

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

**Tuesday, 20<sup>th</sup> August , 2024**

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**Page : 01 : GS 2 : Social Justice : Issues related to women**

The K. Hema Committee report on the issues faced by women in the Malayalam film industry has revealed horrid tales of sexual exploitation, illegal bans, discrimination, drug and alcohol abuse, wage disparity and in some cases, inhuman working conditions.

**Key findings of the report:**

- ➔ The committee confirms the rumoured existence of the practice of "casting couch" in the industry.
- ➔ Contrary to the other fields, sexual harassment starts even before a woman starts working in the film industry as demands for sexual favours are made by very well-known people in lieu of roles.
- ➔ Some of the witnesses provided video and audio clips and screenshots of WhatsApp messages as proof of "casting couch" attempts.
- ➔ Many of the women find it unsafe to stay alone in the accommodation arranged for them during shooting, as men in inebriated condition habitually knock on their doors. In an attempt to persuade newcomers, some people in the industry actively create the impression that successful women have made it through "compromises".
- ➔ Many who were examined by the committee were afraid to reveal things which they experienced fearing adverse consequences. The fear is well-founded. They also rarely approach the police fearing the consequences from powerful forces in the industry as well as cyberattacks due to their public profiles. Similar was the case with junior artists, one of the most exploited lot in the industry.

**'Power group'**

# Sexual abuse rampant in Malayalam film industry, says Hema Committee report

**S.R. Praveen**  
THIRUVANANTHAPURAM

The K. Hema Committee report on the issues faced by women in the Malayalam film industry has revealed horrid tales of sexual exploitation, illegal bans, discrimination, drug and alcohol abuse, wage disparity and in some cases, inhuman working conditions.

The 235-page report, released on Monday without the names of the witnesses and the accused, five years after it was submitted to the Kerala government, notes that the industry is under the clutches of certain male producers, directors and actors, whom a prominent actor referred to as "mafia", as they could ban anyone.

The committee confirms the rumoured existence of the practice of "casting couch" in the industry.

Contrary to the other fields, sexual harassment starts even before a woman starts working in the film industry as demands for sexual favours are made by very well-known people in lieu of roles.

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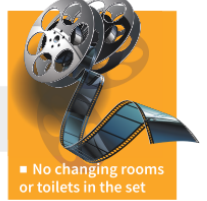
Many of the women find it unsafe to stay alone in the accommodation arranged for them during shooting, as men in inebriated condition habitually knock on their doors. In an attempt to persuade newcomers, some people in the industry actively create the impression that successful women have made it through "compromises".

## Horror script

The panel was formed on a demand by the Women in Cinema Collective to study the issues faced by women in the industry

**Major findings in the panel report:**

- The industry is in the clutches of certain male producers, directors and actors
- 'Casting couch' is a reality; even famous people in the industry ask for sexual favours in lieu of roles
- Many don't reveal things fearing adverse consequences



■ No changing rooms or toilets in the set

Many who were examined by the committee were afraid to reveal things which they experienced fearing adverse consequences. The fear is well-founded. The committee notes that it is concerned about their safety and that of their family. They also rarely approach the police fearing the consequences from powerful forces in the industry as well as cyberattacks due to their public profiles. When the Hema Committee formed a WhatsApp group with dancers in the industry, most of them left the group one after the other, after hearing the committee's intention. Similar was the case with junior artists, one of the most exploited lot in the industry.

**'Power group'**

Producers are warned by the industry's "power group" not to cast actors who fall out of favour with them. Even the release of movies can be prevented as the Film Chamber of Commerce has to issue NOC. Production controllers have a major role in getting people banned from cinema. Members of the Women in Cinema Collective (WCC), following whose demand the Hema Committee was set up, were banned from cinema.

The report highlights the lack of changing rooms or toilets in the set leading to urinary infection for many women. The committee also notes that some of the men, including a prominent actor who deposed before it, said that the issue need not be taken seriously.

Junior artists are in some cases "treated worse than slaves" with work extending up to 19 hours. Intermediaries misappropriate a good part of their payments, which are not given on time. In the case of a big-budget movie, a 70-year-old woman who sustained serious burns in an accident in the set was not provided any money for medical treatment. The junior artists are not admitted into any film organisations.

The Hema Committee notes that an Internal Complaints Committee can be ineffective as powerful persons can threaten or coerce the ICC members to deal with the complaint in a manner they demand. The committee recommends the government enact an appropriate statute and constitute a Tribunal to address all these issues.

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### About The Hema Commission

- ➔ **Formation and Purpose:** In July 2017, the Kerala government established a three-member committee led by retired Kerala High Court judge Justice K Hema.
- ➔ **Objective:** To investigate sexual harassment and gender inequality in the Malayalam film industry.
- ➔ **Consultations and Findings:** The commission interviewed numerous women professionals, documenting instances of sexual harassment, wage disparities, and blacklisting.
- ➔ **Report Details:** The 300-page report, submitted in December 2019, included comprehensive evidence, such as documents and audio-visual materials.

