

## ● POLITY

## ● ECONOMICS

## ● TECHNOLOGY

## ● ECOLOGY

## POLITY AND GOVERNANCE

## ED can summon anyone for 'any information': SC

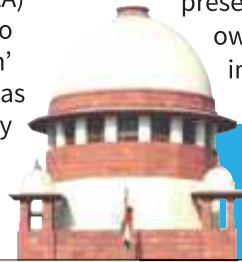
**CONTEXT:** The top court has ordered four District Collectors from Tamil Nadu to appear before the Enforcement Directorate on April 25. The court criticized them for not responding to the agency's summons, stating they lack respect for the law, court, and Constitution.

### Sharp censure

SC reprimands District Collectors of Vellore, Ariyalur, Karur and Tiruchi in T.N. for not appearing before investigative agency

- Bench states that Section 50(2) of Prevention of Money Laundering Act (PMLA) empowered the ED to summon 'any person' whose attendance was considered necessary for giving evidence or production of records

- District Collectors express inability to compile data and present it to ED on time owing to poll work and implementation of welfare programmes



- Bench refuses to accept argument; lists case for May 6

**BACKGROUND:** The Supreme Court of India has upheld the broad authority of the Enforcement Directorate (ED) to summon anyone for information. This comes after four District Collectors in Tamil Nadu failed to appear in person when summoned by the ED in connection with an investigation into money laundering related to sand mining. The Collectors argued they were busy with upcoming elections and lacked the necessary data, but the Court deemed their response disrespectful and ordered them to appear before the ED on April 25th.

### MAJOR POINTS

#### Supreme Court Upholds Broad Powers of Enforcement Directorate (ED)

- ED can summon anyone for information: The Supreme Court has endorsed the ED's authority to summon "any person" for information related to investigations.

#### Tamil Nadu District Collectors Fail to Appear Before ED

- Summons for money laundering investigation: Four District Collectors in Tamil Nadu were summoned by the ED in connection with an investigation into money laundering related to sand mining.
- Collectors cite election preparation and data collection for not appearing: The Collectors argued they were busy with upcoming elections and lacked the necessary data to respond to the summons.

#### Supreme Court Criticizes Collectors' Response

- Disrespect for court order: The Court deemed the Collectors'

response disrespectful to a previous court order requiring them to appear before the ED whenever summoned.

- Lack of respect for law and Constitution: Justice Trivedi stated the Collectors' conduct showed a lack of respect for the court, the law, and the Constitution.

#### Legal Basis for ED's Summons Power

- Section 50 of Prevention of Money Laundering Act (PMLA): The Court clarified that Section 50(2) of the PMLA empowers the ED to summon "any person" for investigations or proceedings under the Act.
- Obligation to attend and provide information: Section 50(3) mandates that the summoned individual must attend in person or through authorized agents and provide truthful statements and required documents.

#### Court Orders Collectors to Appear Before ED

- Appearance on April 25th: The Supreme Court ordered the four Collectors to appear in person before the ED on April 25th.

**Hearing on May 6th:** The Court listed the case for further hearing on May 6th.

**CONCLUSION:** The Supreme Court's decision reinforces the broad investigative powers of the ED while setting a precedent for accountability of public officials in responding to lawful summons. The upcoming hearing in May will likely address whether the Collectors' reasons for non-appearance hold merit and determine the next steps in the money laundering investigation.

## INTERNATIONAL RELATIONS

## Is The Katchatheevu Islet Disputed?

**CONTEXT:** The issue of Katchatheevu, a disputed island between India and Sri Lanka, has resurfaced ahead of the Lok Sabha polls in Tamil Nadu, with Prime Minister Narendra Modi highlighting Congress's decision regarding Katchatheevu and subsequent attacks by BJP and AIADMK on DMK and Congress.

### THE GIST

- Prime Minister Narendra Modi brought up the controversial matter of Katchatheevu ahead of the Lok Sabha elections in Tamil Nadu, accusing the Congress of giving it away.
- In 1974, Prime Ministers Indira Gandhi and Sirima R.D. Bandaranaike signed an agreement defining the boundary between India and Sri Lanka, placing Katchatheevu under Sri Lankan control. This ended negotiations dating back to 1921.
- Fishermen from both countries traditionally used Katchatheevu for fishing, though a 1976 pact restricted fishing in the area without express permission.

