



CHROME IAS

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HOPE WITH CONCERNS

The Hindu, GS 3

1300 words reduced to 200

Globally, the growth rate in 2018 was high but strong signs of a trade war emerged.

Situation of Indian economy in 2018-19:

- Rupee underwent a severe shock .
- Agrarian distress accentuated.
- India's growth rate forecast at 7.4%.

Major concerns with Indian Economy:

- **INVESTMENT RATIO** : The growth rate depends on the investment rate.
 - **Solution:** Raise investment ratio and keep capital-output ratio at 4.
- **BANKING SYSTEM:**
 - Non-performing assets (NPAs) are at a high level.
 - 11 public sector banks are under PCA.
 - NBFC system is under stress.
 - **Solutions:**
 - Recapitalisation of public sector banks.
 - More capital to banks outside the PCA framework
- **EMPLOYMENT GROWTH**
 - inadequate growth of employment.
 - no correspondence between growth and employment.
 - **Solution:**
 - new investment needed for increase in employment.
- **EXTERNAL SECTOR**
 - What happens in the rest of the world affects India's growth.
 - Value of the rupee plummeted and capital outflows occurred.
 - **Solutions:**
 - Strong growth in exports to manage CAD.
 - Contain some of our large imports.
 - A watch on India's CAD is needed.

- **AGRARIAN DISTRESS**

- There has been fall in prices of agricultural products.

- **Solutions:**

- Government should buy off the surplus.
 - Arrangements to procure and store are required.
 - Increasing productivity.
 - Increased output and better prices.
 - Consolidation of small landholdings.
 - Marketing of agriculture produce

THE BILATERAL TRANSFORMATION

The Hindu, GS 2

1200 words reduced to 200

There has been victory of Sheikh Hasina in Bangladesh elections.

India-Bangladesh Relations In Recent Times

- Bangladesh has emerged as a key interlocutor in India's 'Act East Policy'.
- In Bangladesh, domestic political consensus, has emerged in favour of close ties with India.
- Bangladesh denied support to Indian insurgent groups.
- Bangladesh is India's largest trading partner in South Asia .
- The Padma multipurpose bridge will enhance connectivity with India.
- Waterways are also being revived to reduce the cost of trade.
- Bangladesh has provided for faster Internet connectivity in India's northeastern States.
- India has become a partner in Bangladesh's nuclear power programme.
- An SEZ in Bangladesh for Indian manufacturing companies has been mooted.
- Indian investment in Bangladesh has reached \$3 billion.
- India has provided/committed Bangladesh credit and grants reaching \$8 billion.
- The visa regime has been liberalised and number of visas increased.
- Bangladesh has taken effective steps against those inspired by the Islamic State.

Challenges Ahead

- Adverse balance of trade; Bangladeshi exports have plateaued.
- Islamist organisations have been breeding grounds in Bangladesh.
- Rohingya issue has led to setbacks in India-Bangladesh ties..
- Issue of the illegal migration due to NRC in Assam.
- Sharing of river waters will remain a challenge.
- China's footprint has grown in Bangladesh.

POWERING SOUTH ASIAN INTEGRATION

The Hindu || GS 2, 3

1000 words reduced to 200

Govt has set the rules for the flow of electricity across South Asian borders.

Significance of this policy

- It is a concession to India's neighbours.
- It is a response to pressure from neighbours to drop trade barriers.
- India has signalled that it is serious about working with neighbours .

The idea of cross -border energy flow

- It was driven by India's need for affordable power
- It took shape in 2014 with the signing of the SAARC Framework Agreement for Energy Cooperation.

The erstwhile roadblock

In 2016, govt issued guidelines that prevented anyone other than Indian generators in the neighbouring country from selling power to India. This caused worry in Nepal, Bhutan and Bangladesh.

Benefits of the new guidelines

- A liberal trading regime is in India's national interest.
- Regional trade could prove useful in maintaining grid stability.
- A wider pool of generation sources could help India achieve a greener grid.
- The new guidelines can help creation of a true low-cost regional market.

Way forward

- Regional institutions for management of electricity trade are required.
- The political vision to create this must be maintained.

INDIA'S ATLANTIC CHALLENGE

The Hindu || GS 2

500 words reduced to 150

Atlantic Ocean may throw up many economic challenges to India.

How US is creating a problem for India ?

- Us is attempting to replace the rules-based trade order with bilateral trade agreements.
- Trade war between U.S. and EU, China and NAFTA led to a small tariff spat between US and India.
- Both countries engaged in a tit-for-tat tariff policy, giving momentum to trade protectionism.
- A trade war with the U.S. could create rifts in other areas such as security and diplomacy.

