

**The Hindu Important News Articles & Editorial For UPSC CSE**

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**Edition: International | Table of Contents**

<p><b>Page 01</b> <b>Syllabus : GS 2 : Indian Polity</b></p>	<p><b>PM calls for 'secular civil code' in Independence Day speech</b></p>
<p><b>Page 01</b> <b>Syllabus : GS 2 : Governance</b></p>	<p><b>Digital platform driven by drone mapping to revive solar power scheme</b></p>
<p><b>Page 03</b> <b>Syllabus : GS 1 : Geography</b></p>	<p><b>Indian astronomers find new method to predict amplitude of next solar cycle</b></p>
<p><b>Page 06</b> <b>Syllabus : GS 2 : Indian Polity &amp; Constitution</b></p>	<p><b>Centre launches new AI-based surveillance system to manage pests</b></p>
<p><b>Term In News</b></p>	<p><b>Tantalum</b></p>
<p><b>Page 08 : Editorial Analysis:</b> <b>Syllabus : GS 2 and 3 : Governance and Science &amp; technology</b></p>	<p><b>An obstinate refusal to focus on welfare</b></p>
<p><b>International Organizations</b></p>	<p><b>Topic:</b> <b>Group of Seven (G7)</b></p>

Prime Minister Narendra Modi highlighted the need for a 'Secular Civil Code' as opposed to the term 'Uniform Civil Code' (UCC).

- ▶ This shift in terminology underscores a nuanced approach to integrating diverse personal laws within a secular framework, aiming to unify legal standards while respecting religious diversity.

# PM calls for 'secular civil code' in Independence Day speech

In his 11th successive address to the nation from the Red Fort, Modi seeks to do away with a 'communal civil code' and end discrimination on the basis of religion; he flags issue of women's safety, says forces of anarchy want to destabilise country

**Nistula Hebbar**  
NEW DELHI

In his 11th successive Independence Day address from the ramparts of the Red Fort, Prime Minister Narendra Modi on Thursday gave a renewed push to the BJP's ideological aim of a Uniform Civil Code (UCC), reframing the idea as a "secular civil code" enshrined in the Constitution and a way of ensuring equality before the law for all.

"The Supreme Court has repeatedly discussed a Uniform Civil Code in India. A large section of the country believes, and it is true that in the civil code, what we have is a communal civil code. The need of the hour is a secular civil code. Only then will we be free of discrimination on the basis of religion. It is our duty to fulfil the vision of our Constitution makers," the Prime Minister said.



**National narrative:** Prime Minister Narendra Modi addressing the nation at the Red Fort on 78th Independence Day. R.V. MOORTHY

Besides the UCC, a large part of the PM's customary address touched on several contemporary issues that packed a strong criticism of the Opposition. Without naming the West Bengal government and the rape and murder of a doctor in Kolkata, Mr. Modi flagged the issue of women's safety.

"Our mothers, sisters and daughters are being tortured. There is anger among the people and I can feel it. The country, so-

ciety and State governments need to take this seriously. There must be quick investigation and conviction of the perpetrators of such crimes," he said.

Mr. Modi also referred to forces of anarchy that wanted to destabilise the country, especially economically, again an unnamed reference to the report by Hindenburg Research on the Adani Group, which BJP spokespersons have termed an at-

## NDA allies strike a cautious note

NEW DELHI

The Janata Dal (U) and Telugu Desam Party, key allies of the ruling NDA, struck a cautious note on Prime Minister Narendra Modi's proposal for a "secular civil code". Both parties have not supported the idea in the past. » PAGE 5

tempt to destabilise Indian markets.

He reiterated his commitment to fighting corruption and deplored what he termed the tendency in some quarters to celebrate corruption. He added that he was prepared to pay the price for going after corruption and the corrupt.

## Call for peace

On Bangladesh, the PM struck a pragmatic note. "As a neighbouring country, I understand the worry

regarding what happened in Bangladesh. I hope that the situation becomes normal there very soon. We are committed towards peace and have the best wishes for Bangladesh's development journey," he said.

The PM also touched on the controversy surrounding the National Eligibility-cum-Entrance Test (NEET) for medical education, promising that his government would be increasing the seats available for medical education across the country by 75,000.

While delivering his longest Independence Day speech in 11 years (at 98 minutes), Mr. Modi also presented a report card of his government of the past 10 years, lauding the pace and intent of reforms undertaken by it.

## MORE REPORTS

» PAGE 2,3, 4 & 5

## FREEDOM NOTES

» PAGE 8

## Secular Civil Code

- A Secular Civil Code refers to a set of laws that governs personal matters such as marriage, divorce, inheritance, and maintenance uniformly for all citizens, irrespective of their religion, but is framed within a secular, non-religious context.
- It aims to create a common legal standard while maintaining respect for diverse religious practices and beliefs.

