, limitations, revamping;
J	Food processing and related industries in India – scope and significance, location, upstream and downstream requirements, supply chain management;
K	Issues related to direct and indirect farm subsidies and minimum support prices
L	Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology;
M	Indigenization of technology and developing new technology;
N	Developments and their applications and effects in everyday life;
O	Issues relating to intellectual property rights
P	Conservation, environmental pollution and degradation, environmental impact assessment
Q	Disaster and disaster management
R	Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security;
S	Money-laundering and its prevention;
T	Various forces and their mandate;
U	Security challenges and their management in border areas;

V	Linkages of organized crime with terrorism;
W	Role of external state and non-state actors in creating challenges to internal security;
X	Linkages between development and spread of extremism.
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A	Ethics and Human Interface: Essence, determinants and consequences of Ethics in human actions;
B	Dimensions of ethics;
C	Ethics in private and public relationships. Human Values - lessons from the lives and teachings of great leaders, reformers and administrators;
D	Role of family, society and educational institutions in inculcating values.
E	Attitude: Content, structure, function; its influence and relation with thought and behaviour;
F	Moral and political attitudes;
G	Social influence and persuasion.
H	Aptitude and foundational values for Civil Service , integrity, impartiality and non-partisanship, objectivity, dedication to public service, empathy, tolerance and compassion towards the weaker sections.
I	Emotional intelligence-concepts, and their utilities and application in administration and governance.
J	Contributions of moral thinkers and philosophers from India and world.
K	Public/Civil service values and Ethics in Public administration: Status and problems;
L	Ethical concerns and dilemmas in government and private institutions;
M	Laws, rules, regulations and conscience as
N	sources of ethical guidance;
O	Accountability and ethical governance; strengthening of ethical and moral values in governance; ethical issues in international relations and funding;
P	Corporate governance.
Q	Probity in Governance: Concept of public service;
R	Philosophical basis of governance and probity;
S	Information sharing and transparency in government, Right to Information, Codes of Ethics, Codes of Conduct, Citizen's Charters, Work culture, Quality of service delivery, Utilization of public funds, challenges of corruption.
T	Case Studies on above issues.