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APRIL 20



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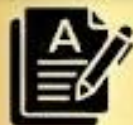
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Differentiating welfare and development

In contemporary democratic politics, development has emerged as a central electoral promise, often framed as a politically resonant goal that transcends ideological divides. Political actors deploy the language of development to signal commitments to economic growth, infrastructure expansion, employment generation, and improved public services, thereby appealing to a broad spectrum of voters. In India, development-oriented campaigns have increasingly emphasised visible and tangible outcomes such as infrastructure, roads, housing etc. However, the political assurance of development can obscure distributional concerns, mask inequalities, or reduce complex socio-economic challenges to simplified slogans. Political parties' claims of delivering development are ridden with confusion between welfare and development and the pace with which development manifests.

Complementary but different

The confusion between welfare and development arises from their frequent overlap in political and policy discourse. Welfare typically refers to immediate, redistributive interventions aimed at alleviating poverty, reducing vulnerability, and ensuring basic needs such as food security, income support, and access to essential services. Development, in contrast, denotes a broader, long-term process of structural transformation involving sustained economic growth, productivity enhancement, and expansion of human capabilities. However, in practice, the boundaries between the two often blur. This conflation is evident in the Indian context, where large-scale social protection programmes coexist with ambitions of rapid economic growth. The persistence of confusion lies in the differing time horizons and objectives: welfare is often short-term and consumption-oriented, while development is long-term and



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The views expressed
are personal

Conflating
populist welfare
promises and
long-term
development
goals poses
significant risks
as it prioritises
short-term
political gains
over long-term
economic
capacity

production-oriented. A more coherent approach requires recognising welfare and development as complementary rather than interchangeable.

Tensions persist between welfare provisioning and development objectives, particularly in the context of fiscal constraints and concerns about efficiency. Excessive redistribution may distort incentives and crowd out productive investment. The design and quality of welfare programmes are critical determinants of their developmental impact, as poorly designed interventions may lead to leakages, exclusion errors, and limited effectiveness.

Political claims of delivering development often refer to short-term visible outcomes. Development is best understood as an incremental and long-term process rather than a series of discrete, short-term achievements. It involves the gradual transformation of economic structures, institutional capacities, and social outcomes over extended periods, often spanning decades. Unlike episodic policy successes or visible infrastructure projects, development unfolds through cumulative improvements in productivity, human capital, technological adoption, and governance systems. Scholars have emphasised the role of institutions in shaping this evolutionary trajectory, highlighting that sustainable development depends on the slow consolidation of rules, norms, and state capacity. Similarly, the capability approach associated with Amartya Sen underscores that expanding human freedoms – through education, health, and social inclusion – is a gradual process requiring sustained public investment and policy continuity. This perspective cautions against viewing development through the lens of immediate outcomes or electoral cycles, and instead frames it as a continuous, path-dependent process where incremental gains, if consistently

reinforced, lead to substantive and durable transformations. The notion of “quick development” as promised by political parties reflects a persistent fallacy in policy and political discourse, rooted in the expectation that complex transformations can be achieved within short time frames.

Dangers of welfare populism

Public goods such as quality schooling, public health systems, infrastructure, and rule of law are generally more conducive to long-term development than welfare populism. They raise productivity and generate broad, economy-wide benefits over time. Because they are non-excludable and produce strong positive externalities, their impact tends to be durable, cumulative, and inclusive. In contrast, populist ‘development welfarism’ such as politically motivated transfers which include free electricity, loan waivers, or cash handouts prioritise immediate consumption gains and electoral appeal. While these measures can provide short-term relief, they often do not expand productive capacity. Importantly when overused, they can strain public finances and crowd out investment in public goods. However, well-designed welfare schemes such as nutrition support, employment guarantees, or basic income floors can enhance human capabilities, reduce vulnerability, and even improve productivity. The problem is not welfare per se, but populist and fiscally unsustainable welfare that substitutes for, rather than complements, development.

Conflating populist welfare promises and long-term development goals poses significant risks as it prioritises short-term political gains over long-term economic capacity. The challenge for policymakers lies in designing welfare systems that are fiscally sustainable, institutionally robust, and aligned with long-term objectives. It is time that election manifestos acknowledge this and embark on reformations.



- **Key Terms and Explanations**

- **Development:** A multidimensional process involving structural changes in the economy (e.g., shifting from agriculture to industry), improved institutional capacity, and the expansion of human capabilities.

- *Example:* Building a nationwide high-speed rail network or establishing a robust R&D ecosystem.

- **Welfare:** Redistributive measures aimed at providing immediate relief to vulnerable sections of society to ensure a basic standard of living.

- *Example:* The Direct Benefit Transfer (DBT) for cooking gas subsidies or free food grains under PMGKAY.

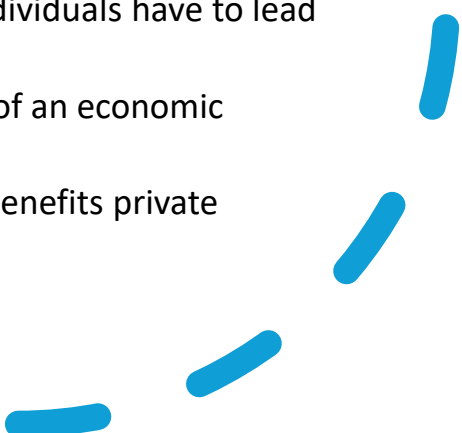
- **Developmental Welfarism (Populist Welfarism):** A hybrid political strategy where welfare measures (often "freebies") are marketed as "development" to secure immediate electoral support.

- **Public Goods:** Services or commodities provided without profit to all members of a society, characterized by non-excludability and non-rivalry.

- *Example:* Clean air, national defense, or a public street lighting system.

- **Capability Approach:** A functional framework developed by Amartya Sen which argues that development should be measured by the "freedom" or "capability" individuals have to lead the kind of lives they value.

- **Positive Externalities:** Benefits enjoyed by a third party as a result of an economic transaction or policy.

- *Example:* An educated workforce (due to public schooling) benefits private companies and the overall economy, not just the students.
- 

- **Main Arguments and Substantive Parts**
- **The Core Thesis**
 - The central argument is that while welfare and development are complementary, their frequent conflation in political discourse leads to "quick development" fallacies. This prioritizes visible, episodic achievements over the slow, cumulative institutional growth required for true national transformation.
- **Key Points of Contention**
 - **Time Horizons:** Welfare is consumption-oriented and short-term; development is production-oriented and long-term.
 - **Fiscal Displacement:** Excessive spending on populist transfers (loan waivers, free electricity) often "crowds out" investment in essential public goods like healthcare and infrastructure.
 - **The Mirage of Visibility:** Political parties favor "tangible" outcomes (roads, houses) because they are easily branded, whereas "intangible" development (improving rule of law, quality of education) takes decades to show results and is harder to "sell" to voters.
 - **Quality of Intervention:** The impact of welfare depends on its design. If it enhances human capital (nutrition, education), it is developmental. If it merely fuels temporary consumption without building capacity, it is purely redistributive.



Historical Evolution of the Issue

Pre-Independence to 1950s: The emphasis was on "Nation Building." The Directive Principles of State Policy (DPSPs) embedded the idea of a welfare state, but the focus was on heavy industrialization (Mahalanobis Model).

1960s – 1970s: Era of "Garibi Hatao." Shift toward direct poverty alleviation and the Green Revolution to ensure food security (Welfare as survival).

1991 Reforms: Transition toward a market-linked developmental model. The state began retreating from direct production but increased its role in social safety nets.

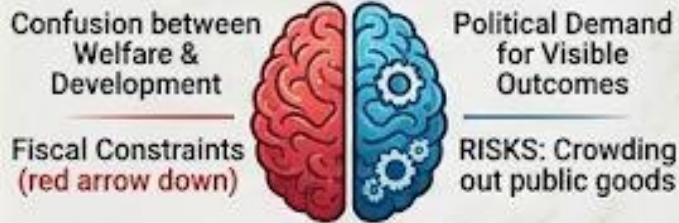
2000s (Rights-Based Approach): Introduction of MGNREGA, RTI, and RTE. Welfare was codified as a legal right.

2014 – Present (New Welfarism): A shift toward "saturated" delivery of tangible assets (toilets, gas connections, houses, tap water) combined with massive capital expenditure (Capex) on physical infrastructure.

DEVELOPMENT VS. WELFARE: CRITICAL DIMENSIONS FOR UPSC



THE CONFLATION & TENSION



POPULIST WELFARE TRAP



CUMULATIVE GROWTH PATH



UPSC CSE SYLLABUS LINKAGES

GS 2 • Governance • Economy	GS 3 • Ethics • Consumption
GS 4 • Economy • Ethics	Essay • Ethics • Distributive Justice

CAPABILITY APPROACH (AMARTYA SEN)



Expanding human freedom through health and ensure to expertise and brain health and education.

HISTORICAL EVOLUTION



THE WAY FORWARD

Balanced, sustainable policies for balancing eronomsteal levels:

- Fiscally sustainable welfare
- Investment in Public Goods
- Investment in Public Goods
- Investment in Pernoitarrions
- Investment in Peditable Policies

Logical and philosophical base

a) Logic of distinction: welfare vs development

Analytical clarity:

- For sound policy, one must distinguish between instruments (welfare transfers) and outcomes (development).
- Otherwise, short-term relief is mistaken for structural transformation.

Assumption:

- Development requires building productive capacity and capabilities; mere transfers cannot substitute for this.

b) Time-horizon logic

Welfare:

- Often operates on short- to medium-term horizons, addressing immediate deprivation.

Development:

- Requires patience, continuity, and long-term planning beyond electoral cycles.

Implicit critique:

- Electoral democracy tends to favour policies with visible, immediate payoffs, ignoring long gestation investments in human capital and institutions.

c) Philosophical underpinnings

Capability view of justice

- Justice demands that people have real freedoms (capabilities), not just formal equality or income.
- Evaluates welfare and development by their impact on substantive freedoms.

Republican and institutionalist view

- Good politics is not just about distributing benefits but about building robust institutions that secure the common good.
- Public goods (courts, policing, school systems) are central to citizens' status as free and equal members of a polity.

- **Multidimensional Analysis**

- **Social:** Welfare acts as a safety net for the marginalized; development provides them with social mobility.

- **Political:** Development is used as a tool for "incumbency validation," but populism is used for "voter mobilization."

- **Legal:** The tension between the "Right to Development" and "Welfare Rights."

- **Ethical:** Is it ethical to spend on future infrastructure when people are starving today? Conversely, is it ethical to bankrupt the future generation for today's consumption?

- **International:** India's global standing is linked to its GDP (Development), but its Human Development Index (HDI) is linked to its welfare efficiency.