### Uniform Civil Code

- UCC proposes a common set of laws for all citizens, regardless of their religion, covering matters such as marriage, divorce, inheritance, succession, and adoption.
- The Uniform Civil Code is mentioned in Part IV of the Constitution, which states that the government "shall endeavour to secure for the citizens a uniform civil code throughout the territory of India."
- UCC is part of the Directive Principles of State Policy, which are not enforceable by law but are fundamental to the country's governance.
- **Supreme Court's views:** The Supreme Court has called for the implementation of the UCC in several judgments.
  - In 1985 Ahmed Khan vs Shah Bano Begum case, where a divorced Muslim woman sought maintenance from her ex-husband, the Court highlighted the need for a UCC while deciding whether the CrPC or Muslim personal law should prevail.
  - The Court also urged the government to implement the UCC in the 1995 Sarla Mudgal case and the 2019 Paulo Coutinho vs Maria Luiza Valentina Pereira case.
- Currently, the UCC is only implemented in Goa, while a bill is under consideration in Uttarakhand.

### Comparison of Secular and Uniform Civil Laws

#### Secular Civil Code

- **Inclusivity:** It is designed to respect religious diversity while establishing a common legal framework.
- **Flexibility:** It may allow for religious-specific practices in certain contexts but ensures that core aspects of personal law are consistent across all religions.
- **Objective:** It focuses on maintaining secularism in law while harmonizing practices in personal matters.

#### Uniform Civil Code (UCC)

- **Standardization:** It proposes a common set of laws that completely replaces religious personal laws with a single legal code applicable to all citizens.
- **Uniformity:** It seeks to eliminate religious distinctions in legal matters, promoting a single legal standard.
- **Objective:** It aims for complete legal uniformity to ensure equality before the law.

**UPSC Prelims PYQ : 2012**

**Ques : Consider the following provisions under the Directive Principles of State Policy as enshrined in the Constitution of India:**

1. Securing for citizens of India a uniform civil code
2. Organising village Panchayats
3. Promoting cottage industries in rural areas
4. Securing for all the workers reasonable leisure and cultural opportunities

**Which of the above are the Gandhian Principles that are reflected in the Directive Principles of State Policy?**

- (a) 1, 2 and 4 only
- (b) 2 and 3 only
- (c) 1, 3 and 4 only
- (d) 1, 2, 3 and 4

**Ans: (b)**

**Page 01 : GS 2 : Governance : e-Governance**

The PM-KUSUM scheme aims to enhance solar energy in agriculture by setting up solar power plants and pumps.

- ➔ However, delays and challenges, such as land availability, have impeded progress.
- ➔ Innovative solutions like drone technology and digital platforms are being used to address these issues and advance the scheme.

**Digital platform driven by drone mapping to revive solar power scheme**

**Jacob Koshy**  
NEW DELHI

With delays plaguing the ₹34,000-crore PM-KUSUM programme launched to boost solar energy infrastructure in agriculture, States have begun experimenting with alternative approaches to improve adoption. The Pradhan Mantri-Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) envisages setting up 100 GW of solar power plants in farmer-owned land, installing 14 lakh solar pumps, and solarising 35 lakh grid-connected agricultural pumps.

As of June, only 256 MW of power plants, 3.97 lakh solar pumps and 13,500 solarised pumps have been installed. The low uptake has forced the government to push the scheme's deadline to 2026.

**A lot of challenges**  
A key hurdle is the unavailability of suitable land. Solar power in India has grown on the back of utility-scale power projects in Gujarat and Rajasthan where vast tracts of deserts and uncultivable land are suitable for setting up power plants.  
With agricultural land, it is often a challenge to find



A key hurdle hindering the programme is the lack of suitable land. GETTY IMAGES

enough parcels of land that can be pooled together and made available to a power project developer, said Saurabh Kumar, Vice President-India, Global Energy Alliance for People and Planet (GEAPP). The latter is a collaboration of the IKEA Foundation, the Rockefeller Foundation and the Bezos Earth Fund, and works on clean energy adoption and financing the transition away from fossil fuel in developing countries.

**Drone technology**  
"We have been working with the Rajasthan government by developing a digital platform that uses drone technology to map land parcels. While this is information that is available to the government, often there is little institutional capacity to actually execute projects," said Mr. Kumar. "We connect with farmers and power developers."  
"As of date, 12.3 MW has

already been installed in Rajasthan. The plan is to touch 100 MW in 2024," said Mr. Kumar. Plans are afoot to apply this approach in Maharashtra and Madhya Pradesh as well, he added.

The digital platform allows tracking the scheme's progress in real-time allowing for "prompt corrective actions and provides a level of oversight crucial for the successful deployment of large-scale solar projects, where delays and mismanagement can have significant repercussions," a GEAPP document noted.

Farmers willing to set up solar modules on their lands are paid rent by the power project developer. "GEAPP looks to ensure that landowners receive fair compensation, with lease rates linked to prevailing market rates and adjusted for inflation. GEAPP's digital solutions and on-ground support have helped mitigate these issues, enabling Rajasthan to lead in achieving its renewable energy targets," according to the document. According to the Ministry for New and Renewable Energy (MNRE), of the 256 MW installed nationally, nearly 200 MW of solar capacity is situated in Rajasthan alone.