### Legal Framework for Sexual Assault in India

- ➔ **Indian Penal Code (IPC) Provisions:**
  - **Section 375:** Defines what constitutes rape, including non-consensual sexual intercourse with a woman.
  - **Section 376:** Specifies punishments for rape, ranging from fines to life imprisonment, depending on the case's severity.
  - **Section 376A:** Covers cases where rape results in death or a persistent vegetative state, with stricter penalties.
  - **Section 376B:** Addresses marital rape, but this section does not cover all forms of marital rape.
  - **Section 354:** Deals with assault or criminal force intended to outrage a woman's modesty.
- ➔ **Protection of Children from Sexual Offences (POCSO) Act, 2012:**
  - **Scope:** Protects children from sexual crimes like assault, harassment, and pornography.
  - **Punishment:** Imposes severe penalties, including long prison terms and fines, for offenders.
- ➔ **Criminal Law (Amendment) Act, 2013:**
  - **Enhancements:** Expanded the definition of rape and introduced new crimes related to sexual violence following the Delhi gang rape case.

- **New Offenses:** Includes crimes like stalking, voyeurism, and acid attacks, with specific punishments.
- ➔ **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
  - **Scope:** Protects women from sexual harassment at work.
  - **Mechanism:** Requires workplaces to set up Internal Complaints Committees (ICCs) to handle harassment complaints.
  - **Aggrieved Woman:**
    - An "aggrieved woman" includes any female who alleges sexual harassment by a respondent.
    - This definition applies to both employed women and those in dwelling places.

**UPSC Mains PYQ : 2014**

**Ques : We are witnessing increasing instances of sexual violence against women in the country. Despite existing legal provisions against it, the number of such incidences is on the rise. Suggest some innovative measures to tackle this menace.**

**Page 01 : GS 2 : Governance : Transparency & Accountability; Social Justice : Issues related to women**

The Union government has ruled out the need to bring in a Central protection Act for a uniform framework across the country for protecting healthcare workers, stating that almost all States have laws in place to ensure their safety.

## Union govt. rules out Central law for doctors' safety

**Bindu Shajan Perappadan**  
NEW DELHI

The Union government has ruled out the need to bring in a Central protection Act for a uniform framework across the country for protecting healthcare workers, stating that almost all States have laws in place to ensure their safety.

Considering the Kolkata rape and murder case and the continued agitation by doctors demanding a safe workplace, the Centre on Monday issued an order to increase security by 25% in all hospitals of the Union government. Deployment of marshals would also be increased depending on the need in hospitals.

Health Ministry officials said the deployment of marshals, besides the stan-

dard security protocol, would be approved based on demand from Union government hospitals after they assess security.

“Several States and Union Territories [total 26] have passed legislation to protect healthcare service personnel. These States include Andhra Pradesh, Assam, Bihar, West Bengal, and Tamil Nadu. In all these States, the offence is cognisable and non-bailable. Most State Acts define healthcare service personnel to include doctors, nurses, medical and nursing students, and paramedical staff. Also, they define violence as activities causing harm, injury, endangering life, intimidation, obstruction to the ability of a healthcare service person to discharge



**Burning issue:** Doctors stage a protest outside the Health Ministry in New Delhi on Monday. SHASHI SHEKHAR KASHYAP

duty and loss or damage to property in a healthcare institute,” said a senior Health Ministry official.

### Common provisions

Speaking about the Kolkata case, the official said the nature of the crime was covered under other provisions of laws which were

common for all. “We have accepted all the demands of the doctors on strike and also a committee is being formed to strengthen security at workplace after extensive consultation with all stakeholders. We appeal to the doctors to come back to work and ensure that patients are not

put to further trouble,” said a Health Ministry official.

The Ministry is set to call for a meeting of all heads of Union government hospitals soon to take stock of security measures for their employees in light of the Kolkata incident. “Institutional FIR in case of violence, additional infrastructure security, including CCTV, and extra lighting are part of the advisory issued to hospitals to ensure that employees are safe while on duty. A Central Act is not needed when provisions already exist. Their proper implementation is the need of the hour,” added the official.

**MORE REPORTS**

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### About the news:

- The Centre on Monday issued an order to increase security by 25% in all hospitals of the Union government. Deployment of marshals would also be increased depending on the need in hospitals.
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- These States include Andhra Pradesh, Assam, Bihar, West Bengal, and Tamil Nadu. In all these States, the offence is cognisable and non-bailable.
- Most State Acts define healthcare service personnel to include doctors, nurses, medical and nursing students, and paramedical staff.
- Also, they define violence as activities causing harm, injury, endangering life, intimidation, obstruction to the ability of a healthcare service person to discharge duty and loss or damage to property in a healthcare institute,”

### Why are Healthcare Workers Protesting?

- **Response to Violence:** The protests were triggered by the brutal rape and murder of a young doctor at R.G. Kar Medical College and Hospital in Kolkata on August 9, 2024.
- **Demand for Safety:** Healthcare workers are demanding laws and measures that ensure their safety while on duty.
- **Historical Context:** Violence against healthcare workers is not a new issue in India. Previous incidents, such as the case of Aruna Shanbaug, a nurse who was sexually assaulted in 1973, underscore a long-standing pattern of violence in healthcare settings.

### Working Conditions of Junior Doctors, Interns, and Nurses

- **Poor Working Environment:** Junior doctors, interns, and nurses often work in ill-lit and poorly secured hospital environments.
- **Long Shifts and Exhaustion:** Many healthcare workers, including the victim of the recent incident, are subjected to excessively long shifts—in this case, a 36-hour duty shift—without adequate rest or safe spaces to recuperate.
- **Mental Health Concerns:** The stressful working conditions, combined with the threat of violence, have raised significant concerns about the mental health and well-being of healthcare workers.