- **Economic:** The "Crowding-out effect"—high fiscal deficits due to subsidies lead to higher interest rates for private investors.

- Linkages with NCERTs
- **Economics, Class 9 – “Poverty as a Challenge”**
 - Discusses poverty, social exclusion, and anti-poverty measures – a good base to distinguish welfare (anti-poverty programmes) from deeper development processes.
- **Economics, Class 10 – “Development”**
 - Introduces different indicators of development (income, HDI, education, health) and the idea that development means more than income – aligns perfectly with capability and public goods arguments.
- **Economics, Class 11 – “Indian Economy 1950–1990” and “Economic Reforms since 1991”**
 - Provide the historical background of India’s planning era, state-led development, and post-1991 reforms, allowing you to trace evolution from developmental state to welfare and populism.
- **Economics, Class 12 – “Poverty”, “Human Capital Formation in India”, “Infrastructure”, “Rural Development”**
 - These chapters help you link welfare schemes (poverty alleviation) with longer-term development pillars like education, health, infrastructure, and rural transformation.
- **Political Science, Class 11 – “Constitution as a Living Document”, “Rights in the Indian Constitution”**
 - Help connect welfare, DPSPs, and rights-based legislation to constitutional design and democratic accountability.
- **Political Science, Class 12 – “Politics in India since Independence”**
 - Offers a narrative of how Indian politics moved from planning to populism, coalition politics, and welfare expansion.

Linkages with UPSC CSE syllabus

GS Paper II

Topics:

- Welfare schemes for vulnerable sections, mechanisms and performance.
- Issues relating to development and management of social sector/services relating to health, education, human resources.
- Role of civil services and institutions in governance.

Use this conceptual framework to:

- Critically analyse specific schemes.
- Distinguish rights-based welfare from populism.

GS Paper III

Topics:

- Inclusive growth and issues arising from it.
- Government budgeting, fiscal policy, resource mobilisation.
- Infrastructure: energy, ports, roads, airports, railways etc.

GS Paper I

Topics:

- Post-independence consolidation and reorganisation within the country.
- Indian society – poverty, development issues, urbanisation.

GS Paper IV (Ethics)

Topics:

- Ethical concerns in public administration (political neutrality, probity, responsibility).
- Ethical issues in public policy and governance.

- **Way forward**

- **a) Conceptual and narrative reforms**

- Promote a clearer public conversation that distinguishes:
 - Capability-enhancing welfare vs consumption freebies.
 - Long-term development outcomes vs short-term outputs.
- Encourage political leaders, media, and academia to use sharper language and better indicators.
- b) Policy and design reforms
- Prioritise public goods:
 - Ring-fence budgetary allocations for health, education, local infrastructure, and justice delivery, even in election years.
- Redesign welfare:
 - Target schemes towards nutrition, learning, health, skilling, and employment, rather than one-off consumption goods.
 - Use technology for better targeting, but with safeguards for privacy and exclusion risks.
- c) Institutional and fiscal reforms
- Strengthen fiscal responsibility frameworks at Union and State levels.
- Create transparent mechanisms:
 - Pre-election disclosure of medium-term fiscal impact of manifestos.
 - Independent assessments (e.g., a fiscal council) to inform citizens about trade-offs.
- Enhance audit and evaluation capacity:
 - Regular social audits and outcome evaluations for major schemes.
- d) Democratic and ethical reforms
- Civic education:
 - Educate citizens about long-term benefits of public goods and human capital.
- Party-level reforms:
 - Encourage internal discussions within parties on sustainable welfare strategies.

Delimitation — a case of to be or not to be

A special session of Parliament to consider the Constitution (131st Amendment) Bill, 2025 – and also the Union Territories Laws (Amendment) Bill, 2026, and the Delimitation Bill, 2026 – for readjustment of Lok Sabha and Legislative Assembly seats across the country and implementation of reservation of seats for women in Lok Sabha and Legislative Assemblies (linking it to proposed fresh delimitation for which there was a separate Delimitation Bill) ended in a spectacular way. The proposed delimitation was to reallocate the number of Lok Sabha and State Legislative Assembly seats among States (and Union Territories with legislatures), and determine the territorial boundaries of each constituency, based on data from the 2011 Census. The total number of Lok Sabha seats was proposed to be increased to 850. The special session was convened at a time when electioneering for the ongoing Legislative Assembly elections is at its peak in West Bengal and Tamil Nadu, which did not go down well at all with several Opposition parties.

Law and practice

Articles 82 and 170 (3) of the Constitution require a readjustment of the number of Lok Sabha and Assembly seats in each State and the extent/boundary of every constituency, after each Census. The first delimitation exercise in independent India was carried out in 1950-51 by the Election Commission of India, in consultation with Parliamentary Advisory Committees established for various States. As the delimitation exercise could not await the completion of the 1951 Census, given the urgency of conducting elections at the earliest, the first delimitation was based on estimated population figures, as of March 1, 1950, as provided by the Census Commissioner.

After the completion of the first general election, a fresh delimitation did take place based on the 1951 Census as per the mandate of Articles 82 and 170. Subsequently, readjustment of constituencies, both in terms of number and boundary, was carried out after the Census in 1961 and 1971. The delimitation based on the 1971 Census was completed in 1976. Subsequently, the Forty-Second Amendment of the Constitution of India froze further delimitation until the Census



K.F. Wiltred
Former Senior
Principal Secretary
of the Election
Commission of India

of 2001. The temporary freeze on delimitation was introduced in the context of population control measures actively promoted by the Indira Gandhi government. It was intended to ensure that States successfully curbing population growth were not disadvantaged in terms of representation in Parliament and State Legislative Assemblies due to lower population figures, while States with higher population growth did not gain a corresponding increase in seats.

The issue of population growth

The temporary freeze on delimitation ended in 2008. However, the government led by Atal Bihari Vajpayee at the time decided that it was necessary to continue the freeze on the number of seats in the Lok Sabha and State Legislative Assemblies. The government decided to redraw the territories of constituencies to ensure *inter se* parity in terms of population across them, as this balance had been disrupted/disturbed due to large-scale internal migration of people in search of employment and livelihood since 1971. To this end, the Constitutional provisions were amended in order to provide that territories of the constituencies would be readjusted on the basis of the 2001 Census figures without altering the number of Lok Sabha or Assembly seats.

The Statement of Objects and Reasons in the Bill for the Constitution (Eighty-fourth Amendment) Act, 2001, *inter alia*, stated that, in view of the progress of family planning programmes across different parts of the country, the government – under the National Population Policy strategy – decided to extend the freeze on undertaking fresh delimitation up to the year 2026. This was intended as a motivational measure to enable State governments to continue pursuing the goal of population stabilisation.

Therefore, the apparent thinking at that point of time was that population growth would stabilise across all States within the next 25 years. As per the provisions of Articles 82 and 170(3), as amended in 2001 by the Eighty-Fourth Amendment Act, the freeze on further delimitation is to be in place until the population figures of the first Census to be taken after 2026 are published. In fact, a new national Census (against the delayed 2021 Census) is under way.

The Statement of Objects and Reasons of the current Delimitation Bill, 2026, *inter alia*, noted

that the growth of population across different constituencies along with migration from one place to another – especially rural to urban migration – “have resulted in varying density of population in electoral constituencies”; the Bill sought to address this issue. Ironically, for bringing about parity in population among constituencies, both intra-State and inter-States, the population figures of the 2011 Census were to be adopted – this means that the base data to be used for course correction or updating would have been 15-year-old population figures.

Looking ahead

There is nothing to suggest that migration has either stopped or slowed since 2011, or that population growth has stabilised uniformly across all regions. Against this backdrop, there is no assurance/guarantee that constituencies based on the 2011 Census would stand the test of parity or uniformity in terms of population – and, by extension, in the electorate – at the point when the delimitation exercise would have been completed.

It was quite likely that when constituencies are finally carved out a couple of years down the line, many of them would exhibit clear and evident real-time disparities when compared with the principles set out in the Statement of Objects and Reasons of the present Bill.

Article 81(2) of the Constitution provides that each State shall be allotted Lok Sabha seats in such a manner that the ratio of seats to population, as far as practicable, remains the same across all States.

There is no dispute that the letter of this Article only refers to population as a criterion. However, if we take a broader view, there would be inherent provisions in the Constitution to support the States to retain their scale of parliamentary representation. There may also be scope to incorporate additional parameters/markers alongside population, especially since the number of seats is expected to increase significantly this time, unlike the relatively modest/nominal increases in earlier exercises. After all, States are the component units forming the Union. Strong components will only strengthen the Union.

The views expressed are personal

The delimitation debate raises questions on representation and equity

- **Key Terms and Explanations**

- **Delimitation:** The process of redrawing boundaries of Lok Sabha and State Assembly seats to represent changes in population. It ensures the principle of "One Vote, One Value."

- **Articles 82 and 170(3):** These are the constitutional "triggers." Article 82 mandates that Parliament enact a Delimitation Act after every Census to readjust Lok Sabha seats. Article 170(3) does the same for State Legislative Assemblies.

- **Freeze on Delimitation:** A policy pause introduced by the 42nd Amendment (1976) and extended by the 84th Amendment (2001). It froze the number of seats based on the 1971 Census to prevent states with successful population control from losing political representation.

- **Parity (Inter-State and Intra-State):** *Inter-state parity* means a uniform ratio between population and seats across different states. *Intra-state parity* means all constituencies within a single state should have roughly the same number of voters.

- **Statement of Objects and Reasons:** A formal document attached to a Bill explaining why the legislation is needed and what it aims to achieve.



- **Main Arguments and Substantive Parts**

- The core thesis of the current debate revolves around the tension between **mathematical democratic representation** (population-based) and **federal equity** (rewarding performance).

- **Key Points:**

- **The 850 Seat Proposal:** The government seeks to expand the Lok Sabha from 543 to 850 seats. This addresses the massive increase in the electorate since 1971, where a single MP now represents millions, potentially diluting the quality of representation.

- **The 2011 Census Paradox:** The Bill proposes using 2011 Census data. Critics argue this is "stale data" (15 years old) that fails to account for massive migration and population shifts between 2011 and 2026.

- **Women's Reservation Linkage:** The implementation of 33% reservation for women (Nari Shakti Vandan Adhiniyam) is legally tied to the completion of this delimitation, making the exercise a prerequisite for gender parity in Parliament.

- **The Opposition's Stance:** Several parties, particularly from the South (Tamil Nadu) and West (West Bengal), view the timing as politically motivated, overlapping with state elections. More importantly, they fear a "Demographic Penalty"—where states that achieved replacement-level fertility lose their relative weight in the Union.