The U.K. problem

If U.K. has a 'hard Brexit', trade complications with India can occur, and a U.K.-India FTA may be out of the question.

Way forward for India

- India needs to renegotiate with both EU and U.K. on good and services.
- Discussion on FTA with EU and UK must be resumed.
- If these negotiations are managed carefully, Brexit may even emerge as an opportunity for India.

INTEGRATING THE ISLAND

Indian Express || GS 2

800 words reduced to 100

Recently, PM visited the Andaman and Nicobar Islands.

Historical significance of Andaman Islands

- They were the site of contestation between European colonial powers.
- Britain occupied the islands at the end of the 18th century.
- After the Second World War, the Andamans became marginal to the new geopolitics.

Present geopolitical significance of Andaman Islands

Today as a rising China projects its power into the Indian Ocean, regional balance would necessarily involve the development of the Andamans.

Way forward

- Cooperation between India and its major strategic partners required over Andamans.
- Promoting economic development, integration with the mainland, strengthening military infrastructure, regional connectivity of Andamans.
- Preserving the pristine environment of the Andamans and protecting its vulnerable indigenous populations.

NOT A ZERO-SUM DEAL

The Hindu, GS 2

900 words reduced to 200

The likelihood of an American pull-out from Afghanistan raises the spectre of instability in Afghanistan, South and Central Asia..

Regional powers and Afghanistan

- **CHINA:**
 - China has a great interest in its stability.
 - China would be adversely affected by war and chaos.
 - China has gained considerable economic and diplomatic influence in Afghanistan.
 - It is giving military aid to Afghanistan.
 - It has invested in projects such as mining, roads and railways.
 - It gave Afghanistan observer status in the SCO.
- **INDIA:**
 - India supports China's role in Afghanistan.
 - India has certainly contributed much 'soft power'.
 - It assisted in building the National Assembly of Afghanistan.
 - India has provided aid up to \$3 billion.
 - But India has been absent from regional diplomacy necessary to stabilise Afghanistan.

India- China cooperation in Afghanistan

- It could boost progress and enhance human security.
- India and China started a joint training project for Afghan diplomats.
- They could expand cooperation by facilitating Afghanistan's full membership of the SCO.
- India and China should work together to build a secure Afghanistan.

PARLIAMENTARY DISRUPTION

The Indian Express | GS 2

700 words reduced to 100

Parliamentary disruption which was an exception earlier, have become the new normal.

The role of the presiding officers

- During this session the presiding officers showed firmness.
- Disrupting MPs were suspended from the proceedings of Parliament.
- Presiding officers also changed rules to better deal with disruptions

The nature of disruptions

- Disorders arise due to lack of opportunities to make one's point.
- Deliberate disturbances for publicity or for political motives.

Loss due to disruptions

- Significant loss of scheduled time.
- Derailment of the legislative agenda.
- Lesser number of bills being passed.
- Non-reference of bills to parliamentary committees.
- No time for discussions on any national issues.

Conclusion

Our MPs have fallen short of their constitutional duty.

HURRYING THROUGH A LEGISLATION

The Hindu | GS 2

900 words reduced to 150

The passage of the quota Bill highlights grave gaps in India's parliamentary procedures.

Hasty steps

- **CIRCULATION:** This Bill as it was not circulated ahead of being introduced.
- **STANDING COMMITTEE:** This scrutiny mechanism was bypassed.
- **TIME:** There was hardly any time between its introduction and final discussion.

The British contrast

Three important ways in which the British Parliament works better than ours:

- absence of anti-defection law, hence MP can vote her conscience.
- it is known exactly how each MP voted
- the independence of the Speaker is secured

Falling short

Our Parliament has the following shortcomings:

- the anti-defection law
- lack of recorded voting as a norm
- party affiliation of the Speaker
- frequent bypassing of committees
- insufficient time and research support to examine Bills

Conclusion

Parliament must follow the due process to secure the interest of citizens.

BASIC INCOME

The Hindu | GS 3

1000 words reduced to 100

- Experiments have been launched in different countries on basic income.
- India has the capacity and the need for a basic income scheme.

Basic income vs loan waivers

- Loan waiver will not alter structures.
- It would be unjust that only one type of debt need not be repaid.
- A basic income would be a more rational way to address rural tragedy.
- All groups would gain from a modest basic income.