### Key Demands of the Protesters

- **Central Protection Act:** The Indian Medical Association (IMA) is advocating for a Central protection law specifically for healthcare workers, similar to measures in other countries that classify assaults on medical staff as serious offenses.
- **Enhanced Security Measures:** Protesters are calling for hospital security protocols that match those of airports, including the installation of CCTV cameras, deployment of security personnel, and improved lighting in hospital corridors and wards.
- **Safe Work Environment:** There is a demand for immediate systemic reforms to improve working conditions, including better security arrangements and the establishment of healthcare facilities as safe zones.
- **Accountability and Justice:** The IMA has requested a thorough investigation into incidents of violence against healthcare workers, with a focus on timely and professional handling of cases and ensuring that perpetrators face exemplary punishment.
- **Government Response:** Following the protests, the Ministry of Health and Family Welfare issued an order mandating that any violence against healthcare workers must be reported and acted upon swiftly, with institutional FIRs to be filed within six hours of an incident.

### Sole responsible for the safety of Health workers:

- **State Governments:** Health and law enforcement are primarily state subjects in India, meaning that state governments are primarily responsible for ensuring the safety of healthcare professionals.
  - They are tasked with implementing laws, providing adequate security in hospitals, and ensuring a safe working environment for medical staff.
- **Central Government:** The central government plays a role in formulating national policies and frameworks that support the safety of healthcare workers.

- Recent initiatives include the Ministry of Health and Family Welfare's order mandating the filing of FIRs within six hours of any violence against healthcare workers, indicating a push for accountability and swift action.

### Way forward:

- ▶ **Implement a Central Protection Law for Healthcare Workers:** The government should fast-track the enactment of a Central law specifically designed to protect healthcare workers from violence.
- ▶ **Improve Working Conditions and Mental Health Support:** Hospitals should prioritize creating safe and well-secured environments for healthcare workers, including reasonable shift hours, adequate rest periods, mental health support, and robust security protocols to prevent future incidents of violence.

## UPSC Prelims PYQ : 2023

### Ques : Consider the following statements:

**Statement-I:** India's public sector health care system largely focuses on curative care with limited preventive, promotive and rehabilitative care.

**Statement-II:** Under India's decentralized approach to health care delivery, the States are primarily responsible for organizing health services.

### Which one of the following is correct in respect of the above statements?

- Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- Statement-I is correct but Statement-II is incorrect
- Statement-I is incorrect but Statement-II is correct

**Ans : b)**

Page 05 : Prelims Fact

The former Chief of the Army Staff General S. Padmanabhan passed away at his residence. General Padmanabhan led the Army during the crucial period of Operation Parakram.

# General S. Padmanabhan, who led the Army during Operation Parakram, passes away

## The Hindu Bureau

CHENNAI

The former Chief of the Army Staff General S. Padmanabhan passed away at his residence here on Sunday. The funeral is scheduled for Tuesday.

General Padmanabhan, 83, who had been the Army chief between September 2000 and December 2002, is survived by his wife, daughter and son.

The current Chief of the Army Staff, General Upenra Dwivedi, and all ranks of the Army offered their tributes and heartfelt condolences to the bereaved family, a statement from the Army said. Known affectionately as Paddy among his peers, General Padmanabhan leaves behind a legacy marked by his commitment to the welfare of soldiers, modernisation of the Army and

strategic vision, it said.

General Padmanabhan led the Army during the crucial period of Operation Parakram.

Tamil Nadu Governor R.N. Ravi paid floral tributes to the officer on Monday. Health Minister Ma. Subramanian paid floral tributes on behalf of the Tamil Nadu government.

Tamil Nadu Chief Minister M.K. Stalin said he was deeply saddened by the passing of General Padmanabhan. "His exemplary leadership and unwavering dedication to our nation's security will always be remembered. My heartfelt condolences to his family and loved ones during this difficult time," Mr. Stalin said.

Lieutenant-General Karanbir Singh Brar, General Officer Commanding in Chief, Dakshin Bharat Area, placed a wreath on



General S. Padmanabhan

the mortal remains.

General Padmanabhan was born in Thiruvananthapuram on December 5, 1940. He was commissioned into the Regiment of Artillery after graduating from the Indian Military Academy on December 13, 1959.

He commanded an Independent Light Battery from August 1975 to July 1976 and later on commanded the Gazala Moun-

tain Regiment from September 1977 to March 1980.

He served as Instructor, Gunnery at the School of Artillery in Deolali, and he had been a Brigade Major of an infantry brigade on its raising and served as the Colonel General Staff of a Mountain Division from January 1983 to May 1985. He commanded an Independent Artillery Brigade and a Mountain Brigade.

### Infantry Brigade

He commanded an Infantry Brigade from December 1988 to February 1991 at Ranchi, Bihar and Punjab and was then appointed General Officer Commanding of an Infantry Division in Punjab from March 1991 to August 1992. He served as Chief of Staff, 3 Corps from September 1992 to June 1993.

