

CURRENT AFFAIRS

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TOPIC : JUDICIARY

SC calls for a panel to look into freebies issue

Court asks parties for inputs to set up a specialised body

KRISHNADAS RAJAGOPAL
NEW DELHI

The Supreme Court on Wednesday said Parliament may not be able to effectively debate the issue of doing away with “irrational freebies” offered to voters during elections, saying the “reality” is that not a single political party wants to take away freebies.

The court suggested setting up a specialised body composed of persons who can “dispassionately” examine the problem.

The observations from a Bench led by Chief Justice of India N.V. Ramana came even as the Centre said these freebies were paving the way for an “economic disaster” besides “distorting the informed decision of voters”.

The Centre, represented by Solicitor-General Tushar Mehta, said it “substantially and in principle” supported doing away with the practice of promising freebies to voters.

The court directed the parties to make “suggestions for the composition of a body”. It proposed that this bo-

These days everyone wants freebies. Not a single political party will allow freebies to be taken away... We take the side of the ordinary people, the downtrodden. Their welfare has to be taken care of. We are not just looking at this as just another problem during election time... We are looking at the national economic well-being

N.V. RAMANA
Chief Justice of India



dy could examine ways to resolve the issue of freebies and file a report before the Centre or the Election Commission of India (ECI). The court said once the parties come up with suggestions on the composition of such a body in a week, it would pass orders.

Mr. Mehta said the court should allow the ECI to “apply its mind” to the problem.

‘Keep ECI away’

But senior advocate Kapil Sibal said the ECI should be “kept away” from the discussion on freebies. The issue was political and economic in nature and did not just

concern elections, he said. “The Parliament will have to debate,” Mr. Sibal said.

“Mr. Sibal, do you think there will be a debate in Parliament? These days everyone wants freebies. Not a single political party will allow freebies to be taken away... We take the side of the ordinary people, the downtrodden. Their welfare has to be taken care of. We are not just looking at this as just another problem during election time... We are looking at the national economic well-being,” Chief Justice Ramana said.

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Revenue Expenditure

- ✚ Revenue Expenditure is that part of government expenditure that does not result in the creation of assets.
- ✚ Payment of salaries, wages, pensions, subsidies and interest fall in this category as revenue expenditure examples.

The Election Commission of India (ECI)

- ✚ Its constitutional body.
- ✚ It was established by the Constitution of India to conduct and regulate elections in the country.
- ✚ Article 324

TOPIC : GOVT BODIES

Young Indian office in Delhi sealed by ED

**SPECIAL CORRESPONDENT
NEW DELHI**

The **Enforcement Directorate (ED)** on Wednesday temporarily sealed the office of Young Indian here, hours after it carried out searches at multiple locations in connection with the *National Herald* case.

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Enforcement Directorate

- ❖ Its a law enforcement agency and economic intelligence agency responsible for enforcing economic laws and fighting economic crime in India
- ❖ It is part of the Department of Revenue, Ministry of Finance, Government Of India

Makkalai Thedi Maruthuvam is off track, health officials claim

'Scheme revolving around numbers without focusing on achieving disease control'

SERENA JOSEPHINE M.
CHENNAI

Not 80 lakh, but only about 40 lakh persons have benefited through the Tamil Nadu government's flagship scheme, *Makkalai Thedi Maruthuvam* (MTM).

The scheme that was rolled out to prevent premature deaths due to non-communicable diseases has gone off track, with screenings, new case detection, disease control and disease-specific care plans taking a back seat, and is plagued by inflated numbers, Health Department sources claimed.

It is going to be a year since the scheme, which was rolled out to take healthcare services to people's doorstep, was launched in the State. But it has run out of its key focus areas, and is revolving around numbers and drug dispensation at the doorstep without focusing on achieving disease control. It has ended up with deficiencies in screenings and fake data entries, reliable sources in the Health Department alleged.

While the Department had claimed that the scheme had reached 80 lakh beneficiaries, the actual number of beneficiaries on the line-list was about 40 lakh. There were instances of duplication of the same person at multiple facilities and overlapping services to the same person, official sources confirmed.

Consider this - "State-



Flagging issues: There were instances of duplication of the same person at multiple facilities and overlapping services to the same person, official sources said. *FILE PHOTO

wide implementation of the NCD control programme was in 2012. This, along with one year of MTM, should have ensured that the entire population of the State was screened at least two to three times. But this has not happened," an official source said.

The aim, according to him, was to achieve universal health coverage for all, with specific focus on NCDs. "But the focus is only on the number of drug box distributions and not on drug dispensations," he said.

