

# CURRENT AFFAIRS

15 August 2022



## TOPIC: PREAMBLE

# India proved sceptics wrong, says President

'Democracy not only grew roots here, it was enriched too'

SPECIAL CORRESPONDENT  
NEW DELHI

Greeting all Indians in her address on the eve of Independence Day, President Droupadi Murmu on Sunday said the event marked the day when the people had freed themselves from the shackles of colonial rulers and decided to reshape the country's destiny.

"As all of us celebrate the anniversary of that day, we bow to all those men and women who made enormous sacrifices to make it possible for us to live in a free India," the President said and added that August 14 is observed as Partition Horrors Remembrance Day so as to promote social harmony, unity and empowerment.

Ms. Murmu said this Independence Day was a cause of celebration not only for all Indians but also for every advocate of democracy around the world. She said India proved wrong the sceptics who doubted the success of the democratic form of government in the country.

**'Universal franchise'**  
"India, after so many years of exploitation at the hands of foreign rulers, was marked by poverty and illiteracy. But we Indians proved the sceptics wrong. Democ-



**Proud occasion:** President Droupadi Murmu addressing the nation on the eve of the 76th Independence Day in New Delhi. ■ PTI

**G**...after Independence, all the generations have toiled hard; how we met great challenges and how we have taken charge of our destiny. The lessons learnt in the process will prove useful as we move towards the next milestone in the journey of the nation – the *Amrit Kaal*, the 25 years to the celebration of the centenary of our Independence. We will have given a concrete shape to the vision of those who, led by Babasaheb Bhimrao Ambedkar, drafted the Constitution

**DROUPADI MURMU**, President of India

racy not only grew roots in this soil, it was enriched too," she said citing the example of universal adult franchise right since the beginning of the Republic.

She said at the beginning of civilisation, saints and seers of this land had developed a vision of humanity that was defined by equality of all; indeed, oneness of all.

She said the celebrations of *Azadi Ka Amrit Mahotsav* were dedicated to the people of India.

"Indian Tricolour is fluttering in every nook and corner of the country. Great martyrs would have been thrilled to see the spirit of the Independence Movement coming alive again on such a massive scale," she said in the speech.

She said for a country like India, the passage of 75 years is merely a blink of an eye. "But for us as individuals, it is a lifetime."

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- ✓ **Democratic.** The term implies that the Constitution of India has an established form of Constitution which gets its authority from the will of the people expressed in an election.
- ✓ The word democratic refers not only to political democracy but also to social and economic democracy.
- ✓ **Direct and Indirect Democracy**(Parliamentary form of government).

## TOPIC:ENVIRONMENT

### Eco-tourism facilities planned at Pulicat lake

- ✓ Pulicat Lagoon is the second largest brackish water lagoon in India, (after Chilika Lake)
- ✓ Major part of the lagoon comes Andhra Pradesh
- ✓ The lagoon comprises the following regions, which adds up 759 square kilometres (293 sq mi) according to Andhra Pradesh Forest Department:
  - 1) Pulicat Lake (Tamil Nadu-TN & Andhra Pradesh-AP)
  - 2) Marshy/Wetland Land Region (AP)
  - 3) Venadu Reserve Forest (AP)
  - 4) Pernadu Reserve Forest (AP)

The barrier island of Sriharikota separates the lagoon from the Bay of Bengal and is home to the Satish Dhawan Space Centre

# TOPIC:INDIAN NATIONAL MOVEMENT

## An event to flag



DUSHYANT DAVE

As the nation celebrates 'Azadi Ka Amrit Mahotsav', with the accompanying slogan, 'Har Ghar Tranga', we must, while saluting the flag, ponder over the events that led to the birth of this great national emblem. The Constituent Assembly made an invaluable contribution in giving us this great national flag. The debates and events that took place in its adoption were thus. On July 22, 1947, Jawaharlal Nehru moved the following Resolution before the Constituent Assembly of India: "Resolved that the National Flag of India shall be horizontal tricolour of deep Saffron (Kesari), white and dark green in equal proportion. In the centre of the white band, there shall be a Wheel in navy blue to represent the Chakra. The design of the Wheel shall be that of the Wheel (Chakra) which appears on the abacus of the Sarnath Lion Capital of Asoka... The diameter of the Wheel shall approximate to the width of the white band and the ratio of the width to the length of the Flag shall ordinarily be 2:3."

