05/12/2023 TUESDAY

www.vedhikiasacademy.org

DAILY NEWS ANALYSIS

POLITY

ECONOMICS

TECHNOLOGY

ECOLOGY

GEOGRAPHY

CYCLONE-TRIGGERED RAIN BRINGS CHENNAI TO A HALT, CLAIMS 6 LIVES

CONTEXT: Six persons were killed in cyclone-related incidents in Chennai and its neighbouring districts marooned by relentless rain under the impact of Cyclone Michaung.



The G.P. Road junction on the arterial Anna Salai inundated in heavy downpour in Chennai on Monday.

Nearly 300 flights were cancelled and more than 1,500 passengers stranded as Chennai airport shut down its airfield for arrival and departure operations till 9 a.m. on Tuesday. Southern Railway cancelled many long-haul trains and trains coming to the city were terminated at Chengalpattu, causing inconvenience to hundreds of passengers. Waterbodies were brimming and the release of surplus water from the reservoirs challenged the city's infrastructure. Life came to a standstill as power supply was suspended as precautionary measure since late on Sunday night. Over 9,600 people from northern coastal districts were moved to 236 relief camps in eight places.

The Army and the National Disaster Response Force (NDRF) aided State agencies, including the Fire and Rescue Services and police personnel, in the relief and rescue operations.

Weather bulletin

A weather bulletin issued of a severe cyclonic storm, Michaung (pronounced Migjaum), over west-central and adjoining southwest Bay of Bengal off south Andhra Pradesh and adjoining north Tamil Nadu coasts likely to move nearly northwards parallel and close to south Andhra Pradesh coast and cross south Andhra Pradesh coast between Nellore and Machilipatnam, close to Bapatla, during the forenoon of Tuesday as a severe cyclonic storm with a maximum sustained wind speed of 90-100 kmph gusting to 110 kmph.

POLITY AND GOVERNANCE

ZPM COMFORTABLY WINS MIZORAM IN SINGLE-PARTY SHOW

CONTEXT: A regional party led by a former Indian Police Service (IPS) officer has wrested power from the Mizo National Front (MNF), an ally of the BJP at the Centre, in Mizoram.

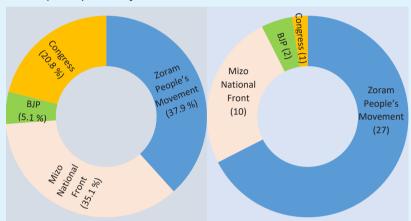


FIGURE: (L) Pie chart representation of the share of cast votes secured by political parties. (R) Pie chart representation of the share of seats in the Legislative Assembly secured by political parties.

The Zoram People's Movement (ZPM) won 27 seats, six more than the majority mark in the 40-member Mizoram Assembly upending a 36-year-old duopoly in the State with power rotating between the MNF and the Congress. The outcome negated predictions that the elections held on November 7 would be multi-cornered with the Congress and the BJP in the picture.

Led by Lalduhoma, an ex-IPS officer who was in charge of the security of former Prime Minister Indira Gandhi in 1982, the ZPM virtually made it a single-party show with the MNF bagging 10 seats, half of them by slender margins.

Zoramthanga-led party had assiduously sought to promote ethnic nationalism by projecting its solidarity with the Kuki-Zo tribals in Manipur and the Chin people in neighbouring Myanmar, both of whom are mired in different conflicts. The Congress meanwhile tried to woo the voters in the predominantly Christian State by harping on the fact that the regional parties are prospective allies of the Hindutva-promoting BJP, especially the MNF which is part of the BJP-led North East Democratic Alliance.

Smaller States, especially those in the North East, have limited avenues of resource mobilisation and are too dependent upon the Union government for their finances. Mizoram, for example, has among the highest Union transfers

05/12/2023 TUESDAY — DECEMBER — DECEMBER —

to revenue receipts ratios in the country — 85.7 %. If the ZPM can focus on ways to diversify the economy beyond agriculture, into areas such as eco-friendly tourism, and value-added services leveraging its population's high literacy rate and education, it can live up to its promise of decisive change in the State.