After his promotion as Lieutenant-General, he

was commander of the 15 Corps in the Kashmir valley from July 1993 to February 1995. It was during his tenure as the 15 Corps Commander that the Army made gains over the militants in Kashmir and could scale down its operations.

General Padmanabhan held the post of Director-General Military Intelligence after the culmination of which, he took over as the GOC of the Northern Command at Udhampur in September 1996. Before being appointed Chief of the Army Staff, he was the GOC of Southern Command. He retired on December 31, 2002, after more than 43 years of military service.

General Padmanabhan was an alumnus of the Rashtriya Indian Military College, Dehradun, and the National Defence Academy, Khadakwasla.

## About the news :

- General Padmanabhan was born in Thiruvananthapuram on December 5, 1940. He was commissioned into the Regiment of Artillery after graduating from the Indian Military Academy on December 13, 1959.
- He commanded an Independent Light Battery from August 1975 to July 1976 and later on commanded the Gazala Mountain Regiment from September 1977 to March 1980.
- He served as Instructor, Gunnery at the School of Artillery in Deolali, and he had been a Brigade Major of an infantry brigade on its raising and served as the Colonel General Staff of a Mountain Division from January 1983 to May 1985. He commanded an Independent Artillery Brigade and a Mountain Brigade.



- ▶ General Padmanabhan was an alumnus of the Rashtriya Indian Military College, Dehradun, and the National Defence Academy, Khadakwasla.

### Operation Parakram

- ▶ Operation Parakram was a military standoff between India and Pakistan that lasted from 2001–2002.
- ▶ It was the first large-scale mobilization of Indian troops since the 1971 Indo-Pak war and was a response to the terrorist attack on the Indian Parliament on December 13, 2001.
- ▶ The operation began on December 15, 2001 after a decision by the Cabinet Committee on Security (CCS) and ended on January 3, 2002. During the operation, Indian troops were deployed along the India-Pakistan border.
- ▶ However, the delay in the operation allowed Pakistan to move 300,000 troops and supporting units to the border, and India eventually decided to withdraw its troops.

### UPSC Prelims Practice Question

**Ques : Name the operation which was carried out Indian Armed Forces in 2015 to flush out the terrorist from the country especially from Kashmir region.**

- Operation Black Tornado
- Operation Sarp Vinash
- Operation All Out
- Operation Pawan

**Ans: c)**

On August 14, Reuters reported on the introduction of an amendment to India's power export rules. Purported to hedge against political risks in Bangladesh, it allows Indian power exporters to reroute their output to Indian grids if there is a delay in payments from partner countries.

# A change in India's power export rules

When did India's first transnational power project that supplies all the power generated to another nation come into being? Why did the Bangladesh Power Development Board request a revision of the power purchase agreement? What does the latest amendment mandate?

### EXPLAINER

Saptaparno Ghosh

#### The story so far:

**O**n August 14, *Reuters* reported on the introduction of an amendment to India's power export rules. Purported to hedge against political risks in Bangladesh, it allows Indian power exporters to reroute their output to Indian grids if there is a delay in payments from partner countries. Adani Power's plant in Godda (Jharkhand) supplies its entire generated power to Bangladesh. In a statement, a spokesperson of Adani Power emphasised their commitment of supplying electricity to Bangladesh, stating that the amendment does not affect its existing contract.

#### What is the Godda project?

The Jharkhand-subsiary of Adani Power supplies 1,496-megawatt net capacity power to Bangladesh from the ultra super-critical thermal power plant in Godda. This is facilitated under a Power Purchase Agreement (PPA) entered with the Bangladesh Power Development Board (BPDB) in November 2017 for a period of 25 years.

The Godda plant is India's first transnational power project that supplies all the power generated to another nation. In a statement on July 15 last year, Adani Power stated that the electricity supplied from Godda will have a positive impact on the neighbour's power situation by replacing costly power generated using liquid fuel. It elaborated that the transition would help reduce the average cost of power purchased. As per the Bangladesh Power Development Board's (BPDB) annual report for 2022-23, the total installed generation capacity of the country was 24,911 MW in June 2023. Of this, 2,656 MW was imported from India (more than 10% of overall) with the Godda plant contributing 1,496 MW (about 6% of overall). On the policy prerogative for



GETTY IMAGES

power export, India's Ministry of Power illustrating the guidelines for power export in 2016 said the exchange of electricity across South Asia would promote "economic growth and improve the quality of life for all the nations".

#### Why was the project criticised?

The criticisms emanated from the use of coal imported from the Carmichael mine in Australia into India to produce power for Bangladesh. Thermal plants utilise coal as a primary fuel. The Institute for Energy Economics and Financial Analysis (IEEFA), analysing the PPA back in April 2018 held that it allowed Adani Power to "push the high cost of importing and transporting coal into India, plus the cost of transmitting the electricity across the border onto Bangladesh." *United News of Bangladesh* had reported in February 2023 about the BPDB writing to Adani Power for a revision in the PPA. The

South Asian neighbour continues to experience fuel and gas supply constraints, thus, contributing to the underutilisation of its power plants. In fact, in July 2022, Bangladesh had sought support from the International Monetary Fund (IMF) to cushion itself against a financial shock originating from volatile energy prices after Russian actions in Ukraine. This was after the country experienced blackouts, sometimes up to 13 hours a day, as utilities struggled to source enough diesel and gas to meet demand, *AFP* had reported.