The event marked the culmination of a freedom struggle across over 100 years, in which millions of Indians, men, women and children, sacrificed their lives and livelihood. The national flag was a slight change-over from the Swaraj flag which was first hoisted at the Indian National Congress Session in Calcutta in 1931 by the late Dadabhai Naoroji. The flag was adopted not by a formal resolution, but by popular acclaim and usage, adopted much more by the sacrifice that had surrounded it in the past few decades. Nehru declared, with hope and trust, amid cheers, that this flag was not "a Flag of Empire, a Flag of Imperialism, a Flag of domination over any body, but a Flag of freedom not only for ourselves, but a symbol of freedom to all people who may see it".

The original flag had a charkha but it had a wheel on one side and spindle on the other, and if one looked at the flag from the other side, the spindle would come the other way and the wheel the other, making the flag look disproportionate. Looking at this practical difficulty, the charkha was replaced by the chakra (wheel), being a symbol of "India's ancient culture"; "a symbol of the many things that India had stood for through the ages".

Seth Govind Das dismissed some thoughts attributing a communal angle to the colours by saying, "I would remind you of the war of independence of 1857. At that time, the colour of our flag was green and under it we fought that battle. It was at that time not the colour of Muslims alone or of Hindus but of all those who fought the war of Independence."

S. Radhakrishnan said, "The Flag links up the past and the present. It is the legacy bequeathed to us by the architects of our liberty. Those who fought under this Flag are mainly responsible for the arrival of this great day of Independence for India...."

Sayid Mohammad Saadulla said, "In my opinion the Flag symbolises the evolution of our aspirations, the fulfilment of our strug-



THE HINDU PHOTO ARCHIVES

gles and the ultimate result of all our sacrifices." In his view, the white portion of the flag was a reminder that we should be pure not only in word but also in deed, and that "purity should be [the] motto of our life - individually as well as in connection with the State... The Dharma chakra of Asoka reminds us of the condition of the people at the time of that great Buddhist Emperor of India. He ruled not for his personal aggrandisement but for the contentment, peace and prosperity of the people under his charge...."

Pandit Govind Malaviya put the debate on a higher pedestal by declaring that "...The flag may be of a piece of white cloth of any other insignificant material, but when it is accepted as a National Flag, it becomes the emblem of national self-respect.... It becomes its dearest object."

"Remember," said Sarojini Naidu, "under this Flag there is no prince and there is no peasant, there is no rich and there is no poor. There is no privilege there is only duty... and sacrifice. Whether we be Hindus or Muslims, Christians, Jains, Sikhs or Zoroastrians and others, our Mother India has one undivided heart and one indivisible spirit. Men and women of reborn India, rise and salute this Flag! I bid you, rise and salute the Flag," she said, amidst thunderous cheers.

The President of the Assembly, Dr. Rajendra Prasad, at the end of the lively and sombre debate, put the resolution to vote and the motion was adopted, with the whole Assembly standing.

Let us hope India continues its progress for generations to come under the aegis of the Flag, "Vivek, Crescat, Floreat India (May India under the aegis of this Flag live, grow and flourish)". Article 51A describes Fundamental Duties of every Citizen of India including "to abide by the Constitution and respect its ideals and institutions, the national Flag and the National Anthem" as also "to cherish and follow the noble ideals which inspired our national struggle for freedom".

Let us hope and pray that the National Flag is revered at all times in light of the spirit under which it was born.

