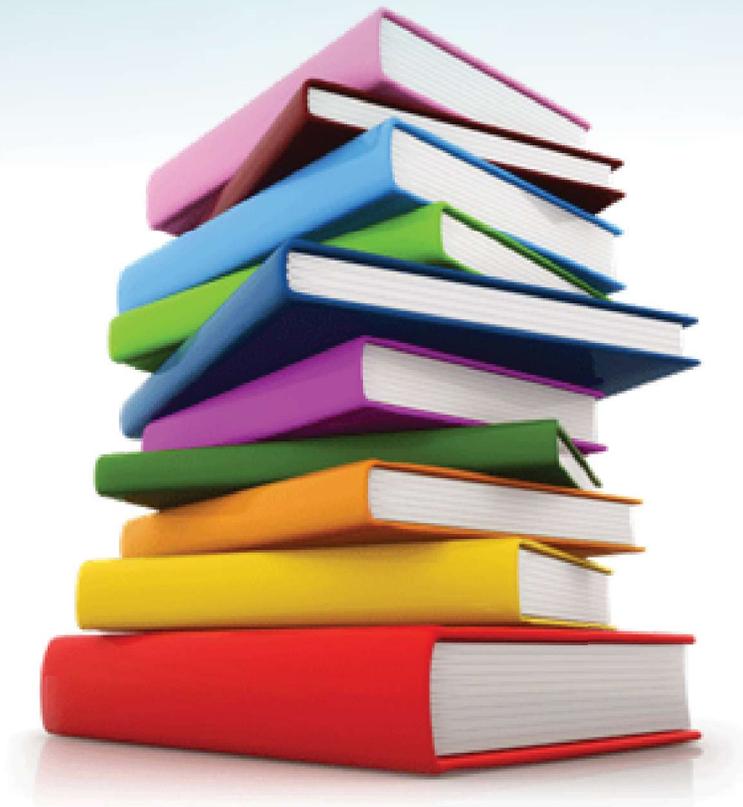




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CURRENT AFFAIRS

AUG & SEP 2022

Universal Basic Insurance – An alternative to Universal Basic Income

Universal Basic Income Scheme:

Although, there are hundreds of poverty alleviation programmes in India, aims to cater from cradle to grave. However, their effectiveness and efficiency has been in question.

Brief history of targeting in India:

India's experience with targeted delivery of welfare programs has not been much encouraging. Targeted delivery started in **1990s based on self-reporting income criteria** to identify the poor.

- Later in **2000s multidimensional criteria** was used to identify poor. However, all of these endeavours have not been able to remove the issues of manipulation and corruption, which crowd out the poor and the truly deserving BPL cardholder and serves the already uplifted (usually middle class).

Universal/Minimum Basic Income (UBI):

In the developed world, as fears of automation have spurred thinkers to devise some ways to deal with the issue. Similar trends are being observed in India as according to **World Bank 69% jobs** in India are under the threat of automation.

- Also, despite making remarkable progress in bringing down poverty from about 70% at independence to **about 22% (Tendulkar Committee)**, it can safely be said that “wiping tears from every eye” (Gandhi) has not been possible.
- Also, as **Nehru** exhorted “**so long as there are tears and suffering, so long our work will not be over**” is very much true nearly 70 years after independence.

State governments efforts:

Sikkim is set to become the first state in India to **roll out Universal Basic Income (UBI)**.

Support:

Economics **Nobel Laureates Peter Diamond and Christopher Pissarides**, and tech leaders Mark Zuckerberg and Elon Musk.

Characteristics of UBI scheme:

A basic income has the five following characteristics:

- **Periodic:** it is paid at regular intervals (for example every month), not as a one-off grant.
- **Cash payment:** Allowing those who receive it to decide what they spend it on. It is not, therefore, paid either in kind (such as food or services) or in vouchers dedicated to a specific use.
- **Individual:** It is paid on an individual basis—and not, for instance, to households.
- **Universal:** It is paid to all, without means test.
- **Unconditional:** It is paid without a requirement to work or to demonstrate willingness to work.

How does UBI liberates the citizens from paternalistic and clientelistic relationships with the state?

- **Clientelistic Relationship:** the client (people) gives political or financial support to a patron (as in the form of votes) in exchange for some special privilege or benefit [Demand polity according to Rudolf & Rudolf]. Election freebies. As UBI would be Universal, it will kill all such incentives.
- **Paternalism** is system in which state acquires too much of power under the argument of making individuals better off or to give protection. UBI would be in cash so the receiver could exercise his discretion to maximize his interests, without state's interference to decide on his/her behalf.

What are the main arguments against a universal basic income?

