

AXIA IAS ACADEMY



**DAILY NEWS
ANALYSIS**



MAY 23



**CONSISTENT
COMPREHENSIVE
AND CREDIBLE**



**UNIQUE AND BEST IN
QUALITY**





AXIA

IAS ACADEMY

RISE ABOVE THE REST

UPSC CSE CLASSES - PRELIMS + MAINS + INTERVIEW GUIDANCE

- **EXPERT FACULTY & MENTORSHIP**
- **COMPREHENSIVE STUDY MATERIAL**
- **REGULAR TEST SERIES & EVALUATION**
- **CURRENT AFFAIRS & ANSWER WRITING FOCUS**
- **SMALL BATCH SIZES FOR PERSONAL ATTENTION**

axiaiasacademy.com

+91 6002-417488

RBI transfers record surplus of ₹2.87 lakh crore to Centre

BIG PAYOUT. Dividend to give near-term liquidity boost, but impact will depend on govt spending

Our Bureau
Mumbai

The Central Board of the Reserve Bank of India on Friday approved a record surplus transfer of ₹2.87 lakh crore to the Central government for FY26. Last year, the reserve bank had transferred ₹2.69-lakh crore.

"Despite the hefty dividend, markets may remain cautious amid rising risks of fiscal slippage, forex pressures and tighter policy expectations going ahead," said Madhavi Arora, Chief Economist at Emkay Global Financial Services.

Madan Sabnavis, Chief Economist at the Bank of Baroda, said the payout could alter the fiscal situation only if there are slippages on the expenditure or revenue side, "whether because of lower excise duty collections, higher subsidies or lower non-tax revenues such as support from oil marketing companies."

RISK BUFFER

The RBI board decided to transfer ₹1.09 lakh crore to the Contingent Risk Buffer

FISCAL CUSHION

- The RBI transferred ₹1.09 lakh crore to the Contingent Risk Buffer (CRB), up sharply from ₹44,861.7 crore last year, at 6.5% of balance-sheet
- Its balance-sheet expanded 20.6% y-o-y to ₹91.97 lakh crore as of March 31, 2026
- Gross income rose 26.4% in FY26, while net income before risk provisioning stood at ₹3.96 lakh crore



(CRB) for FY26, sharply higher than ₹44,861.7 crore a year earlier, with the buffer at 6.5 per cent of the balance-sheet. Under the revised Economic Capital Framework, the RBI must maintain the CRB within a range of 4.5-7.5 per cent of its balance-sheet.

"A key reason for the larger payout was the reduction in the CRB from 7.5 per cent to 6.5 per cent. Since the RBI balance-sheet is around ₹91 lakh crore, the 1 percentage point reduction effectively released about ₹91,000 crore," said Sachchidanand Shukla, Group Chief Economist at Larsen & Toubro.

The RBI's balance-sheet expanded 20.6 per cent to ₹91.97 lakh crore as of March

31, 2026. Gross income rose 26.42 per cent year-on-year during FY26, while expenditure before risk provisions increased 27.6 per cent.

Net income before risk provisioning and transfers to statutory funds stood at ₹3.96 lakh crore, compared with ₹3.13 lakh crore in FY25.

BoB's Sabnavis said that the balance-sheet expansion reflected both forex and open market operations, noting that the RBI had conducted a large number of OMOs, in which it bought government securities and earned interest income.

Emkay's Arora estimated robust earnings from around \$180 billion of forex sales, offsetting higher provision-

ing and mark-to-market losses.

LIQUIDITY BOOST

Economists said that the dividend could provide a near-term liquidity boost, though the actual impact would depend on the pace of government spending in the coming months.

Core liquidity was at a surplus of ₹3 lakh crore at the end of April. Arora made a case for a more durable liquidity infusion of the magnitude of ₹7-8 lakh crore over FY27 due to leakage because of the persistent forex interventions by the RBI.

L&T's Shukla said bond markets were likely to react positively in the near term due to improved fiscal arithmetic and liquidity conditions, though the relief could be temporary amid higher state fiscal deficits and rising global bond yields.

"Bond market yields could harden because the implication is that the RBI has delivered broadly what was expected. That means the fiscal position could remain under strain, and government borrowing may increase," Sabnavis said.

- **Key Terms and Explanations**

- **Surplus Transfer (Dividend):** Unlike commercial banks, the RBI does not operate to maximize profits. However, its operations—like lending to banks, buying government bonds, and managing foreign exchange—generate income. After deducting operational expenses and setting aside contingency buffers, the remaining amount is transferred to the government under Section 47 of the RBI Act, 1934.
- **Contingent Risk Buffer (CRB):** This is essentially the RBI's rainy-day fund. It is a specific provision made to protect the central bank's balance sheet against unexpected macroeconomic shocks, systemic financial crises, or severe currency fluctuations. It is maintained as a percentage of the total balance sheet.
- **Economic Capital Framework (ECF):** Formulated based on the recommendations of the Bimal Jalan Committee (2019), the ECF dictates how much capital the RBI needs to hold to manage its risks and how much of the surplus can be safely handed over to the government.
- **Open Market Operations (OMOs):** The buying and selling of government securities in the open market by the central bank. Buying securities injects liquidity into the market (and earns the RBI interest income), while selling them absorbs liquidity.
- **Fiscal Slippage:** This occurs when the government's actual fiscal deficit exceeds the target set in the budget. It usually happens due to a shortfall in revenue collections (like taxes) or an unexpected overshoot in expenditure (like subsidies).

- **Core Themes and Macroeconomic Dynamics**

- The phenomenon of a central bank transferring a massive, record-breaking surplus to the sovereign reveals several interconnected layers of modern state finance.
- **Mechanics of the Windfall:** A massive surplus is rarely just an accounting coincidence. It usually stems from a combination of the central bank actively managing foreign exchange (selling dollars at a profit) and earning substantial interest from domestic Open Market Operations. When these earnings peak, the resulting net income balloons.
- **Buffer Adjustments as a Lever:** Central banks operate within statutory capital bands. Under India's ECF, the CRB must be maintained between 4.5% and 7.5% of the balance sheet. By simply deciding to maintain this buffer at a lower threshold (say, 6.5% instead of 7.5%), the central bank frees up tens of thousands of crores for immediate transfer.
- **The Cushion for Fiscal Deficits:** For a government navigating tight fiscal spaces, such a payout acts as a powerful shock absorber. It compensates for potential shortfalls in tax revenues or divestment targets, allowing the state to maintain its capital expenditure plans without borrowing more from the market.
- **Market Reactions and the Liquidity Paradox:** A large dividend transfer ultimately means the government will spend this money into the economy, boosting systemic liquidity. While bond markets initially cheer this (as it implies the government won't need to borrow extra, keeping yields stable), excessive liquidity can trigger inflation concerns, prompting the central bank to tighten policy elsewhere.

- **Historical Evolution of the Issue**

- The tension between the sovereign's need for funds and the central bank's need for prudent reserves has a long historical arc.
- **Pre-1990s Era:** Historically, the transfer of surplus from the RBI to the government was a quiet, routine accounting exercise. The amounts were relatively modest, and the government relied heavily on automatic monetization of the deficit (essentially printing money via ad-hoc Treasury Bills).
- **Post-Liberalization (1990s - 2010s):** With the phasing out of ad-hoc Treasury Bills and the passage of the FRBM Act in 2003, the government could no longer simply print money to fund its deficits. Consequently, non-tax revenues, including central bank dividends, became a more critical component of budget arithmetic.
- **The Malegam Committee (2013):** This was an early attempt to formalize the transfer policy, ensuring that the RBI transferred its entire net surplus to the government after maintaining adequate buffers.
- **The Bimal Jalan Committee (2019):** Following intense public friction between the Finance Ministry and the RBI over the quantum of reserves the central bank was hoarding, this committee was formed. It established the modern Economic Capital Framework (ECF), clearly defining the bands for the Contingent Risk Buffer (4.5% to 7.5%) and creating a predictable, formula-based approach to surplus transfers.

- **Way Forward**

- **Ring-Fencing for Capital Expenditure:** Government revenues earned from the sweat of the central bank's balance sheet should ideally be earmarked exclusively for capital expenditure (building roads, ports, digital infrastructure). Using this money to fund everyday revenue expenditure (salaries, subsidies) is economically destructive in the long run.
- **Strict Adherence to ECF:** The government must respect the boundaries of the Economic Capital Framework. Pushing the central bank to routinely operate at the bare minimum buffer of 4.5% should be avoided. The buffer must be allowed to rebuild during boom years.
- **Focusing on Structural Revenues:** The state must expand its direct tax base and execute planned disinvestments. Non-tax revenue windfalls must be treated as a bonus, not a structural pillar of the annual Union Budget.

- **Prelims:**

- *2021:* Question regarding the role of the RBI as the "Lender of Last Resort" and its balance sheet implications.
- *2019:* Question explicitly asking about the committee that recommended the Economic Capital Framework (Answer: Bimal Jalan Committee).
- *2015:* Question regarding the components of Non-Tax Revenue in the Union Budget.