Dushyant Dave is a Senior Advocate, Supreme Court of India and a former President of the Supreme Court Bar Association

- ✓ The flag is based on the Swaraj flag, a flag of the Indian National Congress designed by Pingali Venkayya.
- ✓ 1906: The first national flag, which consisted of three horizontal stripes of red, yellow and green, is said to have been hoisted on 7th August, 1906, at the Parsee Bagan Square, near Lower Circular Road, in Calcutta (now Kolkata).
- ✓ 1921: Later, in 1921, freedom fighter Pingali Venkayya met Mahatma Gandhi and proposed a basic design of the flag, consisting of two red and green bands.
- ✓ 1931: After undergoing several changes, the Tricolour was adopted as our national flag at a Congress Committee meeting in Karachi in 1931.
- ✓ 1947: The Indian flag was adopted in its present form during a meeting of the Constituent Assembly held on 22nd July, 1947.

# TOPIC: LOCAL GOVERNMENT

## Local governments in a state of disrepair

Nearly 30 years since the 73rd and 74th constitutional amendments came into force, politicians have failed to keep their word on the true devolution of powers, responsibilities and accountability



T.R. RAGHUNANDAN

One cannot strike a cheerful note when contemplating the state of India's panchayats and municipalities, 75 years after Independence. True, the local government system obtained constitutional status only through the 73rd and 74th constitutional amendments, which mandated panchayats and municipalities, devolved a range of powers and responsibilities and made them accountable to the people. Some say that it was lucky that these amendments were passed at all; they were tabled in Parliament on the day that the Babri Masjid was attacked by a mob on December 6, 1992. The mind of the country was somewhere else then.

These amendments, which came into force in 1993, were revolutionary; they changed the scope and extent of India's democracy. From a mere 4,000 MLAs and MPs, the number of our elected representatives exploded to nearly 82 million. We progressed from being representationally sparse to one of the most intense democratic participatory systems envisaged. Scope was provided for the participation of women and the marginalised sections of society in government. These reservations were not merely extended to the elected seats but to the leadership positions as well.

In the nearly 30 years since these amendments were incorporated into our Constitution, politicians have mumbled the rhetoric of power to the people, but failed to keep their word on the true 'devolution' of powers, responsibilities and accountability to local governments.

While many scoffed at enabling women, SCs, STs and OBCs to occupy leadership positions, politicians of all hues were alive to the significance of these measures.

Nitish Kumar, in 2006, enlarged women's representation in Bihar's panchayats from the minimum mandated level of one third to half of the elected seats and leadership positions. Other politicians quickly followed suit; such provisions exist in the majority of States now.

**Say of bureaucrats** Bureaucrats, insulated from political compulsions, remain steadfastly opposed to strengthening local governments. That is natural; they would lose their pre-eminent positions of power over whom, how and when government money is spent, if they actually devolved power to local governments.

"Local governments have no capacity," they proclaim, waving their hands at the lakhs of elected members who had stood for elections and won them — something no bureaucrat had the capacity to do.

There is a chasm forged between top-level politicians and such bu-



People waiting to cast their votes for the panchayat elections in Jabalpur district of Madhya Pradesh. +211

reocrats. The strategy is simple: let's shout the talk, but let's not walk it. Let us starve local governments of staff and money. That is exactly where we stand at the moment.

**A three-pronged strategy is used to cripple the local government system.**

Every local government needs to have organisational capacity by way of staff such as engineers, office staff and social mobilisers. Staffing of local governments is scanty in some States, many panchayats share a single secretary, who operates from a shoulder bag, a *beta*, carrying all the books. The sub-district staff are still controlled by the Collector, seen as the head of an anachronism, the district 'administration'.

The line departments are loath to allow their local institutions — schools, anganwadis, primary health centres, veterinary hospitals and so on — to be placed under the control and supervision of panchayats. Yet, in a delicious paradox, one cannot hold any higher-level bureaucrat to account for the abysmal quality of local services.

**Second, local governments are starved of money.** The Union Finance Commissioners have made desirable recommendations, but the pitifully low finances that are devolved to local governments, not more than 5% of the divisible pool of Union tax revenues, come with conditionalities that bind them to specific uses.

Furthermore, these funds are tied down by restrictive procedures that give officers' control over local government expenditure decisions, through cheque-signatures and conditionalities.

