

9 PM Compilation for the Month of December (Second week), 2020

- **Business activities:** Reduction in business activities caused massive losses of both formal and informal employment and a fall in economic growth.

How did the countries tried to cope up with the challenges?

- **Health services:** COVID-19 related health services including hospital beds, intensive care unit (ICU) and ventilator beds were increased even as research on drugs and vaccines kicked off at an exceptional rate.
- **Vaccines:** Vaccines have moved even faster than drugs with over 300 vaccine candidates being developed, nearly 40 of them undergoing clinical trials.
- **The accredited social health activists:** ASHA who visited hundreds of households repeatedly during the pandemic to ensure that every possible case is identified as early as possible.

What did the other countries which handled the pandemic successfully do?

- **The countries which handled the pandemic best:** Thailand and Vietnam have well-functioning health systems designed to deliver primary healthcare services.
 - These countries also have strong preventive and promotive health services as well as a dedicated public health workforce.
- **The role of community health workers:** In recognising, referring and motivating individuals for therapy was remarkable.
 - Community trust and participation is essential for implementation of non-pharmacological interventions.
 - Dharavi in Mumbai is an example of the difference community participation can make.
- **The response to the pandemic was multi-sectoral:** Health staff, policy makers and technical experts in multiple domains worked together to identify and implement solutions.
- **Quality data:** The need for timely and quality data in a health information system was recognised again during the pandemic.

Way forward

- **Investments in scientific research:** The solutions that have brought us hope have come from long-term private or public investments in scientific research and developments. It is self-evident that we need to emphasise what is feasible when resources are available.
- **National health policy:** All we need is commitment and that is outlined in the recent National Health Policy 2017 and reiterated in the report of the Fifteenth Finance Commission, which for the first time has a dedicated chapter on health.
- This is an opportunity and should use the challenge posed by the pandemic to accelerate long pending initiatives for health system reforms, accelerating towards universal health coverage, the central goal of the National Health Policy 2017.

4. India's diminishing democracy

Source- [The Hindu](#)

Syllabus- GS 2 - Government policies and interventions for development in various sectors and issues arising out of their design and implementation.

Context – With diminishing democracy policymakers must take note of the drift.

What are the areas of concern for India?

1. **Recession** - The Indian economy is in recession and is among the worst performing among major nations

2. **Cyber security attack-** India ranked second only to the US among the countries most impacted by the **ransom ware** threats.
 - **Ransom ware** is a form of malware that encrypts a victim's files. The attacker then demands a ransom from the victim to restore access to the data upon payment.
3. **Concerns with India' foreign relation-**
 - **India-china dispute-** China unwillingness to reach a reasonable settlement along the Line of Actual Control.
 - **India-Pakistan relations-** China and Pakistan have signed a new military memorandum of understanding to boost their already close defence relationship.
4. **West Asia-** India has to balance its ties with all regional power in west Asia
 - India's close relation with Israel is another sore point with west Asia.

What are the course of actions that have diminished democracy in India?

1. **Revoking of Article 370-** The government abolished the article that gives special status to Jammu and Kashmir and bifurcate the state into two separate union territories of Jammu and Kashmir, and Ladakh.
2. **The anti-Citizenship (Amendment) Act-** The CAA is disturbing because it makes problematic distinctions between different groups of people based on religion and is pursuing a divide and rule policy
3. **Electoral wins at any cost-** Winning at any cost has become the sole motif of certain parties.
 - Election are turning into conflict zones, they have become tinderboxes for communal, caste, political and other forms of violence.
 - Majority versus the minority have become the stock-in-trade of some parties.
4. Constitutional protection and principles of natural justice as also freedom of the individual are at risk
 - **Love jihad-** UP Cabinet cleared a draft ordinance against forceful inter-faith conversions — or the so-called “love jihad”.
5. **Restrictions on Social media freedom-** India is beginning to clampdown on social media platforms and enacts draconian laws.
6. **Farmer's protest-** Latest example of imposing a measure without due discussion and acceptance of farmer and opposition.

Way forward-

- Policymaker needs acknowledge public fears and reassure people, especially in periods of uncertainty.
- Democracy works on the principle of checks and balances. It is these checks and balances that prevent democracy from turning into majoritarianism.

5. Pressure on the education sector- Due to COVID-19

Source- [The Hindu](#)

Syllabus- GS 2- Issues relating to development and management of Social Sector/Services relating to Health, Education, Human Resources.

Context - The novel coronavirus has turned India's weak pedagogic system upside down, will be difficult to reunite the new technological environment with child psychology and educational theory.

What is educational technology?

Educational technology is the combined use of computer hardware, software, and educational theory and practice to facilitate learning. Educational technology creates, uses, and manages technological processes and educational resources to help improve user academic performance.

What are the Advantages of educational technology?

1. **Democratized access to education-** The infrastructure of the Indian education system has been a major concern, However, Ed-tech has the potential to democratize access to education and opportunities even amidst such fragmented market conditions.
2. **Bringing fluidity in the curriculum-**
 - **New elements and concepts-** For instance, gamification is a new concept, engaging students to learn by using the design and other elements of video games to capture the attention of learners and help them enjoy while learning.
3. **Equipping students with better perception towards today's world-** Technology is taking rapid strides towards advancement and are also facing a looming climate crisis that demands awareness and active participation.
 - Online teaching facilitates and encourages frequent testing.

What are the issues related to online learning?

1. **Lack of sustained connectivity, a bane-** The Indian internet infrastructure is not ready for the paradigm shift to online learning
2. **Cost** - Both private and government schools have installed 'smart' infrastructure at great expense.
3. **Affordability-** In the push for online education post-pandemic, the poorest of poor students left out as they do not have the e-resources (computers, laptops, internet connectivity) to access it.
4. **All subjects can't be taught online-** It is difficult to teach a few new concepts in an online classroom.
 - Social science teachers face greater difficulties than science teachers do in introducing children to basic concepts.
5. **Not all teachers are technical adequate-** This challenge places the onus on the teachers to up skill themselves to capitalize on the emerging opportunities.
 - Teachers were asked to adopt a harder duty routine, combining screen time with messaging and responding.
6. **Not considerable as a permanent option-** Despite the high momentum, online options are still not considered permanent alternatives to classrooms. The sector can at best make a useful supplementary learning system.
7. **Childhood is now fully exposed to the attractions of the virtual world** and there is no one to offer a safety net. Young children's access to the Internet brings them face to face with self-styled video teachers of every subject, manufacturers of video games, fantasy app makers, and coding instructors.
 - This can expose children's to manipulative advertisements, violent entertainment and pornography.

What is the way forward?

