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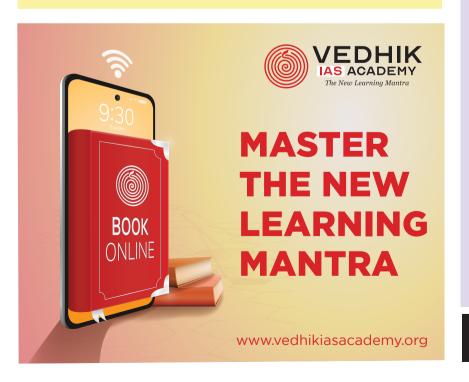
INTERNATIONAL RELATIONS

India a bridging power, says Jaishankar

CONTEXT: External Affairs Minister S. Jaishankar noted India as a bridging power in many ways, while stating that multilateralism would exist side by side with national interests during the Raisina Dialogue jointly organised by the Ministry of External Affairs and the Observer Research Foundation.



The External Affairs Minister called for reforms in the UN Security Council. External Affairs Minister S. Jaishankar observed people see India as relatively objective and unbiased, whether it is COVID or today's regional conflicts. Tanzanian Foreign Minister Makamba termed the countries of Africa as the 'Southern global South'.



INTERNATIONAL RELATIONS

European Ministers call on India to back Ukraine, join peace conference

CONTEXT: European Ministers gathered for the Ministry of External Affairs' Raisina Dialogue here urged India to reconsider trade and ties with Russia, and to press the case for Ukraine's sovereignty ahead of the second anniversary of the Russian invasion of Ukraine that falls on February 24.



Majority voice

External Affairs Minister S. Jaishankar separately met ministers, that made up a large majority, numbering 15 of the 21 Foreign Ministers. The European Ministers urged India to join a "Peace Conference" in Switzerland, set to be held shortly, at the request of Ukraine President Volodymyr Zelenskyy.

Since February 2022, India has abstained from all United Nations resolutions on Ukraine, maintained ties with Russia while sending aid to Ukraine, and has increased India's intake of Russian oil multi-fold, making it the source for a third of India's oil imports.

'Neighbours worried'

Echoing the message given by other European countries during the conference, Lithuanian Foreign Minister Gabrielius Landsbergis said those neighbouring Ukraine are particularly worried about a loss for Ukraine in the conflict. The Baltic countries believe that as the Russian forces grow more entrenched in Ukraine's east, Russia could attempt to annex more territory in other countries.

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INTERNAL SECURITY

₹ 19,000-crore Navy deal for 200 BrahMos approved

CONTEXT: The Centre has accorded approval for procurement of more than 200 BrahMos supersonic cruise missiles and associated equipment for the Indian Navy at a cost of around ₹19,000 crore.

The proposal approved by the Cabinet Committee on Security entails acquisition of a mix of BrahMos missiles having a range of around 290 km and the latest extended range variant of the weapon with a range of around 450 km. BrahMos Aerospace Private Ltd., an India-Russian joint venture, produces the supersonic cruise missiles. The formal contract for acquisition is expected to be sealed in the next few months. India is exporting the BrahMos missiles. In 2022, India sealed a \$375-million deal with the Philippines to supply three batteries of the missile.

ECONOMICS AND DEVELOPMENT

Real interest rate of 2% risks impairing growth: MPC's Varma

CONTEXT: Jayanth R. Varma, Monetary Policy Committee (Member) dissented at the February 6-8 meeting of the RBI's policy panel, which voted 5-1 to hold the repo rate at 6.5 %.

For and against

Varma held that given an FY25 inflation view of 4.5%, a 6.5% repo rate could hurt growth; Patra emphasised price stability



- A real interest rate of 2% creates real risk of turning growth pessimism into a self fulfilling prophecy: Varma
- Private consumption is languishing under strain of still elevated food inflation: Patra
- Inflation has to be restrained to its target for growth to be inclusive, sustained: Patra

A real interest rate of 2 % would be way too high and ran the risk of hurting economic growth, with inflation projecting to an average 4.5 % in 2024-25. The economy is not at risk of overheating in 2024-25, with a potential growth rate of the economy close to 8 %. A real interest rate of 1-1.5 % would then be sufficient to glide inflation to the target of 4 %. A real interest rate of 2 % creates the very real risk of turning growth pessimism into a self-fulfilling prophecy.

'No overheating'

Perhaps, the majority of the MPC worry that the output gap has already closed, and that the projected growth rate of $7\,\%$ for 2024-25 exceeds the growth potential of the Indian economy. I do not think that such growth pessimism is warranted.