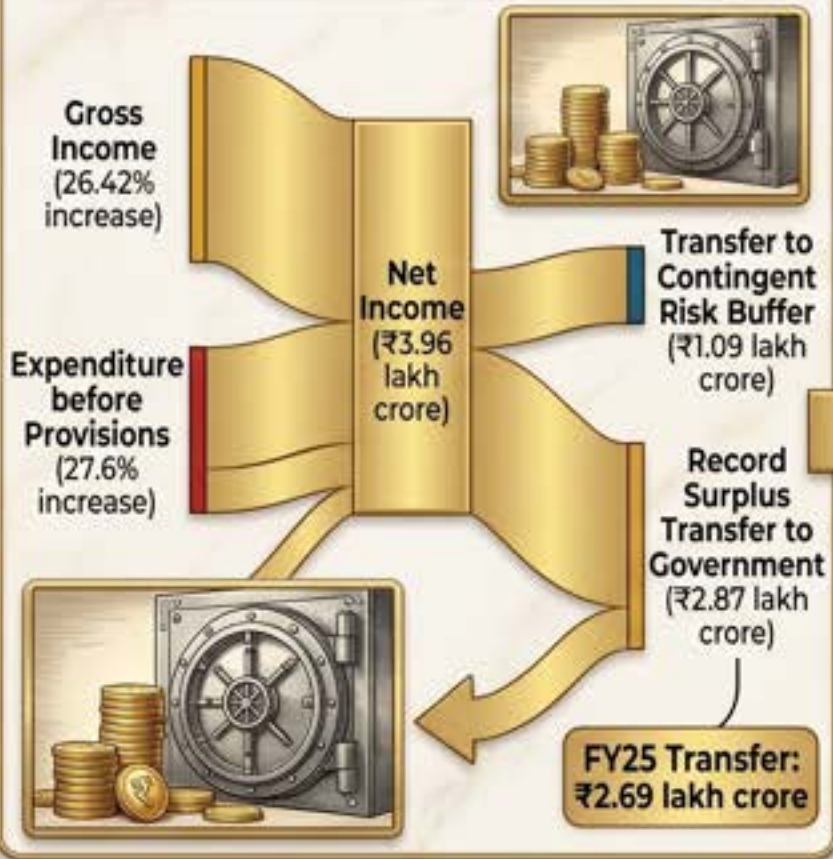


AXIA IAS ACADEMY

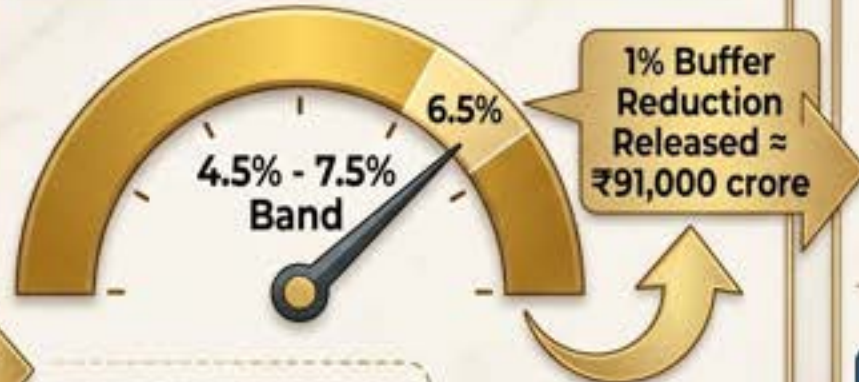
RISE ABOVE THE REST

ANALYSIS OF RBI'S RECORD SURPLUS TRANSFER: IMPACT & MECHANICS

RBI INCOME AND TRANSFER FLOWS (FY26)



CONTINGENT RISK BUFFER & ECONOMIC CAPITAL FRAMEWORK (ECF)



RBI Balance Sheet (₹91.97 lakh crore)



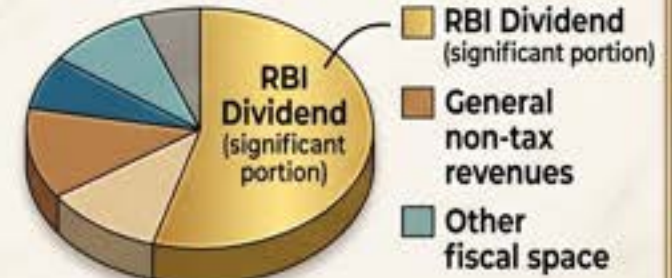
RBI Balance Sheet (₹91.97 lakh crore)

1% Buffer Reduction Released ≈ ₹91,000 crore time



MACROECONOMIC IMPLICATIONS

GOVERNMENT NON-TAX REVENUE



BOND MARKET AND LIQUIDITY IMPACT

Near-term Positive

- Lower borrowing, stable yields

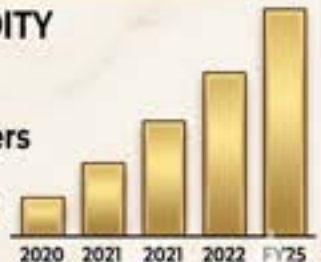
Near-term Cautions

- Fiscal slippage risks, forex pressures

CORE SURPLUS LIQUIDITY

(₹3 lakh crore end-April)

Future core bosons to future confident wate-rivers and surplus liquidity. Future projections will be projection.



Smart border concept is set to make frontiers 'impregnable': Amit Shah

Vijaita Singh
NEW DELHI

Union Home Minister Amit Shah on Friday said the government has decided to not only stop infiltration but expel each infiltrator, ensuring that there are no unnatural demographic changes in the country.

Mr. Shah said that a Smart Border concept will be unveiled soon, which will make the entire Pakistan and Bangladesh borders "impregnable". The project, equipped with drones, radars, cameras, and other technical resources, will plug the gaps in border security. He said that a demography mission will be announced soon, which will identify the infiltration routes and provide the information to the Border Security Force (BSF).

Need for coordination

He said the BSF which is deployed along Pakistan and Bangladesh borders, should not work in isolation but instead be in regu-



Amit Shah being felicitated by Director General of the BSF Praveen Kumar during Rustamji Memorial lecture in New Delhi on Friday. ANI

The project will be equipped with drones, radars, cameras, and other technical resources

lar contact with local revenue officials, police and district administration to identify illegal migrants and look at border security as "territorial responsibility".

"BSF has to stop this conspiracy to bring demographic changes in the

country. Tripura, West Bengal and Assam have governments now who are convinced that there should be no infiltration. Border personnel should have a dialogue with patwari, district magistrate to identify the infiltration routes and cow smuggling routes, all the routes should be identified and stopped by BSF," Mr. Shah said.

He was addressing the Border Security Force Investiture Ceremony and the Rustamji Memorial

Lecture, held in the honour of BSF's founder Director General K.F Rustamji.

"In the coming days, the role of the BSF is going to increase even further. Now, we cannot secure the borders using traditional methods. We will have to strengthen the security grid by working together with State police forces, armed forces, other paramilitary forces, Narcotics Control Bureau, and intelligence agencies," the Minister noted.

He listed threats of fake currency, cyber security, hybrid warfare, and drones as challenges of the future stressing on a comprehensive strategy to address these issues.

He said that in the coming days a strategy will be finalised soon in a meeting involving the Chief Ministers of all the three States.

BSF D-G Praveen Kumar said that in the past one year more than 300 drones were shot down by the BSF.

- **Key Terms and Explanations**

- **Smart Borders:** This refers to the integration of modern technology—such as thermal imaging, radar grids, laser fences, and drones—into border management. Instead of relying solely on physical barriers, a smart border uses an electronic eye to detect intrusions. *Example:* The Comprehensive Integrated Border Management System (CIBMS) deployed in riverine areas where physical fencing is impossible.
- **Demographic Change:** In a geopolitical context, this means the gradual alteration of the population composition (cultural, religious, or linguistic) in border regions due to sustained illegal migration. *Example:* Changing population ratios in frontier districts that can trigger socio-political unrest.
- **Hybrid Warfare:** A military strategy that blends conventional warfare with non-traditional methods like cyberattacks, systemic disinformation, drone-led smuggling, and the circulation of fake currency to destabilize an adversary from within.
- **Territorial Responsibility:** A conceptual shift where border guarding forces look beyond the physical borderline. It involves taking ownership of the security of the deep hinterland, ensuring that the effects of trans-border crimes do not penetrate the domestic society.
- **Infiltration:** The covert and illegal crossing of international borders by individuals, who could be economic migrants, insurgents, or state-sponsored actors, intending to settle or carry out subversive activities.

- **Main Arguments and Substantive Parts**

- The contemporary approach to border security rests on several core pillars, aiming to transform porous boundaries into impregnable frontiers.
- **Technological Imperative:** Traditional guarding methods involving physical patrols are increasingly inadequate against modern threats. The deployment of advanced tech, such as anti-drone systems and sensor networks, is essential to plug physical and logistical gaps along complex terrains.
- **Eradicating Silos in Security:** National security cannot be achieved if agencies operate in isolation. A core argument is the necessity of institutional synergy. Border guarding forces must collaborate actively with grassroots administrative units, local police, and intelligence networks to generate actionable intelligence.
- **Demography as a Security Matrix:** Unregulated migration is viewed not merely as an economic issue but as a critical national security threat. The argument posits that identifying and dismantling infiltration routes is necessary to preserve the demographic and cultural stability of frontier states.
- **Tackling Non-Traditional Threats:** The modern security grid must be resilient against asymmetric challenges. This includes intercepting drone-dropped narcotics and weapons, countering cyber espionage, and stopping the influx of counterfeit currency, which funds domestic terror networks.