- Government needs to step in to make new system of learning possible for all.
- **Parents have a role to play-** It is important that parents acquire a level of digital literacy, they can get help on using parental control apps. These apps will completely block sites that are inappropriate for children, such as porn sites, Online games can also be restricted.

6. Karnataka's cow protection bill

Source: [Indian Express](#)

Gs2: Government Policies and Interventions for Development in various sectors and Issues arising out of their Design and Implementation.

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Context: The Karnataka's cow protection bill, like similar laws in other states affects rural economy.

Background

- Recently, Karnataka state's Vidhan Sabha passed the contentious cattle protection bill that had been passed by the state assembly 10 years ago which could not enter the statute book because the governor refused assent.

What are the issues involved?

- **Lack of debate:** The Speaker did not give the opposition adequate time to voice their opinion.
- **Disturbs existing network:** The relationship between the farmer and the butcher is threatened as witnessed in similar states like Uttar Pradesh.
- **Indiscriminate powers to law agency:** The proposed law stipulates a prison term of three to five years and fines ranging from Rs 50,000 to Rs 5 lakh for purchasing or disposing of cattle for slaughter and gives the police sweeping powers to search premises and vehicles.
- **Affects farmers whose livelihood is dependent on Livestock:** the cow becomes virtually uneconomical for the farmer after eight years when its milk output falls. Also, such animals along with male cattle not required for draught and breeding purposes.
- **Misuse of law:** As observed by Allahabad High Court, The Act is being used against innocent persons.

7. Iran Nuclear Deal

Source: [The Hindu](#)

Gs2: Effect of Policies and Politics of Developed and Developing Countries on India's interests

Context: How the Iran Nuclear deal has shaped till now.

How, the Iran nuclear deal was approached differently under different US presidents?

- **Approach Under Obama Administration:**
- The Obama Administration Washington saw Iran's nuclear programme, which was at an advanced stage in 2015, as a national security problem and tackled it via diplomacy.
- Mr. Obama by agreeing to the nuclear deal lifted the sanctions on Iran and allowed Iran to move towards claiming its natural economic and political might.

Why were the Israel and Saudi's upset over lifting Sanctions?

- Iran's regional rivals, mainly Israel and Saudi Arabia, who are also America's allies, saw the Iran problem differently.
- For them, Iran's nuclear programme was not the problem but was part of the larger geopolitical challenges Iran posed.
- The problem was Iran influence across West Asia, its backing for non-state militias, and its ambition to emerge as a dominant pillar in the region based on the political heft of the Shia community.
- Hence, lifting sanctions on Iran under Obama administration has upset them.
- ❖ **Approach Under Trump Administration**
- The Donald Trump administration took an entirely different line towards Iran.
- It pulled the U.S. out of the nuclear deal, despite United Nations certification that Iran was compliant with its terms, and reimposed sanctions on Tehran.

How it helped Iran rivals?

- Mr. Trump's approach towards Iran had aligned with that of Israel and Saudi Arabia.

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- The Trump years gave Israel a window of opportunity to step up its covert and overt operations.
- In 2018, Israeli spies carried out a daring mission at a warehouse inside Iran and stole thousands of documents related to Iran's nuclear programme.
- Iranian nuclear scientists came under attacks. In Syria, where Iran has deployed militias backing the government of Bashar al-Assad, Israel continued to bomb Iranian targets
 - **Expected policy approach under Biden administration**
 - President-elect Joe Biden has promised to take the U.S. back to the nuclear deal.
 - Mr. Biden, who was the Vice President of the Obama administration that originally signed the deal, could zero in on the nuclear programme, like Mr. Obama did, and leave the regional issues to the regional players to settle.

What are the motives of Israel at present?

- Recently, Mohsen Fakhrizadeh, a top Iranian nuclear physicist, was assassinated. Israel has been blamed for the attack, an allegation that Tel Aviv has not denied.
- Israel wants to set back Iran's nuclear programme by taking out a prominent scientist and spoil the possible revival of the nuclear deal.
- Israel wants to escalate the conflict, giving the outgoing Trump administration and the Israel government reasons to launch heavier strikes on Iran's nuclear facilities, closing off the diplomatic path.

How Iran responded?

- Iran have opted for the less risky option. Instead of walking into the trap of provocation, its Parliament passed a Bill that obliges the government to enrich uranium to a higher level, from less than 5% now to 20%, which is a technical step away from the weapons-grade level of 90%
- Also, it resorted to stop access for UN inspectors to the country's top nuclear facilities in two months if sanctions relief is not given.

General Studies Paper - 3

General Studies - 3

1. Monoculture farming- depleting natural resources

Source- [The Indian Express](#)

Syllabus- GS 3- Issues related to direct and indirect farm subsidies and minimum support prices; Public Distribution System- objectives, functioning, limitations, revamping; issues of buffer stocks and food security; Technology missions; economics of animal-rearing.

Context- In the ongoing farm debate in the country the green reality check seems to be missing.

What is agro ecology?

It is a concept where agriculture sector of a country expanded along with keeping environmental protection [agriculture with sustainable environmental practice].

What is monoculture farming and its Impact?

Monoculture is the agricultural practice of growing a single crop, plant, or livestock species, variety, or breed in a field or farming system at a time.

- Modern agricultural practices emphasize maximizing crop yields, farm incomes and global competitiveness. The single-minded pursuit of such goals has remade land and farms into monocultures.

Monoculture reduces diversity and leads to a host of other problems-

1. Contributed significantly to climate emissions.
2. Threatened farmer livelihoods and the natural resource base they depend upon-
 - **Destroys soil nutrients-** Single crop eliminates all soil nutrients and everything else is killed as pests or weeds.
 - Pollutes groundwater supplies due to extensive use of fertilizers.
 - Adversely affects and alters the natural ecosystem.
 - Destroys the overall soil's degradation and erosion.
 - **Requires lots of water to irrigate-** Monoculture results in the topsoil cover being harvested all at the same time, the topsoil loses elements that could help it retain moisture. Therefore, require vast amounts of water to irrigate the crops.
3. Distorted food consumption patterns, replacing nutritious millets with polished rice and wheat and negatively affected our nutritional security.

In attempting to offer a new deal to farmers, the new farm laws do not address any of these fundamental concerns. Such changes often affect the resilience of production systems and their role in biodiversity.

How new farm laws and farmers demand promote monoculture farming?

Both government and farmers have continued to ignore the broader ecological and social contexts in which agriculture is embedded.

1. Corporatization of agriculture through contract farming, higher stocking limits and private marketplaces will accelerate the growth of long supply chains of monoculture commodities.
2. Guaranteed procurement in the past has incentivized monoculture farming.

What is the way forward?

Government should make policies that go beyond the productivity trope and populist posturing-

- Instead of a resource-based approach, the need is to develop a relationship-based approach towards the environment.