It must also be borne in mind that the process of fiscal consolidation is projected to continue in 2024-25. This opens up space for monetary easing without risking an inflationary spiral. It

was vital for the MPC to signal that it took "its dual mandate of inflation and growth seriously.

'Must stay restrictive'

RBI Deputy Governor Michael Debabrata Patra was for his part emphatic "that monetary policy must remain restrictive and maintain downward pressure on inflation while minimising the output costs of disinflation".

Private consumption, which accounts for 57 % of GDP is languishing under the strain of still elevated food inflation, particularly telling in rural areas. Inflation has to be restrained to its target for growth to be inclusive and sustained.

The outlook for the Indian economy remained highly sensitive to inflation risks. High inflation erodes purchasing power, especially for those least protected against the higher costs of essentials like food.

ECONOMICS AND DEVELOPMENT

Flash PMI reading signals February fervour for India Inc.

CONTEXT: As per the HSBC India Flash PMI, output levels and new orders for Indian manufacturing and services firms likely rose at a seven-month high pace in February, with fresh contracts for services players growing at the fastest pace in a decade.

The PMI for Manufacturing rose to 56.7 in February, as per the Flash reading, which provides an advance indication of trends in an ongoing month, compared with 56.5 PMI print in January. For services, the Flash PMI stood at 62 this month, from 61.8 last month. A PMI reading of over 50 indicates an expansion in business activity levels. While the pace of increase in input prices this month has been the slowest in three and a half years, goods cost dropped at a faster pace for goods producers. For services firms, there was some pressure on labour costs.



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INTERNATIONAL RELATIONS

Russia used up most of its rupee balance in Indian banks: Indian officials

CONTEXT: Russia has used up most of its rupee balance, estimated at more than \$8 billion, that had piled up in special vostro accounts of Indian banks on account of payments made largely for Russian defence purchases.

Russia used up the rupee balance through multiple avenues including payments for Indian imports, which increased about 39% to \$4.05 billion in CY23, investments in infrastructure projects, investments in the equity market and purchase of government securities.

Russians were worried about the piling up of rupee payments in Indian vostro accounts as they received payments for their defence sales, and some other items, in Indian currency due to the West's economic sanctions. The Indian government and the RBI then worked with Moscow to create suitable avenues for investment and also increase Indian exports to Russia.

Exploring projects

The two countries are exploring projects where Moscow can invest and ensure continued usage of rupee balances by Russia.

- 1. India-Russia joint venture Vande Bharat deal to manufacture and maintain 120 trains for the Indian Railways.
- 2. Construction of 24 cargo ships in the Goa shipyard in India for operation in the Caspian Sea.

Such deals between Russia and India could the government is hopeful that rupee payments made in the vostro accounts in the future. Western countries imposed banking and economic sanctions against Russia following its attack on Ukraine in February 2022, which still continues. India and Russia put in place a rupee payment system to circumvent the sanctions. Under the mechanism, a number of Russian banks, including Gazprom, Rosbank, Tinkoff Bank, Centro Credit Bank and Credit Bank of Moscow, opened their rupee vostro accounts with authorised dealer banks in India, such as UCO, HDFC and ICICI, for enabling rupee trade between the two countries.

As India's exports were insignificant compared to the imports, the piling up of unused rupee payments in the banks became a problem. Russia even considered suspending some of its defence sales to India at one point of time. On the sidelines of a G20 meeting in New Delhi in September 2023, Russia's Foreign Minister Sergei Lavrov had reiterated his country's concerns over billions of rupees stored in Indian banks that "unfortunately cannot be used right now".

Oil imports

India's imports from Russia in CY23 touched \$ 60.87 billion increasing 79 % over the previous year, creating a trade deficit of about \$ 56 billion. However, oil imports, valued at over \$ 40 billion, dominated the import basket, for which payment is not made in rupees, but various foreign currencies.

Through the process of smart billing for Russian oil imports, by excluding freight, insurance and other logistics costs, India is managing to stay within the West's price cap of \$ 60 per barrel and avoid economic sanctions in the face of rising price of Russian Urals.

INTERNATIONAL RELATIONS

World's race to eradicate Guinea worm disease nears the finish line

CONTEXT: The world is on the brink of a public health triumph as it closes in on eradicating Guinea worm disease. There were more than 3.5 million cases of this disease in the 1980s, but according to the World Health Organization's (WHO) weekly epidemiological report, they dwindled to 14 cases in 2021, 13 in 2022, and just six in 2023.