Historical Evolution of the Issue

Period	Milestone	Impact
1950-51	First Delimitation	Based on March 1950 estimates as the 1951 Census wasn't ready.
1952-1976	Post-Census Delimitations	Exercises followed the 1951, 1961, and 1971 Censuses.
1976	42nd Amendment	Froze seat allocation based on 1971 Census until 2001 to support family planning.
2001	84th Amendment	Extended the freeze until 2026; allowed redrawing boundaries (but not increasing seats) based on 2001 Census.
2023	106th Amendment	Introduced Women's Reservation, but made it contingent on the next delimitation.
2026	131st Amendment Bill	Proposed increasing seats to 850 and using 2011 Census as the base.



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DELIMITATION IN INDIA: A DECADAL EVOLUTION & 2026 PROPOSALS.

1951

Population-based

1976

42nd Amend.
42nd Amend.
Freeze - rewarding family planning

2001

84th Amend.
84th Amend.
Extension

2026 PROPOSALS

131st Amend., UT Laws Amend., Delimitation Bill

Increase Lok Sabha Seats to 850

Women's Reservation Linked (33%)

Based on 2011 Census

SOCIAL DIMENSION



Women's Reservation Prerequisite

Women's reservation preconditions is renunciation of ballots are rewarded opportunity to the coexisting Women's Reservation in India.



Improved Representation vs. Social Tensions

Women's reservation allocated to improved representation. Social tension to be resolved anticonstitutional and prereservations/constituencies.

Penalizing Performance

Northern Dominance

Southern Constituencies States

Northern Constituencies



LEGAL DIMENSION



- Constitutional Triggers: Articles 82 & 170(3)
- Stale Data (2011 Census) Legality (2011 Census) are parliament concerning constituencies, Articles 82 & 170(3)
- Tension between Proportionality & Stability (Constitution's to social constituencies)

WAY FORWARD



CHALLENGES

- **IMPLEMENTATION:** 33% Women's Rotation
- **FEDERAL STRENGTH:** Southern State Gearing & Loss of Clout
- **DEVELOPMENT HUIR:** Porchemar Romouu & Ddevelopment
- **DEVELOPMENT ANJIGLET:** Stadiation & Tamilities
- **FEDERAL STRENGTH:** Southern Terms Gearing & Loss of Clout
- **UPPER HOUSE** Delimitation

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Logical and Philosophical Base

Demographic Federalism: The logic of the 1976 freeze was that states are "partners" in a national mission (population control). To punish them for succeeding would be philosophically inconsistent with a "Union of States."

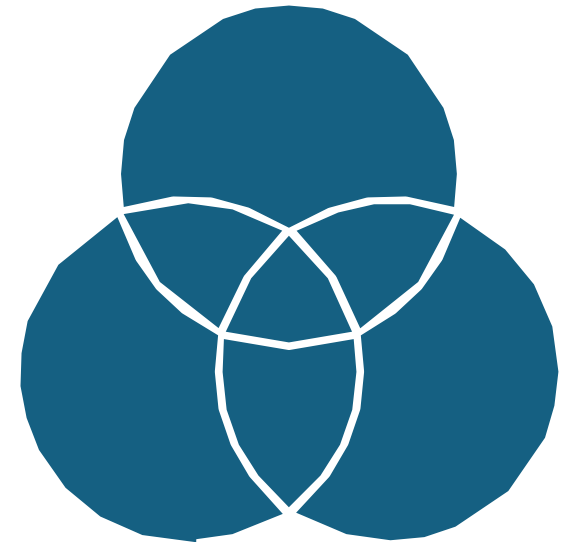
Proportionality vs. Stability: The current Bill relies on the principle of *proportionality* (Article 81)—that every citizen's vote should carry equal weight. However, the opposition relies on the principle of *stability*—that the federal contract shouldn't be altered to the detriment of developed regions.

Utilitarianism vs. Rights: The 850-seat expansion is utilitarian (better management of a large population), while the concerns of the South represent a "minority right" within a federal structure to not be overwhelmed by a "majoritarian" North.

- **Multidimensional Analysis**

- **Social:** Addresses the under-representation of women; however, may lead to North-South linguistic and cultural friction.
- **Political:** The ruling party may benefit from the population density in the Hindi heartland, while regional parties in the South fear marginalization.
- **Legal:** Tests the limits of Parliament's power to amend Articles 81 and 82.
- **Ethical:** Is it ethical to use population as the *only* metric for power, ignoring economic contribution and social development?
- **International:** A larger Parliament might align India more closely with other large democracies (e.g., the UK's House of Commons), but the internal friction could hurt India's "stable democracy" image.
- **Economic:** Southern states contribute a higher share to the national GDP/GST; losing political say while being the "bank" of the Union is a major economic grievance.

- Linkages with NCERTs
- **Class 9 Political Science – “Democratic Politics I”**
 - Chapters on “What is Democracy? Why Democracy?” and “Working of Institutions” touch on representation, elections, and Parliament.
- **Class 10 Political Science – “Democratic Politics II”**
 - Chapter “Elections and Representation” (or similar units) explains constituencies, reserved seats, and how votes translate into representation—ideal entry point to discuss delimitation logically.
- **Class 11 Political Science – “Indian Constitution at Work”**
 - Chapters on “Constitution as a Living Document,” “Election and Representation,” and “Federalism” provide the conceptual base to understand Articles 81, 82, 170 and federal tensions.
- **Class 12 Political Science – “Politics in India since Independence”**
 - Chapters dealing with Emergency and constitutional amendments, as well as coalition politics, help contextualise the 42nd and 84th Amendments and political motivations behind freezes.



Linkages with UPSC CSE Syllabus

GS Paper II

- Polity and Governance:
 - “Structure, organization and functioning of Parliament and State Legislatures.”
 - “Representation of People’s Act and other election-related issues.”
 - “Devolution of powers and issues and challenges pertaining to the federal structure.”
- Women’s reservation connects to issues of representation and empowerment.

GS Paper I

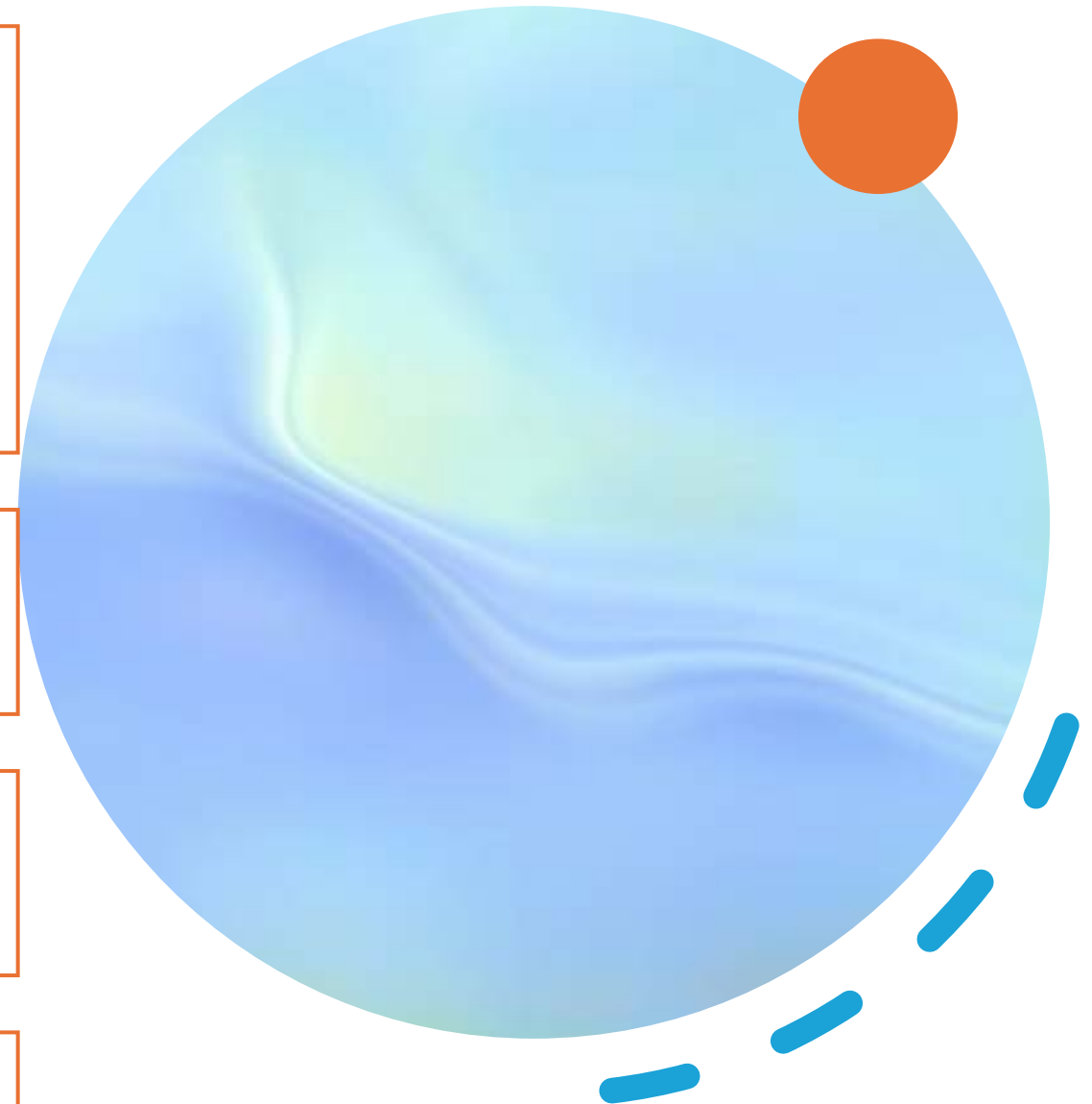
- Indian Society: demographic trends, migration, regional imbalances.
- Post-Independence history: major amendments and political developments (42nd, 84th, 106th Amendments).

GS Paper III

- Link with population policies, National Population Policy, and their impact on development and environment.
- Urbanisation, migration, and associated issues.

GS Paper IV (Ethics)

- Issues of fairness in representation, inter-generational justice (population control vs. representation), gender justice in political representation.



Way Forward

Use the latest feasible Census data

- Conduct the pending national Census at the earliest, and base delimitation on the most recent available figures, reducing the gap between demographic reality and representation.

Build a broad federal consensus

- Before finalising large-scale seat reallocation, convene an Inter-State council-type forum to negotiate principles, compensations (e.g., greater weight in Rajya Sabha, fiscal transfers), and timelines.

Phase-wise implementation

- Implement delimitation and reallocation gradually over two or three election cycles, limiting sudden shocks to State representation while steadily moving towards demographic parity.