- It would reduce the motivation for work. However, test experiments done in some villages in MP and in few developing countries like Indonesia and Philippines, shows that it rather improved the standard of living and entrepreneurship.
- Simply unaffordable for India, as it is estimated that paying a basic income equivalent to the poverty line would entail a cost of 11- 12.5% of GDP, which is equivalent to the Union govt. budget. While, govt. total subsidies are about 4-4.5% of GDP.

In discussing the merits and demerits of the UBI or any other development policy, it is important to avoid some standard pitfalls.

No one size does not fit all or a magic pill can cure all problems, as different policies could work well in different contexts in different societies. Cash transfers only make sense if you have ready access to markets, which is not true if you live in remote rural areas. Thus, atleast in such cases there is a need for some in-kind transfers.

- So yes, a UBI will provide some relief to the poor, but will not provide a long-term solution to the problem of poverty. For this govt. needs to investment in health, education, and skill-formation.
- Also, it's accused that UBI is being contemplated by the govt. as a replacement to the public distribution system (PDS) and food, fuel, and fertiliser subsidies. On the contrary, it is just about giving cash under one umbrella, what is already being given (in-kind and cash benefits) via different channels. Thus, UBI is not an add-on, which it should be, at least in early stages.

Possible alternative – Universal Basic Insurance:

- **Low insurance penetration:** The insurance penetration (premium as a percentage of GDP) in India has been

hovering around 4% for many years compared to 17%, 9% and 6% in Taiwan, Japan and China, respectively. Thus, insurance can become a need-based safety net for the poor.

- **Availability of Data:** The economy largely remains informal, data of that informal sector are now available both for businesses (through GSTIN, or Goods and Services Tax Identification Number) and for unorganised workers (through e-Shram, which is the centralised database of all unorganised workers).

Thus, it can be seen that UBI is need a much-needed solution to the issue being faced by the polity, economy and society. For the time being the idea of Universal Basic Insurance can be implemented.

Vikas Gupta

Patriarchal nature of the legal system

Patriarchal nature of the legal system

GS Paper -1 (Society)

Why in news?

According to the Kerala Sessions Court, the de facto complainant's attire in "sexually provocative clothing" did not inherently trigger the offence under Section 354A of the Indian Penal Code.

Background of Issue

- The case involves allegations of sexual harassment.
- A novelist and social activist in Kerala was granted anticipatory release by the Sessions Court.
- The sessions court had relied on images included with the accused's bail application that showed the de facto complainant was donning a "sexually suggestive" garment.
- The statement directly violated a woman's constitutional rights to privacy, life, and personal liberty.
- Other examples: In its rulings on Section 498A (dowry harassment) of the IPC, where it claimed the legislation was being abused, the judiciary's patriarchal mindset was clearly on display.
- In rape cases when the court questioned why the rape occurred, the woman consented and did not object.

Section 354A of IPC

- It has to do with sexual harassment and how it's dealt with.
- The following actions by a man are regarded as sexual offences:
 - Physical touch and moves that include unwanted and explicit sexual advances
 - request or demand for sexual favours
 - displaying pornography against a woman's will
 - making remarks with a sexual agenda

- Penalty: strict incarceration for a time that may last up to three years, a fine, or both.
- For comments with sexual overtones, the penalty is a year in jail, a fine, or both.

What is a Freudian slip, exactly?

- The sessions court judge's stated ratio decidendi, or justification for the ruling, is a (patriarchal) Freudian error.
- A Freudian slip is an error in speech, memory, or behaviour that happens as a result of the collision of an unconscious suppressed wish or internal line of thought, according to psychoanalysis.
- The objectification of women as an erotic quiddity leads to the description of a woman's clothing as "sexually provocative."
- In this instance, a patriarchy was unintentionally ignited, having an impact on not only the specific judicial official but also the entire socio-legal system.

What is the Madhya Pradesh State v. Aprna Bhat Case?

- Eight additional attorneys joined attorney Aparna Bhat in filing an appeal against the Madhya Pradesh High Court's contested ruling.
- As a condition of parole, the accused of sexual assault was required to go to the victim's house on Raksha Bandhan with a rakhi and be tied by her.
- In cases of gender violence, the Supreme Court stated that it is especially important to avoid using language that minimises the crime and trivialises the victim.
- The Kerala Sessions Court judge's contentious remark clearly contravenes the Supreme Court of India's directive.

What obstacles do women encounter when seeking justice?