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- Any sound economic and techno-scientific model must have agro ecology and equity at the core and, must indeed, be guided by them.
- Government needs to promote less favoured crops like millets and pulses.

2. Highlights of MPC meeting

Source- [The Hindu](#)

Syllabus- GS 3- Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context- RBI in its 6th bi-monthly MPC meeting voted unanimously to maintain status quo on benchmark interest rates to support the economy.

What were the key highlights of latest MPC meeting?

The Monetary Policy Committee (MPC) recently left benchmark interest rates unchanged and maintained an 'accommodative' policy stance as it prioritized support for the economy's recovery over 'sticky' inflation amid the COVID-19 pandemic.

- The RBI keeping rates low despite high inflation shows its focus to boost economic growth over keeping inflation under check which is majorly a supply-side issue.

Key highlights-

- **Decision** - The MPC kept the RBI's key lending rate, the repo rate, steady at 4%.
- MPC panel projected that the real GDP contraction will contract at 7.5% [-7.5%] for the financial year ending. It is an upgrade in comparison to -9.5% in October MPC review.
- Citing the improvement in activity in the second quarter, it projected GDP would return to growth of 0.1% in Q3, and expand 0.7% in Q4.
- The RBI also announced a raft of liquidity management measures and steps to improve regulatory oversight of the financial system.
- MPC expects inflation to rise in the near term.

What are the key challenges?

- **Cost push pressure-** The increase in the prices of iron ore, steel and transportation fuels also add to the worries that cost pressures are continuing to accumulate.
- **Food inflation** surges to double in October 2020 across protein-rich items including pulses, edible oils, vegetables and spices on multiple supply shocks.
- **Booming financial markets** and rising asset prices because of surplus liquidity will also contribute to upside risks.

Way forward-

- MPC's policy approach is clearly fraught with risks. A small window is available for proactive supply management strategies to break the inflation spiral being fuelled by supply chain disruptions, excessive margins and indirect taxes
- The RBI policy is supportive of growth and in sync with the government's reform agenda.

3. A new roadmap for end of oil age

Source: The Indian Express

Syllabus: GS-3- Environment

Context: The latest book The New Map: Energy, Climate and the Clash of Nations, provides some pointers on how should India navigate future energy transitions.

Explain the key pointers on navigating future energy transitions.

- **Future pathway:** It pulls together the transformative occurrences and technologies that have shaped the energy world in recent years into a clear framework.

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- **Six broad themes define The New Map:**
 - The first is the **US shale revolution**, which transformed the US from a major importer of oil and gas to a significant exporter.
 - The second is the **leveraging of gas exports by Russia** to compel former members of the Soviet Union to stay within its sphere of influence and to embrace China into an energy partnership.
 - The third is **China's assertion of its rights over the South China Seas** which is a critical maritime route for its energy imports and the Belt and Road initiative.
 - The fourth is **sectarian strife (Sunni/Shia) in the Middle East** which, compounded by volatile and falling oil prices, has brought the region to the edge.
 - The fifth is the **Paris climate summit** and its impact on public sentiment, investment decisions, corporate governance and regulatory norms.
 - The last is the consequential impact of the manifold and impressive **advancement of clean energy technologies**.
- **Energy transition:** Energy transition will unfold in different ways in different countries and over different time periods. This is because they will be influenced not just by economics and technology, but also by politics and public activism.
- **Peak oil demand:** They bring out one development that plays to India's advantage i.e. the onset of "peak oil demand". The earlier concern was "peak supply" (supplies are finite and the market will face a shortfall).
 - There is no consensus, however, on the timing of peak demand.
 - BP believes, for instance, it has already peaked;
 - the International Energy Agency (IEA) projects it will peak by 2028;
 - IHS Markit's "rivalry" scenario puts the date around the mid-2030s.

What are the policy initiatives for future energy transitions?

- **A framework for considering policy options**
 - **On the fossil fuel axis:** The book suggests the government leverage its buyer ("monopsonist") strength to secure "most favoured" terms of trade for crude supplies.
 - **Battery storage:** One, India must develop its own world-scale, competitive, manufacturing systems for photovoltaics (PVs) and battery storage.
 - If not, it will not be able to provide affordable solar units unless it accepts the further deepening of dependence on Chinese imports.
 - Currently, China manufactures 75 per cent of the world's lithium batteries; 70 per cent of solar cells; 95 per cent of solar wafers and it controls 60 per cent of the production of poly silica.
 - **Strategy:** India must prepare a clean energy technology strategy.
 - The India strategy should identify relevant "breakthrough technologies", establish the funding mechanisms and create the ecosystem for partnerships (domestic and international).

Conclusion

- No disagreement over the fact that the oil market does face a structural supply overhang. In regard with India, clean energy technology offers an early and mutually beneficial platform for charting out a new roadmap for the end of oil age.

4. Permitting industrial houses to own banks

Source: [Indian Express](#)

Gs3: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

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Context: Permitting industrial houses to own banks could undermine economic growth and democracy.

Background

- Recently, an internal working group of the RBI has made a far-reaching recommendation to permit industrial houses to own and control banks.
- According to the report, the reason for permitting industrial houses to own and control banks is that industry-owned banks would increase the supply of credit, which is low and growing slowly.
- However, many believe that this step would be a grievous mistake, and it will be a setback to Indian economic and political development.

Why it is a concern?

- **Against the recommendations of the experts:** The report states that majority of the experts were of the opinion that large corporate/industrial houses should not be allowed to promote a bank.
- **The problem of connected lending:** This can lead to Over-financing of risky activities, encouraging inefficiency by delaying or prolonging exit and entrenching dominance.
- **Regulation of Connected lending is difficult:** It is clear from the experience of Indonesia and most advanced countries that regulating connected lending is impossible and the only solution is to ban corporate-owned banks.
- **Overburdened RBI:** RBI has encountered much difficulty in dealing with banking irregularities at Punjab National Bank, Yes Bank, ILFS and Lakshmi Vilas Bank. Regulation and supervision need to be strengthened considerably to deal with the current problems in the banking system before they are burdened with new regulatory tasks.
- **Can delay exiting of inefficient firms:** This makes it impossible for more efficient firms to grow and replace them. If industrial houses get direct access to financial resources, their capacity to delay or prevent exit altogether will only increase.
- **Can stimulate growth of Monopolies:** Already, The Indian economy already suffers from over-concentration. The COVID-19 crisis is aggravating this picture because those with greater resources will not only more easily survive the crisis and they will be able to take over small, medium and large enterprises that have not had the resilience or resources. In this scenario, if large industrial houses get banking licences, they will become even more powerful.
- **Will dampen rules-based well-regulated market economy:** The power acquired by getting banking licences will not just make them stronger than commercial rivals, but even relative to the regulators and government itself. This will aggravate imbalances leading to a vicious cycle of dominance.
- **Affect credit Quality:** Indian financial sector reforms have aimed at improving both the quantity and the quality of credit. If India now starts granting banking licences to powerful, politically connected industrial houses, allowing them to determine how credit is allocated, it will effectively abandon the principle of ensuring that credit flows to the most economically efficient users.
- **Alternative options do exist:** The other powerful way to promote more good quality credit is to undertake serious reforms of the public sector banks.