- **Historical Evolution of the Issue**
- The complexity of border management in the subcontinent is deeply rooted in history, shaped by arbitrary map-making and subsequent geopolitical conflicts.
- **Pre-Independence Era:** Historically, the subcontinent had porous frontiers with fluid movement across regions for trade and agriculture. The Radcliffe Line of 1947 abruptly created artificial political boundaries through culturally contiguous zones in the east and west, dividing families and farmlands.
- **Post-Independence Conflicts (1960s-1970s):** The vulnerability of these new borders was exposed during the early wars. The creation of specialized border guarding forces in 1965 marked a shift from state police managing borders to centralized, professional frontier defense. The 1971 war further altered the landscape, triggering massive refugee influxes that normalized cross-border movement.
- **The 1980s and 1990s:** Sustained migration led to severe socio-political upheavals, most notably the Assam Agitation. This period highlighted the demographic anxieties of border states and led to the first major push for physical border fencing and the National Register of Citizens (NRC) discussions.
- **2000s to Present:** Following the Kargil Review Committee, the 'One Border, One Force' principle was adopted. Today, the evolution has moved from physical fences to digital grids (CIBMS) and addressing new-age threats like narco-terrorism and drone warfare.

- **Way Forward**

- **Accelerate Technological Indigenization:** We must invest heavily in R&D to develop anti-drone technologies and all-weather sensors specifically suited for the unique and harsh topography of the subcontinent, reducing reliance on imported tech.
- **Vibrant Villages Programme:** Border security cannot be achieved by forces alone. Developing border villages through infrastructure, healthcare, and education ensures the local population remains out of the smuggling nexus and acts as the "eyes and ears" of the security forces.
- **Diplomatic Repatriation Frameworks:** Instead of unilateral declarations, silent and persistent diplomatic engagement is required to create verifiable frameworks for the deportation of illegal migrants with neighboring nations.
- **Capacity Building of Civil Administration:** Grassroots officials need specialized training. They must learn to gather intelligence and spot demographic anomalies without resorting to ethnic profiling or alienating the communities they serve.

- **All Previous Years' UPSC and APSC Questions**

- **UPSC Mains 2020 (GS 3):** Analyze internal security threats and transborder crimes along Myanmar, Bangladesh and Pakistan borders including Line of Control (LoC). Also discuss the role played by various security forces in this regard.
- **UPSC Mains 2019 (GS 3):** Border management is a complex task due to difficult terrain and hostile relations with some countries. Elucidate the challenges and strategies for effective border management.
- **UPSC Mains 2018 (GS 3):** Cross-border movement of insurgents is only one of the several security challenges facing the policing of the border in North-East India. Examine the various challenges currently emanating across the India-Myanmar border. Also, discuss the steps to counter the challenges.



EVOLVING PARADIGM OF BORDER SECURITY, TECHNOLOGICAL INTEGRATION & DEMOGRAPHIC STABILITY

SECURING BORDERS. SAFEGUARDING SOVEREIGNTY. ENSURING STABILITY.



1. KEY TERMS & EXPLANATIONS



Smart Borders:

Use of technology like thermal imaging, radar grids, laser fences, drones to detect & prevent intrusions.
Example: CBIMS in riverine areas.



Demographic Change:

Gradual alteration in population composition in border regions due to sustained illegal migration.
Example: Changing population ratios in frontier districts.



Hybrid Warfare:

Combination of conventional & non-traditional tactics like cyberattacks, disinformation, drone smuggling, fake currency to destabilize a nation.



Territorial Responsibility:

Border forces look beyond physical lines, taking ownership of hinterland security and preventing trans-border threats from penetrating.



Infiltration:

Covert illegal entry of individuals (migrants, insurgents, or state-sponsored actors) to settle or carry out subversive activities.

4. LOGICAL & PHILOSOPHICAL BASE



SOVEREIGNTY & STATE'S DUTY

From a Hobbesian view, the state exists to ensure security & survival of its citizens. Protecting borders upholds sovereignty.



UTILITARIANISM IN GOVERNANCE

Focus on maximizing well-being of legitimate citizens by preventing resource strain, wage depression & social conflict.



REALIST SECURITY PARADIGM

In an anarchic international system, power & preparedness deter aggression. Strong borders signify national resolve.



SOCIAL CONTRACT

Citizens grant legitimacy to the state in return for protection. Securing borders is central to this contract.

2. MAIN ARGUMENTS & SUBSTANTIVE PARTS



TECHNOLOGICAL IMPERATIVE

Traditional methods are inadequate. Advanced tech like anti-drone systems, sensors & surveillance grids are essential.



DEMOGRAPHY AS A SECURITY MATRIX

Unregulated migration is a national security threat. Identifying & dismantling infiltration routes preserves demographic & cultural stability.



ERADICATING SILOS IN SECURITY

Synergy between forces, local police, intelligence & administration for actionable intelligence.

TACKLING NON-TRADITIONAL THREATS

Countering drones, narcotics, cyber espionage, fake currency & terror financing networks.

5. BORDER SECURITY ECOSYSTEM: AN INTEGRATED MODEL



SMART TECHNOLOGIES
(Drones, Sensors, Radars, AI)



PHYSICAL INFRASTRUCTURE
(Fencing, Roads, Bunkers)



HUMAN INTELLIGENCE
(Local Networks, Village Defence Committees)



INTER-AGENCY COORDINATION
(BSF, Army, Police, Intelligence, IB, RAW)



ADMINISTRATIVE SUPPORT
(Development, Governance, Resource Mgmt.)



3. HISTORICAL EVOLUTION



PRE-INDEPENDENCE ERA

Porous frontiers with free movement. Radcliffe Line (1947) created artificial boundaries through culturally contiguous zones, dividing families & farmlands.



1960s-1970s: POST-INDEPENDENCE CONFLICTS

Early wars exposed border vulnerabilities. Specialized forces created in 1965. 1971 war led to massive refugee influx, normalizing cross-border movement.



1980s-1990s

Sustained migration led to socio-political upheaval (Assam Agitation). First major push for border fencing & NRC discussions.



2000s TO PRESENT

Post Kargil Review: 'One Border, One Force' adopted. Evolution from physical fences to digital grids (CBIMS) and tackling narco-terrorism & drone warfare.

6. WAY FORWARD



Invest in indigenous technology & R&D for counter-drone & surveillance systems.



Strengthen legal frameworks for deportation & anti-infiltration operations.



Promote development in border regions to reduce vulnerability.



Enhance coordination through joint command centres & real-time data sharing.



Engage diplomatically with neighbours while maintaining zero-tolerance against threats.



“ BORDERS DO NOT JUST DEFINE A NATION'S GEOGRAPHY, THEY DEFINE ITS SECURITY, IDENTITY & FUTURE. ”



SC refers UAPA bail curbs issue to larger Bench

‘Reference must to ensure parity, consistency and institutional fidelity to apply binding precedents’

SC grants six months interim bail to two Delhi riots accused – Abdul Khalid Saifi and Tasleem Ahmad

Courts must strike balance between interests of society and rights of accused, says Delhi Police

Aaratrika Bhaumik
NEW DELHI

The Supreme Court on Friday granted six months of interim bail to two accused in the 2020 Delhi riots case while referring to a larger Bench the question of whether prolonged incarceration and delay in trial can override the stringent bail curbs under anti-terror laws such as the Unlawful Activities (Prevention) Act, 1967 (UAPA).

The court said the reference was necessary to ensure “parity, consistency and institutional fidelity” in the application of binding precedents by coordinate Benches. The reference was made by a Bench of Justices Aravind Kumar and P. B. Varale during the hearing of bail pleas filed by riots accused Abdul Khalid Saifi and Tasleem Ahmad, challenging a September 2, 2025, order

of the Delhi High Court denying them bail.

“Where a coordinate Bench entertains reservations about the reasoning of an earlier coordinate Bench, particularly on the application of a binding three-judge Bench decision, the proper course is well settled. The matter must ordinarily be placed before the Chief Justice of India for the constitution of an appropriate Bench. A coordinate Bench cannot, by strong observations, effectively unsettle the ratio of an earlier coordinate Bench while continuing to sit in equal strength,” the Bench observed.

The reference came in response to the Delhi Police’s contention that a May 18 judgment delivered by a coordinate Bench – which had expressed “serious reservations” about the Justice Kumar-headed Bench’s January ruling refusing bail to activists

The matter must ordinarily be placed before the Chief Justice of India for the constitution of an appropriate Bench. A coordinate Bench cannot, by strong observations, effectively unsettle the ratio of an earlier coordinate Bench while continuing to sit in equal strength

SUPREME COURT



Umar Khalid and Sharjeel Imam in the Delhi riots “larger conspiracy” case – had proceeded on a “blanket generalisation” of Supreme Court precedents.

‘Facts of each case’

Additional Solicitor General S.V. Raju, appearing for the Delhi Police, told the Bench that the question of bail must turn on the facts and circumstances of each case. “Latest [May 18] judgement says you don’t

have to see the role, you don’t have to see the nature of the crime. So there is no categorisation... This can’t be done. This can’t be how it has to be applied. It has to be applied to the facts of each case. That’s what your Lordships have precisely done,” Mr. Raju submitted.

He contended that courts must strike a balance between the “interests of society and victims” and the “rights of the ac-

cused” while considering bail under terror statutes.

The May 18 judgment, delivered by Justices B.V. Nagarathna and Ujjal Bhuyan, had underlined that the January 5 verdict failed to correctly apply the binding principles laid down by a larger three-judge Bench in *Union of India v. K.A. Najeer* (2021) case, which held that prolonged incarceration and delay in trial can “melt down” the stringent bail embargo under Section 43D(5) of the UAPA.

The Justice Kumar-led Bench on Friday said that the “discipline of precedent” does not permit a coordinate Bench to express “reservations of a fundamental character” on the alleged misapplication of a larger Bench ruling without the matter first being placed before a Bench of appropriate strength to resolve the “perceived conflict”.

The court further observed that the reliance placed by the accused on its January ruling granting conditional bail to student activist Gulfisha Fatima and four other co-accused, while denying relief to Mr. Khalid and Mr. Imam after distinguishing their alleged roles, was “not without significance”.