Separately, Hasan Mehedi, Bangladesh-based activist specialising in matters relating to power and climate change, also pointed to "serious levels of overcapacity in Bangladesh". Quoting official figures, Mr. Mehedi pointed to total power generation capacity as on June 30 this year being 28,098 MW, of which the highest power generation was scaled at 16,477 MW – an unutilised idle capacity of about 11,621 MW.

#### Where do we stand now?

Mr. Bhowmick states that the regulatory change endows greater flexibility to power exporters by permitting them access to the domestic market and reducing the dependency on external markets. He explains that it mitigates risks associated with instability or economic challenges in neighbouring countries.

Further, Mr. Mehedi explained to *The Hindu* that delay in payments have been a standard phenomenon. "There is an entire internal vetting mechanism that follows after a bill is presented to the BPDB," he stated, elaborating, "The BPDB would then evaluate the prices of coal in the open market and that of other expenditures as stated in the bill. It would then send it back to the company for any corrections as necessitated."

On the potential impact to Bangladesh from the latest development, Mr. Mehedi said, "Even if the supply is stopped totally, the impact would last for 2 to 3 days because of the sudden nature, but not in the long-term."

### THE GIST

On August 14, *Reuters* reported on the introduction of an amendment to India's power export rules. Purported to hedge against political risks in Bangladesh, it allows Indian power exporters to reroute their output to Indian grids if there is a delay in payments from partner countries.

The Jharkhand-subsiary of Adani Power supplies 1,496-megawatt net capacity power to Bangladesh from the ultra super-critical thermal power plant in Godda.

The criticisms emanated from the use of coal imported from the Carmichael mine in Australia into India to produce power for Bangladesh.

### About the news:

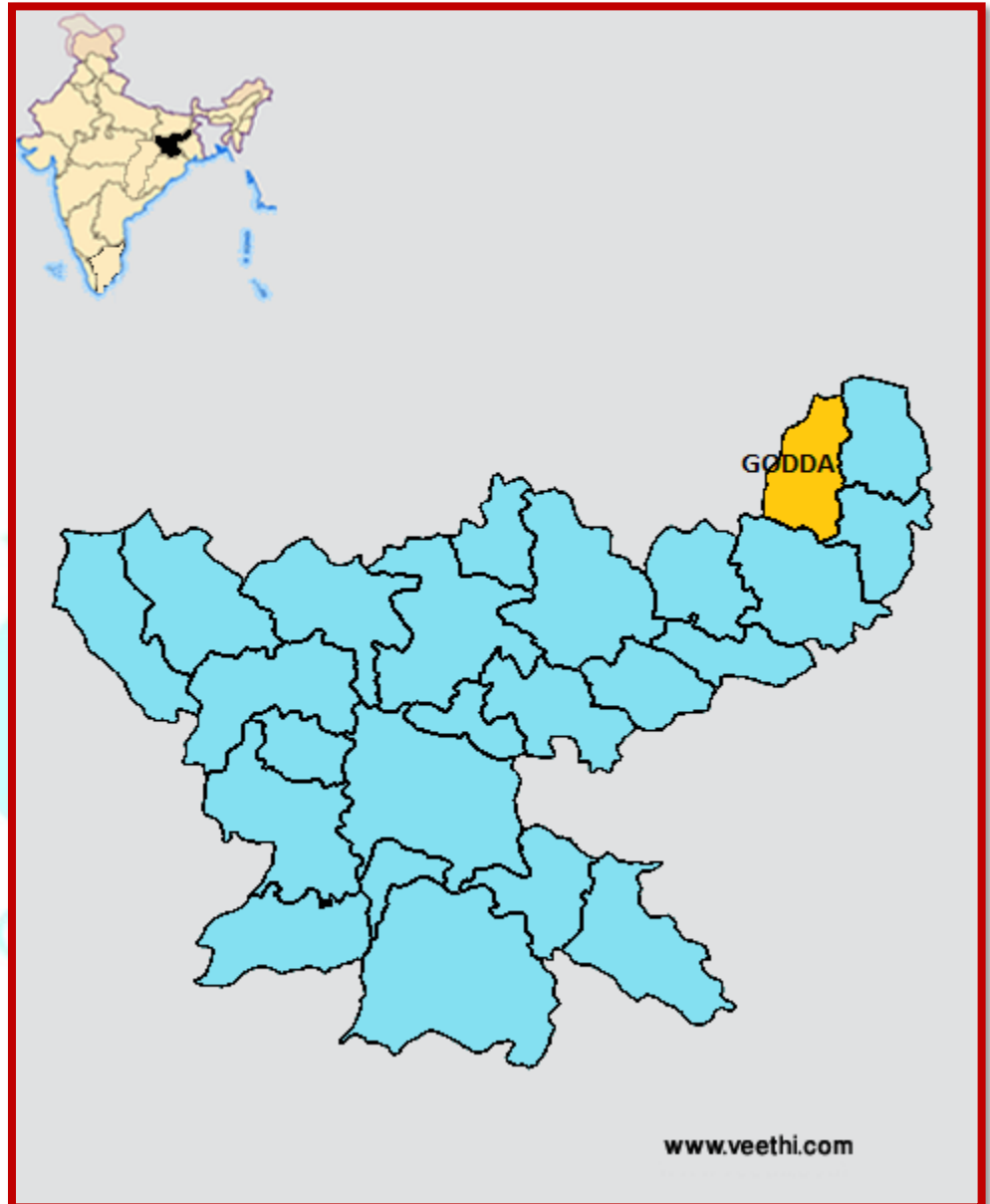
- ➔ **Jharkhand-subsiary:** The Jharkhand-subsiary of Adani Power supplies 1,496-megawatt net capacity power to Bangladesh from the ultra super-critical thermal power plant in Godda.
- ➔ **Bangladesh Power Development Board:** This is facilitated under a Power Purchase Agreement (PPA) entered with the Bangladesh Power Development Board (BPDB) in November 2017 for a period of 25 years.
- ➔ **India's first transnational power project:** The Godda plant is India's first transnational power project that supplies all the power generated to another nation. In a statement on July 15 last year,