Decouple women's reservation from indefinite delays

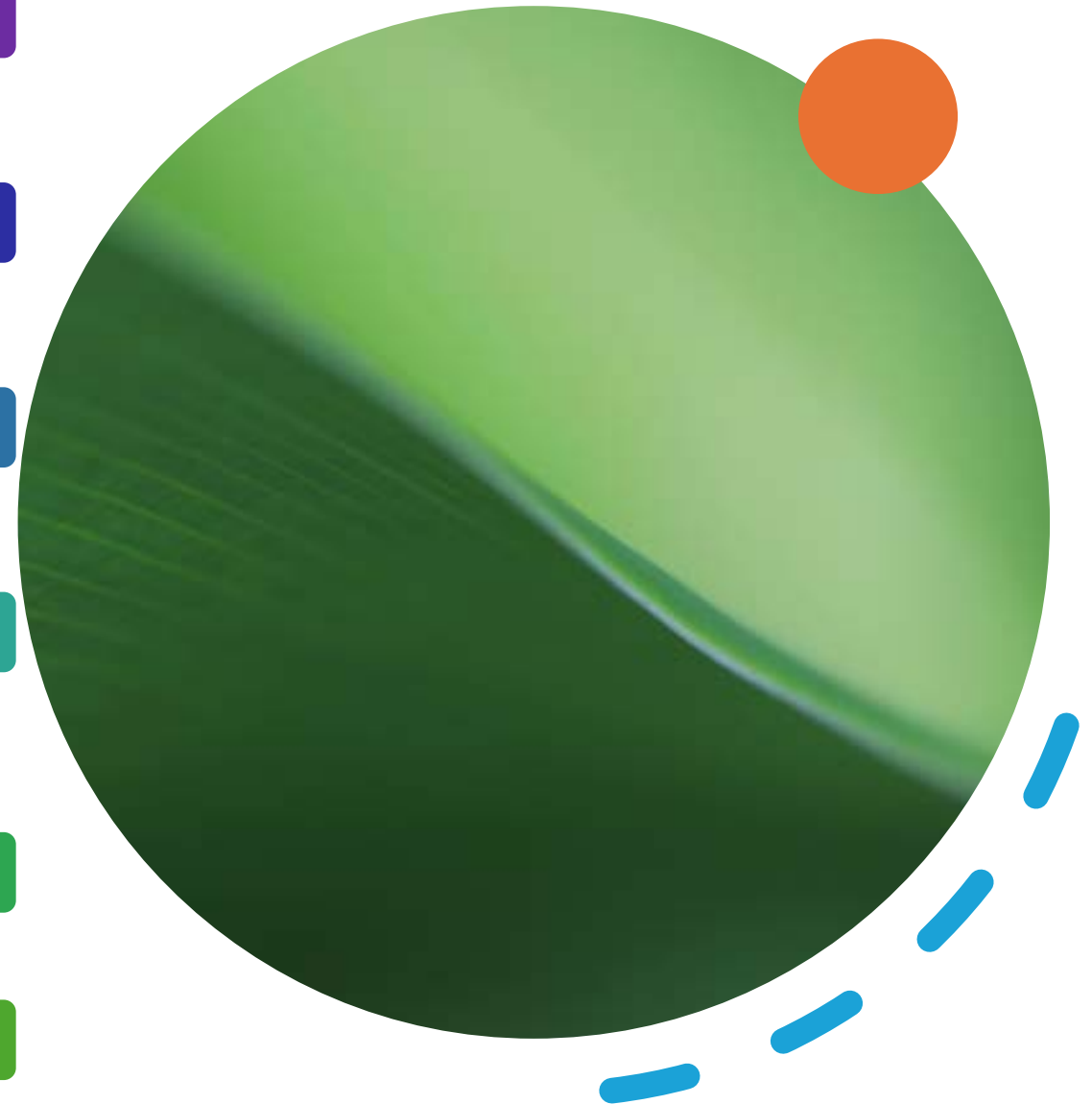
- Operationalise women's reservation through a time-bound, clearly scheduled delimitation; if delimitation is substantially delayed, consider interim mechanisms (e.g., rotation based on current constituencies) so that the constitutional promise does not remain only on paper.

Improve data granularity and transparency

- Use not just population totals but high-quality, disaggregated Census and migration data to draw logical boundaries, with public consultation and clear criteria.

Strengthen the Delimitation Commission's process

- Ensure independence, transparent criteria (population range per constituency, respect for natural and administrative units, community representation), and accessible grievance-redress mechanisms.



UPSC CSE – Prelims (Themes: Delimitation, Constitutional Amendments, Representation)

Questions on:

- Role and features of the Delimitation Commission.
- Effects of the 42nd and 84th Constitutional Amendments.
- Articles relating to representation, reservation of seats for SC/ST and women.

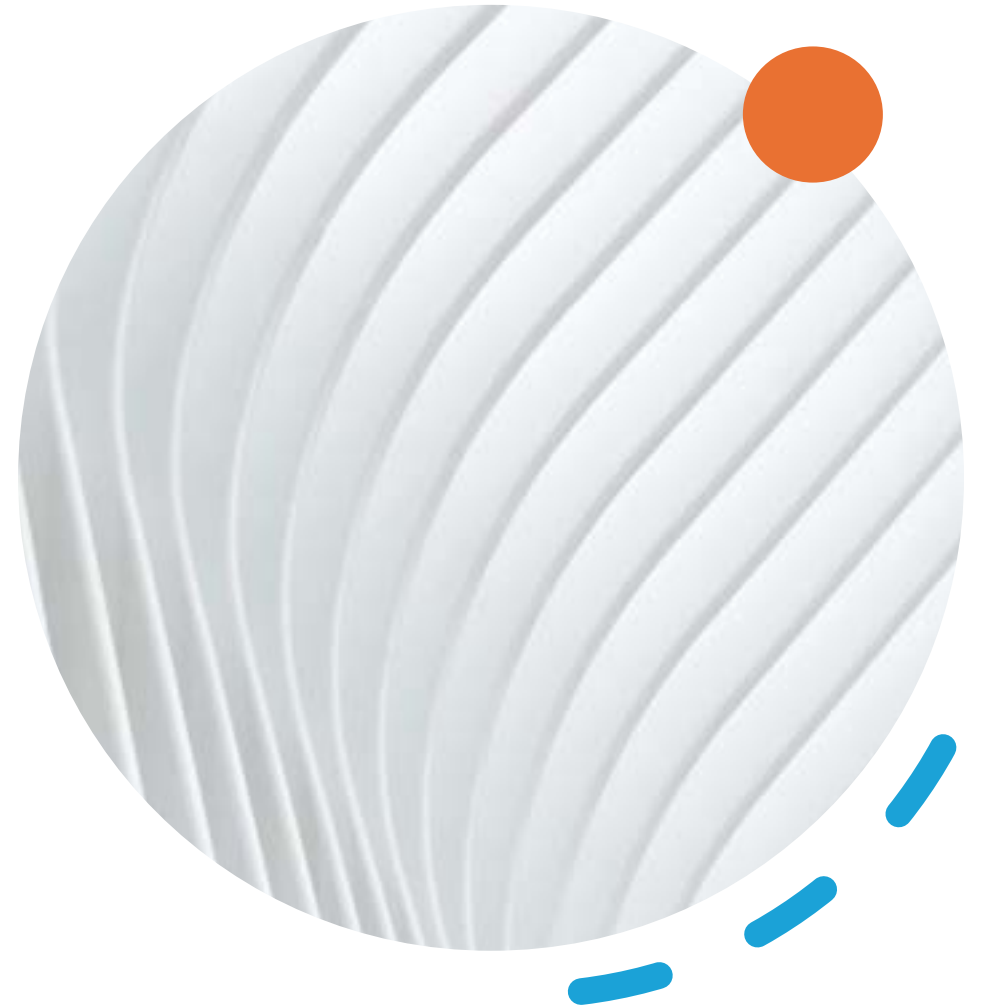
UPSC CSE – Mains

GS II – Polity

- Questions on “free and fair elections,” “issues with representation,” and “role of independent institutions like EC and delimitation bodies.”
- Questions asking to critically analyse the impact of constitutional amendments on the federal structure (42nd, 84th, 101st, 103rd, 106th etc. as examples).

GS I & II – Women’s Representation

- Questions on “Women’s representation in Parliament and State Legislatures – obstacles and measures taken,” directly linked to the 106th Amendment.



Lessons from US courts on social media liability

Even as Gen Z appears to have tentatively decided posting online is part and parcel of modern social media life, courts in the US have taken a strong stand, holding social media platforms liable for online harms, addiction, and its health ramifications. The Los Angeles county superior court's recent verdict in *KGM v. Meta et al* (KGM) could prove a watershed moment for a clear-eyed re-examination of intermediary liability. The notion of *de facto* safe harbor exemptions is often lost as social media platforms transition into business behemoths.

KGM has sparked a long delayed deep dive into the functioning and controlling interests driving social media. KGM is not the lone judicial decision pointing fingers at social media platforms for driving content towards users and/or adopting technologies or processes that have causal connects to online harms afflicting users. In *State of New Mexico v. Meta Platforms, Inc.*, the New Mexico department of justice succeeded in getting a \$375 million penalty imposed on Meta for endangering children by exposing them to sexually explicit material and to pedophiles.

That the intermediary exemptions were predicated on third-party sharing information on their platform is now reasonably well understood. The genesis of this principle — from the US Section 230 Communications Decency Act, 1996, to our own safe harbor exemption under Section 79 of the Information Technology Act, 2000 (as amended periodically) or the IT Act — has been acknowledged by the judiciary.

It is time India not only evaluate its social media regulations with more rigour but also analyse and delineate exemptions or protections given to social media — indeed, all intermediaries — for third-party information from other business ventures of such intermediaries. Any action, promotion, or dissemination of information other than that of genuine third parties should automatically call protection under Section 79 of the IT Act for such intermediaries. For instance, a social media platform promoting advertisements isn't merely providing an objective platform for third-party content; it is engaging consciously with third parties to continuously promote their products or services. It is thus no longer a passive platform. A platform disseminating its own content, as opposed to merely providing a base for third parties to use, is also not a passive platform. The "intermediary" tag does not — and



It is time India re-evaluated its social media regulations with more rigour. **RS Nappinai**

should not — protect platforms from liability if there is a blend of both third-party content and self-generated content. A gaming platform, for instance, that provides its own games and also hosts third-party content, should not be able to claim exemption or safe harbor protections with regard to its self-generated content.