‘Perceived conflict’

“If [the ruling] had proceeded on the basis that Section 43D(5) eclipses Article 21, or that prolonged incarceration has no constitutional bearing in UAPA prosecutions, it could hardly have been invoked by accused persons seeking enlargement on bail. The very reliance placed upon it demonstrates that the said decision cannot be placed in a rigid or one-sided frame,” the Bench observed.

The Bench cautioned that an “unqualified read-

ing” of the proposition that mere passage of time may compel bail in every UAPA case could have “serious consequences”. Such an approach, it said, would leave courts with little room to examine factors such as the nature of the allegations, the centrality of the accused’s role, protection of witnesses, the risk of intimidation, possible reactivation of networks, whether delays were attributable to the accused, and broader concerns of public order and national security.

At the same time, the Bench acknowledged that an “equally unqualified insistence” on Section 43D(5), without regard to prolonged incarceration, would imperil the guarantee of personal liberty under Article 21 of the Constitution. This “perceived conflict”, it said, warranted consideration by a larger Bench.

- **Key Terms and Explanations**

- **Unlawful Activities (Prevention) Act, 1967 (UAPA):** India's principal anti-terror legislation. Unlike ordinary criminal law, UAPA shifts the burden of proof significantly and makes obtaining bail exceptionally difficult, prioritizing national security.
- **Section 43D(5) of UAPA:** This is the core statutory embargo on bail. It states that an accused cannot be released on bail if the court, upon perusing the case diary, is of the opinion that there are reasonable grounds for believing the accusation is *prima facie* (on the face of it) true.
- **Article 21 of the Constitution:** The fundamental right declaring that no person shall be deprived of their life or personal liberty except according to procedure established by law. The Supreme Court has repeatedly interpreted "speedy trial" as an inherent part of this right.
- **Coordinate Bench:** A bench of a High Court or the Supreme Court comprising the exact same number of judges as another bench. Judicial discipline mandates that one coordinate bench cannot overrule another; conflicts must be referred to a larger bench.
- **Institutional Fidelity:** The concept of remaining faithful to established legal precedents and institutional hierarchy to ensure consistency, predictability, and public trust in the judicial system.

- **Main Arguments and Substantive Parts**

- At the heart of this discourse is the profound tension between the state's duty to maintain national security and the judiciary's duty to protect individual constitutional rights.
 - **Statutory Embargo vs. Constitutional Liberty:** The primary argument revolves around whether prolonged incarceration without trial can "melt down" or override the strict bail conditions of special laws like UAPA. While the statute demands jail if accusations seem true, the Constitution demands liberty if the trial is endlessly delayed.
 - **The Discipline of Precedent:** The legal system relies on consistency. If two benches of equal strength offer contradicting interpretations of how to grant bail in terror cases, it creates judicial chaos. The substantive argument here is that judicial discipline requires such conflicts to be settled by a larger bench, preventing a lottery system of justice where outcomes depend on which judges hear the case.
 - **Individualized Justice vs. Blanket Rules:** There is a strong debate over whether courts should look at the specific facts of each case—such as the exact role of the accused, witness protection risks, and network reactivation—or simply apply a generalized rule that a specific number of years in jail automatically entitles the accused to bail.
 - **The Balancing Act:** Courts are constantly navigating the razor's edge between protecting the interests of victims and society from potential terror threats, and preventing the arbitrary, prolonged detention of unconvicted individuals whose guilt is yet to be proven.
-

- **Historical Evolution of the Issue**
- The tussle between preventive detention, anti-terror laws, and civil liberties in India has a long and heavily debated trajectory.
- **Pre-Independence Era:** The roots lie in colonial legislations like the Rowlatt Act of 1919, famously opposed for its draconian "No Dalil, No Vakil, No Appeal" nature, which allowed prolonged detention without trial.
- **Early Republic (Post-1950):** Despite a history of fighting colonial detention, independent India retained preventive detention within the Constitution (Article 22). Early laws like the Preventive Detention Act (1950) set the stage for prioritizing state security.
- **The Era of TADA and POTA:** The Terrorist and Disruptive Activities (Prevention) Act (1985) and the Prevention of Terrorism Act (2002) introduced stringent bail conditions. Both were eventually allowed to lapse or were repealed due to widespread allegations of misuse against minorities and political dissidents.
- **The Ascendancy of UAPA:** Originally passed in 1967 to target unlawful associations, UAPA was heavily amended in 2004, 2008, 2012, and 2019 to absorb the anti-terror provisions of repealed laws. The stringent Section 43D(5) was introduced, heavily restricting bail.
- **Recent Jurisprudential Shifts:** Historically, the Supreme Court maintained a hands-off approach to statutory bail restrictions in special laws. However, recent landmark judgments (like *Union of India v. K.A. Najeed*) marked a watershed moment by declaring that statutory restrictions cannot permanently eclipse the fundamental right to a speedy trial under Article 21.

- **Way Forward**
- **Statutory Timelines:** Parliament should consider amending special laws to introduce a strict statutory timeline for the completion of trials, failing which bail should become a matter of right, shifting the burden of expedition onto the state.
- **Dedicated Fast-Track UAPA Courts:** Establishing highly secure, dedicated courts with specialized judges who only handle complex terror conspiracy cases. This will drastically cut down pendency and ensure speedy trials.
- **Technology in Justice:** Implementing day-to-day hearings using video conferencing, digitizing massive charge sheets for easier perusal, and using advanced analytics to map out conspiracy cases can accelerate the judicial process.
- **Judicial Clarity:** The Supreme Court, through a larger constitutional bench, must lay down clear, objective parameters regarding what constitutes an "unreasonable delay" (e.g., 2 years, 5 years) to prevent arbitrary and subjective granting of bail by lower courts.
- **Sensitization and Accountability:** Holding investigative agencies accountable for shoddy investigations or malicious prosecutions. If an accused is acquitted after a decade, there must be a framework for compensation and state accountability.

1. KEY TERMS

- UAPA, 1967**
India's principal anti-terror law.
- Section 43D(5)**
Restricts bail if court believes accusation is prima facie true.
- Article 21**
Right to life & personal liberty. Speedy trial is part of this right.
- Coordinate Bench**
Benches of equal strength. Conflicts go to larger bench.
- Institutional Fidelity**
Faithfulness to precedent ensures consistency & trust.

2. MAIN ARGUMENTS

- Statutory embargo vs. Constitutional liberty
- Discipline of precedent ensures consistency
- Individualized justice vs. blanket rules
- Balancing act between security & liberty

3. HISTORICAL EVOLUTION

- Pre-Independence**
Rowlatt Act, 1919 – "No Bail, No Vakil, No Appeal"
- Early Republic**
Preventive Detention Act, 1950 under Art. 22
- TADA (1985) & POTA (2002)**
Stringent laws, later repealed due to misuse
- UAPA Ascendancy**
Amended in 2004, 2008, 2012, 2019 – Stringent Sec. 43D(5) introduced
- Recent Jurisprudence**
Union of India v. K.A. Najeeb (2021) – Statutory restrictions "melt down" before Art. 21

8. LINKAGES WITH NCERTS

- Class 11 Pol. Science (Indian Constitution at Work)**
- Ch. 2: Rights in the Indian Constitution (Article 21, Preventive Detention)
 - Ch. 6: Judiciary – Structure, role of Supreme Court, judicial review
- Class 12 Pol. Science (Social and Political Life - II)**
- Ch. 8: Understanding Our Criminal Justice System – Police, prosecutor, judge, FIR, charge sheet, bail

9. LINKAGES WITH UPSC SYLLABUS

- | | |
|---------------|--|
| GS 2 | Indian Constitution, Fundamental Rights, Judiciary, Judicial Review, Legislative Process |
| GS 3 | Internal Security, Terrorism, Role of Anti-Terror Laws, Challenges to Internal Security |
| GS 4 (Ethics) | Ethics in Public Administration, Human Rights vs. National Security, Accountability |
| Essay | Liberty, Justice, Power of the State, Moral Dilemmas in Democracy |

10. BEST LINKAGES WITH PHILOSOPHY & EPISTEMOLOGY

- Epistemic Uncertainty:**
State "knows" threat via intelligence, but law requires proof through trial.
- Rawlsian Veil of Ignorance:**
Would we design a law with near-absolute bail embargo if we didn't know our role?
- Integration:**
Binds GS 2 (Separation of Powers) with GS 4 (Moral Dimensions of Statecraft).

11. WAY FORWARD

- Statutory Timelines:** Define "unreasonable delay" in law; bail to become a matter of right.
- Dedicated Fast-Track UAPA Courts:** Specialized judges for speedy disposal.
- Technology in Justice:** Day-to-day hearings, digitization, analytics.
- Judicial Clarity:** SC to lay objective parameters for "unreasonable delay".
- Accountability & Compensation:** For malicious prosecution & wrongful detention.

12. PREVIOUS YEARS' QUESTIONS

- GS 3 (2019):** Analyze the changes in UAPA in the context of security environment. Discuss scope & reasons for opposing it.
- GS 2 (2022):** Discuss the constitutionalization of undertrial rights by the Supreme Court.
- Prelims (2017):** Difference between fundamental rights & statutory rights; scope of Article 21.