### STORY SO FAR:

Katchatheevu, an island disputed between India and Sri Lanka, has become a political issue again in Tamil Nadu ahead of the

Lok Sabha polls. Prime Minister Modi accused the Congress of giving away the island, while the DMK government claims they opposed the move. This follows protests by fishermen against Sri Lanka arresting Indian fishermen near the island.

### Katchatheevu Island Dispute: A Summary

#### When did Katchatheevu become part of Sri Lanka?

- 1974: Agreement between Indira Gandhi (India) and Sirimavo Bandaranaike (Sri Lanka) demarcated the maritime boundary and placed Katchatheevu under Sri Lanka.

#### Importance of Katchatheevu

- Traditionally used by fishermen from both India and Sri Lanka.
- Annual festival held at St. Anthony's Church attracts devotees from both countries.

#### Reasons for Negotiations

- Sri Lanka claimed sovereignty based on Portuguese control (1505-1658 CE).
- India contested, claiming the Raja of Ramnad previously possessed the island.

#### 1974 Agreement and Reactions

- Agreement faced opposition in India, particularly from DMK, AIADMK, and other parties.
- Leaders like Atal Bihari Vajpayee and M. Karunanidhi criticized the decision for being made without public or parliamentary involvement.

#### Issue Revived and Government Stance

- 1991: Jayalalithaa demanded retrieval or a "lease in perpetuity" of Katchatheevu.
- Both DMK and AIADMK approached the Supreme Court on the issue.
- 2013 & 2022: Indian government maintained that Katchatheevu was disputed territory and the 1974/76 agreements settled the boundary.

#### Current Situation

- The issue remains unresolved and is pending before the Supreme Court.

**CONCLUSION:** With the Katchatheevu dispute resurfacing during elections, it's likely to be a point of contention between political parties in Tamil Nadu. The unresolved issue in the Supreme Court and the livelihood concerns of fishermen add complexity. A resolution balancing historical claims, economic interests, and cultural ties between the communities will be crucial for a long-lasting solution.

## INTERNATIONAL RELATIONS

# Former Opposition figure Diomaye Faye to be sworn in as new Senegal President

**CONTEXT:** Senegal is set to inaugurate Bassirou Diomaye Faye as its new President, marking a remarkable journey from prison to the presidency for the previously lesser-known opposition leader.

#### Senegal Gets Ready to Inaugurate New President

- **Bassirou Diomaye Faye to be sworn in:** Senegal is preparing for the inauguration of Bassirou Diomaye Faye as its new president on Tuesday.

#### Faye's Dramatic Rise to Power

- **From prison to palace:** Faye, a previously little-known opposition figure, has had a dramatic rise to power in recent weeks. He was released from prison less than two weeks before the election.
- **Political Amnesty Paves the Way:** Faye's release, along with his mentor Ousmane Sonko, happened due to a political amnesty announced by outgoing President Sall.
- **Celebration of Democracy:** For many Senegalese, this moment signifies the culmination of a long fight for democracy and the rule of law.

#### Tested Democracy and Concerns

- **Election Tested Stability:** The recent election challenged Senegal's reputation as a stable democracy, particularly in light of recent coups in West Africa.
- **Unrest Sparked by Arrests and Term Limits:** Months of unrest preceded the election, triggered by the arrests of Sonko and Faye, and President Sall's potential attempt at a third term, violating constitutional limits. Protests resulted in reported deaths and numerous jailings.

#### Focus on Corruption and Resources

- **Campaign Promises:** Faye's campaign centered on tackling corruption and improving management of Senegal's natural resources.
- **Youthful Frustration:** Faye's victory is seen as a response to widespread unemployment and frustration among young people. They also harbor resentment towards France, Senegal's former colonial ruler, accused of exploiting the country's resources for its own gain.



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## ECONOMICS AND DEVELOPMENT

## A Reform Window

**CONTEXT:** Buoyant GST revenues in the financial year 2023-24, exceeding expectations and reaching record highs, provide an opportunity for the government to prioritize reforms in the tax system, including rationalizing rates, expanding the tax base, reducing levies on essential products, and considering early wind-down of the GST Compensation Cess.