**PM-KUSUM**

- ➔ **Scheme Launch:** Launched in 2019 for farm sector de-dieselisation and increasing farmer income.
- ➔ **Nodal Ministry:** Ministry of New and Renewable Energy (MNRE).
- ➔ **Objective:** Enhance energy security and meet India's 2030 target of 40% non-fossil-fuel power capacity.
- ➔ **Capacity Addition:** Aims to add 34,800 MW solar capacity by March 2026.
- ➔ **Financial Support:** Total central financial support of Rs 34,422 crore.
- ➔ **Subsidy:** Up to 30% or 50% subsidy for standalone solar pumps and solarization of grid-connected pumps.
- ➔ **Grid-Connected Plants:** Allows installation of up to 2 MW solar plants on barren/fallow land.
- ➔ **Components:**
- ➔ **Component A:** 10,000 MW via small solar power plants up to 2 MW. Component B: 20 lakh standalone solar pumps for off-grid areas.
- ➔ **Component C:** Solarization of 15 lakh grid-connected pumps.
- ➔ **Eligible Entities:** Individual farmers, groups, FPOs, panchayats, cooperatives, and water user associations.

**Introduction to PM-KUSUM and Its Objectives**

- ➔ The Pradhan Mantri-Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) scheme was launched to bolster solar energy infrastructure in agriculture, aiming to set up 100 GW of solar power plants on farmer-owned land, install 14 lakh solar pumps, and solarise 35 lakh grid-connected agricultural pumps.

- ▶ As of June 2024, progress has been slow, with only 256 MW of power plants, 3.97 lakh solar pumps, and 13,500 solarised pumps installed, leading to a deadline extension to 2026.

### **Challenges in Implementation**

- ▶ A major challenge is the unavailability of suitable land for solar power projects, particularly in agricultural regions where finding contiguous parcels of land is difficult.
- ▶ Unlike states like Gujarat and Rajasthan, which have vast tracts of uncultivable land, agricultural areas struggle to pool together land for large-scale solar projects.

### **Innovative Approaches: Drone Technology and Digital Platforms**

- ▶ Global Energy Alliance for People and Planet (GEAPP) is collaborating with the Rajasthan government to develop a digital platform that uses drone technology to map land parcels, enhancing the efficiency of land identification for solar projects.
- ▶ This digital approach allows real-time tracking of the scheme's progress, enabling prompt corrective actions and providing oversight critical for large-scale solar deployment.

### **Success in Rajasthan and Future Plans**

- ▶ Rajasthan has emerged as a leader in the PM-KUSUM scheme, with 12.3 MW of solar capacity already installed and plans to reach 100 MW by 2024.
- ▶ Farmers who lease their land for solar modules receive rent payments linked to market rates, ensuring fair compensation.

### **Conclusion**

- ▶ Rajasthan has installed nearly 200 MW of the 256 MW installed nationally, setting an example for other states.
- ▶ The use of digital solutions and on-ground support by GEAPP is pivotal in overcoming challenges and achieving renewable energy targets under the PM-KUSUM scheme.

## **UPSC Prelims PYQ : 2015**

**Ques : Q. With reference to the Indian Renewable Energy Development Agency Limited (IREDA), which of the following statements is/are correct?**

1. It is a Public Limited Government Company.
2. It is a Non-Banking Financial Company.

**Select the correct answer using the code given below:**

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2

(d) Neither 1 nor 2

Ans: (c)



Page 03 : GS 1 : Geography

Astronomers from the Indian Institute of Astrophysics have made a breakthrough in solar cycle forecasting using a new method.

- By analysing 100 years of data, they discovered that the width of supergranular cells during a solar minimum is linked to sunspot numbers in the subsequent solar maximum, improving space weather predictions.

# Indian astronomers find new method to predict amplitude of next solar cycle

**The Hindu Bureau**  
BENGALURU

Astronomers from the Indian Institute of Astrophysics (IIA) have found a new method to predict the amplitude of the upcoming solar cycle. Besides, their research can also help in space weather forecasting.

The astronomers have discovered a new correlation using 100 years of solar data from the IIA's Kodaikanal Solar Observatory.

The intricacies of the solar cycle and forecasting space weather are important fields of current research, including in India.

**What is space weather?**  
“The main components of



The astronomers have discovered a new correlation using 100 years of solar data. TAMILNADUTOURISM.TN.GOV.IN

space weather are the solar wind, coronal mass ejections, and solar flares. They can compress the magnetosphere of the Earth and trigger geomagnetic storms, which can affect communication and power transmission, damage spacecraft electronics,

and threaten the lives of astronauts. Thus, space weather has a profound influence on modern civilization,” said the Department of Science and Technology.

Astronomers use many different ways to forecast the strength of the next solar cycle. This includes the-

oretical calculations based on dynamo models, extrapolations, precursor methods, etc.

The precursor method uses the value of some measure of solar activity at a specified time to predict the strength of the following solar maximum.

### Number of sun spots

In a recently-published work, IIA researchers discovered that the width of the supergranular cells on the solar surface during the minimum year of the solar cycle is related to the number of sunspots seen during the subsequent solar cycle maximum. This simple method can be used in space weather forecasting.

### About the news:

- Astronomers from the Indian Institute of Astrophysics (IIA) have developed a new method to predict solar cycle amplitude and improve space weather forecasting.
- Their research, based on 100 years of solar data from the Kodaikanal Solar Observatory, reveals a new correlation.