NATIONAL SECURITY

- Prevent Terrorism
- Protect Society
- Secure Evidence
- Prevent Witness Intimidation



**THE CONSTITUTION
THE ULTIMATE BALANCER**

CONSTITUTIONAL LIBERTIES

- Right to Life & Liberty
- Presumption of Innocence
- Speedy Trial (Art. 21)
- Human Dignity

“ Liberty is the rule, and detention prior to trial or without trial is the carefully limited exception. ”
– Supreme Court of India

6. MULTIDIMENSIONAL ANALYSIS

<p>Social</p> <p>Stigma, marginalization of families, alienation of vulnerable communities.</p>	<p>Political</p> <p>Misuse allegations against activists, journalists, political dissenters.</p>	<p>Legal</p> <p>Tension between <i>lex specialis</i> & constitutional supremacy.</p>	<p>Ethical</p> <p>Is it just to punish on suspicion? Questions of state morality.</p>	<p>Economic</p> <p>Loss of livelihood, poverty, drain on state resources, prison overcrowding.</p>	<p>International</p> <p>Scrutiny by human rights bodies, impacts democratic indices.</p>
--	---	---	--	---	---

4. LOGICAL & PHILOSOPHICAL BASE

- Utilitarianism vs. Deontology:**
Society's safety vs. Individual liberty as absolute value.
- Social Contract Theory:**
State must protect, not arbitrarily punish.
- Constitutionalism:**
Unchecked power leads to police state; judiciary ensures just, fair & reasonable procedure.

5. NEW FEATURES & UNIQUE IDEAS

- "Melting Down" Doctrine:**
Statutory clauses soften when they collide with constitutional guarantees over time.
- Institutional Conflict Resolution:**
Conflicts between coordinate benches go to larger bench via CJI.
- Granular Bail Assessment:**
Based on role, risk, & conditions like GPS, geographical limits.

7. CHALLENGES

- Implementation bottlenecks & poor investigations
- Judicial pendency & delayed framing of charges
- Witness vulnerability & intimidation
- "Process is the punishment" paradigm



‘India sees relations with China in a bilateral context, but Beijing has never seen it that way’

In every sense, India had the potential to become a rival, and it was always China's intention to keep that rival in check, if not cut it down, says Gokhale; in any conflict China has engaged in, both hot wars and grey zone conflicts, they have looked at where it will place them in terms of larger global balance of power, the former Foreign Secretary adds

INTERVIEW

Vijay Gokhale

Ananth Krishnan

China's past decisions to go to war were not driven by only territorial or military objectives, but shaped by wider political and geopolitical factors, according to the new book *China's Wars: The Politics and Diplomacy Behind its Military Coercion*. Author Vijay Gokhale, a former Foreign Secretary and Ambassador to China, explains his research into Chinese decision-making, how China deploys "grey zone coercion", and the consequences for relations with India. Excerpts.

A theme that emerges from the conflicts you research in this book is that it's never been one

reason that led China to go to war, but rather a confluence of factors, especially the global context.

What appeared apparent to me after studying all the conflicts that China has waged, is that it was rarely, if ever, driven purely by operational or territorial objectives. Of course, these were important and continue to be so for China, but it was driven much more by political objectives. The second point is that China has always viewed conflict in a wider global geopolitical context rather than in a narrow bilateral one. If you go through the book, you will see that in practically any conflict China has engaged in, both hot wars and grey zone conflicts, they have looked at where that conflict will place them in the context of the larger global balance of power. That is an extremely important



element that I want to flag in my book, because we tend to see India-China relations only in a bilateral context. Beijing has never looked at it that way, and will never look at it that way either.

In 1962, besides the territorial issues and the Tibet question, you emphasise the importance of the global situation for China, which is perhaps somewhat under appreciated.

The more I looked into

why 1962 happened, leaving aside the fact we had a border problem which was getting aggravated with patrolling and counter-patrolling by both sides, which in India we tend to think was the central cause of the conflict, I discovered that this was not necessarily the only cause, or even the most important one.

There were two other important reasons why China went into this conflict with India. Firstly, although the Chinese had never really regarded India as an equal after 1949, they did not dismiss India en-



China has always viewed conflict in a wider global geopolitical context rather than in a narrow bilateral one

VIJAY GOKHALE
Former Foreign Secretary and
Ambassador to China

tirely as a country of no consequence. After all, India and its Prime Minister had a diplomatic stature and international standing. India also had a sizeable economy and had been left with sizeable military power after the British withdrew. Therefore, in every sense, India had the potential to become a rival, and it was always China's intention to keep that rival in check, if not cut it down.

Two major developments happened in 1961 and 1962. First, the Russians began to rebalance and take a more neutral

position vis-à-vis India and China than they had done in 1959 and 1960. The threat China perceived of the Soviet Union going to India's side and abandoning them, diminished. More importantly, under new President John F. Kennedy, the U.S. readjusted its policy on Taiwan. Noting this, the Chinese well understood that both the U.S. and Soviet Union were now less likely to interfere in any military operation China might launch against India. Again, here you see the play of international relations.

Using coercion to push India into a neutral position sounds counter-intuitive. Doesn't it end up having the opposite effect?

Actually, there is no correlation between China using military coercion to keep India neutral, and India actually becoming more neu-

tral in a conflict or situation between China and either the U.S. or Russia. In fact, my book demonstrates that each time they have brought such pressure on us, India has tilted toward the U.S. or the Soviet Union rather than the other way around.

It is true that in more recent times, China is more sophisticated and utilising not just military pressure but economic pressure, trade, investments, and technology, and we are seeing some of that impacting us today. But the Chinese state still firmly believes that force is a key component in getting you to bend to their will. Therefore they continue to deploy that force towards us. It hasn't worked in the past, it is unlikely to work in the future, and I think they ought to recognise this sooner rather than later.

Read the full interview at: newsth.live/vijaygokhale

- **Key Terms and Explanations**

- **Grey Zone Coercion:** This refers to aggressive actions by a state that are intentionally kept below the threshold of conventional war. It involves incremental steps to change the status quo without triggering a massive military response.
 - *Example:* Building artificial islands in disputed waters or using large numbers of civilian fishing boats (maritime militia) to intimidate neighboring countries, or gradually pushing border infrastructure into disputed territories (often termed "salami slicing").
- **Geopolitics:** The study of how geography, economics, and demography influence politics and the foreign policy of a state. In this context, it refers to viewing a localized dispute through the lens of global power dynamics.
- **Balance of Power:** A theory in international relations suggesting that national security is enhanced when military capability is distributed so that no one state is strong enough to dominate all others. When a rising power tries to alter this balance, existing powers often form coalitions to check it.
- **Economic Statecraft (Weaponization of Trade):** The use of economic means—such as trade embargoes, investment restrictions, or monopolizing supply chains—to achieve political or strategic goals, moving beyond traditional military threats.

- **Main Arguments and Substantive Parts**

- The core thesis surrounding modern Chinese strategic behavior is that its conflicts are rarely accidents of local friction; they are calculated moves on a global chessboard.
- **Global Context Over Local Geography:** Military maneuvers along borders or in neighboring seas are seldom just about capturing a few kilometers of land. They are signaling mechanisms directed at the global community, designed to test the resolve of rival superpowers and establish regional hegemony.
- **Cutting Down Potential Rivals:** A rising power naturally seeks to prevent the emergence of peer competitors in its vicinity. Actions taken against neighboring states with large economies or significant military potential are often preemptive attempts to stifle their rise and keep them permanently off-balance.
- **The Paradox of Coercion:** There is a distinct assumption by aggressive states that applying overwhelming military or economic pressure will force a neighbor into neutrality or submission. However, strategic history demonstrates the opposite effect: coercion accelerates the targeted nation's alignment with competing superpowers, thereby strengthening the very containment rings the aggressor sought to avoid.
- **Evolution of Pressure Tactics:** Traditional military threats have been modernized into a comprehensive toolkit. Today, coercion is a blend of border friction, cyber-attacks, economic leverage, and technological denial, making deterrence exceptionally complex.

- **Historical Evolution of the Issue**
- The trajectory of this strategic behavior is not a recent phenomenon but the result of decades of evolving foreign policy and historical memory.
- Post-1949 Consolidation
- 1950s
- Following internal consolidation, the focus shifted to securing peripheries. Early diplomatic overtures like the Panchsheel Agreement temporarily masked deeper strategic intentions, while control over buffer zones like Tibet was firmly established.
- The 1962 Watershed
- 1962
- A pivotal shift where global events (Cuban Missile Crisis, changing US-Taiwan dynamics, and Soviet neutrality) provided a window of opportunity to militarily humble a rising regional rival, establishing lasting psychological dominance in the region.
- Localized Pushbacks
- 1967 & 1986
- Incidents like Nathu La and Cho La (1967) and the Sumdorong Chu standoff (1986) demonstrated the continuous testing of border resolve, moving away from full-scale war to localized, high-intensity posturing.
- Peace and Tranquility Era
- 1990s - 2000s
- A period characterized by a series of border management agreements (1993, 1996, 2005). However, this era was used to rapidly modernize military infrastructure and capabilities while maintaining a peaceful diplomatic facade.
- The Grey Zone Era
- 2010s - Present
- A marked shift towards aggressive "grey zone" tactics, culminating in standoffs like Doklam (2017) and Galwan (2020), integrating military pressure with economic and technological statecraft.
- **Way Forward**
- **Internal Balancing (Atmanirbharta):** True strategic autonomy is impossible without economic resilience. Accelerating self-reliance in critical sectors (semiconductors, APIs, rare earth processing) is paramount to blunt the weaponization of supply chains.
- **Capacity Building at Borders:** Rapidly scaling up border infrastructure (all-weather roads, tunnels, advanced landing grounds) through programs like the Vibrant Villages Programme to physically deter grey zone incursions.
- **External Balancing (Issue-Based Coalitions):** Without abandoning strategic autonomy, deeper integration with minilateral groupings like the Quad is necessary. Sharing intelligence, securing maritime choke points (like the Malacca Strait), and conducting joint military exercises serve as a powerful deterrent.
- **Developing Counter Grey-Zone Capabilities:** Investing heavily in non-kinetic warfare domains—specifically cyber defense, space assets, and information warfare—to detect and neutralize threats before they manifest on the physical border.