Mixing industry and finance will set us on a road full of dangers for growth, public finances, and the future of the country itself.

5. Farmers could perish with new farm acts

Source- [The Indian Express](#)

Syllabus- GS 3- Issues related to direct and indirect farm subsidies and minimum support prices; Public Distribution System- objectives, functioning, limitations, revamping; issues of buffer stocks and food security; Technology missions; economics of animal-rearing.

Context- Agricultural operations may flourish with new farm acts, but they threaten to lead to the marginalization of the farmers

How farmer's protest is unique?

- **Farmer's group come together-** 31 farmers' organizations, which have different ideologies and leanings, are to fight collectively against these Bills.
- **Kept politician out of agitation-** The unions came together and formally decided to keep politicians of all parties out of their "struggle".
- Even the traders and the arhtiyas, who have been staunch supporters of the Central government, have expressed their anguish against the new farm laws.

Why is the anger so pronounced in Punjab?

1. **Food bowl of India-** Punjab has contributed the largest amount of food grain in the central pool.
2. **Un-level field-** The Punjab farmers are being asked to diversify their cropping patterns whereas other states like Madhya Pradesh and western Uttar Pradesh are encouraged to produce grains.
 - This resulted in
3. **The procurement system and MSP** mechanism is strong in Punjab and Haryana
 - Only 6 per cent of the farmers in India are fully covered by the MSP, and 84 per cent are located in the states of Punjab and Haryana.

Therefore, any disruption to the system, real or perceived, will cause a major upheaval

What are the farmer's concerns?

- **End of MSP-** Their main worry is about a possible withdrawal of the MSP and a dismantling of the public procurement of grains.
- **Promote corporate control-** The farmers contend the federal government is making ready to withdraw from the procurement of food grain and hand it over to the company gamers.
 - Small and marginal, would be left at the mercy of the corporates, with reduced collective bargaining capacity.

What is government's contention?

- **Farmers will get higher prices** - These Acts are intended to empower the farmers and ensure doubling of their incomes.
- The Acts will only increase options for farmers in the output markets, that the MSP-procurement system will continue, and that there is absolutely no plan to dismantle the system.

What are the issues with the new farm Acts?

- Free market does not have the solutions to improve the well-being of people living on the margins.
- The assumption that the market shall protect and multiply farmers' income is misleading.

Way forward-

1. **Compensate farmers under WTO compatible blue box-** The Centre could allocate subsidies for diversification to commercial crops for the farmers of Punjab.

- Subsidy could be given for three consecutive years.
2. To keep the mandi system functional, the APMC Act may be reformed
- The state governments permitted to collect mandi fee and arhtiyas given handling charges.

6. Coercive and Liberal environmentalism

Source- [The Indian Express](#)

Syllabus- GS 3- Conservation, environmental pollution and degradation, environmental impact assessment.

Context- India's ability to influence the new geopolitics of climate change will depend a lot on its domestic political resilience in adapting to the new imperatives.

What are China's climate commitment?

- China would become carbon net-zero by the year 2060.
- Also, China now aims to have CO2 emissions peak before 2030. That means China would not allow its greenhouse gas emissions to grow beyond that point.

What is Coercive and liberal environmentalism?

China's coercive environmentalism

The Chinese government pursues its environmental goals with the authoritarian tools it has available: mandatory targets, mass campaigns, top-down bans, factory closures, forced relocations, and even household trash inspectors who can ticket offenders.

- **Effective state intervention-** Enforcing new environmental norms in the last few years has helped China shed the image of being the "bad boy" on climate issues.
- China has been "codifying" environmental policies into clear rules, regulations and laws.

Joe Biden's environmental polices-

- **Modernizing liberal environmentalism** that relies on political consensus in drafting new environmental norms and their effective enforcement as well as the reliance on market-based mechanisms.
- **To enforce environmental regulations** which were either diluted or discarded by the Donald Trump administration and enhance the incentives for polluters to compensate for their violation of norms.
- **Climate justice-** The recognition that pollution and other ecological problems have a greater impact on the poor and minorities.
- Special focus on an early end to the worldwide use of coal.
- Rejoining the Paris Accord to set accelerated timelines for reducing carbon emissions.

However, Coercive and Liberal approaches to managing climate change totally different but they share some important objectives.

- Both China and the US (along with the West) recognize the urgency of the climate challenge.
- US and China, both are racing to develop new technologies that will constitute the foundations of the green economic future.
- Both have zeroed in on industrial policy to achieve their climate objectives.
- Both understand that climate politics is in the end about rearranging the global order.

What are the challenges ahead of India?

- The urgency of addressing climate change is likely to intensify in the immediate term with the election of Biden as US President and the prospect of cooperation on climate change between Washington and Beijing.

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- **Puts Pressure on India:** European Union and 70 other countries (that have relatively low emissions) have committed itself to a net-zero emission status by 2050. The new direction of Chinese and US policies in Environmental Initiatives puts pressure India

Way forward-

India's real test on climate change is on building a new domestic consensus that can address the economic and political costs associated with an internal adjustment to the prospect of a great global reset.

7. Authorisation of coronavirus vaccines

Source: [THE HINDU](#)

Gs2: Issues Relating to Development and Management of Social Sector/Services relating to Health

Context: Safety and efficacy data for the new vaccine must be known before emergency-use authorisation for vaccines.

Why in news?

- The Pune-based Serum Institute of India has approached the regulator for nod for its vaccine, Covishield, developed by Oxford University.
- AstraZeneca, which is carrying out the phase-3 trials of the Oxford vaccine in four countries, is yet to secure a nod from any of the regulatory agencies.
- AstraZeneca recently gave details of the **interim safety and efficacy data** involving 131 COVID-19 cases in the phase-3 trials in the U.K. and Brazil. But details of the trials in India are not out yet.

Why fast tracking of vaccine authorization is needed?

- The unprecedented speed in taking the **vaccine from the development stage to approval process** in less than a year is remarkable but also necessitated by the toll the virus has taken on lives and livelihoods.
- To reduce mortality and morbidity.

What are the concerns associated with authorization of vaccines?