At a time when medical advancements often headline with breakthrough vaccines and cures, the battle against Guinea worm disease stands out for its reliance on basic public health principles rather than high-tech interventions. Unlike many of its viral counterparts, this parasitic adversary has offered no chance for immunity, defied prevention by vaccines, and resisted most cures — yet the possibility of its eradication is closer than ever thanks to the triumph of human resilience and ingenuity.

Infection cycle

Guinea worm (Dracunculus medinensis) is responsible for the Guinea worm disease. Individuals whose bodies the worm has entered first experience a painful blister, usually on a lower limb. When seeking relief, they may immerse the affected area in water, which prompts the worm to emerge and release hundreds of thousands of larvae, potentially contaminating communal water sources and perpetuating the infection cycle. While a worm by itself is not lethal, it debilitates those whom it infects and prevents them from earning their livelihoods. It manifests as a painful skin lesion as the adult worm — sometimes up to a meter long — emerges. This process, which can last weeks, often begins with a blister and develops into an ulcer from which the worm slowly exits the body. The symptoms involve intense pain, swelling, and sometimes secondary bacterial infections at the wound. Victims may experience fever, nausea, and vomiting.

Legs most susceptible

More than 90% of Guinea worm infections manifest in the legs and feet. The individual has an excruciating experience when the adult female worm emerges through the skin. The open sore left by its exit is also susceptible to secondary infections. The disease affects people of both sexes. The struggle against Guinea worm disease is symbolic of a broader fight against the diseases of poverty and the self-fulfilling relationship between poverty and illness. The disease thrive where access to safe drinking water is a luxury, and health education and resources are scant.

India eliminated Guinea worm disease in the 1990s, concluding a commendable chapter in the country's public health history through a rigorous campaign of surveillance, water safety interventions, and education. The government of India received Guinea worm disease-free certification from the WHO in 2000. This accomplishment was the result of a collaboration between the Indian government, local health workers, and international partners. The strategy hinged on empowering local communities with the knowledge and tools — including filtering water before use and reporting cases to health authorities for immediate response.

The strategy that brought us to the brink of eradication was straightforward: intersectoral coordination, community participation,

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and a sustained focus on prevention through health education. Unlike many diseases that have been cornered by medical interventions, Guinea worm disease was and is being pushed to extinction using the fundamentals of public health: ensuring access to clean water (by applying a larvicide called Temephos), spreading awareness through community workers, and meticulously tracking cases and containing outbreaks. The WHO recorded only six cases of Guinea worm disease in 2023. Nations like South Sudan and Mali, where the disease was once more common, have made commendable progress, although the fight continues in Chad and the Central African Republic.

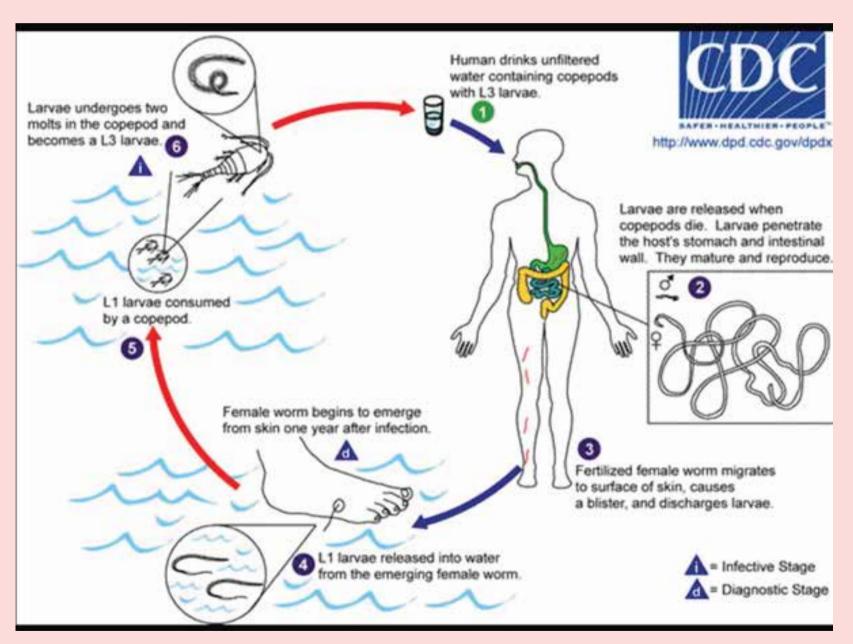
New reservoir

In 2020, researchers also discovered Guinea worms in animal reservoirs, particularly dogs, in Chad, casting a shadow of complexity over the final stages of eradication. This development is a crucial reminder of the disease's tenacity and, importantly, signals to countries where the disease was previously endemic, including India, to not let their guard down.