India's safe harbor norms under Section 79 of the IT Act are explicit in qualifying and limiting the protection to only third-party content that a platform has no control over. However, a gap is perceived in its implementation — likely because of ignorance or misinterpretation — and needs to be resolved. The rules framed under Section 79 of the IT Act — the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, or the Intermediary Guidelines, which have been amended several times since 2021 — must stay within the realm of the parent Act when regulating third-party content.

The two American court judgments discussed here earlier posit that social media platforms ceased to be mere passive providers when they actively generated content and pushed the same onto users. This moves the narrative from intermediary liability to product- or service-liability, wherein the platform (like a search engine) of the harm — stemming from addiction, sexually explicit content harmful to minors, and sexual predators.

These two decisions may set the trend for many more pending cases in the US. But, they also become critical in the Indian context, where intermediary exemptions have been tightened periodically to reduce medium for compliance and to provide alternative solutions, particularly take-downs of harmful content.

Restricting access to social media for minors has been debated for years now. Hopefully, the above decisions — and more particularly, their grounding in access to material denuding the internal functioning of social media platforms — should ease the quandary the government faces (the chink between light-touch regulations to promote innovation and the need to protect users) and address regulatory impasse.

This will lay the foundation for stringent laws, not only in terms of restrictions, if any, but industry access to social media platforms but also on protecting the rights of all users against unscrupulous practices of social media platforms that harm their lives and safety. The Consumer Protection Act, 2019, leads the way for product- and service-liability in India, but this is limited to paid usage. Hence, a compensation framework applicable to intermediaries such as social media platforms — which offer their services free but earn substantially because of their user-base — for online harms through non-passive processes is essential. Indian users also still benefit from free classes, including class action litigation, to instances similar to those examined judicially in KGM and *New Mexico*.

RS Nappinai is a senior advocate practising before the Supreme Court of India, and is the founder of the non-profit, *Center for Health, The user-exposed* www.user-exposed.org



RS Nappinai

• Key Terms and Explanations

- **Intermediary**
 - Any entity that receives, stores, transmits, or provides access to information on behalf of others (e.g., social media platforms, search engines, ISPs, online marketplaces).
 - Example: A video posted on a platform by a user – the platform is an intermediary for that content.
- **Safe Harbour**
 - Legal immunity granted to intermediaries for unlawful content posted by users, provided they meet certain conditions (neutrality, due diligence, prompt takedown on notice, etc.).
 - Idea: “Don’t shoot the messenger” if the messenger is neutral and cooperative with the law.
- **Section 79, IT Act, 2000 (India)**
 - Provides safe harbour to intermediaries for “third-party information, data or communication link” hosted by them, subject to due diligence and conditions such as no “conspiracy, abetment, or inducement” and compliance with takedown orders.
 - Immunity is lost if the intermediary has actual knowledge of illegality and fails to act, or is actively involved in the unlawful act.
- **Third-Party Content**
 - Information created, uploaded, or shared by users, not by the platform itself.
 - Example: A user’s hate speech post on a social media platform is third-party content; the platform’s own promotional banner is not.
- **Passive vs Active Intermediary**
 - **Passive:** Neutral conduit; does not select or modify content, merely hosts or transmits.
 - **Active:** Curates, promotes, prioritizes, recommends, or monetises specific content, often using algorithms and contracts (ads, boosting, etc.).
 - Once “active”, the intermediary starts to look less like a mere messenger and more like a publisher or product designer.
- **Intermediary Guidelines (IT Rules), 2021**
 - Rules under Section 79 that prescribe due diligence obligations for intermediaries, including grievance redressal, takedown timelines, traceability for certain platforms, and additional duties for “significant social media intermediaries”.
 - They operationalise safe harbour conditions in practice.

- **Main Arguments and Substantive Parts**
- **Core Thesis:** The traditional "Safe Harbour" framework is obsolete in the era of algorithmically curated social media. Platforms are no longer neutral post-offices; they are active editors and publishers who profit from user engagement driven by manipulative design.
- **Key Points & Supporting Evidence (Derived from the conceptual framework):**
- **Judicial Shift in the US:**
 - **KGM v. Meta:** Argues that design choices causing addiction are *platform conduct*, not third-party content. This bypasses Section 230 immunity.
 - **New Mexico v. Meta:** The \$375 million penalty underscores liability for *failure to protect minors* from predictable harm (sexual predators and explicit content) facilitated by platform features.
- **The Indian Context - Gap in Implementation:**
 - **Law vs. Reality:** Section 79 of the IT Act provides immunity *only* for third-party information where the intermediary has no control. However, platforms exercise enormous control via **algorithms**.
 - **Argument:** When a platform promotes an advertisement or pushes a "Recommended" reel, it is engaging in **commercial speech** and **editorial control**. This should automatically end the protection under Section 79 for that specific action.
- **Distinction of Business Models:**
 - The "Free" model is an illusion. Users pay with **attention and data**. Since there is a barter transaction, the relationship should be subject to **Product/Service Liability** under frameworks like the **Consumer Protection Act, 2019**.
- **The Way Forward for India:**
 - **Delinking Protections:** Separate the liability for "passive hosting" from "active promotion."
 - **Regulatory Conundrum:** The Government of India is caught between promoting Digital India (light-touch regulation) and protecting citizens (stringent safeguards). The US judgments provide legal justification for stricter oversight without outright banning platforms.

Historical Evolution of the Issue

Understanding the timeline helps visualize the shift from utopian freedom to dystopian regulation.

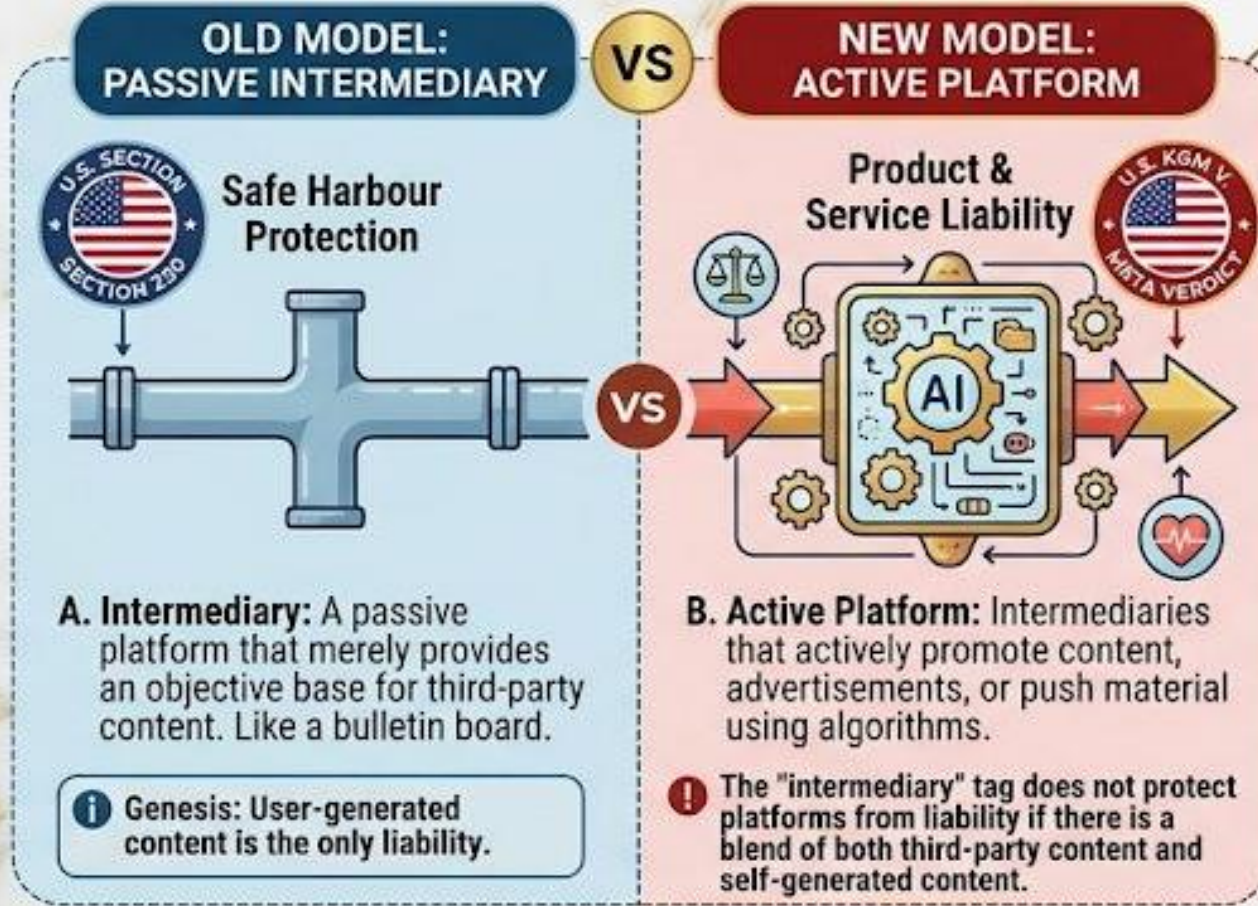
Period	Milestone / Event	Impact on Intermediary Liability
1990s (Pre-IT Act)	Advent of Internet in India; No specific cyber law.	Legal Vacuum. Intermediaries had no legal shield. They were at high risk of being sued for user content.
1996 (USA)	Communications Decency Act (CDA) Section 230 enacted.	Global Precedent. Created the "Good Samaritan" blocking to protect the nascent internet industry from litigation.
2000 (India)	Information Technology Act, 2000 enacted. Section 79 introduced.	Indian Safe Harbour. Provided immunity if the intermediary observes due diligence. <i>Initial version was very broad.</i>
2008 (Amendment)	IT (Amendment) Act, 2008 passed post-26/11 attacks.	Narrowing of Immunity. Section 79 was amended to remove immunity if the intermediary <i>conspired, abetted, or induced</i> the unlawful act.
2015 (Judicial Intervention)	Shreya Singhal v. Union of India (Supreme Court).	Constitutional Safeguard. SC read down Section 66A (punishment for offensive messages) but <i>upheld Section 79</i> . Crucially, it mandated that takedown must be based on court order or government notification ONLY , preventing arbitrary private censorship by platforms.
2021-2023 (Regulatory Overhaul)	IT (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 and subsequent amendments.	Shift to Active Compliance. Mandated appointment of Grievance Officers, traceability of first originator of messages (for significant social media intermediaries), and stricter timelines for takedown (24 hours for certain content).
2023-2024 (Global Reckoning)	US Supreme Court cases (<i>Gonzalez v. Google</i>); KGM v. Meta verdict.	Cracks in the Shield. Courts globally are now scrutinizing algorithmic amplification as a distinct act separate from mere hosting.