Adani Power stated that the electricity supplied from Godda will have a positive impact on the neighbour's power situation by replacing costly power generated using liquid fuel.

- ➔ **Cost of power:** It elaborated that the transition would help reduce the average cost of power purchased.
- ➔ **Annual report :** As per the Bangladesh Power Development Board's (BPDB) annual report for 2022-23, the total installed generation capacity of the country was 24,911 MW in June 2023. Of this, 2,656 MW was imported from India (more than 10% of overall) with the Godda plant contributing 1,496 MW (about 6% of overall).
- ➔ **Guidelines:** On the policy prerogative for power export, India's Ministry of Power illustrating the guidelines for power export in 2016 said the exchange of electricity across South Asia would promote "economic growth and improve the quality of life for all the nations".

#### Why was the project criticised?

- ➔ The criticisms emanated from the use of coal imported from the Carmichael mine in Australia into India to produce power for Bangladesh.
- ➔ Thermal plants utilise coal as a primary fuel. The Institute for Energy Economics and Financial Analysis (IEEFA), analysing the PPA back in April 2018 held that it allowed Adani Power to "push the high cost of importing and transporting coal into India, plus the cost of transmitting the electricity across the border onto Bangladesh."



- ▶ United News of Bangladesh had reported in February 2023 about the BPDB writing to Adani Power for a revision in the PPA.
- ▶ The publication, quoting an official with anonymity, reported that in BPDB's view the coal price quoted at \$400/MT was "excessive", adding, "it should be less than \$250/MT, which is what we are paying for the imported coal at our other thermal plants".
- ▶ The other concern, as stated in the Bangladesh-based Daily Star in February last year, entailed the high capacity and maintenance charges regardless of whether it generates any electricity. The reportage held it was "very high" by industry standards.

### Why does Bangladesh need imports?

- ▶ The answer is underutilisation. Bangladesh has made notable progress in expanding electricity access, especially in rural areas.
- ▶ However, notwithstanding the increase in electricity generation, India's South Asian neighbour continues to experience fuel and gas supply constraints, thus, contributing to the underutilisation of its power plants.
- ▶ In fact, in July 2022, Bangladesh had sought support from the International Monetary Fund (IMF) to cushion itself against a financial shock originating from volatile energy prices after Russian actions in Ukraine.
- ▶ This was after the country experienced blackouts, sometimes up to 13 hours a day, as utilities struggled to source enough diesel and gas to meet demand, AFP had reported.
- ▶ Separately, Hasan Mehedi, Bangladesh-based activist specialising in matters relating to power and climate change, also pointed to "serious levels of overcapacity in Bangladesh".
- ▶ Quoting official figures, Mr. Mehedi pointed to total power generation capacity as on June 30 this year being 28,098 MW, of which the highest power generation was scaled at 16,477 MW — an unutilised idle capacity of about 11,621 MW.

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- ▶ On the potential impact to Bangladesh from the latest development, Mr. Mehedi said, "Even if the supply is stopped totally, the impact would last for 2 to 3 days because of the sudden nature, but not in the long-term."

**UPSC Prelims PYQ : 2023**

**Ques : Consider the following statements:**

**Statement-I:** India accounts for 3.2% of global export of goods

**Statement-II:** Many local companies and some foreign companies operating in India have taken advantage of India's 'Production-linked Incentive' scheme.

**Which one of the following is correct in respect of the above statements?**

- a) Both Statement-I and Statement-II are correct and Statement-II is the correct explanation for Statement-I
- b) Both Statement-I and Statement-II are correct and Statement-II is not the correct explanation for Statement-I
- c) Statement-I is correct but Statement-II is incorrect
- d) Statement-I is incorrect but Statement-II is correct

**Ans: d)**

## Location In News : Shiveluch Volcano

Recently, Shiveluch volcano in Russia erupted after a 7.0 magnitude earthquake that struck off the eastern coast of the country.



### About Shiveluch Volcano:

- **Location:** It is located around 280 miles from Petropavlovsk-Kamchatsky, in Russia's Kamchatka.
- It is one of the largest and most active volcanoes in Kamchatka, having erupted at least 60 times in the past 10,000 years.
- **It has two main parts:**
  - Old Shiveluch, which tops 3,283 metres (10,771 ft), and
  - Young Shiveluch– a smaller, 2,800-metre peak protruding from its side.
  - Young Shiveluch lies within an ancient caldera – a large crater-like basin that likely formed when the older part underwent a catastrophic eruption at least 10,000 years ago.
- The volcano has been continuously erupting since August 1999, but occasionally undergoes powerful explosive events, including in 2007.