- ▶ Space weather, influenced by solar wind, coronal mass ejections, and solar flares, can impact Earth's magnetosphere, affecting communications, power systems, spacecraft, and astronauts' safety.
- ▶ Forecasting methods include theoretical calculations, dynamo models, and precursor methods.
- ▶ The precursor method uses solar activity measures to predict the strength of future solar maxima.
- ▶ IIA researchers found that the width of supergranular cells on the solar surface during a solar minimum is related to the number of sunspots in the next solar maximum, providing a new forecasting tool.

### Solar cycle

- ▶ A solar cycle is an approximately 11-year period during which the Sun's magnetic activity fluctuates, including variations in sunspots, solar flares, and coronal mass ejections.
- ▶ The cycle begins with the solar minimum, a phase of low solar activity and few sunspots, and progresses to the solar maximum, characterised by increased sunspot numbers and heightened solar activity.
- ▶ This cycle influences space weather, affecting the Earth's magnetosphere and ionosphere.
- ▶ Solar cycles are important for understanding space weather phenomena, which can impact satellite operations, communication systems, and even power grids on Earth.

### UPSC Prelims PYQ : 2022

**Ques : If a major solar storm (solar flare) reaches the Earth, which of the following are the possible effects on the Earth?**

1. GPS and navigation systems could fail.
2. Tsunamis could occur at equatorial regions.
3. Power grids could be damaged.
4. Intense auroras could occur over much of the Earth.
5. Forest fires could take place over much of the planet.
6. Orbits of the satellites could be disturbed.
7. Shortwave radio communication of the aircraft flying over pola-regions could be interrupted.

**Select the correct answer using the code given below:**

- (a) 1, 2, 4 and 5 only
- (b) 2, 3, 5, 6 and 7 only
- (c) 1, 3, 4, 6 and 7 only
- (d) 1, 2, 3, 4, 5, 6 and 7

**Ans: c)**

The Union government launched the National Pest Surveillance System (NPSS) powered by AI to help farmers manage pests by connecting them with agricultural scientists via mobile phones.

- This system aims to reduce pesticide misuse, improve pest control, and boost crop yields, benefiting around 14 crore farmers across India.

## Centre launches new AI-based surveillance system to manage pests

NPSS will connect agriculture scientists with farmers; agriculturists can take a photo of infested crops or the insect using the system on their phones and this will reach scientists and experts

The Hindu Bureau  
NEW DELHI

The Union government on Thursday launched the National Pest Surveillance System (NPSS) powered by artificial intelligence (AI) to help farmers to connect with agriculture scientists and experts by mobile phones for controlling pests.

Launching the programme, Agriculture Minister Shivraj Singh Chouhan said the aim was to reduce the dependence of farmers on pesticide retailers and to inculcate a scientific approach among them towards pest management. The NPSS will analyse latest data using AI tools to help farmers and experts in pest control and management.

Releasing the system at an event at the Indian Council of Agricultural Research, Mr. Chouhan said, "All new developments in the field of agriculture should be beneficial for the farmers." He added that increasing yield was a priori-



**Tech solution:** The AI-based system will help in identifying pests and controlling them. A.M. FARUQUI

ty for the Modi government. "Farmers need better seeds for increasing productivity. Our scientific community is working along with the farmers towards this," he said.

### 'For fast solution'

He said technology should reach the fields, and the NPSS was such an effort. "If we get to know about the pest attack at the beginning of the attack, it will

help in finding a fast cure. This system will help in identifying pests and controlling them. The benefit of this technology must go to farmers," the Minister said.

The Ministry said the NPSS would help about 14 crore farmers in the country. The Centre envisages connecting scientists with farmers using it. Farmers can take photos of the infested crops or the insect

using the system on their phones and this will reach scientists and experts.

"Using the correct quantity of correct pesticide at the correct time is the challenge and this system will help farmers to address this challenge," Union Agriculture Secretary Devesh Chaturvedi told *The Hindu*.

He said it would also help in addressing the problem of using excessive pesticides. "This system can help cure diseases at the proper time using technology. It will help in accurate diagnosis and accurate treatment. This will build confidence among farmers and production will also increase. This can save the soil too. It is a technological platform and needs no additional funding," he said.

He added that the technology would be sent to the States and they can propagate this using their outreach programmes.

"We have successfully done pilot schemes on this system and it was released based on proper trials," Mr. Chaturvedi said.

### National Pest Surveillance System (NPSS)

- The NPSS is an AI-based platform launched by the government on August 15, 2024.
- It is designed to help farmers connect with agricultural scientists and experts for effective pest control using their phones.
- It aims to reduce farmers' dependence on pesticide retailers.
- It provides data for selected crops i.e. Rice, Cotton, Maize, Mango and Chilies.

### How will farmers use it

- ▶ Farmers can take photos of infested crops or pests using the NPSS platform, which are then analyzed by scientists and experts.
- ▶ Then they will suggest the correct quantity of the pesticide at the right time, reducing excessive pesticide use.
- ▶ **Target Groups:** Approximately 14 crore farmers across India.

### Significance

- ▶ It will reduce crop damage, improve pest management practices, and reduce the risk of soil damage by minimizing excessive pesticide use.