If the worm persists in this way, governments must stay vigilant and maintain adaptable public health strategies to ensure

they don't lose the upper hand. This said, the significant progress made towards eradicating Guinea worm disease is also threatened by human and political factors, notably civil unrest and poverty. These challenges are not merely logistical but deeply entrenched in the socio-political fabric of the affected areas, where poverty exacerbates vulnerability to disease and conflict disrupts the basic infrastructure required to sustain public health campaigns. In fact, were such conflicts not in the picture, the global community may have crossed the finish line in the fight against Guinea worm disease a decade sooner. The interplay between health and peace is starkly evident in this context, where the absence of stability and security directly affects the fruits of eradication efforts.

Finally eradicating Guinea worm disease wouldn't just represent a victory over a single parasitic but a triumph of humankind at large. It will underscore a collective moral responsibility towards the most vulnerable, and demonstrate the profound impact addressing health disparities can have on communities. Getting rid of this disease will also be a much-needed testament to what we can achieve when global efforts converge to uplift communities from preventable afflictions.



SCIENCE AND TECHNOLOGY

The next frontier

CONTEXT: India started on this path in 2020 with state-led reforms that opened its space sector to private companies, then releasing the 'Geospatial Guidelines' and later the 'Indian Space Policy', creating the Indian National Space Promotion and Authorisation Centre (IN-SPACe), and passing the Telecommunications Act 2023 that, among other departures from the Indian Telegraph Act, 1885, provided for satellite broadband services.

On February 21, the Union Cabinet approved amendments to allow 100 % Foreign Direct Investment (FDI) in space sector. The liberalised entry routes are aimed to attract potential investors to invest in Indian companies in space.

Salient features of Foreign Direct Investment (FDI) in space sector:

- 1. Allows upto 74 % FDI under the automatic route for satellite manufacturing and operation, satellite data products and ground/user segment.
- 2. Allows upto 49 % FDI under the automatic route for launch vehicles and associated systems or subsystems, and creation of spaceports for launching and receiving spacecraft.
- 3. Allows upto 100 % FDI under the automatic route would be permitted for manufacturing of components and systems/sub-systems for satellites, ground segment and user segment.

As such, by stepping out of the way and allowing substantial FDI via the automatic route, the government has taken the logical next step in spurring the contributions of private space flight operators, technology-developers, and application designers to the national space economy, in line with ambitions outlined in the Space Policy.

According to IN-SPACe chairman Pawan K. Goenka, a "significant" slice of the \$37.1 billion that the space sector raised worldwide in 2021-23 went to space start-ups. Against this extended backdrop, new investments can add to India's space economy by improving start-ups' access to talent and capital; effecting a better balance between upstream and downstream opportunities, versus the current skew in favour of the former; boosting local manufacturing; and improving investor confidence. Finally, to sustain these winds of change, the government must keep the regulatory environment clear, reduce red tape, increase public support, and ease Indian companies' ability to access foreign markets.



POLITY AND GOVERNANCE

It is the conditioning of the Agniveer that merits attention

CONTEXT: The Agnipath scheme, as it is known, was announced on June 14, 2022, and is in force with the initial batch of Agniveers, as these young men and women are called, already inducted in armed forces units after completion of their recruit training.

The scheme runs on a short-service manpower model, where 75 % of the recruited soldiers will leave the service in four years. However, 25 % of them will be allowed to continue. There are strong indications that the retention in service is likely to be enhanced to 50 %. However, the government has still to take an official stand on this. The scheme has drawn criticism, especially from the veteran community, citing several grounds. The veterans have expressed their disapproval mainly due to the sense of belonging that they continue to nurture towards the organisation that they served in, and not for any partisan leanings. The armed forces are unique in the sense that the serving community always looks up to the veterans as a guiding light, in the true sense of regimentation.

Still early days

In order to seamlessly incorporate the Agniveers into the milieu of military units, it is important that the respective unit commanders are clear about the challenges ahead. These challenges are beyond the individual capacities of the Agniveers, in which they are likely to excel for the sake of being retained. The challenges are more intangible in nature and warrant the attention of the leaders.