AXIA IAS ACADEMY

RISE ABOVE THE REST

ANALYZING CHINA'S MULTIDIMENSIONAL GEOPOLITICAL STRATEGY.

GEOPOLITICAL FRAMEWORK



HISTORICAL EVOLUTION



MODERN PRESSURE TACTICS



SUSTAINABILITY & CHALLENGES



LINKAGES TO NCERT & UPSC CSE
SYLLABUS: GS II, GS III & ESSAY

Best Linkages:
Constructivism vs. Realism

WEBSITE: axiaiasacademy.com
CONTACT: +91 6002-417488

Demand driving growth, but economic outlook somewhat clouded: RBI report

The Hindu Bureau
NEW DELHI

While India's domestic demand remains a key driver of growth, the near-term outlook for the economy is "somewhat clouded" due to supply side pressures brought on by the West Asia crisis, the Reserve Bank of India (RBI) said in a new report.

"Domestic demand continues to be the key driver of growth," the central bank said in its latest State of the Economy report as a part of its monthly bulletin for April 2026.

"Although headline inflation remains firmly within the tolerance band, the pass through to domestic prices needs to be monitored," it added.

"The financial conditions, crude oil prices and capital flows continue to pose challenges to the external sector outlook."

The central bank noted that while e-way bills continued to hit double-digit growth, and petrol and diesel consumption continued to grow, overall petroleum consumption fell in April due to a sharp fall in the consumption of naphtha, LPG and other petroleum products.

Similarly, higher temperatures led to a sharp increase in electricity demand. "Demand remained broad-based and supported by rural markets," the RBI noted. "Automobile sales in rural areas conti-

'Pace of export orders displayed weakness, hit by the war and on subdued inbound tourism'

nued to grow at double digit in April, although showing some sequential moderation."

It added that due to the increase in prices of aviation turbine fuel, the air passenger traffic declined further in April.

Labour market conditions witnessed some moderation in the January-March 2026 quarter, with the labour force participation rate and worker population ratio declining alongside a rise in the unemployment rate.

On the supply side, the RBI said that sowing in the summer season has been "progressing well", surpassing the full season normal acreage and is higher than the previous year. It added that the acreage under all major crops is higher, except for rice.

On the services front, RBI said that the sector remained resilient in April.

However, it added that while the Services PMI accelerated, supported by a boost in transportation activity enabled by domestic suppliers and new business orders, the pace of export orders "displayed weakness", hit by the war in West Asia and subdued inbound tourism.

• **Key Terms and Explanations**

- **Headline Inflation:** This represents the total inflation within an economy, including commodities like food and energy, which tend to be highly volatile and prone to sudden price spikes. For instance, a sudden jump in tomato prices directly spikes headline inflation, even if rent and clothing prices remain stable.
- **Pass-through Effect:** This refers to the process by which changes in the global price of imported goods (like crude oil) eventually reflect in domestic retail prices. If crude oil gets expensive, transport costs rise, which means the price of vegetables in your local market will eventually go up.
- **Purchasing Managers' Index (PMI):** An indicator of economic health for manufacturing and service sectors. A PMI above 50 represents an expansion compared to the previous month, while a reading under 50 signifies a contraction.
- **Labour Force Participation Rate (LFPR):** The section of the working-age population currently employed or actively seeking employment. If people give up looking for jobs out of frustration, the LFPR drops.
- **Worker Population Ratio (WPR):** The percentage of employed persons in the total population. It gives a direct picture of how much of the population is actually contributing to the production of goods and services.
- **E-way Bills:** Electronic waybills generated on the GST portal for the movement of goods exceeding a certain value. They act as a high-frequency indicator of domestic trade and economic momentum; higher e-way bill generation means higher commercial activity.

• **Core Economic Dynamics and Substantive Arguments**

- The current economic landscape presents a fascinating paradox of robust domestic momentum counterbalanced by severe external vulnerabilities.
- **Domestic Demand as the Anchor:** The foundational engine of current economic growth is domestic consumption. Indicators like double-digit growth in rural automobile sales and robust e-way bill generation suggest that the internal market is absorbing economic shocks relatively well. Rural demand, historically vulnerable to monsoon vagaries, is showing structural resilience.
- **The Shadow of Imported Inflation:** Despite strong internal metrics, the economy remains highly sensitive to supply-side bottlenecks, particularly those emanating from geopolitical hotspots like West Asia. Disruptions here directly inflate crude oil prices, straining the external sector and threatening to upset the headline inflation tolerance bands.
- **Uneven Sectoral Recovery:** The growth story is not uniform. While electricity demand has surged (partly due to severe climate-induced heatwaves) and services remain resilient, aviation and specific petroleum consumptions have contracted. This unevenness points to a K-shaped recovery dynamic where certain sectors thrive while others struggle under operational costs.
- **Labor Market Paradox:** Even as macroeconomic growth remains steady, the underlying labor market is showing signs of distress. A simultaneous decline in both the labor force participation rate and the worker population ratio, coupled with rising unemployment, suggests that headline growth is not translating into adequate job creation—a classic case of "jobless growth."

- **Historical Evolution of the Issue**

- To understand India's current vulnerability to global supply shocks, we have to trace its journey of economic integration.
- **Post-Independence Protectionism (1947–1990):** Initially, India followed an inward-looking import substitution model. The economy was largely insulated from global supply shocks, but it suffered from sluggish growth (the "Hindu rate of growth") and chronic inefficiencies.
- **The 1991 Liberalization:** Driven by a balance of payments crisis triggered ironically by the Gulf War (an earlier West Asia crisis), India opened its borders. While this unleashed massive GDP growth and integrated India into global value chains, it fundamentally tied domestic inflation to global commodity cycles.
- **The Shift to Inflation Targeting (2016):** As inflation volatility became a political and economic liability, the government and the central bank adopted the Flexible Inflation Targeting (FIT) framework, legally mandating the central bank to keep inflation at 4% (with a +/- 2% margin).
- **Post-Pandemic and Geopolitical Era (2020–Present):** The COVID-19 pandemic, followed by the Russia-Ukraine conflict and subsequent West Asia crises, has permanently altered global supply chains. Economic management has evolved from purely managing demand to constantly firefighting external supply-side constraints.

- **Way Forward**

- **Energy Security and Diversification:** India must accelerate its transition to renewable energy to decouple its domestic inflation from West Asian geopolitics. Expanding Strategic Petroleum Reserves (SPRs) is also vital for short-term buffering.
- **Employment-Linked Incentive (ELI) Schemes:** Moving beyond Production Linked Incentives (PLI), the government needs policies that explicitly reward labor-intensive manufacturing to correct the declining worker population ratio.
- **Agri-Logistics Investment:** To prevent supply-side food inflation, heavy investments are needed in cold storage, warehousing, and food processing. This prevents bumper harvests from rotting and stabilizes prices during lean seasons.
- **Export Competitiveness:** Integrating further into global value chains, specifically in high-value electronics and specialized services, will provide a natural hedge against fluctuating domestic demand.

GS3 Mains 2022: Is inclusive growth possible under market economy? State the significance of financial inclusion in achieving economic growth in India.

GS3 Mains 2021: Do you agree that the Indian economy has recently experienced V-shaped recovery? Give reasons in support of your answer.

India's Macroeconomic Dynamics: Growth Anchored at Home, Vulnerable Abroad

Domestic Momentum vs. External Headwinds

1. KEY TERMS AND EXPLANATIONS

	Headline Inflation	Total inflation in the economy, including volatile items like food and energy. E.g., a sudden jump in tomato prices spikes headline inflation.
	Pass-through Effect	The process by which changes in global prices of imported goods (like crude oil) eventually reflect in domestic retail prices.
	Purchasing Managers' Index (PMI)	Indicator of economic health (manufacturing & services). $PMI > 50 = \text{Expansion}$ $PMI < 50 = \text{Contraction}$
	Labour Force Participation Rate (LFPR)	Percentage of working age population that is employed or actively seeking employment. If people give up looking for jobs, LFPR drops.
	Worker Population Ratio (WPR)	Percentage of employed persons in total population. Indicates the proportion of people actually contributing to production.
	E-way Bills	Electronic waybills on GST portal for movement of goods above a threshold. A high-frequency indicator of domestic trade and economic momentum.

3. HISTORICAL EVOLUTION OF THE ISSUE

	1947-1990 Post-Independence Protectionism	Inward-looking import substitution model, insulated from global shocks but suffered from sluggish growth ("Hindu rate of growth") and chronic inefficiencies.
	1991 Liberalization	Balance of Payments crisis (triggered by Gulf War) led to reforms and opening up. Integrated India into global value chains; growth surged but inflation became tied to global commodity cycles.
	2016 Shift to Inflation Targeting	Adoption of Flexible Inflation Targeting (FIT) framework. RBI legally mandated to keep inflation at 4% with a ±2% tolerance band.
	2020-Present Post-Pandemic & Geopolitical Era	COVID-19, Russia-Ukraine war, and West Asia crises disrupted supply chains. Policy focus shifted from managing demand to managing external supply shocks.