THE PARRADIGM SHIFT: SOCIAL MEDIA INTERMEDIARY LIABILITY

SHIFT FROM NOTICE
& TAKEDOWN TO
DUTY OF CARE



DEMOGRAPHICS & TRENDS:
Gen Z views posting as passé; India ponders bans.



EVALUATING INDIA'S SAFE HARBOUR NORMS (SECTION 79 IT ACT):
Must not extend to promotion or dissemination of advertisements or self-generated content.



ALGORITHMIC HARMS:
Liability for addiction, harm to minors, sexual predators.



PROTECTING RIGHTS OF ALL USERS
against unscrupulous practices.



TORT-CLAIMS, INCLUDING CLASS LITIGATION:
Applicable framework for non-passive processes.

A CLEAR-EYED RE-EXAMINATION OF INTERMEDIARY LIABILITY IS NEEDED.
AXIA IAS ACADEMY: PREPARING YOU FOR THE NEW CHALLENGES OF DIGITAL GOVERNANCE.

Website: axiaiasacademy.com
Contact: +91 6002-417488

Logical and Philosophical Base

The debate rests on a few fundamental philosophical tensions.

Logic of Neutrality vs. Agency:

- **Old Logic (Neutrality):** *"The platform is just a dumb pipe. Don't shoot the messenger."*
- **New Logic (Agency):** *"The pipe is actively sucking users in with a vacuum pump (algorithm). It is no longer neutral."*
- **Assumption:** The assumption that a platform can be both a **common carrier** (like a road) and an **advertising agency** (like a billboard owner) simultaneously is logically inconsistent.

Libertarian Philosophy vs. Welfarist State:

- **Libertarian (Free Speech Absolutism):** Any restriction on platform design is a restriction on how people communicate. The user is sovereign and responsible for their own addiction.
- **Welfarist (Paternalistic State):** The state has a duty of care (*parens patriae*) to protect vulnerable groups (minors) from sophisticated psychological manipulation (dark patterns, infinite scroll) designed to exploit cognitive biases.

Epistemology of Harm:

- **Knowledge of Harm:** Does Meta/Google *know* their product causes teen depression? (Whistleblower revelations like the *Facebook Papers* suggest **yes, they have internal research proving it**).
- **Causation:** The legal shift is moving from *"User posted it"* (Content Causation) to *"Algorithm fed it"* (Process Causation). This is the philosophical core of the **KGM** judgment.

Multidimensional Analysis

Dimension	Key Analysis Points
Social	Mental Health Crisis: Rising anxiety and depression among Indian adolescents linked to social comparison and cyberbullying. Digital Divide: Stricter age-gating may exclude rural children who rely on shared family devices from educational content.
Political	Election Integrity: Algorithmic amplification of fake news and hate speech influences voter behavior. The Model Code of Conduct currently has weak enforcement mechanisms against social media manipulation. Sovereignty: India's push for data localization and strict IT Rules is seen as an assertion of Digital Sovereignty against US-based Big Tech.
Legal	Conflict of Laws: IT Act 2000 vs. Consumer Protection Act 2019 vs. Bharatiya Nyaya Sanhita (BNS). There is a lack of a unified Digital Harms Act . Judicial Overload: If safe harbour is diluted, Indian courts will be flooded with defamation and product liability suits against platforms.
Ethical	Informed Consent: Are Terms of Service (written in dense legal English) valid consent for data harvesting and algorithmic manipulation in a country with diverse literacy levels? Right to be Forgotten: Should a platform be liable for not deleting old, irrelevant but true data?
International	Brussels Effect: The EU's Digital Services Act (DSA) is becoming the global standard. India can learn from DSA's risk assessment framework for Very Large Online Platforms (VLOPs). Geopolitical Tension: US-India relations are strained by Indian content takedown orders perceived as censorship in the US.
Economic	Digital Advertising Market: Algorithms drive the ₹30,000 Crore+ Indian digital ad market . Disabling targeting algorithms would crater this revenue, impacting the "Free" internet model. Creator Economy: Stricter rules on algorithmic promotion could hurt the livelihoods of millions of Indian influencers and small businesses who rely on discovery features.

- Linkages with NCERTs
- **Polity and Governance (Class 9–12 Political Science)**
 - Chapters on **democratic rights, freedom of speech and expression, limitations on rights, role of media, and accountability of state and non-state actors.**
 - Helps understand constitutional context of safe harbour and platform regulation.
- **Economics (Class 10–12)**
 - Topics on **markets, role of government, information asymmetry, public goods, and externalities.**
 - Online harms can be viewed as negative externalities requiring state intervention.
- **Sociology (Class 11–12)**
 - Chapters on **social change, mass media and communications, youth and socialisation, culture and identity.**
 - Useful to analyse social media's influence on social relationships, identity, and deviance.
- **Psychology (Class 11–12, for interested candidates)**
 - Topics on **human development, adolescence, stress and coping, influence of media on behaviour.**
 - Directly relevant to discussions on addiction and mental health.
- **Class 11–12 Informatics Practices / Computer Science (CBSE)**
 - Basic concepts of networks, internet, and cyber safety, which provide background for understanding intermediaries and online harms.

- Linkages with UPSC CSE Syllabus
- **GS Paper 2 (Polity and Governance)**
 - Government policies and interventions in various sectors.
 - Role of NGOs, SHGs, and civil society (digital rights groups).
 - Important aspects of governance: transparency, accountability, e-governance, and citizen charters.
 - Issues relating to freedom of speech, privacy, and regulatory institutions.
- **GS Paper 3 (Internal Security, Economy, Science & Tech)**
 - Cyber security and its challenges.
 - Role of media and social networking sites in internal security challenges.
 - Science and technology: awareness in the fields of IT, cyber-security, and emerging technologies.
 - Effects of liberalisation and globalisation on economy, impact of digital economy.
- **GS Paper 1 (Society)**
 - Salient features of Indian society; role of women and youth; population and associated issues.
 - Social empowerment, communalism, regionalism, and secularism – often mediated through digital platforms.
- **GS Paper 4 (Ethics)**
 - Ethics in public and private relationships; ethics of technology, media, and corporate responsibility.
 - Moral philosophers on autonomy, harm principle (e.g., John Stuart Mill), paternalism, and duty of care.

- **Way Forward**

- **Clarify and Tighten Safe Harbour**

- Amend Section 79 to explicitly state that safe harbour applies only to neutral hosting of third-party content.
- Exclude from protection: platform's own content, paid promotions, and content that the platform actively optimises for engagement.

- **Introduce Product/Service Liability for Platforms**

- Create statutory duties of care for social media and digital platforms, including duties to (a) assess risks, (b) design with safety, (c) warn users, especially minors.
- Link with Consumer Protection Act principles, but adapt them to "attention as consideration" models.

- **Child-Centric Digital Regulation**

- Age-appropriate design codes (default privacy settings, limits on targeted ads, no dark patterns for minors).
- Stronger verification mechanisms without excessive data collection; collaboration with schools and parents.

- **Transparency and Accountability of Algorithms**

- Mandate periodic risk assessments and transparency reports on algorithmic amplification of harmful content.
- Allow independent auditing by approved researchers or regulators while protecting trade secrets and privacy.

- **Strengthening Institutional Capacity**

- Build technical expertise in regulatory bodies, judiciary, and law enforcement to understand platform design and AI systems.
- Invest in digital literacy programmes so citizens can make informed choices and recognise manipulative design.

- **Balanced Enforcement and Safeguards Against Overreach**

- Judicial oversight for major blocking/takedown decisions; clear timelines and review mechanisms.
- Encourage self-regulation and co-regulation frameworks with civil society participation.

- **Encourage Research and Data Sharing**

- Require large platforms to share anonymised data with vetted researchers for independent studies on harms.
- Use evidence to continually update regulatory approaches and best practices.

- UPSC Mains – GS Papers
- **GS-2 (Polity & Governance)**
 - “Discuss the need for regulating social media platforms in India in light of increasing instances of fake news and online hate.”
 - “Examine the challenges in balancing freedom of speech with the need to curb misuse of social media.”
- **GS-3 (Internal Security & Technology)**
 - “Social media has emerged as a double-edged sword in internal security. Discuss.”
 - “How does cyber space pose new challenges to internal security? Suggest policy responses.”
- **GS-4 (Ethics)**
 - “With reference to digital platforms, discuss ethical issues arising out of data monetization and addiction-oriented design.”
- **Essay**
 - “Cyberspace and the future of democracy.”
 - “Technology as a friend and foe.”
- UPSC Prelims (Themes)
- Provisions of the IT Act, including intermediaries and cyber offences.
- Questions on the Consumer Protection Act, unfair trade practices, and misleading advertisements.
- Basic features of fundamental rights and reasonable restrictions.

WTO meeting: Another nail in multilateralism's coffin

RAJRISHI SINGHAL



is a senior journalist and author of 'Slip, Stitch and Stumble: The Untold Story of India's Financial Sector Reforms' @rajrishisinghal

If you want proof that multilateralism is limping and hobbling, all you have to do is look at the latest ministerial of the World Trade Organization (WTO) held last month. The talks ended without any consensus over a global trade deal, adding yet another episode to years of paused global trade agreements. It also amplified widening and irreconcilable gaps between the trade ambitions of rich countries and the developing world.

The stalemate closely follows the spectacle of another colossal multilateral failure: the United Nations' impotent response to Israel's genocidal war against Palestinians in Gaza and its ineffectual intervention in the pointless US-Israel war against Iran. This collapse of the global multilateral framework unfortunately presents greater risks for developing and poor nations.

The stalled WTO ministerial acted as a reminder once again of how rich nations have consistently sought to dominate global institutions and refashion global rules to the detriment of the developing and poor. Two

examples from the latest failed ministerial highlight this anomaly.

The first was Brazil's refusal to allow an extension of the duty-free electronic-commerce regime, which also found support from Turkey. Since the WTO system is based on consensus, Brazil's refusal to sign on the dotted line led to the ministerial collapse. The tariff moratorium on all electronic commerce transactions for goods and services has been in place since 1998, with exemptions renewed every two years. US lead trade negotiator Jamieson Greer pushed the envelope this year by demanding a permanent customs duty exemption for all manner of e-commerce. Brazil counter argued that such a regime could adversely impact the digital sovereignty and policy space of smaller nations.

There is a US domestic political angle here that is worth considering. The visible presence of multiple tech company leaders at Donald Trump's swearing-in suggested a mutually profitable relationship. In return for their key role in supporting his campaign, one of Trump's first presidential actions was to reverse a global tax deal that sought to rein in tax evasion by multinational corporations, especially tech companies; these companies usually scramble

accounts to avoid paying taxes in countries of operations and book profits in low-tax jurisdictions. Any 'permanent' deal to make e-commerce transactions exempt from duties is likely to benefit these companies and deprive developing countries of legitimate revenues.