INTERNATIONAL RELATIONS

'INDIA, U.S. CAN WORK THROUGH DIFFERENCES CONSTRUCTIVELY'

CONTEXT: India and the U.S. have been able to surmount all challenges to bilateral ties despite many differences in their relationship.



Brass tacks: External Affairs Minister S. Jaishankar meets Principal Deputy NSA of the U.S. Jonathan Finer in New Delhi on Monday.

Mr. Jaishankar also stressed that India and the U.S. have managed their relationships over the past two decades and five different U.S. Presidents. The data clearly indicates a certain stability and that there is enough investment on both sides and structural soundness to the relationship," adding that "from an Indian perspective, India-U.S. relations are certainly proofed against political checks".

No talk of indictment

Neither side referred directly to the issue of the indictment that has seen the arrest of an Indian national named Nikhil Gupta after an elaborate investigation that involved an undercover U.S. law enforcement official posing as a hitman, in a case where the U.S. Department of Justice claims an Indian government official directed a plan to assassinate Khalistani separatists wanted by India, including Sikhs for Justice leader and U.S. national, Gurpatwant Singh Pannun, and other unnamed targets in the U.S. and Canada.

The indictment also linked the plot to the killing of Khalistani leader Hardeep Singh Nijjar in Canada in June. The revelations in the indictment were called a "matter of concern" by the MEA that said a high-level inquiry committee had been constituted to investigate the U.S. allegations, although it had earlier dismissed Canadian allegations over the Nijjar killing.

INTERNATIONAL RELATIONS

ISRAEL ORDERS EVACUATIONS AS IT WIDENS OFFENSIVE ON GAZA

CONTEXT: Israel's military renewed calls on Monday for mass evacuations from the southern town of Khan Younis, where tens of thousands of displaced Palestinians have sought refuge in recent weeks, as it widened its ground offensive and bombarded targets across the Gaza Strip.



Precision strike: An Israeli tank firing towards the Palestinian territory amid continuing battles between Israel and Hamas.

Following the expiration of a weeklong ceasefire, Israel expanded operations aimed to eliminate Gaza's Hamas rulers, whose October 7 attack into Israel triggered the deadliest Israeli-Palestinian violence in decades.

Israel appears to be racing to strike a death blow against Hamas before any new ceasefire under mounting pressure from its top ally, the U.S. The ground offensive has transformed much of the north, including large areas in Gaza City, into a rubble-filled wasteland.

No more refugees

Hundreds of thousands of people have sought refuge in the south and both Israel and neighbouring Egypt have refused to accept any refugees. Later in the day, the military warned civilians to avoid the main north-south highway between Khan Younis and the central town of Deir al-Balah, saying the road had become a "battlefield" and was "extremely dangerous." That indicated Israeli troops were approaching Khan Younis from the northeast, possibly with plans to cut central Gaza off from the south. The Army is pursuing Hamas with "maximum force" in the north and south, and said it was trying to minimise harm to civilians.

WE AIM TO INSPIRE YOU

05/12/2023 TUESDAY — DECEMBER =

INTERNATIONAL RELATIONS

INDIAN COMPANIES SHOULD INVEST IN 'CLIMATE VULNERABLE' NATIONS: NASHEED



CONTEXT: Former Maldives President Mohamed Nasheed asked more Indian companies ought to be investing in clean energy projects in Maldives and other 'climate vulnerable' countries instead of putting money in "iron and steel" as this would be a "good investment".

Mohamed Nasheed

Currently, the Secretary-General, Climate Vulnerable Forum (CVF) — a grouping of 58 countries that are particularly vulnerable to natural disasters from climate change — Mr. Nasheed said India's commitment to installing 500 GW of electricity from non-fossil fuel sources and reducing emissions by 45% suggested that "it was on track" as far meeting its commitments to the Paris Agreement was concerned. The 2015 agreement, to which India is a signatory, seeks to cap global average temperature rise below 2°C and "as far as possible" below 1.5°C. India should be investing more in renewable energy projects in climate-vulnerable countries" more than taking on emission cuts.

Mr. Nasheed said that he had seen interest from "several Indian investors" in investing in renewable energy projects, particularly solar and wind projects, in countries that are part of the grouping.

Development banks and richer developed countries could play an important role in "de-risking investments", he said while stressing that the vulnerable countries were not really asking for grants but seeking real investments in their economies.