'No proper screening'
Official sources said that with no proper screenings being done, detection of new cases had taken a hit. "According to the STEP survey (a cross-sectional study), if we screen 100 persons, 40 should be detected with any condition, be it diabetes or hypertension. But we are facing screening deficiencies. Many of them are not

going on field visits but are engaged in other works and are merely making data entries," an officer said.

The scheme was run with a workforce of a little over 10,000 persons, including mid-level health providers (MLHP) and women health volunteers (WHV). The treatment plans for diabetes, hypertension, physiotherapy and palliative care and Continuous Ambulatory Peritoneal Dialysis were not being followed. This included a "check once in three months".

"It looks like we are not concerned about early detection, disease progression and complication management. As a result, we have not implemented MTM fully to achieve control rate," the official said.

A healthcare staff, who is involved in the scheme, said there was manpower shortage, especially in areas where the population was thick. There was attrition,

especially among WHVs, who were paid a meagre incentive of ₹4,500. "Screening is not happening properly. Even palliative care and physiotherapy are not being provided regularly. It is not possible to achieve the daily targets, and we are merely entering fake numbers. We are under pressure to show numbers," he said.

There were interruptions in drug supply, glucose strips and BP apparatus. As another official source observed: "Unfortunately, the MTM has turned into a target-based programme. The failures include drug availability and BP apparatus. The batteries need to be replaced in the BP apparatus, and WHVs cannot spend from their own pockets when their incentives are not given on time. So, many are making fake entries and issuing drugs." Quality checks and monitoring were lacking. "There is a need to look into what WHVs and MLHPs require," he added.

Health Minister Ma. Subramanian said the screenings were being carried out gradually in the State, with the current reach being around 60%. However, he denied that fake entries were being made. "Wherever we hold inspections, we are verifying the works. It is not possible to hike the numbers. The scheme's implementation is being monitored by the deputy directors," he said.

INTERNATIONAL TRADE

Trade worries

The burgeoning trade deficit is set to swell the current account deficit

July's provisional trade data should trigger early warning signals among policymakers, as the first year-on-year contraction in exports in 17 months, albeit marginal, and a 44% jump in imports, sharply widened the trade deficit to a third successive monthly record. The export performance is of concern, reflecting a slowdown in overseas demand for Indian merchandise, the competitive advantage gained by the rupee's sizeable depreciation against the U.S. dollar notwithstanding. While the Commerce Ministry has sought to explain away the 0.8% slide in last month's exports as largely being a result of inflation-control curbs, the Ministry's preliminary disaggregated data suggest several key sectors including engineering goods, gems and jewellery, garments and yarn and textiles, and drugs and pharmaceuticals, which were mostly outside the purview of those measures, also suffered contractions. And viewed on a sequential basis, the slide in exports from June's level is a disconcerting 12.2%. Engineering goods, which at more than 26% represented the largest share of merchandise shipped overseas in July, contracted 2.5% from a year earlier and also shrank 2.9% sequentially. Even granting that the Government's introduction in late May of a stiff export tax on a range of steel products, with a view to boosting their domestic availability and cooling price gains, was likely to have constrained exports of this segment of engineering goods, the contraction in the broad category points to a clear slowdown in demand in the advanced economies.

The latest S&P Global PMI data from the U.S. and the eurozone for economic activity in July is also far from reassuring. As per the PMI data, output across Europe's major economies sharing the euro as common currency shrank for the first time since February 2021 as a worsening manufacturing downturn combined with a slowdown in the service sector to drag the composite index into contraction territory. The U.S. economy, which has now contracted for two successive quarters putting it on the edge of a recession, saw manufacturing PMI post its lowest reading in two years as output and new orders declined in July. Given that the U.S. and the eurozone combined consumed almost a third of India's goods exports in the last fiscal year, the prospect of July's export slowdown deepening as demand in these markets weakens appears increasingly more likely. Imports continued to expand at a robust clip, driven largely by the expanding domestic demand for essentials including crude oil, coal, edible oils and electronic items. Coal and coke alone exceeded \$5.1 billion. The augury from the trade data is that the external sector faces increasing vulnerability as the burgeoning trade deficit is set to swell the current account deficit, adding pressure on the rupee at a time when portfolio investments from overseas have been negative, and foreign direct investment has been significantly weaker.

Current Account Deficit

- ✚ The current account deficit is a measurement of a country's trade where the value of the goods and services it imports exceeds the value of the products it exports.
- ✚ The current account includes net income, such as interest and dividends, and transfers, such as foreign aid.