## Term In News : Tantalum

The Central Government recently notified a list of 24 minerals, including Tantalum, in Part D of the First Schedule of the Mines and Minerals (Development and Regulation) Act (MMDR) Act, 1957, as Critical and Strategic minerals.



### About Tantalum:

- It is a rare metal with the symbol Ta and atomic number 73.
- **Occurrence:** Raw tantalum rarely occurs in nature. Instead, it is typically found in the ore columbite-tantalite (usually referred to as coltan).
- **Major Producers:** Democratic Republic of the Congo, Rwanda, Brazil and Nigeria.

### Properties:

- Classified as a transition metal, Tantalum is a solid at room temperature.
- It is a shiny, silvery metal which is soft when it is pure.
- It is almost immune to chemical attacks at temperatures below 150 degrees Celsius.
- Tantalum is virtually resistant to corrosion due to an oxide film on its surface.

- ▶ When pure, tantalum is ductile, meaning it can be stretched, pulled, or drawn into a thin wire or thread without breaking.
- ▶ It belongs to a class of metals known as refractory metals, which are defined by their strong resistance to heat and wear.
- ▶ It has an extremely high melting point, exceeded only by tungsten and rhenium.

### Applications:

- ▶ It is most prominently used in the electronic sector.
- ▶ The capacitors made from tantalum are capable of storing more electricity in smaller sizes without much leakage than any other type of capacitor.
- ▶ This makes them ideal for use in portable electronic devices such as smartphones, laptops, and digital cameras.
- ▶ As tantalum has a high melting point, it is frequently used as a substitute for platinum, which is more expensive.
- ▶ It is also used to make components for chemical plants, nuclear power plants, aeroplanes, and missiles.
- ▶ It does not react with bodily fluids and is used to make surgical equipment and implants, like artificial joints.
- ▶ A composite consisting of Tantalum Carbide (TaC) and graphite is one of the hardest materials known and is used on the cutting edges of high-speed machine tools..

### UPSC Prelims PYQ : 2012

**Ques : Recently, there has been a concern over the short supply of a group of elements called 'rare earth metals.' Why?**

1. China, which is the largest producer of these elements, has imposed some restrictions on their export.
2. Other than China, Australia, Canada and Chile, these elements are not found in any country.
3. Rare earth metals are essential for the manufacture of various kinds of electronic items and there is a growing demand for these elements.

**Which of the statements given above is/are correct?**

- a) 1 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

**Ans: c)**

## *An obstinate refusal to focus on welfare*

**T**he Union Budget has drawn stern criticism from several quarters of the populace for a variety of reasons. On the welfare front, the government has, yet again, failed to increase expenditure on critical welfare schemes that support the marginalised in the country. The government's obstinate refusal to focus on welfare is perplexing to say the least, in a country where, according to the government's own data, about 34% of the population survives on less than ₹100 a day and over 81 crore people require free foodgrains to get by. The National Democratic Alliance (NDA) now, or NDA 3.0, appears to continue the trend the alliance set in its two previous terms by reducing welfare allocations – as shown in the analysis below based on Budget papers.

### **Key welfare schemes, an underfunding**

Two of the government's biggest welfare schemes, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the National Food Security Act (NFSA) (Food Subsidy) have seen their Budget allocations continuously fall as a share of GDP since 2014-15, except for the COVID-19 pandemic years when the government had to rely on these two schemes to avert a major disaster. MGNREGA guarantees every rural household 100 days of employment whereas the Food Subsidy is responsible for providing free foodgrains to about two-thirds of the population.

The NFSA had an expenditure of 0.72% of GDP last year, whereas this year, it has fallen to 0.63% of GDP. A truly bizarre decision in a country where over 100 crore people cannot afford a healthy diet and where just about 50% have three meals a day.

Similarly, the allocated budget for MGNREGA this year is 0.26% of GDP as compared to the 0.29% allocated last year. As a share of GDP, these two schemes today have a 25% lesser combined Budget allocation than they did in 2014-15 when the NDA first assumed power. With stagnating rural real wages and systematic underfunding of MGNREGA, it is no wonder that rural distress is spiking across the country.

Vulnerable groups such as widows, the elderly, and disabled individuals below the poverty line too were ignored in the Budget. The National Social Assistance Programme, which provides



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The National Democratic Alliance, in its third term, appears to be continuing the trend it set earlier – reducing budgetary allocations for welfare

monetary support to the groups mentioned as well as families who have lost their breadwinner, saw no increase in its allocation in the Budget. Its Budget allocation this year is exactly the same as last year in nominal terms. Its expenditure as a share of GDP has halved since 2014-15, from 0.06% to 0.03%.

The scheme provides paltry pensions of ₹200 a month to the elderly and ₹300 a month to widows – an amount that has not increased since 2006 despite repeated requests from dozens of economists. Even at a poverty line of ₹30 a day, these vulnerable groups would be living at least 66% below the poverty line if left solely to the devices of the state.