INTERNATIONAL RELATIONS

VENEZUELANS CLAIM GUYANA REGION IN VOTE

CONTEXT: Venezuelan electoral authorities on Sunday claimed that 95 % of voters in a non-binding referendum approved of the nation's territorial claim on a huge chunk of neighbouring oil-rich Guyana.



The referendum raised fears in Guyana, and around the region, about Venezuela's ultimate intentions over the contested territory. Mr. Maduro, who will seek re-election next year amid an economic crisis, hopes the outcome of the referendum will strengthen his nation's claim to the oil-rich Essequibo territory governed by Guyana.

Guyana asserts the border was set in the British colonial era and was confirmed in 1899 by a court of arbitration.





05/12/2023 Tuesday — December — December —

ECONOMICS AND DEVELOPMENT

'CORPORATE BOND MARKET TO MORE THAN DOUBLE BY 2030'

CONTEXT: The corporate bond market growth is expected to gather pace in the coming years, and its overall size is likely to more than double to over ₹100 lakh crore by March 2030.

A push to capital expenditure, attractiveness of the infrastructure sector and also the financialisation of savings will be the key drivers for this growth. It said in the last five years till March 2023, the corporate bond market grew 9% per annum to ₹43 lakh crore, and is likely to more than double to over ₹100-120 lakh crore by March 2030.

The growth in capex will be driven by high-capacity utilisation, healthy corporate sector balance sheets and strong economic outlook, the agency said, adding that the period till FY27 alone will see investments of over ₹110 lakh crore. The corporate bond market is expected to finance a sixth of the estimated capex.

The credit risk profile for infrastructure assets is also getting stronger, along with better recovery prospects and the ability to lend long-term, noting that at present only 15% of corporate bond issuances go to infrastructure.

Crisil's Director Ramesh Karunakaran said relaxing the investment restrictions on corporate bonds rated below 'AA' for insurance and pension funds and fortifying the credit default swaps market will help the industry's growth. Demand for corporate bonds will also be driven by non-bank lenders looking to serve credit demand.

CRACKING CIVIL SERVICES NO MORE A DIFFICUIT TASK

COME JOIN WITH US





"If you invest more in your education, then you are likely to get more interest in it." —Benjamin Franklin

<u>AGRICU</u>LTURE

THE NEED TO TRANSFORM AGRI-FOOD SYSTEMS

CONTEXT: The United Nations Food and Agriculture Organization (FAO) report estimate the hidden costs of our global agri-food systems, surpassing an astonishing \$10 trillion.



Different approach: A farmer spraying pesticides in a paddy field, in Kharak Singhwala, Mansa district in Punjab, on August 21.

In middle-income countries like India, these costs constitute nearly 11% of the GDP, which manifests as higher poverty, environmental harm, and health-related impacts, including undernourishment and unhealthy dietary patterns. The report blames "unsustainable business-as-usual activities and practices" for these escalating costs, pointing to a need to transform agri-food systems. One way to do so is to shift to multi-cropping systems that have the potential to protect farmers' well-being, improve nutritional outcomes for our communities, and positively impact ecological health.

What are the impacts of intensive agriculture?

The Green Revolution focused on the marketing of high-yielding varieties of paddy and wheat on agricultural lands, which now constitute more than 70 % of India's agricultural production. The infusion of seeds purchased from multinational corporations and fertilizers undermined seed sovereignty, dismantled Indigenous knowledge systems, and fuelled a shift from diverse crop varieties and staples such as pulses and millets to monoculture plantations. This trend also compromised the nutritional needs of households and resulted in adverse ecological consequences including excessive extraction of groundwater.

This privatisation and deregulation of agricultural inputs also increased indebtedness among agrarian households. In 2013, the debt to asset ratio of a farmer's

05/12/2023 TUESDAY — DECEMBER — DECEMBER —

household in India was 630 % higher than in 1992. At present, the average monthly household income of a farming household is ₹ 10,816, making agriculture in India has increasingly become unviable.

Which are the crops being favoured?