2. CORE ECONOMIC DYNAMICS & SUBSTANTIVE ARGUMENTS

	Domestic Demand as the Anchor	<ul style="list-style-type: none"> Double-digit growth in rural automobile sales, strong e-way bill generation show robust internal demand. Rural demand is structurally resilient, providing an anchor to growth.
	The Shadow of Imported Inflation	<ul style="list-style-type: none"> Economy highly sensitive to supply-side shocks, especially from West Asia. Disruptions → higher crude oil prices → pass-through → higher transport costs → spike in headline inflation.
	Uneven Sectoral Recovery	<ul style="list-style-type: none"> Electricity demand surges (heatwaves), services remain resilient. Aviation and specific petroleum consumptions contract. K-shaped recovery: some sectors thrive, others struggle under high costs.
	Labor Market Paradox	<ul style="list-style-type: none"> Decline in LFPR and WPR, rising unemployment. Indicates that growth is not translating into adequate job creation. Classic case of "jobless growth".

SELECT INDICATORS (RECENT TRENDS)

					
↑ Rural Auto Sales (↑) Double-digit growth	↑ E-way Bills (↑) Strong growth	↑ Electricity Demand (↑) High-growth due to heatwaves	↓ Aviation Turbine Fuel (ATF) (↓) Contraction	↑ Unemployment Rate (↑) Rising	↓ LFPR & WPR (↓) Declining

4. LOGICAL AND PHILOSOPHICAL BASE

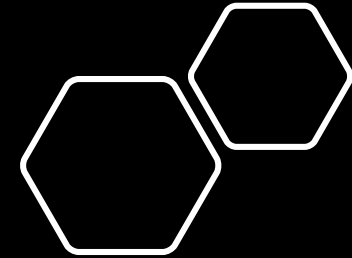
	Keynesian Demand Dynamics	Strong domestic demand → higher investment → job creation → more consumption. Internal demand acts as a buffer against global recessions.
	The Phillips Curve Trade-off	Traditional inverse relationship between inflation and unemployment. Taming inflation via tight monetary policy may raise unemployment and lower growth. Policymakers face a delicate balancing act.
	Economic Realism & Interdependence	A conflict in West Asia impacts crude prices, inflation, and monetary policy in India. Economic sovereignty is constrained by global interdependence.
	Supply-Side Economics	Long-term growth depends on fixing supply constraints—energy security, logistics, infrastructure, and diversification of import sources.

5. WAY FORWARD: POLICY PRIORITIES

<p>Strengthen Domestic Demand Engines</p>  <ul style="list-style-type: none"> Enhance rural income (MSP efficiencies, MGNREGS) Boost consumption through targeted fiscal support. 	<p>Manage Inflation & Supply Side Risks</p>  <ul style="list-style-type: none"> Strategic reserves & diversified energy imports. Improve logistics & storage to reduce food inflation. 	<p>Job-Centric Growth</p>  <ul style="list-style-type: none"> Promote labour-intensive sectors (textiles, food processing, leather, tourism). Skilling & better job matching. 	<p>Deepen Structural Reforms</p>  <ul style="list-style-type: none"> Land, labour, and logistics reforms. Ease of doing business to attract investment. 	<p>Build External Resilience</p>  <ul style="list-style-type: none"> Diversify trade partners. Strengthen rupee stability and external buffers. 	<p>Data-Driven Policymaking</p>  <ul style="list-style-type: none"> Use high-frequency indicators (e-way bills, PMI, power demand) for real-time policy responses.
---	--	---	--	---	---

Sustaining growth while taming inflation and creating jobs requires a balanced mix of domestic strength and external resilience.

GROWTH AT HOME. STABILITY ABROAD. PROSPERITY FOR ALL.



• POLICY

How new Odisha Bill aims to boost sustainable marine fishing

Sujit Bisoyi

Bhubaneswar, May 22

THE ODISHA government this week approved a proposal to enact the Odisha Marine Fishing Regulation Bill, 2026, to establish a robust, modern, and inclusive legal framework for the marine fisheries sector. The legislation will repeal a 44-year-old law.

According to Odisha Chief Secretary Anu Garg, the Bill will ensure sustainable fisheries resource development clubbed with immense economic benefit, while protecting livelihood and safety of Odisha's fishermen as well as conservation of marine ecosystems.

The 1982 law

State government sources claimed that the existing Orissa Marine Fishing Regulation Act, 1982, was limited in scope and inadequate to address emerging challenges such as marine resource conservation, fishermen safety, coastal security, technological advancements, and prevention of unauthorised entry of foreign fishing vessels into India's border.

Odisha has a coastline of more than 500 km. Home to nearly 15 lakh fishermen, it ranks eighth among Indian states in terms of size of fishing communities.

The existing law only has basic provisions detailing the power to regulate, restrict, or prohibit marine fishing; licensing and registration of fishing vessels; and power to authorised officer(s) to enter and search vessels, impound such vessel(s) and seize any fish found in it.

The proposed law

The new law is to be placed before the Odisha Assembly in the forthcoming session, likely to be held in August-September. Its scope will include regulation of deep-sea fishing and the promotion of mariculture activities such as marine cage culture, seaweed culture, deployment of artificial reefs for rejuvenation of territorial waters, and many other economically viable ventures for sustainable development.

• BLUE ECONOMY

● It refers to an economic model that promotes sustainable use of marine resources to drive economic growth and generate livelihoods.

● The proposed marine fishing law is aligned with Odisha's "Blue Economy" initiatives, including the deep sea fishing mission.

Officials said the Bill will serve as a catalyst to facilitate and scale Odisha's seafood exports up to Rs 25,000 crore by 2036 from the estimated Rs 5,000 crore a year currently.

Major global markets for such exports include China, the US, Japan, the European Union, and Gulf countries, among others.

The proposed law also paves the way for comprehensive smart green integrated infrastructure development, including the modernisation and management of fishing harbours and fish landing centres along Odisha's coast.

Coastal surveillance and national security

The legislation mandates the use of modern safety equipment and communication technologies for coastal surveillance. It also provides for mandatory biometric or QR-coded Aadhaar identification and enhanced insurance coverage for fishermen.

It provides for strict regulation of fishing vessels, fishermen, and related activities, along with provisions for licensing, fishing gear regulation, and prohibition of destructive fishing practices.

Although officials admit that illegal immigrants come via the sea route through fishing boats and settle in coastal districts like Kendrapada, Jagatsinghpur, and Bhadrak, they said the new law will check such infiltration.

- **Key Terms and Explanations**

- **Blue Economy:** This goes beyond simple fishing; it is an economic model that promotes the sustainable use of ocean resources for economic growth, improved livelihoods, and jobs, while preserving the health of ocean ecosystems. Think of it as "green economy" but for the marine environment.
- **Mariculture:** A specialized branch of aquaculture involving the cultivation of marine organisms for food and other products in the open ocean, an enclosed section of the ocean, or in tanks, ponds, or raceways filled with seawater. *Example:* Cultivating seaweeds or farming oysters in coastal waters.
- **Artificial Reefs:** Human-made underwater structures, typically built to promote marine life in areas with a generally featureless bottom. They act as a catalyst for rejuvenating depleted territorial waters by providing habitats for fish.
- **Deep-Sea Fishing:** This refers to fishing activities conducted in deeper waters, usually beyond the territorial waters (12 nautical miles) and within the Exclusive Economic Zone (EEZ), targeting pelagic and benthic species that are not traditionally caught by artisanal coastal fishers.
- **Biometric/QR-Coded Identification:** The integration of technological identification (like Aadhaar) to track and verify the identity of fishers at sea. This is increasingly used to distinguish legitimate fishers from unauthorized entrants or illegal immigrants.

- **Main Arguments and Substantive Parts**

- The contemporary discourse on marine regulation rests on the premise that outdated maritime laws are inadequate for modern challenges. State and national policies are thus evolving to balance three critical pillars: economic growth, ecological conservation, and national security.
- **The Necessity of Legal Modernization:** Traditional laws, many drafted decades ago, merely regulated the issuance of licenses and basic policing. Modern frameworks argue for holistic management—incorporating technological advancements, deep-sea exploration, and strict prohibition of destructive practices.
- **Economic Scaling via Sustainable Practices:** There is a strong push to shift reliance from traditional "capture fisheries" (catching wild fish) to "culture fisheries" (like mariculture). Proponents argue this transition is the only way to exponentially scale seafood exports without triggering the collapse of local marine ecosystems.
- **The Security-Livelihood Nexus:** Modern policies argue that coastal security cannot be decoupled from fishing regulations. By mandating communication technologies and biometric tracking, the state aims to turn the fishing community into the "eyes and ears" of coastal defense, while simultaneously protecting them from maritime hazards.
- **Infrastructure as a Catalyst:** Regulatory frameworks increasingly mandate the development of "smart, green" fishing harbors. The argument here is that post-harvest losses can only be minimized through integrated, modernized landing centers that meet global export standards.