- **Regulatory bodies under pressure:** to **fast-track** the entire process.
- **Lack of transparency:** Opaqueness about vaccine safety and efficacy does no good in gaining people's confidence and willingness to get vaccinated.
 - For example, Moderna, Pfizer and AstraZeneca took the extraordinary step of publicly sharing the trial protocol, the time points at which interim analysis of phase-3 trial in India will be carried out for safety and efficacy is unclear.
- **No checks:** the U.S. FDA has clearly spelt out at least 50% efficacy and stipulated a median follow-up duration of at least two months after completion of the full vaccination regimen to assess a vaccine's benefit-risk profile for emergency-use approval. However, no such conditions have been mentioned by the Indian regulatory agency. The phase-3 trial of Covishield began on September 21 and completed the enrolment on November 12.
- **Fear of side effects and vaccine hesitancy:** ineffective or unsafe vaccine is worse than not having one. A survey by the London-based Vaccine Confidence Project revealed that though the intent to get vaccinated was 87% in India, 34% respondents were worried about side-effects while 16% were concerned about fast-moving trials.

What needs to be done?

- Need to engage all stakeholders in a transparent manner at every stage and not by merely sharing guidelines regarding vaccine safety with the States.

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- It is also important that those seeking emergency-use authorisation share the safety and efficacy data immediately.

8. Mismatch between the supply and demand

Source- [The Indian Express](#)

Syllabus- GS 3 - Major crops-cropping patterns in various parts of the country, – different types of irrigation and irrigation systems storage, transport and marketing of agricultural produce and issues and related constraints; e-technology in the aid of farmers.

Context- Policies designed for an India on the edge of starvation don't fit the India of today.

What is the history of supply and demand of wheat crop in India?

The genesis of the current state of affairs stems from policies initiated over half a century ago-

1. **Starvation period-** It dates from the 1960s, when India that did not grow enough to feed itself and had to rely upon imports under PL-480 as aid from the US.
2. **New PDS and government policy-**Then, Indian policymakers shifted to setting a minimum support price.
 - Wheat-paddy crop rotation was encouraged in Punjab and Haryana to make India self-sufficient in food grain production.
 - The system guarantees farmers a set price for their output, while their inputs - water, power, fertilizer, seeds - are free or subsidized.
 - Wheat is then stored in the warehouses of the state-controlled Food Corporation of India and distributed at a subsidized price to the population.
3. **Policy result** was a resounding success for the production and procurement of rice and wheat, which was the focus of the PDS and government policy
 - However, India produces too much grain, which is now rotting in government granaries.
4. In today's time, the subsidies for rice and wheat caused too few farmers to plant vegetables, which are subject to major price fluctuations.

How crop rotations can be beneficial for farmers and the challenges associated with that?

Rice wheat cycle- In Punjab and Haryana region

- Rice-wheat rotation by far the most value creating crop cycle.
- **Better varieties of rice** - superior basmati rice in the kharif season that have lower yield, lower water and nutrient requirement but are exportable and highly priced, could possibly be better crop options in the region.
- In the Rabi season wherein the only superior alternatives to wheat in the rice-wheat rotation are vegetables and higher qualities of wheat.
- However, the chances of success in wheat are lower.

What are the issues in current procurement policy?

1. **High incurred cost by the FCI-** Cost of procurement and distribution of food grain has increased manifold.
2. The quality of grains has been ignored.
3. There was no initiative for identifying high-quality wheat strains for increasing their production for local and foreign markets.

What is the way forward?

1. Shift production from normal rice to basmati and other exportable varieties and to give a boost to wheat for substituting rice via sooji, rava and noodles.

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2. A boost for infrastructure to increase the production of vegetables in the wheat belt and its transport for the healthy growth of agriculture.
3. The government needs to reduce the institutional costs and move towards a more remunerative cropping pattern.
4. And must make transparent efforts to push exports consistently.

9. The state of farmers

Source: The Indian Express

Syllabus: GS-3- Agriculture

Context: While the farmers demand a repeal of the three new farm laws, the government insists the reforms are “farmer-friendly”.

What is the aim and impact of the new farm laws?

- **Aim of farm laws:** The farm laws seek to introduce the neoliberal notion of “choice” into the production and sale of agricultural produce through deregulation. It tries to give a push to private traders and agricultural corporations.
- **Impact on small farmers:** Small and marginal farmers, a section that constitutes 85 per cent of farm landholdings are likely to be worst hit, with the lowest bargaining power and highest level of precarity.

What are the problems faced by farmers?

- **The scale of land acquisition:** It has increased exponentially since the nineties, with the estimate for all displaced people up from approximately 25-30 million by 1990 to 60 million by 2004.
- **Policy framework:** A policy framework shaped by the needs of capital which needs land but not the people, creates a system that renders survival cultivators unnecessary or surplus to development initiatives of the state.
- **Survival cultivation:** Where many small and marginal farmers engage in survival cultivation, sale of agricultural produce is limited to the need for cash or an assured surplus.
 - In 2018-19, the consumption of nitrogen, phosphorus and potassium fertiliser in Maharashtra, UP, Assam and Jharkhand was 125.95 kg/hectare (ha), 170.09 kg/ha, 73.69 kg/ha and 59.79 kg/ha respectively (Agricultural Statistics at a Glance, 2019).
- **The state-wise scale of indebtedness of agricultural households:** The All-India Report on Agriculture Census 2010-11 shows the level of indebtedness to be 57.3 per cent in Maharashtra, 43.8 per cent in UP, 17.5 per cent in Assam and 28.9 per cent in Jharkhand.
 - These figures are representative of the increased cash dependence of agriculture in commercially significant states as Maharashtra and UP, and a significantly lower level of debt in states like Jharkhand and Assam.
- **Land arrangements:** Several informal land arrangements are being stripped away constantly, leaving subsistence peasants more dependent on cash for meeting everyday requirements of life and propelling them deeper into an unequal market that constantly reproduces their position at the margins.

Mention a few state policies that seeks to establish powers of state over land?

- **The new Land Acquisition Law 2013:** It has introduced significant changes from the colonial 1894 Law, it serves to firmly keep in place the principle of eminent domain by which the state retains excessive powers over land and, thereby, facilitates the process of land acquisition in the long run.

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- **New strategy:** The constant expansion of forest lands is itself the latest strategy to bypass mandated procedures for land acquisition under the new Right to Fair Compensation and Transparency in Land Acquisition and Rehabilitation and Resettlement Act 2013.
- **The latest Environmental Impact Assessment Draft Notification 2020:** It seeks to facilitate ease of doing business by clearing “obstacles” for businesses such that permissions are simpler to get and grievances harder to file.

Way forward

- For a healthy farm sector, the state must strengthen and protect the position of the cultivator.