- For women, the court process is difficult.
- It is much more difficult when women lack support from their families, society, or the law as it currently stands, either financially or emotionally.
- Women are also underrepresented in the Indian judicial system.
- Only 11 women have served on the Supreme Court since its founding in 1950, according to Justice Indira Banerjee, the court's senior-most female judge.
- The statement continued, "It belonged to men to formulate, apply, and execute laws, and considered it as an axiomatic truth."
- The actual situation was that Myra Bradwell, an Illinois resident, applied to the judges of the state's Supreme Court for a licence to practise law.
- Her request for permission was rejected by the Supreme Court, which stated that "the primary destiny and duty of woman is to fulfil the noble and benevolent offices of wife and mother."
- According to the Hadiya Case ruling, Hadiya's parents could choose who to give her to after she was declared property in the case.
- In India, the ancient belief that women are descended from a lower god still dominates the legal system.

What is the purpose of feminist law?

- It is a legal concept that is centred on the social, political, and economic equality of the sexes.
- Feminist jurisprudence should be taught to law students as a corrective approach to combat the patriarchal mindset that permeates the socio-legal system.
- The feminist philosophy of law incorporates ideas from feminist political theory, relational metaphysics, and progressive social ontology.
- Understanding how legal systems impose prevailing gendered and masculinist norms is useful.
- In an effort to build human concepts and institutions for the future, legal doctrine is being examined and reformulated to overcome historical prejudice and enforced inequality.
- The choice of attire is essential to a person's right to privacy and

What has the position of women's clothing been historically?

- France's King Henry III ruled in 1583 that textiles like velvet, satin, and damask were only appropriate for the upper class.
- The monarch emphasised that God was upset because he couldn't tell someone's position by looking at their garments.
- King Edward IV of England issued a similar royal proclamation in 1463 declaring that extravagant and exorbitant clothing made God angry.
- When Joan of Arc was put on trial by the Bishop of Beauvais in 1429, one of the accusations against her was that she had begun wearing masculine clothing.
- Wearing male clothing was against women's modesty and against divine law.

What should we do next?

- A more responsive, inclusive, and participatory decision-making process would be achieved at all levels if women were represented in the courts.
- A judge of the Indian Republic should not be a reincarnation of Henry III, Edward IV, or the Bishop of Beauvais if they are dedicated to the trinity of liberty, equality, and fraternity.
- The judiciary is expected to be impartial when interpreting legislation passed by legislative authorities.
- Sensitization to gender issues and awareness could result in change.

Vivek Raj

Smart Farming

Smart Farming

Government is promoting adoption of smart farming methods through the use of technology and innovation in the agriculture sector in the country. Government is implementing a Digital Agriculture Mission (DAM) which includes India Digital Ecosystem of Agriculture (IDEA), Farmers Database, Unified Farmers Service Interface

(UFSI), Funding to the States on the new Technology (NeGPA), Revamping Mahalanobis National Crop Forecast Center (MNCFC), Soil Health, Fertility and profile mapping.

Under the NeGPA programme funding is given to State Governments for Digital Agriculture projects using emerging technologies like Artificial Intelligence and Machine Learning (AI/ML), Internet of Things (IOT), Block chain etc. Adoption of drone technologies is being done. To promote smart farming, the Government promotes Startups in the Agriculture sector and nurtures agri-entrepreneurs.

The Per Drop More Crop component of the Pradhan Mantri Krishi Sichai Yojana (PMKSY-PDMC) aims to increase water use efficiency at the farm level through micro irrigation technologies, *i.e.*, drip and sprinkler irrigation systems. The GoI started eNAM (National Agriculture Market), an electronic trading portal which creates networks between the existing Agricultural Produce Market Committee (APMC) mandis for the farmers.

The Indian Council of Agricultural Research (ICAR) promotes innovation, extension and education in agriculture. A total of 1575 field crop varieties were released for different agricultural crops during 2014-21. During 2014-21, 91.43 crore agro-advisories were provided to farmers through mobiles. ICAR developed 187 mobile apps on different farm and farmer related services during 2014-21. These ICAR apps are now integrated on one common platform called KISAAN. The Farmer FIRST (Farm, Innovations, Resources, Science and Technology) initiative was launched during this period by ICAR with an enhanced farmers-scientist interface to move beyond production and productivity.

This information was given by the Union Minister of Agriculture and Farmers Welfare, Shri Narendra Singh Tomar in a written reply in Rajya Sabha.

INDIA'S SMART AGRICULTURE STRATEGIES

India's Agriculture Sector

The agriculture sector plays a vital role in enriching India's economy. Agriculture accounted for almost 17.8% of India's Gross Value Added (GVA) in 2019-20. According to the World Bank's collection of development indicators, the employment rate in the Indian agriculture sector stood at 41.5% in 2020. From a socio-economic standpoint, agriculture is a vital sector which requires focus and awareness at all levels.