### Key facts about Kamchatka Peninsula

- It lies in far eastern Russia, between the Sea of Okhotsk on the west and the Pacific Ocean and Bering Sea on the east.

- ▶ It is one of the world's most concentrated areas of geothermal activity, with about 30 active volcanoes.
- ▶ It is about 1,200 km long north-south and about 480 km across at its widest.

**UPSC Prelims PYQ : 2013**

**Ques : Consider the following:**

1. Electromagnetic radiation
2. Geothermal energy
3. Gravitational force
4. Plate movements
5. Rotation of the earth
6. Revolution of the earth

**Which of the above are responsible for bringing dynamic changes on the surface of the earth?**

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

**Ans: (d)**

Page : 09 Editorial Analysis  
*The tyranny of inequality*

**H**onore De Balzac, a French novelist, wrote, "Behind every great fortune there is a crime." This is at best a half-truth as it overlooks that income/wealth accumulation also breeds serious offences/crimes. As we argue, based on an analysis of the Gallup World Poll (GWP) Survey for India (2019-23) and the Centre for Monitoring Indian Economy (CMIE)'s Consumer Pyramid Household Survey, income inequality breeds corruption in the intersection of government and business – for example, in the approval of contracts by public officials of mega infrastructure projects (highways, bridges, ports) to be built by rich and influential private investors. Once rich, the greed for more wealth negates moral qualms in pursuing corrupt strategies. Indeed, wealth accumulation becomes easier too – for example, through share market manipulation, political lobbying to secure contracts for big infrastructure projects, and investments in off-shore funds.

In a recent study, Thomas Piketty et al have drawn attention to an astounding escalation of wealth and income inequality in India over the last few decades, especially between 2014 and 2022. The top 1% control more than 40% of total wealth in India today, up from 12.5% in 1980. The top 1% of income earners made 22.6% of the total pre-tax income, up from 7.3% in 1980. India is now among the most unequal countries in the world, yet few studies in recent times analyse the perverse effects of rising economic inequality.

**The methodology**

Our objective is to explore the relationship between income inequality and corruption. Specifically, we investigate whether higher income inequality fed corruption between government and business in the 2014-22 period. Since the two recent National Sample Survey (NSS) rounds of household expenditure for 2018 and 2022 are not directly comparable to the NSS



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Higher income inequality causes more widespread corruption, while greater confidence in the judiciary curbs it

round for 2012, GWP and CMIE data are the fallback options. As the GWP has a small sample, its representativeness of a country as large and diverse as India cannot be taken at face value. But it has several merits, including data on variables such as corruption which are not easy to measure.

We have used the Piketty measure of income inequality, which is defined as the ratio of the share of top 1% to that of the bottom 50% of the population in total income. Although inequality in consumption expenditure distribution is usually lower than that of income distribution, we have preferred the former because of its greater reliability. Corruption is generally defined as the use of public office for private gain and thus leaves out corruption within businesses (for example, insider trading). So, a broader and more comprehensive definition is the use of public resources by executives in both public and private sectors for private gain without, of course, overlooking the role of politicians. The GWP asks the question whether corruption is widespread and if the answer is yes, it is taken as 1. By adding these up, we obtain a measure of corruption. Thus the measure of corruption is based on individual perception. There are three manifestations of corruption: in government, businesses, and the intersection between government and businesses. We focus on the relationship between inequality and corruption in this intersection – for example, whether award of contracts by the government to build ports is influenced by bribes offered by rich investors.

Corruption has risen following globalisation as natural resources have become more valuable, and regulatory agencies licensing their allocation are more subservient to powerful business interests and corrupt public officials. Besides, success of the 'Make in India' scheme has been elusive so far as none of the macro-economic indicators such as manufacturing, FDI, exports, and employment

have registered an increase. Worse, as argued in a Carnegie India essay (2023), hike in import tariffs and tax cuts have been distortionary.

**Findings**

This means that there is a possibility of greater rent-seeking by rich and influential investors. Rent-seeking is defined as the use of resources to capture an unwarranted monetary gain from external elements, such as government/public agencies, be it directly or indirectly, without giving anything in return to them or society. An economic rent causes dissipation of resources that is potentially more serious than the waste associated with the rent itself. Groups struggling for the rents invest time and money in the transfer of wealth rather than in the creation of wealth. Since corruption in the intersection of government and business remained high between 2014 and 2022, it is not unlikely that rent-seeking persisted at a high level too. Without going into the merit of the allegations by Hindenburg of the involvement of the SEBI chair and her husband in the Adani Group off-shore fund, and the slowing of the SEBI probe, it may well be symptomatic of a larger and growing malaise.

We find that income inequality was fuelled largely by speculative investments (such as mutual funds), while savings in FDs and post offices curbed it. Trust in the judiciary was driven by the conviction rate and moderated by its square, implying that trust rose but at a diminishing rate. We find that higher income inequality causes widespread corruption, while greater confidence in the judiciary curbs it.

While the Budget missed the opportunity to tax the rich at a higher rate, greater transparency and accountability of regulatory agencies remains a chimera. Both a more competitive political system and private businesses are daunting challenges but their potential for a more prosperous India is hard to dispute.