While local governments have their own tax resources such as property taxes, in many States, there is

no emphasis given to their collection. Where they are collected, officers exert control over how local governments use their funds, by committing these to aggregate purchases tendered and arranged at higher levels. Last, in a diabolical twist of the public finance system, funds meant for the mandated duties of local governments are diverted to parallel corporate structures that perform these duties without accountability to, or consultation with, the people. The Smart City 'Special Purpose Vehicle' is a particularly ill-fated example.

**Third, technology is a much-loved tool of bureaucrats to centralise the delivery of local services,** much to the detriment of local decision-making. Guess why centralised beneficiary selection, payments and location decisions of public utilities are so popular with bureaucrats? They take away from local, nuanced decision-making and put enormous powers in the hands of higher-level officers and politicians. Thus, beneficiary lists prepared through *grum sabbas* are subverted by MLAs acting in concert with higher-level officers who, in spite of their claims to professional neutrality, are unable to resist political pressure from above.

**The new battleground** What of the coming years, in the light of these dismal practices which have eclipsed the constitutional vision? I see a few trends emerging. First, urban governments will be the new battleground. The 74th amendment was the poor cousin of the 73rd, with weaker provisions, particularly regarding the enabling of people's participation in governance.

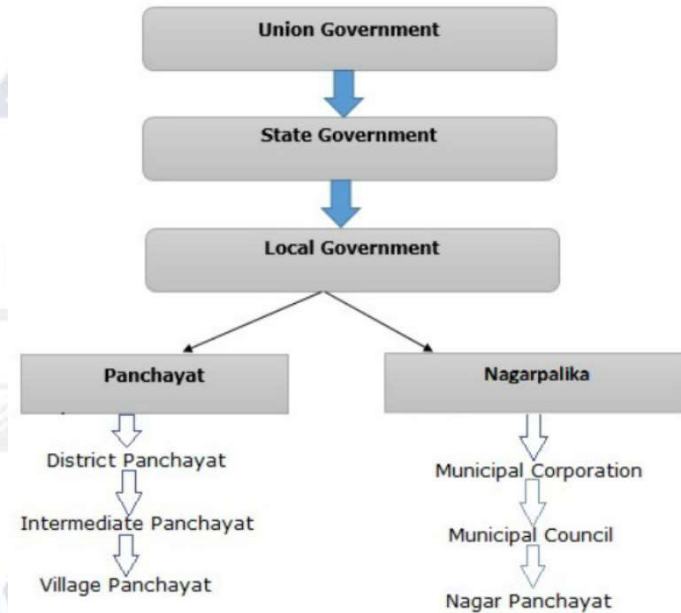
However, the continuous breakdown of urban services is igniting interest

amongst urban citizens — most have been indifferent in the past — to engage with and combat bad governance. Over the past decade, urban NGOs have sprung up, which educate and exhort urban citizens to take a greater interest in urban governance. There are many good examples of local action in practice.

Second, there is a growing failure of local services being delivered by line departments. Earlier, in many States, line departments were unwilling to devolve decisions on location of new infrastructure — that is where the powers of patronage existed. However, as India closes the infrastructure gap, line departments seem more willing to hand over the day-to-day management of local services to local governments. One of the outcomes of the pandemic lockdown was how panchayats rallied around to keep local institutions going, even as higher-level officials were unable to supervise and manage them. That phenomenon, hopefully, has assured line departments that local governments have the ability to manage their own essential services, if they could be treated with less condescension and greater respect.

In the final outcome, local governments cannot be ignored. For us, the Indian people, our independence for the most part lies in strong local governments that are responsive to our needs and wants. Local governments are much more than our garbage collectors and street-light managers. They are our most effective vehicles against the pandemic of big government.

— T.R. Raghunandan is former Joint Secretary, Ministry of Panchayati Raj, Government of India



# TOPIC: MACROECONOMICS

## The fastest-growing large economy in the world

India has come a long way, but much remains to be done



India represents one sixth of the world and is today the third largest economy in terms of purchasing power parity. Even in terms of nominal exchange rate of the dollar, India is the sixth largest economy. It has grown at an average rate of 7% per annum for the past 40 years, growing from a size of \$189 billion in 1980 to nearly \$3 trillion today.