In recent years, the agriculture sector has been facing various challenges such as yield plateaus, soil degradation, water stress, high imports on oilseeds, nutrition deficiency, volatile prices, inadequate infrastructure linkages, post-harvest loss, and information asymmetry.

However, adverse climate changes remain one of the most significant issues faced by this sector. According to a report, India lost approximately 5.04 million hectares of crop area due to cyclones, floods, cloudbursts, and landslides until November 25, 2021. Such calamities have had a severe impact on farmers, especially small farmers who constitute close to 85% of the total farmers in India.

Thus, there is a dire need for smart agriculture in India. The Indian government has taken several measures for developing the sector, considering its importance. Notably, the government is exploring ways to enhance agricultural efficiency and profitability of farmers, and to help farmers double their incomes by 2022 compared to the base year 2015-16.

Smart Agriculture in India

Smart farming has emerged to be the need of the hour for the Indian agriculture sector. It is much more efficient than the traditional methods of farming. Smart farming, which involves the application of sensors and automated irrigation practices, can help monitor agricultural land, temperature, soil moisture, etc. This would enable farmers to monitor crops from anywhere. Moreover, smart farming can help integrate digital and physical infrastructures which would benefit small farmers.

The small and marginal farmers of India find it challenging to integrate digital and physical infrastructures which hampers their revenue growth. Agro-based start-ups can reach out to the farmers and help them gain access to such viable and cost-effective solutions. According to a report published by the National Association of Software and Services Companies (NASSCOM) in 2019, there were more than 450 agro-based tech driven

start-ups in India as of 2019.

This number has skyrocketed in the last two years as the sector witnessed a surge in investments and funding. Agri-based tech-driven start-ups have been very innovative in assisting farmers and revolutionizing farming techniques. They have also addressed one of the most powerful headwinds (climate change) through climate-smart farming.

Climate-smart Agriculture

The rising population and changing diets have created a huge pressure on land in India. Farmers are struggling to keep up as crop yields level off, soil degradation rises, water shortage increases, biodiversity declines, and natural calamities become more frequent. Furthermore, agriculture accounts for almost 14% of India's total greenhouse gas emissions.

Climate-smart agriculture (CSA) can help transform agri-food systems in a responsive manner and mitigate the devastating effects of climate changes while producing food and energy in a sustainable manner. Farmers in India are gradually realizing the benefits of CSA. CSA is an integrated approach of managing cropland, livestock, forest, and fisheries. CSA also addresses the interconnected challenges of food security and rapid climate change. CSA can help India in achieving the following outcomes:

- **Enhanced productivity:** CSA can help in producing more food without compromising the quality which would promote nutrition security and boost growth in income among farmers, especially the poor and marginal groups.
- **Improved resilience:** CSA can reduce vulnerability to pests, drought diseases and climate-related shocks and risks. It can also help farmers nurture and develop the long stressed and unfavorable environment.
- **Reduced emissions:** One of the most important benefits of CSA is expected to be emission reduction. Automation leads to less labor-intensive activities which would help reduce emissions per calorie of food produced, prevent deforestation, and reduce emission of greenhouse gasses such as carbon dioxide into the atmosphere. This will lead to a human power reduction from non-environment friendly sources.

India is slowly adapting to climate-smart techniques of farming which will help to change the environment of India and reduce greenhouse gasses from agriculture practices. For instance, the farmers of Dhundi village in Gujarat have started using clean energy sources like solar power for irrigation. The solar power programme benefits farmers in two ways:

- Under the programme, farmers transfer electricity to the local grid; for this, they are provided incentives.
- Smart farming enables crop diversification which helps farmers reduce their dependence on monsoon for water.

Government Partnerships

According to the Ministry of Agriculture, the government is taking various smart agriculture initiatives such as:

- **Crop yield prediction model using artificial intelligence (AI):** In 2018, the National Institution for Transforming India (NITI Aayog) partnered with IBM for developing a crop yield prediction model using AI. This helps in providing real-time advisory to farmers.
- **AI sensors for smart farming:** The Indian government has partnered with Microsoft for empowering small-holder farmers in India. The partnership seeks to increase the income of the farmers through greater crop yield and superior price control using AI sensors. The partnership would help boost the adoption of AI in farming.
- **Drones for monitoring soil and crop health:** The government has launched a project, Sensor-based Smart Agriculture (SENSAGRI), involving six institutes. In this project, drones would be used for smooth scouting over landfills, for collecting precious information and transferring the data to farmers on a real-time basis. The project would be funded by institutes such as the Ministry of Communication and Information Tech-

nology (MCIT), Department of Electronics and Information Technology (DEITY), Information Technology Research Academy (ITRA) and Indian Council of Agricultural Research (ICAR).