### **Welfare and nutrition schemes**

Recently, the Women and Child Development Minister admitted in Parliament that more than 50% of children under the age of five in India suffer from chronic malnutrition. Moreover, anaemia rates in Indian women and children are 20% and 15% higher, respectively, than the global average. Saksham Anganwadi and Poshan 2.0 is a welfare scheme which aims to tackle child malnutrition and hunger. The Anganwadi programme was merged with the Prime Minister's Overarching Scheme for Holistic Nourishment (POSHAN) Abhiyaan and a nutrition scheme for adolescent girls in 2021-22. However, even with additions, the Budget allocated for the same has declined by more than half since 2014-15 – from 0.13% of GDP then to 0.06% of GDP in the recent Budget.

To address malnutrition and hunger among school-going children, the government runs the mid-day meal (MDM) programme. The MDM programme covers about 12 crore children in the country. Despite the programme's many successes in increasing class attendance, and educational as well as nutritional outcomes, the funds meant for it have halved since 2014-15 as a share of GDP. Further, the Ministry of Finance rejected a plan for breakfast at school in 2021 citing a lack of funds despite the promise it has shown in Tamil Nadu.

In the face of an acute malnutrition crisis facing our children, it is imperative that we increase the coverage of these programmes and provide more nutritious food to our children.

The share in GDP of central expenditure on education (primary and secondary) has also declined this year to 0.22% from 0.25% last year. Although primary education enrolment rates are high, we still have a long way to go when it comes to education quality and basic infrastructure among other things. Thus, it is concerning when education's share in GDP falls from 0.37% in 2014-15 to 0.22% today.

The only saving grace here seems to be the Budget allocation for health, which saw a slight increase. Since 2014-15, the share of the Budget allocated to the Health Ministry in terms of GDP has increased from 0.25% then to 0.28% this year. The increase, however, is far from enough in a country where out-of-pocket expenditure on health remains very high and pushes millions into poverty every year.

The Budget allocation for all the mentioned schemes/departments has gone down from 2.1% as a share of GDP in 2014-15 to just 1.53% this year. The fact that the same was nearly thrice of what it is today – 4.31% of GDP – in the COVID-19 pandemic year of 2020-21, underlines the vitality of these schemes.

According to one estimate, the government has foregone tax revenue of over ₹8 lakh crore since it slashed corporate tax rates in 2019. It appears that it is the poor and the vulnerable who have been sacrificed to accommodate the resulting reduction in fiscal space due to tax cuts.

It is no wonder then that India has a poor Human Development Index rank of 132, and that today it is more unequal than it was during British rule, according to a new report by the World Inequality Lab.

### **In contrast, the UPA era**

If the NDA government is serious about its Viksit Bharat dreams then it must realise that the way to a developed society is through the stomachs and pens of its poorest citizens. No civilised society could be considered developed if a large portion of its population is unable to afford a life of dignity. Perhaps, the NDA government would do well to follow the example of the United Progressive Alliance governments which not only saw the introduction of new welfare schemes but also a steady increase in their Budget allocations over time.

**GS Paper 02 : Governance**

**GS Paper 03 : Science & technology : Awareness in various sc and tech fields**

**(UPSC CSE (M) GS-3 : 2023)** Introduce the concept of Artificial Intelligence (AI). How does AI help clinical diagnosis? Do you perceive any threat to privacy of the individual in the use of AI in healthcare? (150 words/10m)

**Practice Question :** Discuss the challenges and implications of balancing profit-making with social responsibility in the development of AI technologies, with reference to recent corporate governance trends. (150 w/10m)

## Context :

- The article discusses the tension between profit-making and social responsibility in corporate governance, particularly in AI development.
- It explores challenges like privacy concerns and algorithmic biases, examining how companies like OpenAI and Anthropic are adopting alternative governance structures while questioning the sustainability of these models in a profit-driven market.

## Shareholder Primacy vs. Stakeholder Approach

- Traditional corporate governance has been dominated by the theory of shareholder primacy, where the main objective of businesses is to generate profit and create wealth for shareholders.
- There is a contrasting stakeholder benefit approach that aims to maximise the benefits for all stakeholders, not just shareholders.
- Recently, stakeholder capitalism has gained traction, with corporations increasingly focusing on social objectives alongside profit-making, particularly in sectors like Generative Artificial Intelligence (AI).

## Data Privacy and Bias Issues

- Developing AI technologies requires access to vast amounts of data, which raises privacy concerns.
- **Example:** Meta was asked to pause its AI model training in Europe due to concerns raised by the Irish privacy regulator about using public content from Facebook and Instagram.
- Algorithmic biases are another significant concern, where human prejudices can be embedded into AI systems.
- **Example:** Amazon discontinued a recruiting algorithm after discovering gender bias, and a Princeton University experiment highlighted racial biases in AI's word associations.

## **Governance Structures and Conflicts**

- To mitigate the risks associated with AI, some companies have altered their corporate governance structures to prioritise responsible AI development.
- **Example:** Anthropic has a governance structure called the Long-Term Benefit Trust, composed of financially disinterested members who can influence board decisions.
- OpenAI initially started as a non-profit but later transitioned to a hybrid model with a capped profit-subsidary to support its capital-intensive innovation.