A military unit is eventually expected to deliver when it is in combat. Preparations for the desired outcomes in the face of an adversary have to go on relentlessly and do not wait for testing combat situations. The unit commanders will have to focus on the psychological assimilation of the Agniveers into the unit fabric and ensure that they are moulded into becoming effective team players.

The above-board performance of a unit in combat has always been an attribute of the trinity of 'naam-namak-nishaan' or the unit's izzat (pride). In turn, unit pride flows out of unit cohesion, which is a hallmark of an excellent military unit which, in turn, is contingent on the human element of the individual soldier. The basis for soldier discipline and, thereby, his motivation and psychology as a team player is always about his/her individual conscience and character. It is this character that harmonises relationships and builds up unit camaraderie which gives a soldier strength in the battlefield.

Combat and technology

Technology-based measures, in terms of weapon platforms and systems, can always be confronted with technology-based counter-measures. The ongoing Russia-Ukraine conflict or, maybe, setbacks by the Israel Defense Forces (IDF) in the Israel-Hamas conflict, have vindicated the point that the human element and conventional methods of combat shall outlive modern technology, which can only complement the age-old methods and tactics. The fact that the Agniveers possess a better technical threshold should not make the leaders complacent. The said attributes will be

futile unless these men and women are trained to live a life of camaraderie, keeping in mind the larger goal of unit cohesion.

Focus on the human element

The facets of the human element in the Agniveers need to be addressed by the leaders who have been assigned the responsibility of training and assessing these impressionable minds. Given the average annual numbers of not more than 40 to 45 Agniveers being inducted in a unit in a year, the unit-level implications of a well-groomed human element is likely to show only after sometime. However, the value-based nurturing, based on unit ethos, needs to commence from now and the onus of planning and executing this rests on the unit leadership. Irrespective of technological advancements in the realm of warfare, the character of a soldier to stand by his flanking mate can never be undermined.

On the issue of competition for retention versus rejection, the Agniveers would try to outdo each other. But a tendency of one-upmanship amongst the Agniveers would go contrary to the goal of developing unit cohesion. The onerous challenge would be to arrest any germination of an undesired personality trait among the lot given that 25% of the Agniveers will stay back. If not conditioned, this could evolve into something serious and affect the health of the unit in the long run.

Finally, the government should consider introducing a test of 'psychology' as part of the recruitment process, in line with the methodology used in the selection of officers in the military. This will help the unit commander manage the human resources available and facilitate the better grooming and assessment of Agniveers.

POLITY AND GOVERNANCE

Should India have regional benches of the Supreme Court?

CONTEXT: Recently, the Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice informed the Lok Sabha that the Law Ministry has accepted its recommendation to establish regional benches of the Supreme Court across India.

A seminal 2011 study conducted by the legal scholar Nick Robinson showed that a majority of the cases before the Supreme Court are from High Courts close to Delhi. Will the establishment of regional benches reduce such a geographical bias and make it easier for more Indians to access justice?

Justice Govind Mathur: Initially during my tenure as a judge, I used to be opposed to the idea of regional benches since it could lead to more divergent views and adversely affect our justice delivery system. However, now, after examining the issue from the eyes of the common man, I do feel that such benches are the need of the hour. People are less willing to accept arbitrary or unjust actions of the state and its agencies and are increasingly approaching courts of law. The outcome of such cases demands further adjudication by the Supreme Court. It becomes practically impossible for people living in States far away from Delhi to agitate their cause. It is easy to say that the presence of a litigant is not required in appellate forums but the reality is that every litigant wishes to visit his lawyer and witness court proceedings involving his case.

Sanjoy Ghose: While a majority of the cases filed in the Supreme Court do arise from High Courts close to Delhi, this imbalance will not be rectified by merely constituting regional benches. There is also a possibility of numerous frivolous petitions being filed with easier access to justice. Instead, a mechanism should be put in place to scrutinise the types of petitions that are permitted to be admitted in the top court.

The relative success of virtual hearings by courts during the pandemic indicates that hybrid hearings could well be an alternative to regional benches. Do you think this could be a permanent solution keeping in mind that judges can sometimes be reluctant to entertain hybrid hearings?

SG: The steps taken by the judiciary since the onset of the pandemic to switch to virtual hearings are laudable. Further, the Chief Justice has also indicated that all courts should shift to virtual hearings. However, even today, in many forums such as the Central Administrative Tribunal and the National Consumer Disputes Redressal Commission of India, virtual hearing facilities are not used. Many judges also prefer lawyers to be physically present. Therefore, I feel that a mechanism should be put in place that allows preliminary and admission hearings to take place virtually, while final hearings are conducted physically.