This growth rate is about 2% lower than that of China over the same period but represents a higher rate of return when compared with the investment rate of the GDP.

Until the year of the COVID-19 pandemic, India did not have a single year since 1980 when its economy contracted.

It was continuously expanding, with peak rates of 9% to 10% in between. As we celebrate our 76th Independence Day, it is worth reminding that at birth, the newborn nation was highly impoverished, thanks to centuries of colonial exploitation. It was critically dependent on foreign aid for food and forex and had an average life expectancy of only 32 years. The level of illiteracy was very high.

The sheer scale of economic transformation of this nation from bottom to top league is nothing short of spectacular. Today's India is not only self-sufficient but also an exporter of food. It holds the fifth largest stock of foreign exchange and is a net lender to the International Monetary Fund, a far cry from having to go with a begging bowl to the IMF on the brink of forex bankruptcy in 1991.

### Confident foreign investor

Foreign investors have cumulatively poured in half a trillion dollars into India in the past three decades, after the economy opened up. This reflects their confidence in the growth potential. India is the rare Asian country with a persistent current account deficit, as imports always exceed exports. And yet, foreign investors, undeterred by trade deficit, pour investment dollars into factories and businesses as well as into capital markets, leading to a consistent balance of payment currency surplus for India.

The foreign investor is confident that even with twin deficits (fiscal and external), the growth of the economy, driven by demography and dynamism, can pay for the deficits. Thanks to that consistent economic growth, the level of extreme poverty is down sharply from nearly 70% to possibly single digits, and life expectancy has more than doubled since 1947.

On the political front too, India's robust democracy stands in sharp contrast to the authoritarian regime of its more affluent northern neighbour. Surviving for seven decades, nay flourishing in once piece, despite its immense diversity in every conceivable dimension, be it religion, race, language, culture or cuisine, is a minor miracle in itself. Many large countries such as the USSR broke up into smaller splinters. That is not to say that India's democracy is perfect. Nevertheless, since the first national election, the country has witnessed largely bloodless and peaceful transfer of power – 16 times – something that other former colonial, developing countries can only envy.

India's early post-Independence economic strategy had to factor in the extreme pov-

erty, the scarcity of growth capital, a low tax base and an export pessimism begotten possibly by suspicion of colonial powers.

India was more forward looking and influenced, if not enamoured, by the Soviet planning model of development. One could argue, with hindsight, that it should have been abandoned much earlier than when we actually did. But in light of early conditions, the initial import substitution-led industrial strategy, supported by low wage goods (i.e. food prices), which, in turn, necessitated input subsidies to agriculture, did pay dividends in terms of infrastructure and green revolution. It just stayed longer than it needed to. India also missed the bus, unlike her East Asian neighbours, on capitalising on labour intensive export-led growth. But after the shock of 1991, the economy opened up dramatically.

India's trade to GDP ratio, an indicator of its openness is higher than the United States. It is now the world's leading exporter of software and an outsourcing powerhouse.

Indian workers send nearly 100 billion dollars of inbound remittance, which strengthens the Indian economy. In an indirect way, it is like India's labour force.

The economy has a large domestic momentum, which can only grow once per capita income rises above \$3,000 or \$4,000. The other signs of strength are in terms of proliferation of unicorns (valued highly by equity investors), exponential growth of e-commerce and digital payments, and a widening industrial base.

Agriculture is much less dependent on the vagaries of the weather, and diversification towards more climate, soil and market-appropriate crops is evident, as is the huge growth in the animal husbandry and dairy sector. India is also meeting its very ambitious targets of inexhaustible energy especially of solar energy, ahead of schedule. The marriage of cheap solar electricity and of large-scale hydrogen economy holds the tantalising promise of an energy surplus, not deficit, and import-dependent economy.

### Negative aspects

The economy's glass is more than half full, but we cannot ignore the negative aspects. Unemployment remains a huge challenge, as the youth still scramble for government jobs. The government disclosed in Parliament recently that 220 million Indians had applied for just seven lakh government jobs in the past seven years.