10. AI moment in India

Source: [The Hindu](#)

Gs3: Indigenization of Technology and Developing New Technology.

Context: **The importance of AI economy to India**

What is the significance of AI economy to India?

- Data and AI services are expected to help boost India’s economic growth in a big way. For example, according to NASSCOM, data and AI will contribute \$450 billion-\$500 billion to India’s GDP by 2025, which is around 10% of the government’s aspiration of a \$5 trillion economy.
- With more opportunities created, there will be a net positive effect on employment generation. For example, it is estimated to create over 20 million technical roles.
- AI can create niche solutions to specific problems that banks and other service providers are deploying, such as speeding up loan application processing or improving customer service.
- it can provide solutions for better governance and social impact. For example, during the lockdown, the Telangana police used AI-enabled automated number plate recognition software to catch violations.

What are the prospects for India?

- India has a thriving AI start-up ecosystem with cutting-edge solutions being developed in areas such as cancer screening, smart farming and conversational AI for the use of enterprises.
- Our skilled human resource in AI/ML is fast growing, with over 5,00,000 people working on these technologies at present.

What are the steps taken to Promote use of AI in India?

- NITI Aayog’s national strategy for AI envisages ‘AI for all’ for inclusive growth, and identifies healthcare, agriculture, education, smart cities and infrastructure, and smart mobility and transportation as focus areas for AI-led solutions for social impact.
- The Telangana, Karnataka, Tamil Nadu and Maharashtra governments, among others, have announced policies and strategies for AI adoption.
- Technology companies have established AI centres of excellence to create solutions for global clients.

What needs to be done?

- **Skill Development:** In 2019, we nearly doubled our AI workforce to 72,000 from 40,000, however the demand continues to outpace the supply. That means our efforts to develop talent must pick up speed.

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- **Data usage policy:** We need a robust legal framework that governs data and serves as the base for the ethical use of AI.
- **Speed up Digitalization process:** though the use of digital technologies has increased, the level of digitisation continues to be low. This poses a big challenge for organisations in finding the right amount of training data to run AI/ML algorithms, which in turn affects the accuracy of the results.
- **Clean Data sets:** Organisations need to invest in data management frameworks that will clean their data before they are analysed, thus vastly improving the outcomes of AI models.

The future for AI looks promising but to convert the potential into reality, India will need better strategies around talent development, stronger policies for data usage and governance, and more investments in creating a technology infrastructure that can truly leverage AI.

11. The dangers of misplaced optimism

Source: [The Hindu](#)

Gs3: Indian Economy and issues relating to Planning, Mobilization of Resources, Growth, Development and Employment.

Context: The government's economic recovery hype is off track and this is not a time for fiscal conservatism.

What is current economic scenario?

- India's economy contracted by 7.5% in the second quarter of financial year 2020-21 was, as news, both good and bad.
- It is far lower than the 23.9% contraction registered in the first quarter of this financial year.
- 7.5% second quarter contraction is high with most similarly placed countries.
- Relaxation of lockdown restrictions during that quarter has not ensured automatic recovery.

What is government stance?

- Based on the evidence, the Finance Ministry's **Monthly Economic Report**, for November, speaks of a **V-shaped recovery** reflective of "the resilience and robustness of the Indian economy".

Why slowdown in contraction is not sign of recovery?

- **Lockdown has affected employment, income and demand:**
 - Now since lockdown are relaxed, production must rise, not just to meet demands backed by the available purchasing power but also to restore inventories to normal levels across the distribution chain.
 - Demand must return to and rise above pre-crisis levels for **production to recover and grow**.
- **Burden on economy:** The lockdown increased indebtedness and the bankruptcies. Lockdown induced affects are to be felt well after restrictions are relaxed.
- **Decline in consumption:** the decline in private final consumption expenditure at constant prices, which accounts for 56% of GDP, has come down but still remains high.
- **Lack of consumer confidence:** net incomes and consumer confidence are not at levels that can even restore last year's levels.
- **Less recovery in investment:** the decline in fixed capital formation has fallen from a high minus 47% in the first quarter to minus 7% in the second, however, investment is still falling year-on-year.

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- **Half-hearted stimulus:** Government Final Consumption Expenditure, which rose by 10% in the first half of 2019-20, relative to the corresponding period of the previous year, declined by 4% in the first half of 2020-21.

What government should do?

- **Shun fiscal conservatism:** Lockdowns limit production and result in a rundown of inventories.
- **Government's responsibility:** the tasks of providing safety nets, reviving employment and spurring demand become crucial. The market cannot deliver on those fronts that is why state action facilitated by substantially enhanced expenditure is crucial.
- **Increase borrowing:** since government revenues shrink during a recession expenditure need to be funded by borrowing.
- **GDP movements:** need to understand the dynamic of the post-COVID-19 economy.
- **Increase allocations for welfare expenditures:** for example, subsidised food to minimal guaranteed employment.

What are the impacts on States?

- **Squeezing expenditure at the State level:** As per Office of the Controller General of Accounts, the total expenditure of the central government stood at 55% of what was provided for in the Budget for 2020-21, which was woefully inadequate even for normal times.
- **Shortfall in spending:** The shortfall in spending was sharper in the case of capital expenditure, with 48% of that budgeted being spent over April to October. The corresponding figure for 2019-20 was 60%.
- **Fall in GST revenues:** the government has decided not to compensate for the shortfall, as promised under the GST regime.

12. Overestimate GDP growth data

Source-[The Hindu](#)

Syllabus- GS 3 - Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.

Context- The higher growth rate of the economy actually masks the decline in the unorganized sector.

What in the news-

The second quarter GDP contracted at a slower pace of 7.5 per cent compared to a massive 23.9 per cent in the first quarter of the current fiscal.

- The economy's performance between July and September when lockdown restrictions were eased is better than most rating agencies and analysts anticipated.

Why GDP data should not be taken as sustainable recovery?

1. **The source of information is not reliable-** Very little up-to-date primary information from factories and offices is available for the estimation.
 - The data usually used to project quarterly growth rates were not available and so "some other data sources" were used.
 - The method of calculation of quarterly growth rates is inaccurate. It was implicit in the method of estimation that this component could be proxied by the data from the organized sectors of the economy.
2. **Pent up demand-** The healthy recovery in the second quarter represents meeting the pent-up demand after the 'Unlock' phase started in June.

How the proportionality between the unorganized and organized sectors disrupted?

1. **Due to demonetization-** The cash shortage impacted unorganized sectors far more than the organized sector.
 - The non-agriculture unorganized sector was disproportionately impacted by demonetization, as this sector consists of tiny units that work with cash.
2. **Implementation of the GST-**The GST system favoured the organized sector, and demand shifted from the unorganized sector to the organized sector.