Under the National Food Security Act 2013, 65 % of households (around 800 million people) in India are legally assured a right to food at subsidised rates through the Public Distribution System and welfare programmes such as the Integrated Child Development Services and the Mid-Day Meal Scheme. In 2019-2020, the Food Corporation of India (FCI) procured 341.32 lakh million tonnes (MT) of wheat and 514.27 lakh MT of rice to maintain a central pool of buffer stock to ensure national food security. The Indian government approved the procurement of a total of only 3.49 lakh MT of coarse grains such as jowar, bajra, ragi, maize, and barley by State governments for the central pool and local distribution, which is less than 1 % of total foodgrain procurement. Between 1966-1967 and 2017-2018, the area under cultivation of coarse grains dropped by 20 %, whereas the area under rice and wheat increased by nearly 20 % and 56 % respectively.

The expansion of water-intensive cash crops like sugarcane and areca under policies favouring investments in dams and canal irrigation (favourable for sugarcane) and free electricity for borewells (favourable for areca nut) has not only threatened food security, but also biodiversity, increases the pressure on groundwater resources, and contributes to air and water pollution. Between 2012 and 2016, large fluctuations in soya prices in the global market and a glut in supply from Latin American countries eroded income for soy farmers and agro-companies in Malwa.

How can crop diversification help?

A systemic shift in food regimes, from local to global value chains, is essential. Diversified multi-cropping systems, rooted in agroecology principles, could be a viable solution to revitalise degraded land and soil. Practices known by various names locally, like 'akkadi saalu' in Karnataka, involve intercropping with a combination of legumes, pulses, oilseeds, trees, shrubs, and livestock. This approach enables cash provision from commercial crops, food and fodder production, and offers ecosystem services such as nitrogen fixation and pest traps, and supports the local biodiversity. They also collectively contribute to improving soil health.

FAO report says that there are substantial "hidden costs" associated with the current systems which need to be factored into long-term evaluations of income. Millets, whose yield per hectare is comparable to those of rice and wheat, are also more nutritious, grow in semi-arid conditions without burdening groundwater tables, require minimal input, and provide a diversified food basket.

While crop diversification will involve some loss of productivity using a narrow metric of kg/Ha, it would preserve natural capital and allow farmers to become nutritionally secure. By redirecting subsidies, currently accruing to corporations, we can pay farmers for their contribution to sustaining natural capital, instead of incentivising them to deplete it.

How can farmers transition?

It is unrealistic to expect farmers to shift away from mono-cultivation of rice and wheat overnight. This transition needs to be systematic, allowing farmers to adjust gradually. For instance, moving from chemical-intensive practices to non-pesticide management, then adopting natural farming practices, can reduce input costs.

Farmers can diversify income through value addition, incorporating livestock and poultry. Some of these practices could be experimented with partially on specific portions of their lands.

A visual representation of a diversified farm involves allocating 70 % for commercial crops, 20 % for food and fodder, and 10% for environmental services like oilseeds (acting as trap crops). Over time, the fraction of commercial crops could be lowered to 50 % and border crops could be replaced with locally-suitable tree species for fruits and fodder. Integrating livestock rearing could further improve incomes. Some preliminary economic modelling of these pathways indicates the potential to improve ecological outcomes for the landscape and sustain farm incomes in the short run (up to three years) and the long run (up to 25 years).

However, addressing challenges related to local seeds, institutional arrangements for market access, drudgery, and the need for farm labour is crucial when envisioning such a transition. Scaling up these practices requires collaboration among institutions, policymakers, and social groups to articulate economic incentives for farmers to shift from high-input monoculture to diversified cropping.



"Intelligence plus character-that is the goal of true education. — Martin Luther King Jr.





Head Office:

Vedhik IAS Academy

Mercy Estate,

MG Road, Ravipuram,

Ernakulam-682 015,

Corporate office:

Vedhik IAS Academy

Samkalp Bhawan, Plot No.15,

Sector 4, Rama Krishna Puram,

New Delhi, Delhi-110022

Regional office
Vedhik IAS Academy
202, Raheja Chambers, 12,
Museum Road. Bangalore 560001. Karnataka, India.

GCC Office:

Bobscoedu,

Bobsco Trading & Contracting Co. W. L . L
Office 22, Dream Tower 1,
Road: 2701, Adliya, Kingdom of Bahrain
www.bobscoedu.com