Reaping the demographic dividend

India needs to invest in quality school and higher education as well as healthcare



UDAY BALAKRISHNAN

The UN report, *World Population Prospects 2022*, forecasts that the world's population will touch eight billion this year and rise to 9.8 billion in 2050. What is of immediate interest to India is that its population will surpass China's by 2023 and continue to surge.

A long-time critic of China's population policy and author of *Big Country with An Empty Nest*, Yi Fuxian, believes that without its one child policy, China's population, too, would have naturally risen and peaked at 1.6 billion in 2040, allowing the world's second-largest economy to enjoy a much longer "demographic dividend." Instead, China is enduring an ongoing population implosion, which by 2050, will leave it with only 1.3 billion people, of whom 500 million will be past the age of 60. India's population, by contrast, would have peaked at 1.7 billion, of whom only 330 million will be 60 years or older.

Simply put, India is getting a demographic dividend that will last nearly 30 years. How it handles this windfall will determine if it will rise to the top of the economic league table by the end of this century or continue to eddy at lower middle-income levels. A sceptical world is watching.

India's potential workforce Most optimistic about India's future rise are major consulting firms. Deloitte's *Deloitte Insights* (September 2017) expects "India's potential workforce to rise from 885 million to 1.08 billion people over the next two decades from today", and "remain above a billion people for half a century," betting that "these new workers will be much better trained and educated," than their existing counterparts. It contends that "the next 50 years will, therefore, be an Indian summer that redraws the face of global economic power."

McKinsey & Company's report, 'India at Turning Point' (August 2020), believes the "trends such as digitisation and automation, shifting



• PFI

supply chains, urbanisation, rising incomes and demographic shifts, and a greater focus on sustainability, health, and safety are accelerating" to "create \$2.5 trillion of economic value in 2030 and support 112 million jobs, or about 30% of the non-farm workforce in 2030."

The Economist is optimistic about India's future too. In its May 14, 2022 issue, it had this to say about India, "As the pandemic recedes, four pillars are clearly visible that will support growth in the next decade; the forging of a single national market, an expansion of industry owing to the renewable-energy shift and a move in supply chains away from China, continued pre-eminence in IT, and a high-tech welfare safety-net for the hundreds of millions left behind by all this." But not all are so bullish about India.

The Financial Times in an article, 'Demographics: Indian workers are not ready to seize the baton', believes that India's bad infrastructure and poorly skilled workforce will impede its growth.

RAND Corporation's report, 'China and India, 2025, A Comparative Assessment,' commissioned by the U.S. Secretary of Defense endorses

this view as does the 2018 report, 'An Indian Economic Strategy to 2035', released by the Australian government and another on India from the Organisation for Economic Co-operation and Development (OECD) titled, 'Going for Growth'. Their pessimism may be overstated and even outdated today. It is possible that McKinsey & Company and Deloitte are seeing something many others are missing out on.

'India: an open society' There is so much going on for India today compared to China, the only country it can be reasonably compared to. It is still a young country and in a much better position to transform itself compared to China of the 1970s. It is still an open society where mass protest matters and produces results. Indians have not been traumatised as Chinese were at the time of Mao Zedong's death and in the aftermath of two events he set off and which roiled China for decades – The Great Leap Forward and the Cultural Revolution.

The IT technologies now available in India, and most importantly the internet they run on have matured exponentially. Many things right

from video conferencing to instantaneous payments and satellite imaging are getting better and cheaper by the day.

Thanks to the COVID-19 pandemic, we know these can revolutionise learning and transform Indian society at an astonishingly low cost, unimaginable through much of China's economic liberalisation.

Creaky and inadequate as they are, India's administrative systems manage to deliver and its infrastructure is in far better shape today than it was for China at the start of its reforms. Nor did India impose the equivalent of China's one child policy that has seen China suffer the consequences of a prematurely ageing society with a skewed gender ratio.

Deep divide in China

India does not have a Hukou system which in China tethers rural folk to rural parts creating a deep divide between a small and prosperous urban China and a much larger, very deprived rural China about which the world knows so little about.

As Scott Rozelle at Stanford University's Centre on China's Economy and Institutions, writes in his book co-authored with Natalie Hell, *Invisible China - How the Urban Rural Divide Threatens China's Rise*, "Thanks to the Hukou system disincentivising migration to urban areas, only about 36% of China's overall population is urban and fully 64% is rural (some 800 to 900 million people)." The huge divide between urban and rural China is, according to Rozelle, almost unbridgeable.