### Strong GST Revenue Paves Way for Reform

#### Strong Revenue Collection

- Net GST collections reached ₹20.18 lakh crore in FY 2023-24, exceeding revised Budget targets.
- March saw the second-highest monthly collection ever at ₹1.78 lakh crore.
- Average monthly collections grew 11.6% to over ₹1.68 lakh crore, establishing a new baseline for future revenue.

#### Potential Reasons for Increase

- Improved tax collection efforts (reduced evasion) may have contributed.
- Increased economic activity in the last quarter is also a possibility.

#### Concerns and Opportunities

- A slight decline in import GST might indicate reduced discretionary spending.
- Strong overall performance creates an opportunity to prioritize GST reforms.

**CONCLUSION:** With robust GST revenue exceeding expectations, the government has a golden window to implement reforms like tax rate rationalization and cess reduction, boosting economic growth.

assassination plot caused friction.

- India strongly objected to these comments, considering them interference.

#### Planned High-Level Visits:

- Foreign Secretary Kwatra to visit the US for talks in mid-April.
- US National Security Advisor Sullivan's visit to India being rescheduled.
- Visits aim to address recent tensions.

#### Background:

- Cancelled Sullivan visit in February due to focus on West Asia issues.
- Initiative on Critical and Emerging Technologies (iCET) meeting to be rescheduled.

#### Differing Perspectives:

- India investigating US allegations of assassination plot.
- US-India Strategic Partnership Forum President downplays long-term impact.
- highlights strong strategic ties and ongoing cooperation.

**CONCLUSION:** while recent comments and tensions have strained the relationship between India and the United States, the planned high-level visits by Foreign Secretary Vinay Kwatra and U.S. National Security Adviser Jake Sullivan demonstrate a commitment to addressing and overcoming these challenges. Both countries remain optimistic about the long-term prospects of their strategic partnership, emphasizing shared interests and ongoing cooperation in various domains despite occasional frictions.

## ECONOMICS AND DEVELOPMENT

## INDIA RISKING DEMOGRAPHIC DIVIDEND'

**CONTEXT:** The World Bank's regional update highlights India's declining employment ratio compared to other South Asian nations, except Nepal, signaling a missed opportunity to fully utilize its demographic dividend.

### Jobless growth

**World Bank warns South Asia, India risk squandering the demographic dividend if pace of job creation is not improved**

■ Bank projects strong 6.0-6.1% growth for 2024-25 for the region in its regional update

■ Region could have 16% higher growth if share of its working-age population with jobs was on par with other EMDEs



■ Weak employment concentrated in non-agricultural sectors, notes lender

## INTERNATIONAL RELATIONS

## Amid Friction, India, U.S. Plan High-Level Visits This Month

**CONTEXT:** Amid concerns over strained relations, India and the United States are planning high-level visits by Foreign Secretary Vinay Kwatra to Washington and U.S. National Security Adviser Jake Sullivan to Delhi, indicating ongoing efforts to maintain and strengthen the strategic partnership despite recent diplomatic tensions.

#### BACK GROUND:

- The US and India are planning high-level visits to address a recent strain in their relationship.
- This strain is due to comments by the US about arrests of Indian politicians and an alleged assassination plot by Indian agents.
- India has strongly objected to these comments, considering them interference in its internal affairs.
- Despite the friction, some believe it won't significantly impact the long-term relationship between the two countries due to their strong strategic alignment.

### India-US Relationship: Strain and Upcoming Visits

#### Strained Relations:

- US comments on the arrest of Indian politicians and alleged

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**BACKGROUND:** South Asia has a growing working-age population, presenting a demographic dividend opportunity for economic boom. However, job creation hasn't kept pace, as highlighted by the World Bank. This is hindering the region, particularly India, from fully capitalizing on its advantageous age structure.

### South Asia Missing Out on Demographic Dividend: Key Points

#### 1. Slow Job Creation:

- The World Bank warns South Asia, including India, is not capitalizing on its demographic advantage.
- Job creation lags behind the growing working-age population.