Why quarterly growth numbers are not robust?

1. Collected data limited to organized sector only.
 - The growth of the economy has been much less than that what is implied by the official GDP numbers.
 - While trade has declined, data will indicate growth since it is available only from e-commerce and big stores [organized sector].
 - If the data are taken only from the larger units, the decline of 20% to 30% will not be captured.
 - **Not all data are collected-** The organized sector was able to restart business but not the unorganized sector due to low demand for the produce of unorganized sectors

Way forward-

- The quarterly growth numbers are not robust.
- It is difficult to predict that weather the economy is recovering or not, as the collected data was non-comparable.

13. Farm laws alter bargaining landscape

Source: [Indian Express](#)

Gs3: Storage, Transport and Marketing of Agricultural Produce and Issues and Related Constraints

Context: The present farm laws alter the bargaining landscape in favour of the corporate players to the detriment of the farmers.

What is current issue with farm laws?

- The three recently enacted farm laws assented have led to a showdown between the peasantry and the Union government.
- No consultation undertaken by the central government at the time of promulgating the ordinances and then pushing the bills.
- Despite repeated demands of the oppositions to refer the farm bills to the standing/select committee for reconsideration and necessary consultation with all stakeholders.
- Present dispensation believes that its shock-and-awe methods are to be the main medium of governance.
- The Union government has **bypassed the federal structure** by legislating on subjects that exclusively fall within the **domain of the state government** under the state list of the Seventh Schedule of the Constitution.

What are the salient features of the bill?

- **Reducing role of MSP:** The farm laws open the field to an alternate set of markets/private yards, where the buyer will have **no statutory obligation** to pay the minimum support price (MSP).
- **No fee:** Markets/private yards will not be charged any market fee/levy. The agricultural sector will see the gradual shifting of trade from the APMC mandis to these private yards.

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- **Reduce APMC role:** The **shifting of trade to avoid payment of any levy/market fee** by private players and the Food Corporation of India (FCI) will eventually witness the redundancy of the APMC mandis, leaving the farmers at the mercy of the corporate sharks.
- **Exclude the jurisdiction of the civil court:** It will leave the farmers remediless and with no independent medium of dispute redressal mechanism. The farm laws empower the Sub-Divisional Authority (executive) to adjudicate on disputes between the farmers and traders.
- **Increased bureaucracy:** The increased bureaucratic control over the adjudication of disputes between the farmers and corporate players will open the floodgates for corruption and rent-seeking.

How the bills are anti-farmers?

- There are several pro-corporate and perceived anti-farmer provisions in the farm laws.
- The global experience across agricultural markets demonstrates that corporatisation of agriculture without a concomitant security net in the form of an assured payment guarantee to the farmers results in the exploitation of farmers at the hands of big business.
- The primary cause for concern is the systematic dismantling of the **APMC mandis** which have stood the test of time and have provided farmers the remuneration to keep themselves afloat.

What needs to be done?

- The legality of laws should be expeditiously decided by the Supreme Court to halt the central government's repeated encroachment on states' rights.
- There is **need of robust system to annually re-calculate the MSP** keeping in mind the rising input costs of diesel, fertilisers, etc to make farming a viable and lucrative vocation.
- A statutory regulator in the field of agriculture akin to regulators in other fields would fill the gap to address information access and market distortions.

The three legislative nails in the farmer's aspirations might lead to a bitter harvest.

14. Five years after Paris

Source: The Indian Express

Syllabus: GS-3- Environment

Context: The Climate Ambition Summit, co-hosted by the UK, France and the UN, on the fifth anniversary of the 2015 Paris Agreement, comes at the end of a dreadful year.

What is the climatic status of nations, 5 years after Paris agreement?

- **GHGs:** Greenhouse gases (GHGs) in the atmosphere are at record levels, with the global lockdowns only having resulted in a temporary 4.2–7.5 per cent reduction in GHGs.
- **National contributions:** All states have submitted their national contributions to diminish and adapt to climate change.
 - These contributions are radically insufficient to reach the “well below 2 degrees Celsius” limit and are even further from the “1.5 degrees Celsius” temperature limit identified in the Paris Agreement.
- **Scaling up national targets:** The logic of the Paris Agreement relied on scaling up of national targets over time to bridge the gap. The first of these moments for scaling up is 2020.

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- Although 151 states have indicated that they will submit stronger targets before December 31, only 13 of them, covering 2.4 per cent of global emissions, have submitted such targets.
- Many are expected to submit their updated contributions or make other pledges at the Climate Ambition Summit.
- **Net zero targets:** All G-7 states (except the US) and 11 G20 members have mid-century (2050 or 2060) net zero targets (carbon dioxide or other GHGs). These include Argentina, Mexico, UK, Japan, Canada, Germany, France, the Republic of Korea, Italy, China, and the EU.

Net zero targets need to be subject to credibility, accountability and fairness checks before being applauded. Discuss

- **The credibility check:** It is crucial for updated national contributions to reflect targets and actions in 2030 that will take these states to their 2050 or 2060 net zero target.
 - The IPCC 1.5 degrees Celsius Report indicated that to stay within a reasonable chance of achieving 1.5 degrees Celsius, global carbon dioxide emissions have to fall by 45 per cent from the 2010 levels by 2030.
 - There is a significant “overshoot” in terms of GHGs in the short and medium-term, and a reliance on negative emissions technologies to get there in the long-term.
- **The accountability check:** accountability under the Paris Agreement is limited. States are not obliged to achieve their self-selected targets. There is no mechanism to review the adequacy of individual contributions.
 - The most commonly used metric by states (110 of them) is that their emissions are a “small share of global emissions”.
 - The transparency framework does not contain a robust review function, and the compliance committee is facilitative and limited to ensuring compliance with a short list of binding procedural obligations.
 - Accountability has thus far been generated by non-state actors outside the UN regime rather than in the regime.
- **The fairness check:** The issue of equity and fairness, side-stepped in the Paris Agreement, is emerging in climate litigation before national and regional courts.
 - “Fair shares” are also an issue in the ongoing case filed by six Portuguese youngsters, including two children, in the European Court of Human Rights against 33 European states for inadequate climate action.
 - Issues of fairness and justice, both between and within generations, are “unavoidable”.

Way forward

- Net zero pledges need to be credible, accountable and fair to get us to a stable climate. All states, including India, can pledge actions that are credible, accountable and fair.
- Credible short-term commitments, with a clear pathway to medium-term decarbonisation, that take into account the multiple challenges states face, such as on air pollution, and development, might well be the more defensible choice for some.

15. Protest Against Farm Bills

Source: [Indian Express](#)

Gs3: Storage, Transport and Marketing of Agricultural Produce and Issues and Related Constraints

Context: A minuscule minority of farmers is protesting against the farm laws. They don't want an end to the system that has benefited them.