GM: I don't think that hybrid hearings can be an effective alternative to regional benches. While the use of technology is good for judicial administration, court management, and handling the case flow, it is not a viable solution for judicial adjudication. The physical hearing of cases helps to maintain objectivity with regard to the propositions advanced before the court. Judges are human beings and suffer from several human limitations. Our open court system plays a vital role in ensuring that a judge maintains the appropriate attitude and demeanour. The presence of lawyers and litigants in a courtroom also helps a judge to work without any fear or favour. Therefore, virtual court facilities should be used only in exceptional circumstances.

A prominent pitch for regional benches is that while such benches discharge appellate functions, the principal bench in Delhi can exclusively focus on constitutional matters. However, in an improved rate of disposal, the Supreme Court last year heard more than 20 Constitution bench cases and delivered judgments in at least 18 of those. Do you think such concerns are still valid?

GM: Last year, the Supreme Court witnessed a 31% increase in the disposal of cases compared to 2022. However, such a disposal rate is negligible when compared to the total pendency of cases. A little more than 80,000 cases are currently pending adjudication out of which 60,000 cases are civil. This cannot be alleviated only through usual methods and is highly dependent upon the efforts and efficiency of the Chief Justice. The establishment of regional benches will increase the number of judges as well as lawyers resulting in a much-needed boost to our judicial system.

SG: I feel that irrespective of the pendency rate, India should take inspiration from France and implement a system comprising a separate court of appeal and courts of cassation — a proposal recommended by the Law Commission of India in its 95th and 229th reports. A permanent appellate court along with several courts of cassation should be established. The permanent appellate court, like in the U.S., should include nine of the senior-most judges from the cassation courts. It should sit en banc and hear only constitutional cases while the cassation courts adjudicate upon appeals arising out of non-constitutional matters.

At present, the Supreme Court is overburdened with matters such as transfer petitions, arbitral appeals, etc. which it has no business hearing. It would be appropriate that instead, a court of cassation hears such matters.

Opponents argue that regional benches are likely to contribute to a growing body of conflicting precedents resulting in increased litigation. Do you agree?

SG: If there is a separation of the court of cassation from the permanent appellate court, the chances of conflicting decisions would be reduced, as the court of cassation would only apply the decisions of the permanent appellate court. But there may be situations where there are divergent views of the courts of cassation – in those circumstances, the permanent appellate court may resolve the conflict.

GM: I don't agree with this view. Several High Courts have more than one bench. Despite such a structure, there are only a few conflicting decisions. Nowadays, technology has played a pivotal role in keeping judges updated, which helps to maintain uniformity in decisions. From my experience, conflicting or divergent views result from the non-availability of effective assistance and sometimes due to a lack of judicial discipline.

Mr. Ghose, do you think lawyers who cannot afford to relocate to Delhi are disproportionately impacted by the location of the Supreme Court and often bear the brunt of missed opportunities?

SG: Yes. One of the biggest critics of having regional benches has been the Supreme Court Bar. The setting up of regional benches

would lead to the Balkanization of the Supreme Court. However, this would lead to a robust Supreme Court Bar at the regional level. We had a similar opposition in Delhi when the jurisdiction of the Tis Hazari Court was divided into different district courts. However, 10-15 years down the line, we see a vibrant District Bar in Saket, Rohini, and Karkardooma. The setting up of regional benches would also lead to greater opportunities and the democratisation of the Bar. It is a welcome step.

At present, Special Leave Petitions (SLPs) constitute over 90% of the Supreme Court's docket. Justice Mathur, does the remedy lie in bringing about reforms in the High Courts instead of establishing regional benches? For instance, should the Supreme Court only admit SLPs where the concerned High Courts have granted certificates for leave to appeal?

GM: Why only the High Courts, the efficiency of all the courts needs to be improved. In the last three decades, although litigation has rapidly increased, we have not seen a proportionate increase in the number of judges. Further, the availability of adequate judicial infrastructure varies from State to State. Even if regional benches are established, certain exclusive powers of the Supreme Court should be retained – its original jurisdiction under Article 131, its advisory jurisdiction under Article 143, and its writ jurisdiction under Article 32 of the Constitution. While the top court is indeed overburdened with SLPs, it would not be correct to have to seek leave from the concerned High Courts or the Tribunals to even lodge an SLP.





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