#### 2. India's Employment Woes:

- India's employment ratio fell more than any South Asian nation (except Nepal) between 2000-2022.
- This decline is despite India's robust economic growth.
- Preliminary data shows a partial rebound in employment ratio for 2023.

#### 3. Strong Regional Growth, Missed Potential:

- South Asia is projected to have strong growth (6.0-6.1%) in 2024-25, driven by India's 7.5% growth.
- The region could achieve 16% higher output if employment matched other emerging markets.

#### 4. Missed Opportunity:

- World Bank's Chief Economist for South Asia calls this a "missed opportunity" for the region.

#### 5. Root Cause: Weak Non-Agricultural Employment:

- Weak job creation is concentrated in non-farm sectors.
- Institutional and economic barriers are hindering business growth.

#### 6. Recommendations for Job Growth:

- **The World Bank suggests:**
  - Supporting women's participation in the workforce.
  - Increasing trade openness.
  - Improving education systems.

names, following similar actions in April 2017 and December 2021.

- **India's Consistent Rejection:** India has consistently rejected these attempts by China. The Ministry of External Affairs maintains that:
  - Renaming places does not change reality. Arunachal Pradesh is, and always will be, an integral part of India.
  - China's actions are "senseless" attempts to bolster its claim on the territory.

**Underlying Border Dispute:** This renaming issue stems from the larger unresolved border dispute between India and China. The two countries have a long history of border clashes and tensions, with Arunachal Pradesh being a major flashpoint.

#### Additional points :

- **Strategic Significance:** Arunachal Pradesh holds strategic importance for both countries due to its geographical location and proximity to Bhutan.
- **Negotiation Attempts:** India and China have held talks to resolve the border dispute, but no significant progress has been made.
- **International Recognition:** Internationally, Arunachal Pradesh is recognized as a part of India.

**CONCLUSION:** Despite China's repeated attempts to rename locations in Arunachal Pradesh, India's stance remains firm. The state is a crucial part of Indian territory, and these actions are seen as futile efforts to alter that reality. The underlying border dispute remains unresolved, highlighting the need for a peaceful solution between the two nations.

## INTERNATIONAL RELATIONS

# IRAN VOWS TO PUNISH ISRAEL FOR ATTACK ON EMBASSY COMPLEX

**CONTEXT:** : Rising tensions between Iran and Israel escalate as Iran vows retaliation for an Israeli airstrike that killed Iranian officials in Syria.

Iran Vows Revenge for Israeli Strike on Damascus Embassy

- Target: Iranian embassy complex in Damascus, Syria
- Casualties: 13 killed, including 7 Iranian Revolutionary Guards (2 Generals)
- Suspect: Israel (used F-35 fighter jets according to Iran)
- Iran's Reaction:
  - Vowed retaliation through Supreme Leader Khamenei
  - Condemned the attack by President Raisi
  - UN mission requested Security Council meeting

International Repercussions

- Russia: Requested UN Security Council meeting to discuss the strike
- Increased Tensions: Strike could potentially escalate conflicts in the region

## INTERNATIONAL RELATIONS

# ARUNACHAL AN INTEGRAL PART OF INDIA: CENTRE

**CONTEXT:** : India strongly opposes China's attempts to rename places in Arunachal Pradesh, calling it "senseless" and affirming that the state is an integral part of India, despite Beijing's release of standardized names last year.

### Background on China Renaming Places in Arunachal Pradesh

This incident is part of a long-standing dispute between India and China over the border territory of Arunachal Pradesh.

**Dispute:** Arunachal Pradesh is a northeastern state in India that China claims as part of its own territory, referring to it as "South Tibet."

**History of Renaming:** This is not the first time China has attempted to rename locations within Arunachal Pradesh.

- In April 2023, China released a "third list" of standardized

*"Doing nothing is very hard to do. You never know when you're finished."—Leslie Nielsen*

## SCIENCE AND TECHNOLOGY

## HOW HAS KAHNEMAN'S WORK IN PSYCHOLOGY WITHSTOOD THE TEST OF TIME?

**CONTEXT:** : Psychologist Daniel Kahneman, known for his work on decision-making and happiness, passed away recently. His research with Amos Tversky significantly impacted psychology, economics, and other fields.