To wring the best out of its demographic dividend, India needs to invest massively in quality school and higher education as well as healthcare – sectors it has neglected for decades – across India on an unprecedented scale, literally in trillions of rupees between now and 2050 when it would have reached the apogee of its population growth.

India must seize the moment and not be incremental in its approach. Given the will it can initiate and see through a transformation that will stun the world, even more than China's has so far.

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TOPIC:INTERNATIONAL ORGANISATION,POPULATION

World Population Prospects:

- The Population Division of the UN has been publishing the WPP in a biennial cycle since 1951.

Demographic Dividend:

- A sustained drop in fertility has led to an increased concentration of the population at working ages (between 25 and 64 years), creating an opportunity for accelerated economic growth per capita.

India to host UNSC meet on counterterrorism

Meeting in October to bring representatives of 15 countries, including China and Russia, for talks on emerging threats

SUHASINI HAIDAR
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In a first, India will host diplomats and officials from all 15 countries of the United Nations Security Council, including China, Russia and the U.S., for a special meeting on terrorism, in Delhi and Mumbai in October.

The meeting of the Counter-Terrorism Committee (CTC), which India is chairing for 2022 as a member of the UNSC, will focus particularly on challenges such as terrorism financing, cyber-threats and the use of drones, said officials.

New Delhi is expected to highlight cross-border threats from Pakistan and Afghanistan at the meeting, which will come two months before India completes its tenure as an elected member of the UNSC (2021-22). In ad-

dition, India has been pushing for the UN members to adopt a Comprehensive Convention on International Terrorism (first proposed in 1996), which is likely to be raised during the meeting.

“The event will showcase India’s role as a victim of terrorism as well as a country at the forefront of global counter-terrorism efforts,” said an official involved in the planning.

New challenges

Sources said that while terror financing was now recognised and dealt with through mechanisms such as the Financial Action Task Force (FATF), it was necessary to build templates and “codes of conduct” for newer threats, including financing through cryptocurrency and the use of drones for terror



Making a point: S. Jaishankar chairing the UNSC meeting on counterterrorism in August 2021 in New York. ■PTI

attacks. They said the CTC meeting in India could also pave the way for a possible visit to New York by Prime Minister Narendra Modi in December, when India will be the President of the UNSC for the entire month.

In August 2021, due to the COVID-19 pandemic, Mr. Modi had chaired a UNSC special session on Enhancing Maritime Security virtually, in which several leaders, including Russian President Vladimir Putin, had attend-

ed. Officials said India’s UN Mission, where Permanent Representative Ruchira Khamboj presented her credentials on Tuesday, would be working on ensuring maximum participation at the event, in case the Prime Minister decides to travel.

An earlier plan to travel to Washington in December for the Democracy Summit to be convened by U.S. President Joe Biden may be put off, as the summit is likely to be postponed.

Announcing the visit of the delegates, the United Nations said that the special meeting had been convened on October 29 in India, in view of “the increasing threat posed by the misuse of new and emerging technologies”. “The special meeting will specifically focus on three significant areas

where emerging technologies are experiencing rapid development, growing use by Member States (including for security and counter-terrorism purposes), and increasing threat of abuse for terrorism purposes, namely (a) the Internet and social media, (b) terrorism financing, and (c) unmanned aerial systems,” the UN said.

Officials told *The Hindu* that the details of the visit were still being finalised, including whether the visiting delegates would include Permanent Representatives or Ministers at the respective missions of the member states. The meeting, which is normally held in New York, had been discussed and planned since early this year, said sources, as part of the events to mark the 75th anniversary of Independence.



TOPIC:INTERNATIONAL ORGANISATION

- **The United Nations Security Council (UNSC)**

- ✚ Its one of the six principal organs of the United Nations (UN) and is charged with ensuring international peace and security, recommending the admission of new UN members to the General Assembly, and approving any changes to the UN Charter.
- ✚ Its powers include establishing peacekeeping operations, enacting international sanctions, and authorizing military action.
- ✚ The UNSC is the only UN body with the authority to issue binding resolutions on member states.
- ✚ Members:15 Countries
- ✚ Permanent Members: China, France, Russia, U.K, U.S.A

- **Financial Action Task Force**

- ✚ Its an intergovernmental organisation founded in 1989 on the initiative of the G7 to develop policies to combat money laundering.
- ✚ In 2001, its mandate was expanded to include terrorism financing.

THANK YOU