**GS Paper 01 : Indian Society : Social Empowerment**

**(UPSC CSE (M) GS-1 : 2017)** It is argued that the strategy of inclusive growth is intended to meet the objective of inclusiveness and sustainability together. Comment on this statement. (150 words/10m)

**Context :**

- A recent study by Thomas Piketty and colleagues highlights a dramatic rise in wealth and income inequality in India over the past few decades, with a sharp increase particularly from 2014 to 2022.

**The analysis from " Gallup World Poll (GWP) Survey (2019-23)" for India**

- **Note:** The GWP measures corruption through individual perceptions, asking respondents whether they believe corruption is widespread.
- **Income Inequality:** The survey data indicates a significant rise in income inequality, with the top 1% controlling over 40% of total wealth in India, a stark increase from 12.5% in 1980.
- The top 1% of income earners now receive 22.6% of the country's total pre-tax income, up from 7.3% in 1980.
- **Rent-Seeking Behavior:** The persistence of rent-seeking behavior among wealthy investors, which diverts resources from productive uses to securing unwarranted gains from government entities.
- **Judicial Trust and Corruption:** Trust in the judiciary can play a significant role in curbing corruption. Higher trust correlates with lower perceived corruption levels.
- **Mutual Fund vs Fixed deposits:** Speculative investments, such as mutual funds, largely drive income inequality, while savings in fixed deposits and post offices help curb it.
- **Inequality promotes corruption:** The study finds that higher income inequality causes widespread corruption, while greater confidence in the judiciary helps reduce it.

**What is our present methodology for counting inequality?**

- **Piketty's Measure:** Thomas Piketty's measure compares the income share of the top 1% to that of the bottom 50%. This highlights the growing disparity in income distribution effectively.
- **Consumption vs Income Inequality:** Inequality is traditionally measured using consumption expenditure surveys by the National Sample Survey Office (NSSO). However, consumption inequality tends to be lower than income inequality.
- **Use of Multiple Data Sources:** Researchers often combine data from various sources, including national accounts, tax data, and recent surveys like the Periodic Labour Force Surveys (PLFS) and Consumer Pyramid Household Survey (CPHS).
- **Gini Index and Other Metrics:** The Gini index is frequently used to quantify inequality, but it has limitations, being less sensitive to changes at the income distribution extremes.

### Issues Associated with measuring income inequality:

- **Data quality and availability:** There has been a noted decline in the reliability of household surveys since 2011-12, making it difficult to obtain accurate and comparable data. For example, The 55th NSS round showed a dramatic decline in poverty estimates, which many experts deemed misleading due to the survey's methodological flaws.
- **Underreporting of wealth:** Surveys may underreport wealthier households' consumption, leading to inaccurate inequality assessments. For example, the Household Consumption Expenditure Survey (HCES) 2022-23 reported a significant drop in rural and urban poverty levels. However, critics argue that these figures may not accurately reflect the reality of wealthier households
- **Comparability with other countries:** India's reliance on consumption data rather than income data can result in mischaracterization as a low-inequality country in international comparisons.
- **Focus on labor income:** Some reports focus only on labor income, ignoring other income sources and skewing the understanding of overall inequality. For example, studies have shown that the income share of the top 10% in India has grown significantly, while labour income alone does not reflect this concentration adequately
- **Complexity of income dynamics:** Accurately assessing inequality is challenging due to the influence of economic policies, globalization, and market forces. For instance, Researchers have noted that the absence of comprehensive tax data beyond 2017-18 adds uncertainty to the analysis of income inequality trends

### Way forward:

- **Improve Data Collection and Methodologies:** There is an urgent need to enhance the quality and reliability of household surveys and other data sources.
- **Broadening Income Metrics Beyond Labor Income:** To better capture the full spectrum of income inequality, it's essential to include non-labor income sources, such as capital gains, property income, and speculative investments.

## European Union

- ▶ The European Union is a 1993 international organization made up of European countries. It came into effect after 28 countries signed the Maastricht Treaty. The European Union now has 27 members (the UK made an exit from the EU on 31st January 2020).
- ▶ The last country to enter the EU was Croatia in 2013. It was established on November 1, 1993. The headquarters are based in Brussels and Luxembourg.



**What is European Union?**

- The European Union is a 1993 international organization made up of European countries.
- It came into effect after 28 countries signed the Maastricht Treaty.
- The Treaty of Maastricht is also known as the Treaty of the European Union (TEU). The city of
- Maastricht is located in the Netherlands.
- It was amended three times. The amendments are:
  - The Amsterdam Treaty (1997)
  - The Nice Treaty (2001)
  - The Lisbon Treaty (2007)
- There are 24 official languages of the European Union.
- The Euro is the official currency of 19 of these countries. 9 EU members do not use the euro: Bulgaria, Croatia, Czech Republic, Denmark, Hungary, Poland, Romania, Sweden, and the United Kingdom.
- The EU arose from a desire to create a unified European political entity to put an end to decades of conflict between European countries, which peaked in World War II and annihilated most of the continent.
- The EU has created an internal single market by establishing a uniform set of regulations that apply to all member states in situations where they have agreed to function as one.

### **Member Countries of the EU : 27**

- Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden.
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