The second instance was India opposing China's proposed Investment Facilitation for Development (IFD) agreement. The IFD proposes to install a global legal framework that ties members to cross-border investment rules and procedures. A draft agreement was finalized through a plurilateral arrangement under which 128 members, out of WTO's roster of 166, approved the pact. India contended that the draft agreement should have been first discussed at the WTO, in keeping with the institution's spirit of consensus, rather than a plurilateral agreement being presented as a *fait accompli*. It was also felt that such an agreement would reinforce and formalize an iniquitous regime of rich

rule-makers and poor rule-takers.

It is difficult to ignore the politics undergirding the IFD debacle. At a broader level, civil society organizations have criticized the agreement because it overwhelmingly burdens poor and developing countries with the onus of implementation, regardless of their

institutional capacity and without any corresponding responsibilities outlined for the investing states. At a more granular level, experts have pointed out that India's objection is primarily focused on limiting the enormous gains that the agreement delivers for China's Belt-Road Initiative (BRI), with a large number of the plurilateral signatories already BRI members.

India's principled objection also points to a larger structural deficit in the multilateral trade body. A concerted sabotage of the Doha round of talks on food security by rich nations—with some support from the past WTO leadership—has left many unresolved issues on the table, some of which have significant consequences for

citizens in poor and developing nations. Successive ministerials with food security on the agenda have seen rich countries filibuster and eclipse the agenda with some new item every time, such as trade facilitation during the December 2013 Bali ministerial. India has repeatedly clashed with advanced nations over norms for public stockholding of food grains, but a permanent solution continues to elude members. India has been using the peace clause, which allows developing nations to breach the public stockholding ceiling without any legal repercussions. This was, however, a temporary arrangement and India's attempts to forge a permanent solution at every ministerial have met with renewed stonewalling.

The Western narrative of trade reform which overlooked a fundamental normative approach to combining trade with development, had ironically found many supporters in India. Hopefully, their opinions would have now shifted after the America's unilateral tariffs and systematic choking of the WTO's dispute settlement system. A recent opinion piece in *The Wall Street Journal* pithily described US trade policy: "You can't complain about the rules of the game after you stop playing and strangle the referee."

Stalled trade talks highlight a growing gulf between rich and developing nations that's unbridgeable



- **Key Terms and Explanations**

- **Multilateralism:** A process of organizing relations between three or more states based on "generalized" principles of conduct.

- *Example:* The WTO itself, where 166 members negotiate collective trade rules.

- **Plurilateral Agreement:** A trade agreement between a subset of WTO members that is not mandatory for all.

- *Example:* The Investment Facilitation for Development (IFD) agreement, supported by 128 members but not all.

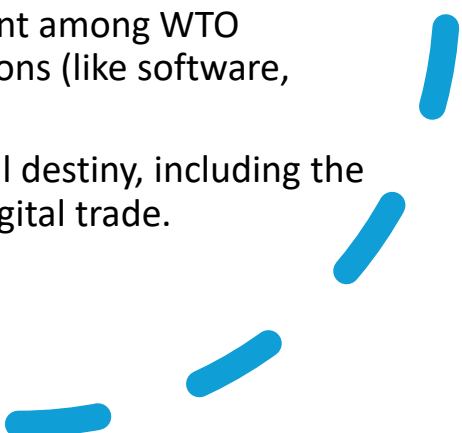
- **Public Stockholding (PSH):** A policy tool used by governments to procure food grains from farmers at a minimum support price and store them for food security and distribution.

- *Example:* India's Targeted Public Distribution System (TPDS).

- **Peace Clause:** A legal mechanism that protects a developing country's food procurement programs from being challenged in the WTO, even if they breach the subsidy cap (10% of production value).

- **Electronic-Commerce Moratorium:** A long-standing agreement among WTO members to not impose customs duties on electronic transmissions (like software, music, or digital data).

- **Digital Sovereignty:** The ability of a nation to control its digital destiny, including the protection of data, digital infrastructure, and the power to tax digital trade.



- **Main Arguments and Substantive Parts**

- The core thesis posits that **multilateralism is in a state of terminal decline**, evidenced by the WTO's inability to reach consensus and the UN's failure to address geopolitical crises.

- **Key Pillars of the Argument:**

- **Dominance of Rich Nations:** Global institutions are being refashioned to suit the interests of the "Global North," often at the expense of developing nations' revenues and policy space.

- **The E-commerce Divide:** The push by the US for a *permanent* customs duty exemption on digital goods is seen as a move to favor tech giants and deprive developing nations of legitimate tariff revenue.

- **Investment Facilitation (IFD) vs. Consensus:** India's opposition to the IFD is based on the principle that "plurilateral" deals should not be forced into the WTO's multilateral framework as a *fait accompli*.

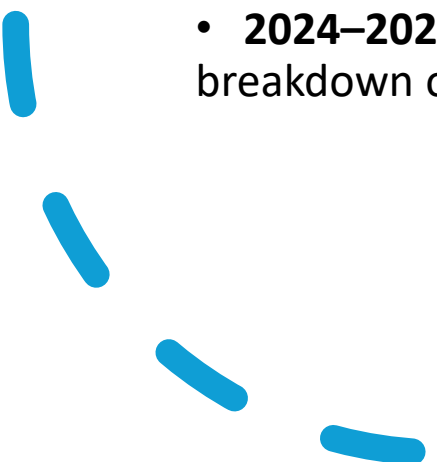
- **Geopolitical Sabotage:** The article suggests that the IFD is a vehicle for China's Belt and Road Initiative (BRI), and India's resistance is a strategic move to limit Chinese economic expansion.

- **The "Strangled Referee":** The US has effectively paralyzed the WTO's Dispute Settlement Mechanism (DSM) by blocking the appointment of judges to the Appellate Body, rendering the organization's "rules-based" system toothless.





- **Historical Evolution of the Issue**

- **1995:** WTO is established, replacing GATT, with a strong focus on a rules-based multilateral trading system.
 - **1998:** The E-commerce Moratorium is first adopted; it is intended to be temporary but has been extended every two years since.
 - **2001:** Launch of the **Doha Development Agenda**, aimed at making trade fairer for developing nations. Most of its goals remain unfulfilled.
 - **2013 (Bali Ministerial):** The "Peace Clause" is introduced as an interim solution for food security, allowing India and others to maintain grain stocks.
 - **2019–Present:** The US begins systematically blocking appointments to the WTO Appellate Body, leading to a "de facto" collapse of the dispute settlement system.
 - **2024–2026:** Failed ministerials (MC13 and MC14) highlight the move toward plurilateralism and the breakdown of the consensus model.
- 



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WTO MC14: BAROMETER OF MULTILATERALISM



PARALYSIS & PRECEDENTS

DISPUTE SETTLEMENT



STRANGLER REFEREE (US VETO)

DOHA DEVELOPMENT AGENDA



FILIBUSTER



PUBLIC STOCKHOLDING & FOOD SECURITY

KEY STALEMATES & CAUSES

E-COMMERCE DIVIDE



INVESTMENT FACILITATION (IFD)



AXIA'S COMPREHENSIVE ANALYSIS

(as a guide)

Historical Evolution

- These historical economies, the economy and economics
- The reutilizational and intension of chinars and underornonment recreation

Multidimensional Analysis



NCERT & SYLLABUS LINKAGES

- GS Paper 1 (GS-B)
- GS Paper 2 (G2-5)
- GS Paper 3
- GS Paper 5
- NCERT Classes
- CISC2 = 20

WAY FORWARD

Balanced solutions :

- Restoring the Referee
- Differentiated Responsibility
- Filibustered
- Restors differentiated Responsibility
- Differentiated Responsibility balanced solutions

Logical and Philosophical Base

Logic of Hegemony: The argument assumes that international organizations are not neutral but are arenas where powerful states project their domestic interests (e.g., US tech interests or China's BRI).

Philosophical Divide:

Legal Philosophy: Consensus vs. Plurilateralism. India argues for the sanctity of the **Consensus Rule** to protect the interests of the minority, whereas others advocate for "flexible" plurilateralism to avoid stagnation.

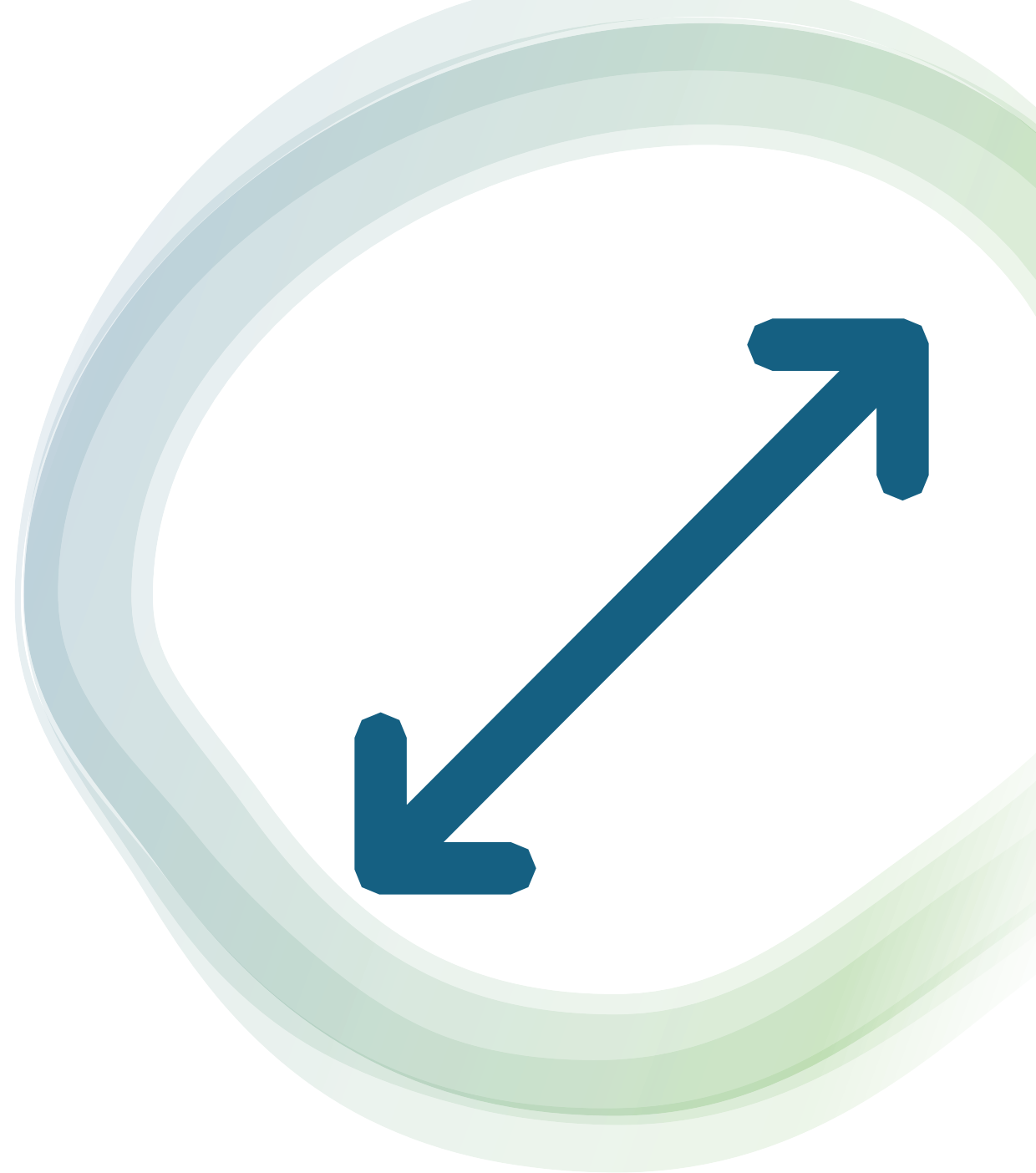
Market Liberalism: The "Rich Nation" view that free trade and zero duties (especially in e-commerce) drive global growth.