### THE GIST

- Kahneman and Tversky's work forms the bedrock of the contemporary field of behavioural economics, despite them never explicitly having had the intention for it to be part of economics
- One of the duo's major postulates dealt with loss aversion. They hypothesised that individuals are more sensitive to loss than an equivalent amount of gain, and that, in general, losses loom larger on an individual's mind
- Kahneman's theory of hedonic psychology, part of his study of happiness and well being, suggested that people value experiences, not just outcomes

### Daniel Kahneman: A Legacy of Rethinking Human Behavior

#### Early Work on Attention and Perception

- Focused on attention and perception, the building blocks of decision-making.
- Book: Attention and Effort (1973) explored divided attention, focused attention, and selective attention.
- Collaborated with Anne Triesman on attention, memory, recall, and visual perception.

#### Shifting Focus to Decision-Making

- Book: Judgement Under Uncertainty (1982) connected his early work to decision-making.
- Influential 1974 paper with Tversky laid the foundation for behavioral economics.

#### Prospect Theory and Loss Aversion

- Highlighted how losses loom larger than gains in people's minds (loss aversion).
- Experiments demonstrated this principle through framing outcomes as gains or losses.
- Later research showed limitations of loss aversion (stakes, context-specificity).

#### Recognition and Collaboration

- Won the 2002 Nobel Prize in Economics (shared with Tversky) for integrating psychology into economics.
- Advocated for Tversky's role in their joint work.

#### Measuring Happiness and Well-being

- Developed methods for measuring happiness, like the day reconstruction method.
- Theory of hedonic psychology: people value experiences, not just outcomes.
- Showed limitations of solely using economic terms to measure well-being.

#### System 1 and System 2 Thinking

- Proposed two thinking systems: fast, intuitive (System 1)

and slow, deliberative (System 2).

- Extensive research confirmed the existence of these processes.
- Later findings suggest cultural limitations of this model (WEIRD contexts).

### Lasting Impact

- Kahneman's work significantly influenced psychology, behavioral economics, and other fields.
- His research provided a starting point for further exploration of human behavior, even with limitations in generalizability.

## ENVIRONMENT

## WILL INDIA EXPERIENCE MORE HEAT WAVE DAYS THIS SUMMER?

**CONTEXT:** India will likely experience above-average heat waves this summer due to climate change and El Niño, raising many concerns

### THE GIST

- Indian Meteorological Department predicts above-average heat wave days for India, impacting multiple regions.
- El Niño event weakens but contributes to warmer temperatures globally, exacerbating heat wave conditions. Climate change is cited as a key factor in the recurrence and intensity of heat waves.
- General elections in India coincide with the summer season and potential heat waves, prompting the EC to issue advisories to manage the impact of heat waves during voting.

### STORY SO FAR

India braces for hotter than usual heatwaves, worsening power demands. Hydropower drops, forcing reliance on coal despite emissions reduction goals.

### India Heatwave Forecast

- **Above-normal temperatures:** Most of India to experience hotter than usual conditions.
- **El Niño's influence:** Weakens but still maintains moderate sea surface temperature, affecting airflows.
- **Global warming:** January 2024 was hottest on record, contributing to overall heat.
- **El Niño's future:** Expected to weaken, possibility of La Niña developing during monsoon (increased rainfall).

### What is a Heat Wave?

- **Definition:** Abnormally high temperatures.
- **IMD criteria:** Maximum temperature exceeding 40°C in plains, 30°C in hills, with significant deviation from normal.

### Causes of Increased Heatwaves

- **Climate change:** Makes heatwaves more frequent, intense, and deadly.
- **El Niño:** Contributes to higher temperatures and increased heatwave occurrences.

**Impacts of Heatwaves**

- **Health:** Heat stress, potential fatalities.
- **Livelihoods & food production:** Disruption due to extreme temperatures.
- **Disease spread:** Increased risk.

**Measures to Manage Heatwave Impact**

- **Election Commission (EC) advisory:** Carrying water, sun protection urged during voting.

**CONCLUSION:** India is likely to face a summer of above-average heatwaves due to climate change and El Niño

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