## **Clash Between Purpose and Profit: The OpenAI Debacle**

- Even companies with alternative governance models face challenges when balancing social purpose with profit-making.
- **Example:** OpenAI experienced a governance crisis when its non-profit board fired CEO Sam Altman over concerns of rapid AI commercialization compromising user safety. This move was opposed by Microsoft and most employees, leading to Altman's reinstatement and the board's replacement.
- This incident has led to questions about the viability of public benefit corporations in the tech industry, where financial backing from shareholders is crucial.

## **Friedman's Perspective: Profit Over Social Responsibility**

- In 1970, Milton Friedman argued that a business's primary social responsibility is to generate profits for its shareholders.
- The recent events in companies like OpenAI suggest that public benefit structures might merely disguise profit-seeking motives rather than genuinely prioritising social interest.

## **Strategic Solutions: Balancing Profit and Social Purpose**

- The current accountability structures, which include appointing independent boards and adopting social benefit objectives, are insufficient to protect against the amoral drift towards profit-driven goals.
- Policymakers must find innovative regulatory methods that balance the conflicting interests in AI development.

## **Three key areas to target include:**

- **Incentivizing Social Purpose:** Strategies need to be developed to ensure that pursuing social benefits also contributes to long-term financial gains for companies.
- **Managerial Compliance:** Incentives should be aligned to encourage managers to adhere to public benefit goals alongside profit objectives.
- **Reducing Compliance Costs:** Streamlining regulations and compliance costs can facilitate the adoption of social benefit objectives without compromising financial viability.
- This approach would involve framing ethical standards for AI governance and providing regulatory backing through corporate governance reforms.

## **Conclusion:**



- With the increasing involvement of AI in various aspects of life, it is critical to adopt governance models that promote the ethical development of AI while also generating profits.
- Effective governance in AI requires a delicate balance between social responsibility and profit-making, supported by innovative and regulatory frameworks.

### What is Governance?

- In 1993, the World Bank defined governance as the process through which a country's political, economic, and social resources are administered for its growth.
- Governance is the method and institutions through which decisions are made and power is exercised within a country.
- Governance may be employed in a variety of circumstances, including corporate governance, international governance, national government, and local governance.
- Consequently, governance focuses on the formal and informal players and institutions involved in decision-making and decision-implementation.

### Participants in Governance

- Government is an important actor in governance. Other possible participants include political actors and institutions, interest groups, civil society, the media, non-governmental organisations, and transnational organisations. Other participants in governance differ according on the level of government.
- Generally speaking, the stakeholders of governance at the national level may be divided into three basic categories:
  1. State
  2. Market
  3. Civil Society
- The State comprises the several government institutions (Legislature, Judiciary, and Executive) and their respective instrumentalities, independent accountability systems, etc. It also includes several players (elected officials, political executives, bureaucracy/civil workers at various levels, etc.).
- The Market comprises the private sector, both organised and unorganised, which consists of huge corporate houses and small size industries/establishments.
- The Civil Society is the most diversified and often consists of all organisations not included in (a) or (b) . Non-Governmental Organizations (NGOs), Voluntary Organizations (VOs), media organizations/associations, trade unions, religious groups, pressure groups, etc. are included.

There are several important aspects of governance that are relevant to the UPSC CSE (Civil Services Exam) in India. These include:

- **Rule of law:** The rule of law is a principle of governance that ensures that all individuals and institutions are subject to and bound by the law. It promotes social stability, protects the rights and freedoms of citizens, and promotes accountability and transparency in government.

- **Separation of powers:** The separation of powers is a principle that divides the powers of government among different branches (e.g. legislative, executive, and judicial) in order to prevent the concentration of too much power in any one branch. It helps to ensure that no one branch becomes too powerful and can act as a check on the power of the other branches.
- **Transparency:** Transparency in government refers to the idea that government processes and decision-making should be open and accessible to the public. It helps to promote accountability and trust in government, as well as to prevent corruption and abuse of power.
- **Accountability:** Accountability requires government officials and institutions to be answerable to the people for their actions and decisions. It helps to ensure that government actions are responsive to the needs and concerns of the people and promotes trust in government.
- **Responsiveness:** Responsiveness is the ability of the government to respond to the needs and concerns of the citizens. It helps to ensure that government actions are responsive to changing circumstances and meet the evolving needs of its citizens.
- **Participation:** Participation is the opportunity for citizens to have a say in the decisions that affect them and to be actively involved in the political process. It helps to ensure that the views and needs of all members of society are taken into account in the decision-making process and promotes a sense of ownership and responsibility among citizens.
- **Inclusiveness:** Inclusiveness is the idea that all members of society should have an equal opportunity to participate in and benefit from the political process, regardless of their background or identity. It helps to ensure that the voices and perspectives of all members of society are heard and that policies and decisions reflect the needs and concerns of the entire community.
- **Efficient and effective service delivery:** Service delivery refers to the provision of necessary services (e.g. healthcare, education, infrastructure) by the government to the citizens. Efficient and effective service delivery helps to ensure that citizens have access to the services they need in a timely and effective manner.
- **Social justice:** Social justice is the pursuit of fairness and equality in society, including the fair distribution of resources and opportunities. It helps to ensure that all members of society have an equal opportunity to succeed and thrive.
- **Environmental sustainability:** Environmental sustainability is the idea that development should be undertaken in a way that protects and preserves the natural environment for future generations. It helps to ensure that the needs of current and future generations are taken into account in decision-making and that the natural environment is protected for the benefit of all.