Besides, labour force participation rate is low, alarmingly so for women. Job creation is priority number one, even as nearly 70% of industrial jobs are vulnerable to becoming extinct, thanks to automation and robotics. Despite running the world's biggest and longest-running free food-grain distribution programme, India's ranking in the world hunger index is abysmal, signifying the lopsided distribution of economic growth. Inequality in income, wealth, access to quality education and health facilities is widening.

Hence the tilt towards more welfare spending, which increases fiscal pressure. To generate 10 million jobs annually, we need lakhs of new enterprises to be born. That calls for ease of doing business, especially in areas such as dispute resolution and contract enforcement. But the judiciary is clogged with nearly 50 million cases. Judicial reform is as urgent as job creation. India is the fastest-growing large economy, proud of her democratic foundations, but much work remains to be done.

Ajit Ranade is an economist based in Pune

✓ Purchasing power parity (PPP) is the measurement of prices in different countries that uses the prices of specific goods to compare the absolute purchasing power of the countries' currencies, and, to some extent, their people's living standards.

✓ Twin deficit refers to the fiscal and current account deficit. Fiscal deficit means higher expenditure over income. The gap between expenditure and income is bridged through borrowing from market. The term current account deficit is derived from current account balance.

## Changing contexts of caste

The meanings of caste have transformed – as a system regulating life chances, as a mode of political mobilisation, or as a socio-cultural identity

Caste today is active in three main ways. First, it is a system that regulates the distribution of material opportunity or life chances, and hence it is a source of enduring inequalities. Second, it remains one of the primary modes of political mobilisation, even though caste politics is now far more disaggregated, complex and uncertain than it used to be. Third, and perhaps most elusive, for everyone except a small upper-class, upper-caste elite caste continues to be a form of community offering a sense of kinship, belonging and identity. The contexts of caste have changed in ways that affect all three modalities.

### A rise and fall

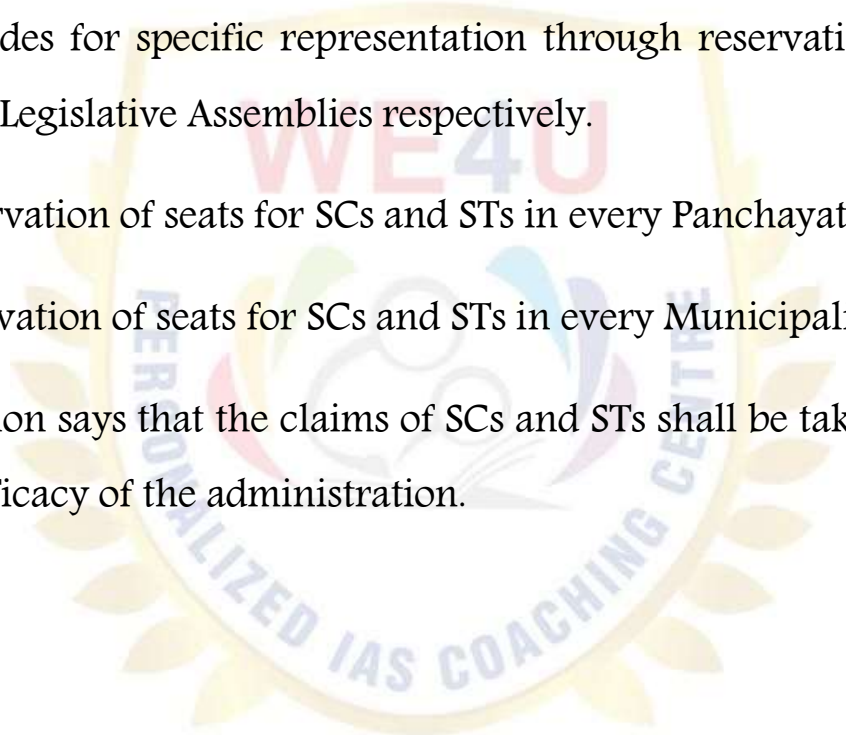
The story of caste as a mechanism for regulating material opportunities in independent India can be told in terms of the rise and fall of what might be called the reservation-merit system.