Developmental Realism: The "Developing Nation" view that policy space, digital sovereignty, and food security must precede market access.



- **Multidimensional Analysis**
- **Social:** Impact on food security for billions; digital divide widening if digital trade is untaxed and unregulated.
- **Political:** The rise of "Economic Nationalism" in the West (e.g., Trump's tariffs) vs. "Strategic Autonomy" in the East.
- **Legal:** The crisis of the Appellate Body; the tension between Annex 4 (plurilateral) and the main WTO agreement.
- **Ethical:** The morality of rich nations subsidizing their farmers at 200x the rate of developing nations while preaching "fair trade."
- **International:** The weakening of the UN and WTO signals a shift toward a multi-polar but fragmented world.
- **Economic:** Loss of potential revenue for Global South from e-commerce; potential for trade wars.

- Linkages with NCERTs
- **Class 10 – Economics, “Globalisation and the Indian Economy”**
 - WTO, trade liberalisation, role of MNCs, impact on workers and small producers.
 - This theme extends and deepens those discussions.
- **Class 11 – Economics (Indian Economic Development), chapters on “Liberalisation, Privatisation and Globalisation”**
 - Policy changes since 1991, integration with world economy, debates on globalisation benefits and costs.
 - Add WTO crisis and policy space debates as an advanced extension.
- **Class 11 – Political Science, “Constitution at Work” and “India’s Foreign Policy” (Political Theory and Indian Constitution units)**
 - Sovereignty, international organisations, NAM, South–South cooperation, and India’s role in global institutions.
 - Use the current WTO issues as contemporary case studies.
- **Class 12 – Politics in India since Independence, chapters on “India’s Foreign Policy”**
 - India’s stand on global economic issues, WTO negotiations, strategic autonomy.
- **Class 12 – Contemporary World Politics, chapter “International Organisations”**
 - Role of UN, WTO, IMF, World Bank; debates on democratisation of global governance.
 - The crisis of multilateralism directly fits here.



- **Linkages with UPSC CSE Syllabus**

- **GS Paper 2**

- International institutions, agencies and fora – their structure, mandate.
- Effect of policies and politics of developed and developing countries on India's interests.
- Important international bodies and groupings (WTO, UN system).
- Issues relating to poverty, hunger, and food security (via public stockholding).
- GS Paper 3
- Indian Economy and issues relating to planning, mobilisation of resources, growth, development and employment.
- Effects of liberalisation on the economy, changes in industrial policy, and their effects on industrial growth.
- Inclusive growth and issues arising from it (food security, employment).
- Infrastructure and investment models (link with IFD and BRI).
- Science and technology – IT and computers; issues relating to intellectual property rights and digital economy.
- GS Paper 1
- Globalisation and its effects on the Indian society.
- World history elements: colonisation, decolonisation, and evolution of global economic governance (background context).
- GS Paper 4 (Ethics)
- Ethics in international relations; moral dimensions of policies.
- Probity in governance at global level, fairness, equity, and justice in rule-making.
- Conflict of interest and lobbying (e.g., corporate influence on trade policy).



Way forward

Re-centering development in trade rules

- Reaffirm and strengthen Special and Differential Treatment, with clearer, enforceable commitments in agriculture, digital trade, and industrial policy.
- Move beyond vague promises to concrete flexibilities and technical assistance.

Reform of dispute settlement with safeguards

- Restore a functioning two-tier system with time-bound appointments, but allow calibrated flexibility (e.g., advisory opinions, mediation) to reduce adversarialism.
- Safeguards for food security and public health should be explicitly recognised in dispute outcomes.

Balanced digital trade framework

- A time-bound, conditional e-commerce moratorium linked to:
 - Genuine estimation of revenue losses for developing countries.
 - Technical and financial support to build digital infrastructure.
 - Policy space for digital industrial strategies.
- Include rules on platform accountability, data protection, and tax cooperation, not just market access.

Investment facilitation with development conditionality

- Investment regimes should incorporate obligations on investors: technology transfer, local employment, environmental safeguards, human rights due diligence.
- Differential implementation timelines for low-capacity countries, with financial support and capacity-building.

Inclusive and transparent negotiation processes

- Strengthen coalition-building among developing countries (G-33, LDCs, African Group) to negotiate as blocs.
- Ensure plurilateral initiatives remain open, transparent, and compatible with multilateral principles.

UPSC CSE – Prelims

Questions on:

- WTO functions, agreements (AoA, TRIPS, TRIMS, GATS).
- Special and differential treatment.
- Most-Favoured-Nation (MFN) and National Treatment.
- Fisheries subsidies agreement, e-commerce in WTO (recent years).
- Food security and public stockholding context.

UPSC CSE – Mains

GS-2

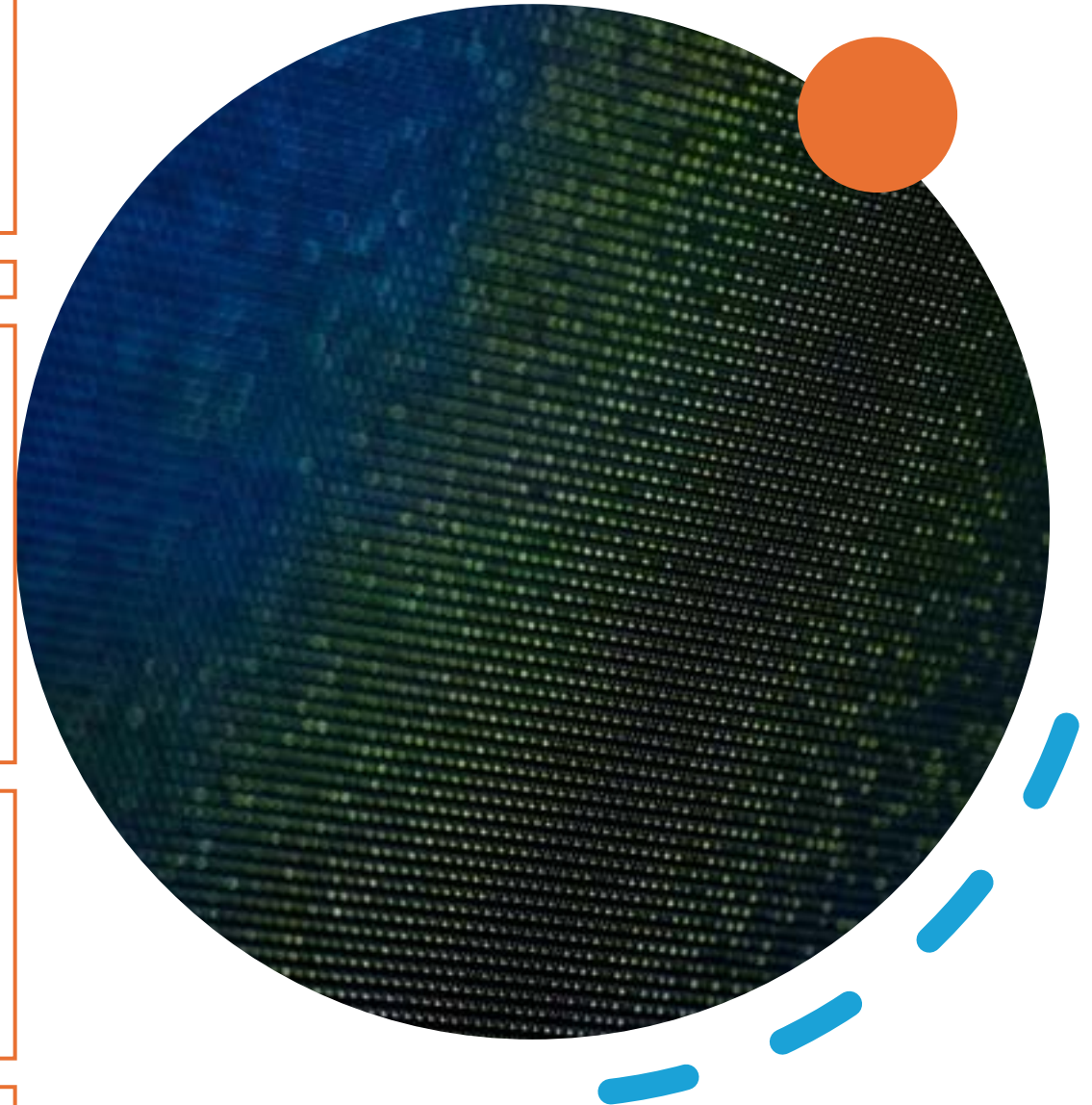
- Questions on:
 - “The WTO has failed to provide a level playing field to developing countries.” Discuss.
 - Role of WTO in promoting world trade; challenges faced by India at WTO.
 - Impact of developed countries’ agricultural subsidies on Indian farmers.
 - UN and its effectiveness in maintaining international peace and security (link to crisis of multilateralism).

GS-3

- Questions on:
 - Effects of liberalisation and globalisation on the Indian economy.
 - Food security, MSP, and WTO commitments.
 - Critically examine the impact of WTO agreements on India’s agriculture and small-scale sector.

Essay

- Topics related to globalisation, multilateralism, global governance, justice in international order, and digital economy.





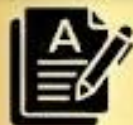
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