### What is Corporate Governance?

- **About:**
  - Corporate governance is the set of rules and processes that guide how a company is managed and overseen. It's vital for ensuring that businesses operate ethically and in the best interests of those involved. A primary goal of corporate governance is to prevent corporate greed and promote responsible and transparent business practices.

- By establishing and enforcing high ethical standards and holding individuals accountable for their actions, corporate governance serves as a safeguard against misconduct, protecting the interests of shareholders, customers, and the wider community.

### ➔ Principles of Corporate Governance:

- **Fairness:** The board of directors must treat shareholders, employees, vendors, and communities fairly and with equal consideration.
- **Transparency:** The board should provide timely, accurate, and clear information about such things as financial performance, conflicts of interest, and risks to shareholders and other stakeholders.
- **Risk Management:** The board and management must determine risks of all kinds and how best to control them. They must act on those recommendations to manage them. They must inform all relevant parties about the existence and status of risks.
- **Responsibility:** The board is responsible for the oversight of corporate matters and management activities.
  - It must be aware of and support the successful, ongoing performance of the company. Part of its responsibility is to recruit and hire a Chief Executive Officer (CEO). It must act in the best interests of a company and its investors.
- **Accountability:** The board must explain the purpose of a company's activities and the results of its conduct. It and company leadership are accountable for the assessment of a company's capacity, potential, and performance. It must communicate issues of importance to shareholders.

### ➔ Four Ps of Corporate Governance:

- **People:** This 'P' emphasizes the importance of the individuals involved in corporate governance, including the board of directors, executives, and employees. The composition of the board, their skills, independence, and diversity are crucial factors.
- **Purpose:** Purpose refers to the overarching mission and goals of the company. Corporate governance ensures that the company's purpose aligns with ethical standards and is focused on creating long-term value for shareholders and stakeholders.
- **Processes:** This 'P' involves the systems and procedures established to oversee and manage the company. Governance processes include how decisions are made, how risk is assessed and managed, and how accountability is maintained.
- **Practices:** Performance in corporate governance relates to the company's overall success in achieving its goals while adhering to ethical standards. The governance framework monitors and evaluates the performance of the company against established benchmarks.

## Group of Seven

### Group of Seven (G7)



- It is an intergovernmental organization that was formed in 1975.
- The bloc meets annually to discuss issues of common interest like global economic governance, international security and energy policy.
- All the G7 countries and India are a part of G20.
- The G7 does not have a formal charter or a secretariat. The presidency, which rotates among member countries each year, is in charge of setting the agenda. Sherpas, ministers and envoys hammer out policy initiatives before the summit.
- The 49th G7 summit was held in Hiroshima, Japan.

➡ The European Union (EU) is not a sovereign Member State. Instead, it is a unique supranational organization. As a result, the EU is considered a “non-enumerated” member and does not hold the G7 presidency. The G7 countries' names are listed below:

### ➡ **G7 Countries List**

1. Germany
2. Canada
3. France
4. United States
5. United Kingdom
6. Italy
7. Japan

### **Aim of Group of Seven**

➡ G7 countries aim to discuss topics including energy policy, international security, and global economic control. The G7 takes the lead globally and is a powerful catalyst on the issues above.

### **G7 Digital Trade Principles**

➡ At the G7 Trade Track on October 22, 2021, the G7 countries adopted the Digital Trade Principles. The digital trade principles included fair and inclusive global governance, open digital markets, cross-border data flows, safeguards for consumers, workers, and enterprises, and enterprises, and digital trading platforms.

### **Headquarters of G7**

➡ The G7 operates without a formal treaty and lacks a permanent secretariat or office. Instead, it functions under a rotating presidency system, with member states taking turns to hold the presidency each year.



### Overview of the G7

- The G7 countries are a forum for open discussion among policy-makers, leaders, and ministers.
- G7 provides global leadership and acts as a potent catalyst for topics that global leaders and regional members eventually take up.
- The world's industrialized economies come together as the G7 member countries to address widespread challenges and shape global trends.
- The G7 has pushed the debate on important global topics, including gender equality and climate change, brought together donors, and backed disarmament projects. It has also reinforced international economic and security policy.
- Every year, member nations in the following order rotate hosting the G7 presidency: France, the United States, the United Kingdom, Germany, Japan, Italy, and Canada. The rotation excludes the European Union.

- **G7 countries GDP Ranking:** According to the Summit data, the G7 nations will account for 10% of the worldwide population in 2022, 31% of global GDP, and 21% of global carbon dioxide emissions.
  - China and India, the two most populous nations in the world with some of the highest GDP estimates, are excluded from the grouping.
  - In 2021, yearly public sector spending will be more than revenue in all G7 nations. The majority of G7 nations also have significant levels of gross debt, including the US (133%), Japan (263% of GDP), and Italy (151%).
  - The G7 nations are significant participants in world trade. Significant exporting nations are Germany and the US. In 2021, both companies exported well over a trillion US dollars.
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