In its original form, 'reservation' was a pre-Independence idea emerging from the Poona Pact of 1932 and codified in the Government of India Act of 1935. It was intended to be an antidote for caste discrimination rather than a remedy for backwardness. But, by the time the Constitution of the new Republic was adopted in January 1950, the idea had changed fundamentally.

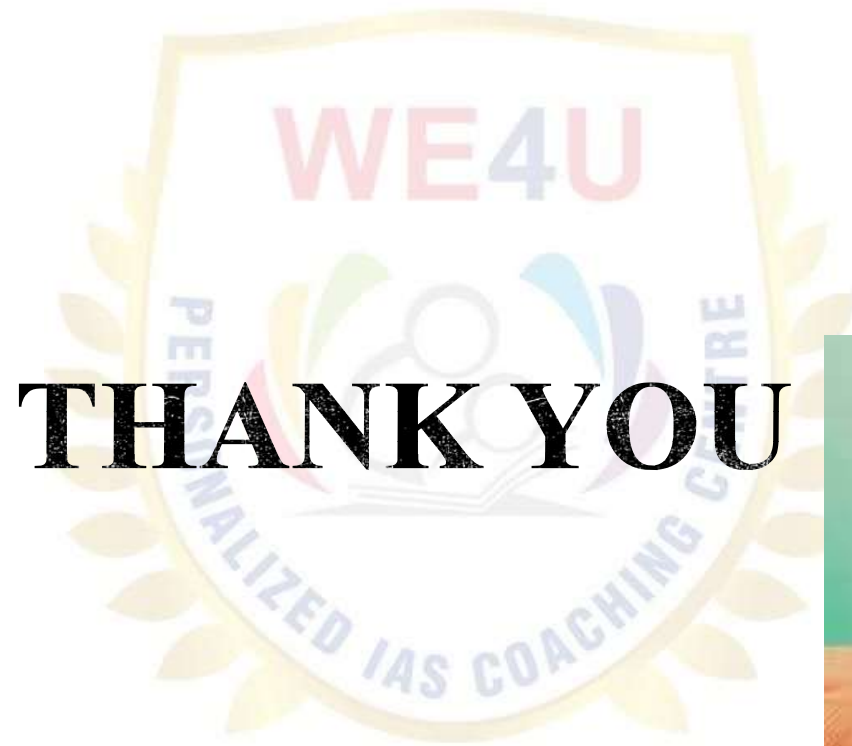
The new Constitution abolished caste in principle but did not interfere with its practice. Reservation was now positioned as the exception to the general principle of castelessness, and seen as a kind of unearned 'benefit' provided by the state to certain castes. The rest of society was seen as the domain of

### ✓ Constitutional Provisions Governing Reservation in India

- ✓ Part XVI deals with reservation of SC and ST in Central and State legislatures.
- ✓ Article 15(4) and 16(4) of the Constitution enabled the State and Central Governments to reserve seats in government services for the members of the SC and ST.
- ✓ The Constitution was amended by the Constitution (77th Amendment) Act, 1995 and a new clause (4A) was inserted in Article 16 to enable the government to provide reservation in promotion.
- ✓ Constitutional 81st Amendment Act, 2000 inserted Article 16 (4 B) which enables the state to fill the unfilled vacancies of a year which are reserved for SCs/STs in the succeeding year, thereby nullifying the ceiling of fifty percent reservation on total number of vacancies of that year.

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- ✓ Article 330 and 332 provides for specific representation through reservation of seats for SCs and STs in the Parliament and in the State Legislative Assemblies respectively.
  - ✓ Article 243D provides reservation of seats for SCs and STs in every Panchayat.
  - ✓ Article 233T provides reservation of seats for SCs and STs in every Municipality.
  - ✓ Article 335 of the constitution says that the claims of SCs and STs shall be taken into consideration constitutently with the maintenance of efficacy of the administration.





**THANK YOU**