Background

- The creation of the Agricultural Produce Marketing Committee (APMC) came into existence almost 150 years ago to feed the colonial master's raw cotton for their Manchester mills.
- The farmers were forced to sell to the masters in a regulated market whose regulation was set by, the colonial masters.
- The corrosive monopoly power held by the APMCs has been recognised by almost all political parties and farmer unions. For example, the Bharat Kisan Union took out a protest in 2008 arguing for the right of farmers to sell produce to corporates.
- Till now, Farmers are forced to sell their marketable produce only through a mandi regulated by the government.
- However, the new Farm bills allows the farmer to sell through the APMC, and to sell outside the APMC.

Why the protest for farm bills is skeptical?

- **Only Fraction of Farmers rely on APMC:** The government procures all of its food through APMCs but only about 6 per cent of the farmers in India sell through the APMCs to the government.
- **Serves the Interest of few states only:** Those 6 per cent are all large farmers, primarily residing in the two states of Punjab and Haryana. These two states typically account for close to 60 per cent of wheat procurement and close to a third of rice procurement.
- **Leakages in distribution:** The government procures from farmers in order to re-distribute the food via ration shops to the bottom two-thirds of the population. But there are leakages. For example, former Prime Minister Rajiv Gandhi in 1985 stated that only 15 per cent of the food procured by the government reached the poor.

Why Farm Bills are needed?

- Neither APMC, nor subsidies, has resulted in higher output growth in Punjab-Haryana, the pioneers of the Green Revolution.
- Subsidised electricity to farmers has destroyed the water table, the extensive use of fertiliser has destroyed the environment.
- None of the Developing and Developed countries prohibit an individual farmer from selling their produce in the market.
- It does not serve the Interest of very small and small farmers in India.
- Unlike the Industries which are freed from regulation agriculture was not freed or thereafter, until now.

16. Government policies - harder to implement

Source- [The Indian Express](#)

Syllabus- **GS 3 - Issues** related to direct and indirect farm subsidies and minimum support prices; Public Distribution System- objectives, functioning, limitations, revamping; issues of buffer stocks and food security; Technology missions; economics of animal-rearing.

Context- The government's dismissal of the concerns of farmers and workers with bold reforms is not only bad for democracy, it reduces quality of policies and also makes them harder to implement.

What is the core problem in agriculture sector in India?

Largest source of livelihood - there are too many people employed in agriculture.

- The agriculture sector contributes 17 per cent of India's GDP. As per estimate, about 57 per cent of the working population is engaged in agriculture.

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- 70 percent of its rural households still depend primarily on agriculture for their livelihood.

Possible solution-

- **Increase productivity**- India needs to shift from basic farming to more efficient, sustainable, productive farming.
 - More technology and automation will be required to improve productivity.
- **Reduce the number of employed**- The agriculture sector should employ only 17 per cent of the workforce as to become more productive like other sectors.
- India must figure out a way to provide meaningful employment to hundreds of millions of people outside agriculture.

What are the issues with new farms and labour laws?

A. Issues in new Farm reforms-

1. Agriculture is a state subject and regulation of agri-markets is very much in the domain of the states. Yet states have not been consulted on changes in agriculture laws.
2. **Deregulation**- The new farm laws that aim to double farmers' income in two years by deregulating agricultural markets may further widen the inequalities in the sector,
 - The deregulation of Bihar's APMC led to no significant changes.
 - These changes will affect the small farmers the most because their low output does not allow them any bargaining power.

B. Issues in new Farm reforms-

1. **Worker's right of association in unions**- In the labour reforms underway, it is the dilution of this fundamental right of collective representation that bodes badly for India's workers
2. The rights of the trade union to go on a lightning strike is sought to be curtailed heavily.

Therefore, new farm and labour reforms laws are the examples of diminishing democracy in India.

What are the set of reforms required to make India's growth more inclusive?

1. Policymakers must listen to the institutions that represent small people — associations and unions of farmers, informal workers and small enterprises.
2. **Formation of cooperatives of producers and workers**- By aggregating the small into larger-scale enterprises.
 - Government regulations must encourage the formation of strong cooperatives, and improve the ease of doing business.
3. Indian agriculture marketing reforms should derive inspiration from Barbara Harriss-White, a scholar of India's agricultural markets, who once observed, "deregulated imperfect markets may become more, not less, imperfect than regulated imperfect markets.

Way forward-

- Policymaker needs acknowledge public fears and reassure people, especially in periods of uncertainty.
- The concept of democracy should not be reduced to elections and political parties. Democracy is also a process of listening to all stakeholders.

17. Farmer-govt Talks

Source: The Indian Express

Syllabus: GS-3- Agriculture

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Context: Government has offered significant concessions and farmers must not turn their back on a solution.

More on news:

- Government has agreed to permit state governments to impose the cesses/fee charged in APMC (agricultural produce market committee) mandis including trades happening outside their boundaries.
- **The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act:** It not only provided for sale and purchase of agri-commodities in private mandis, direct collection centres, electronic platforms and other alternative markets, but also exempted such transactions from any APMC imposts.

What amendments in the law are offered by the government to the farmers?

- **Taxes in alternative markets:** States can extend the rates applicable in APMC mandis to the new alternative markets, the Modi government has shown willingness to strike down a key provision (Section 6) of its law.
- **Option to reach courts:** They include giving farmers the option to approach regular courts in the event of disputes arising from transactions (the current resolution mechanism is limited to sub-divisional and district-level authorities)
 - Registration of traders in non-APMC markets by state governments (the existing law requires them to simply have a permanent account number).
- **Little discussions:** The amendments required in their case could well have been introduced during informed discussions in Parliament, which did not take place due to the government's inflexibility.
- **Government on farmer pressure:** The fact that the same government isn't hostile today to effectively adapt a progressive legislation, which undoes the monopoly of APMCs and opens up new marketing avenues for crops, is a measure of how much it has had to bend to farmer pressure.

What is the stance of farmers?

- **Rollback the three laws:** The farmer unions have not just rejected the government's proposals on extending to a not-legally-binding "written assurance" on continuance of the present minimum support price-based procurement system but are demanding a total rollback of all the three laws.
 - Despite the other two Acts (which significantly do away with stockholding restrictions on agri-produce and enable contract cultivation) having no provisions that can be termed anti-farmer.

Way forward

- Farmers, if anything, benefit from traders being able to buy and stock without limit, just as a legal framework for contract contraction (which is anyway voluntary) is only in their interest.
- The unions have already won a moral victory by forcing the government to negotiate on their terms. They have also, perhaps, gained public sympathy through their dignified and non-violent conduct even in the face of intimidation.