Way forward

- Obtain local cooperation and backing of key local institutions.
- Rolling out the scheme gradually from low to higher-income communities.
- The basic income should not be given only to particular types of individuals.

Conclusion

Basic income would be an anchor of a 21st century income distribution system.

ALLIANCES AND STRATEGIC AUTONOMY

The Indian Express | GS 2

Category: International relations

1000 words reduced to 150

“Non-alignment” is a special attribute of Indian foreign policy.

The present situation of NAM

- More than a hundred countries are members of the NAM.
- Triennial NAM summits are held.
- Nations’ belief in NAM has declined significantly..
- India has certainly moved away NAM in practice.

India’s trouble with alliances

Indian is troubled by the question of alliances and autonomy when it comes to dealing with China and the US.

What do alliances actually mean?

- Alliances are not a kind of bondage.
- They are arrangement to cope with a common threat.
- As the threat breaks down, so does the alliance.

Present situation of international alliances

- Few countries in the world today are members of alliances.
- These few alliances are undergoing stress.
- US is questioning the costs and benefits of these alliances.
- Turkey and South Korea, both treaty allies of the US, hardly share American perceptions on the regional threats.

Conclusion

India should focus on its interests and the best means to secure them including partnerships and coalitions.

LEARNING TO COMPETE

The Hindu | GS 3

1000 words summarized to 200

In 2013, India's skill agenda got a push when the government introduced the National Skills Qualification Framework (NSQF).

Pillars of skill development

There are five pillars of the skills ecosystem:

- the secondary schools/polytechnics;
- industrial training institutes;
- private training providers offering short-term training;
- 16 Ministries providing mostly short-term training; and
- employers offering enterprise-based training.

Efforts towards skill development

- All training programmes/courses to be NSQF-compliant.
- National skill competitions, or India Skills
- Participation in World Skills Competition
- Abilympics for Persons with Disabilities.
- Sharda Prasad Expert Group report

Hurdles

- industrial training institutes courses are not aligned with the NSQF.
- NSQF has not been well accepted or adopted across India.
- no clear definition of the course curriculum within the NSQF
- no connection of tertiary level vocational courses to prior knowledge
- no real alignment between HRD Ministry and Ministry of Skill Development

Way forward

- need for more holistic training

- need to re-examine the short-term NSQF-based NSDC courses.
- reduction in complications caused by too many Sector Skill Councils (SSCs) anchoring skill courses
- provide broader skills in broader occupational groups.
- Consolidation of sectors with the National Industrial Classification of India.
- India could learn a lesson from other nations such as Germany
- Vocational education must be imparted in broadly defined occupational skills

Conclusion

Skill India needs a sharp realignment, if India is to perform well in the World Skills competition later this year.

LEARNING LITTLE

The Hindu | GS 2

430 words summarised to 120

The reading and arithmetic abilities in rural schools are dismal according to ASER report.

What ASER Report says

- Only 44% of students in Class 5 could read a text meant for Class 2.
- Some states such as Kerala did much better in arithmetics compared to states such as Uttar Pradesh.
- Students were not even able to recognise letters appropriate for their class.

Way forward

- The Centre should institute a review mechanism involving all States.
- A public consultation on learning outcomes, can help.
- The RTI Act needs a supportive framework to cater to learners from different backgrounds.
- Innovation in schools and incentivising good outcomes can help. For example, bonus pay to teachers.

Conclusion

The solutions may lie in multiple approaches. However, governments are not doing their duty.

THE VIEW FROM THE OUTSIDE

The Hindu | GS 2

750 words summarized to 100

It is time for India, as the world's largest democracy, to take on an increasingly significant role in safeguarding and protecting of human rights.

Human rights situation in India

- deteriorating climate in relation to human rights.
- Extrajudicial killings in Uttar Pradesh.
- first ever UN report on human rights violations in Kashmir
- Assam National Register of Citizens process
- online hate speech
- the killing of journalist Gauri Lankesh,
- jailing of human rights defenders,
- deportation of Rohingya refugees,
- excessive police response to protests

Way forward

- record of upholding human rights is abysmal; India must do better.
- welfare and rights of individuals within the purview of the state.

Conclusion

The respect of the rights of individuals must be non-negotiable.

LIMITS OF CLASS

The Indian Express | GS 2

- The RTE Amendment Bill has triggered the debate between anti-detentionists and detentionists.

Arguments given by pro-detention

- Learning achievements come down.
- Certificate of elementary education will certify no learning.