Impact of Budget 2022

Budget 2022 focuses on smart and modern agricultural practices. According to the Prime Minister of India, agricultural loans have surged 2.5 times over the past seven years. These loans will help modernize agriculture significantly and enhance natural farming, with a prime focus on Agri-waste management. Furthermore, under the PM Kisan Samman Nidhi scheme, US\$ 26.4 billion (Rs. 2,00,000 crore) has been disbursed to 11 crore farmers. Also, the government's efforts towards promoting the use of organic products have driven expansion in the organic products market to US\$ 1.5 billion (Rs. 11,000 crore). The government is also providing financial support to Agri-tech startups and promoting the adoption of AI to revolutionize agricultural and farming trends.

Climate change majorly affects the poor and marginal farmers who make their livelihoods from agriculture. Technology and smart practices can help mitigate risks caused by climate change, among others.

India is constantly making efforts to formulate and implement policies to make agriculture more sustainable. AI has the potential to completely revolutionize the existing trends in agriculture and farming. Given India's vibrant corporate structure, partnerships between the corporates and the government can help create a smart agriculture industry.

Puneet Bhatia

GST: CAN IT BE CONSIDER AS A BAROMETER OF GROWTH?

The GST tax collection has achieved a record tax collection of 1.4 lakh crore rupees in 2022. This is straight sixth month tax collection in the history of GST which is above 1.4 lack cr mark. Economists and experts are happy to see such great collections on the ground after COVID-19 crisis which made the world standstill. It is considered as a new indicator to trace economic growth and as a reliable dataset also.

WHAT IS GST?

It is a Goods and service tax which is an indirect tax. It is an end based tax system which is ultimately collected by the customer. GST was started in India after a long discussion and stiff resistance in 2017. The core idea behind its implementation is '**ONE NATION, ONE TAX**'. Thus it subsumed the majority of indirect taxes like electricity, entertainment, sales tax, excise duty etc. and brought out only one single tax named GST.

One thing we have to consider is the single tax but still it has multiple tax slabs (05) which still, partially retains its nature of multiple tax in existence.

WHY IS A BAROMETER OF GROWTH?

There are many reasons why its is considered as growth barometer as

1. The indirect taxes are inherently considered as good representatives of economic growth. Due to the fact that almost all strata of society contribute it and participate in its outcome.
2. The GST on that line is more strong as it is the only indirect tax except electricity and petroleum in its ambit

which takes credit for all participants and their tax contribution.

3. The higher GST collection shows that the household is spending more and that happens when the income is increasing, showing the **revival of the economy**.
4. The higher or lowering of collection also attached with the employment generation as it has direct bearing on the expenditure potential of the households. That's why many experts also consider the GST as **an employment measure**.
5. The higher GST tax collection in its aftermath also shows that as government revenue income increases it is going for more spending in the economy which further promotes the **vicious cycle of growth**.
6. The new mechanism of **e-way bills** has further added a potential to reflect growth.

BUT WHAT ARE THE PROBLEMS WITH IT ?

1. The GST was never evolved to measure growth thus using it may not give correct results.
2. As it is a tax, the increase or decrease in tax rate may alter the overall collection. However, it does not necessarily indicate a growth in the economy or a recession.
3. The collection amount can change even at change in the registration number.
4. Even if we consider it as an indicator the exact sector wise growth is not reliably reflected due inter-mixed tax slabs. So, we are not certain which sectors are at revival while which are lagging behind.
5. Even, sometimes, the inferences drawn by GST are not matching on real time on the ground as observed during uncertain times in COVID waves.

SO, WHAT GAT TO BE USED AS ?

GST is a tax which is designed to make the tax system in the country simple. It is with the intention to avoid cascading effects on the consumer and to make ease of doing business. It should be considered as a **directional indicator of the growth** i.e.. in which direction the economy is heading like recession or growth.

But drawing a more detailed conclusion from the present structure of the GST won't give the correct idea about the status and thus, approach to be adopted by the policymakers.

WHAT ARE OTHER INDICATORS ?

There are other sector specific and overall indicators used for the purpose of growth calculations. The GDP data by MoSPI, Economic ministry, CPI-WPI inflation data, International statistics like by IMF, WB development report etc.

Thus, it's a good sign that its overall collection is increasing and it is the best way to read the directional sign of the economy and **need further transparency of data sector wise and region wise** to consider it as a real barometer of the growth.

Akshay gurubhaiye