Arguments given by anti-detention

- Fear of failure causes stress and trauma
- Failure pushes children out of system
- Detention will weaken many other provisions of RTE
- Failing children does not make them learn

The limits of 'class'

- The school is organised class-wise. Hence, the very concept of class contains the idea of detention.
- The class-wise structure on one hand, and CCE on the other, pull the system in opposite directions.

Way forward

- Defining elementary education in terms of learning standards;
- Organising curriculum as a free-paced learning path
- Organising schools as ungraded heterogeneous learning groups
- Introduce the ideas of self-learning and peer group learning
- systemic reforms and prepare teachers for the above change

A TRAGEDY THAT WAS LONG IN THE MAKING

GS 3

15 miners got trapped in an illegal coal mine in Meghalaya in December.

Issues with illegal coal mining in Meghalaya

- Mining in Meghalaya is a private activity.
- Mines are called rat-hole as they are barely ft wide.
- Meghalaya govt has no concern with these mines.
- Despite the NGT ban in 2014, mining continues.
- Meghalaya is exempted from national mining laws.

Was the recent disaster managed well?

- District administration assumed the miners to be dead on the very day of the tragedy.
- Hydrologist, divers, high power water pumps, geologists arrived only 2 weeks later from Hyderabad.
- There was no one person or agency to coordinate the rescue mission.

Impact on environment

- Poisoning of rivers
- Non-productive agricultural land

Arguments given for coal mining

- rat-hole mining should continue because no other form of mining is viable.
- coal mining provides livelihoods for many.
- since Meghalaya is under the Sixth Schedule, national mining laws should be exempted here..

Conclusion

The Central government and the Supreme Court should not allow this to carry on in one part of the country when strict laws are applied elsewhere.

EXAMINING FARM LOAN WAIVERS

GS 3

Several States have announced schemes to waive outstanding farm loans.

Problems with loan waivers

- They adversely affect the repayment discipline of farmers.
- They do not lead to increases in investment or productivity in agriculture.
- A farmer's access to formal sector lenders declines due to loan waivers.

Critical assessment of above arguments

- Farmers are most disciplined in their repayment behaviour.
- There is no evidence that loan waiver led to a rise in default rates among farmers.
- Investment or productivity have not been the official objectives of loan waivers.
- If loan waivers shrink access to formal credit, the culprits here are banks.

Arguments for loan waivers

Just like firms, farms also need a reduction of debt burden, followed by fresh infusion of credit, when their economic cycle is on a downturn.

Not a panacea

Access to India's rural banks is skewed in favour of large farmers. Thus, the benefits of loan waivers accrue disproportionately to large farmers.

The solution

- Waiver schemes should ensure universal coverage.
- Waivers should cover both the formal and informal sources of debt.
- Kerala Farmers' Debt Relief Commission Act serves as an excellent model.
- Agrarian distress needs urgent policy attention such as raising productivity, reducing costs of cultivation, enhance public investment, crop insurance, etc.

REMOVE THE ROOTS OF FARMER'S DISTRESS

GS3

Recently, there has been active discussion on the strategies addressing farm distress.

The farm problems

- low agricultural prices
- poor farm incomes
- Low productivity in agriculture
- supply side factors
- declining average size of farm holdings

Prices And Incomes

- The rise in prices for agriculture was much lower than general inflation in recent years.
- Market prices for several agricultural commodities have been lower than those of MSP.
- In the absence of an effective price support policy, farmers are faced with a loss in income.
- Ways to deal with prices and incomes:
 - Schemes such as 'price deficiency compensation', 'open procurement system' 'price deficiency', etc. may compensate farmers when prices decrease.
 - Rythu Bandhu Scheme (Telangana) and the KALIA scheme (Odisha) can serve as models.
 - Market reforms combined with trade policies favourable to export.
 - Unified national market is needed for farmers to get better prices.
 - Agriculture has to go beyond farming and develop a value chain.

Low productivity

Ways to enhance productivity

- Basics such as seeds, fertilizers, credit, land, etc should be taken care of.
- Investment in infrastructure and research and development are needed.
- Efficiency in water management in both canal and groundwater that is important.
- Technology can help to reduce 'yield gaps' and thus improve productivity.
- Shift from rice and wheat to millets, pulses, fruits, vegetables, livestock and fish.

Land size

- Shrinking size of farms is also responsible for low incomes.
- Consolidation of land holdings is important to raise farmer incomes.
- Farmers can voluntarily come together and pool land to gain the benefits of size.
- Through consolidation, farmers can benefit both in input procurement and output marketing.

Conclusion

Farmers' distress is due to low prices and low productivity. We need a long-term policy to tackle the situation.