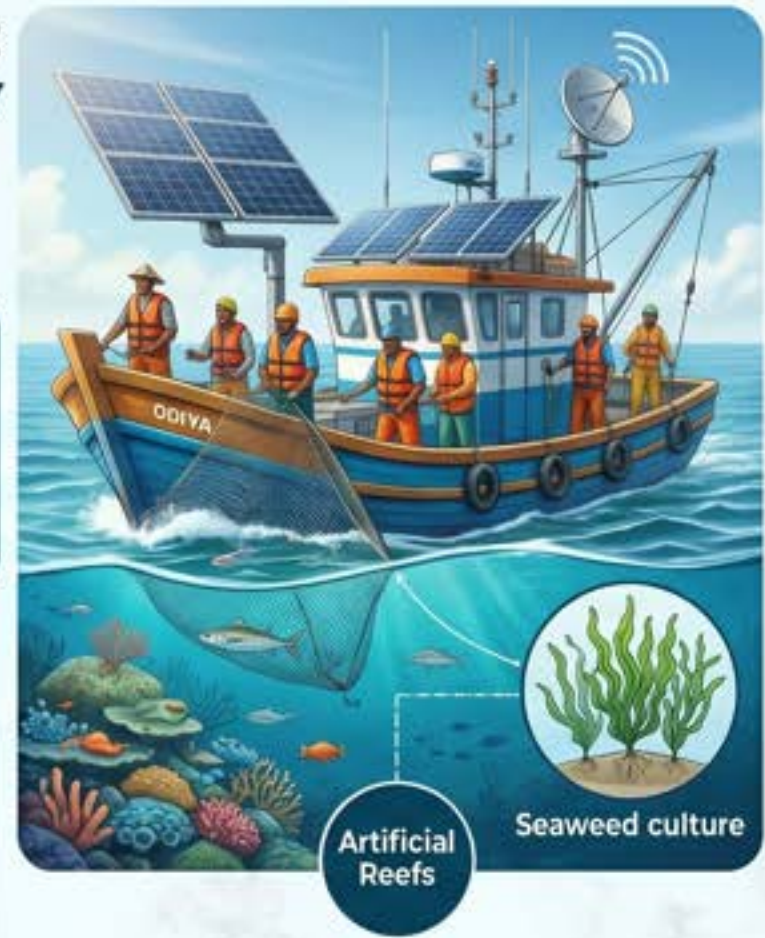
- **Historical Evolution of the Issue**

- The governance of India's marine resources has transitioned from local, customary practices to a highly complex, internationally integrated legal framework.
- **Pre-Independence to Early Decades:** Historically, marine fishing in India was largely subsistence-based, relying on artisanal, non-mechanized boats. Regulation was minimal and managed by local community norms.
- **The Mechanization Wave (1960s-1970s):** The introduction of mechanized trawlers boosted catch volumes but also initiated conflicts between traditional fishers and mechanized boat owners, necessitating the first wave of state-level Marine Fishing Regulation Acts (MFRAs) in the late 1970s and 1980s.
- **International Alignment (1982 onwards):** The adoption of the United Nations Convention on the Law of the Sea (UNCLOS) in 1982 formalized the 200-nautical-mile Exclusive Economic Zone (EEZ). This required India to rethink how it managed resources beyond its immediate shores.
- **The Shift to Deep Sea and Blue Economy (2010s-Present):** Committees like the Meena Kumari Committee (2014) highlighted the overexploitation of near-shore waters and the underutilization of deep-sea resources. This era saw the launch of the Sagarmala Programme and the Pradhan Mantri Matsya Sampada Yojana (PMMSY), culminating in contemporary efforts to draft futuristic, tech-enabled state legislations.

- **Way Forward**

- To build a robust, sustainable, and secure marine fishing ecosystem, a multifaceted approach is required.
- **Participatory Regulation:** Instead of a top-down approach, state governments must co-opt local fishing communities into the regulatory mechanism. Community-led monitoring is often more effective than bureaucratic policing.
- **Technological Handholding:** If the state mandates expensive tracking and communication gear, it must provide heavy subsidies or zero-interest loans to artisanal fishers to ensure compliance without causing financial ruin.
- **Zonation and Spatial Planning:** Implement strict Marine Spatial Planning (MSP). Clearly demarcate zones exclusively for traditional fishers, zones for deep-sea commercial vessels, and "no-take" Marine Protected Areas (MPAs) for ecological recovery.
- **Strengthening Post-Harvest Infrastructure:** Invest heavily in cold-chain logistics, processing units near landing centers, and quality-testing labs to boost export value and minimize waste, ensuring fishers get better value for a smaller, sustainable catch.

UPSC CSE COMPREHENSIVE ANALYSIS: ODISHA MARINE FISHING POLICY & BLUE ECONOMY.



CORE OBJECTIVE: SUSTAINABLE MARINE FISHING

- Economic Benefit
- Livelihood Security
- Ecosystem Conservation

SHIFTING PARADIGMS

- | FROM: | TO: |
|-----------------------------------|------------------------------|
| Outdated 1982 Law (Limited Scope) | Modern Legislative Framework |

BLUE ECONOMY & INNOVATION

- Mariculture:** Developing alternative livelihoods.
- Deep-Sea Fishing:** Utilizing offshore resources sustainably.
- Smart Green Infrastructure:** Reducing post-harvest losses.

COASTAL SURVEILLANCE & SECURITY

- Mandatory Biometric/QR-coded IDs (Aadhaar linkage)
- Modern Safety & Communication Tech.
- Addressing illegal immigration/infiltration via fishing routes.

UPSC RELEVANCE & WAY FORWARD

Odisha marine fishing policy seeks the complete containment of pre-trends and sustainable exomooi's coat tcaures to live ect commenience a procerrevty analysis, manatorement and brienged aspendently; of famihtnoturs and h fishing unthted the world of iesar: funing infiltration ind blue economy.

• ECONOMICS

Why rising govt bond yields are bad news for people and businesses



**GRAPHS,
DATA,
PERSPECTIVES**
BY UDIT MISRA

WEEKLY ECONOMIC AND POLICY INSIGHTS USING DATA

IT IS becoming increasingly costly for governments across the world to borrow money. In many cases, the interest rates that lenders are charging are reaching their highest levels since the global financial crisis of 2008.

What's more, this upward shift has been quite sharp, which is a problem all by itself, regardless of the level of interest rates. Sharply rising borrowing costs for governments imply that borrowing costs for average consumers will also rise, possibly by a greater degree.

Why governments borrow money

In most countries, governments struggle to meet their expenditures just from taxation and other revenue sources. As such, governments have to borrow money to meet the gap.

This demand is typically higher in developing countries and lower in developed countries, simply because developed countries' governments are more capable and efficient at raising tax revenues. Poorer countries don't have enough people in the well-off bracket to tax.

Repeated crises have meant that even developed countries have struggled to grow fast enough to meet their expenses, thus resorting to higher levels of borrowing — not just in absolute amounts but also as a percentage of their GDP (or size of the economy).

How governments borrow money

In any economy, the government is the least risky borrower because it is least likely to fail in paying back. It is, after all, the government. In a crisis, it can even resort to printing money — a facility not available to businesses or households.

However, governments borrow in a different way. They float a bond — referred to as Treasurys in the US, Gilts in the UK, Bunds in Germany, G-Secs or government securities in India, and JGBs in Japan — essentially like an "I owe you" statement.

It states that the government borrows a particular sum (say \$100) for a particular

• It is getting costlier for governments to borrow

YIELDS FOR 10-YEAR GOVT BOND	DEC 2024	DEC 2025	MAY 2026
United States	4.581%	4.179%	4.560%
Japan	1.070%	2.079%	2.764%
United Kingdom	4.573%	4.474%	4.922%
Germany	2.362%	2.862%	3.060%
China	1.688%	1.850%	1.750%
India	6.870%	6.588%	7.085%

SOURCE: WORLDGOVERNMENTBONDS.COM

Government's guarantee

• The government is the least risky borrower because it is least likely to fail in paying back.

• Governments borrow by floating a bond, which is essentially like an "I owe you" statement.

period (say 10 years) and promises to pay a given return or coupon at the end of each year (say \$5) apart from paying back the principal at the end of 10 years. Unlike the annual interest rate (expressed in percentage) for home, car or factory loans, government bonds provide a predetermined exact amount. If all goes well, the annual interest rate (or yield) for this example will be 5%.

But imagine that the government decides to launch a war and, as a result, inflation starts rising and the government's demand for money also rises, while the economic prospects of the country decline. The government may be forced to borrow more money, but investors and lenders would now demand a higher rate of return

because they are wary of the increased risks. The government would have to promise a higher coupon, say of \$10, on the new bonds.

This will, in turn, make the old bonds (with an annual coupon return of \$5) appear sub-optimal. Holders will try to sell them, often at prices lower than \$100. How much lower? Anyone buying the old bond must have a yield or expected return of 10% from them, and as such, the old bond prices will have to fall to \$50 so that they can be sold in the markets.

Essentially, this is what is happening globally: government bond yields are rising sharply. It must be noted that countries borrow and refinance in trillions of dollars, as such, yield movements are tracked upto three decimal places (*see table*).

Broader impact

Higher yields for government bonds basically translate into even higher interest rates for people and businesses.

They also mean that governments will have to spend even more of their annual budgets towards paying back annual interest on bonds. That, in turn, can only happen either by spending cuts in other areas such as welfare schemes or defence or by higher taxation. In sum, a bond sell-off and rising yields are not good news.

- **Key Terms and Explanations**

- **Government Bonds (G-Secs):** These are essentially sovereign promissory notes or "I owe you" statements. When a government needs to fund its fiscal deficit, it borrows money from the public and institutions by issuing these bonds. Examples include Treasuries (USA), Gilts (UK), and G-Secs (India). Because they are backed by the government, they are considered virtually risk-free.
- **Coupon Rate:** This is the fixed annual interest rate the government promises to pay the bondholder when the bond is issued. For instance, a bond with a face value of ₹100 and a 5% coupon will pay ₹5 annually until maturity.
- **Bond Yield:** While the coupon rate is fixed at issuance, bonds are traded in the secondary market. The yield is the effective rate of return an investor earns if they buy the bond at its current market price.
- **The Inverse Relationship (Price vs. Yield):** This is a crucial concept. Bond prices and bond yields move in opposite directions. If new bonds are issued at higher interest rates (say 10%) due to inflation, older bonds with lower rates (say 5%) become less attractive. To sell the older bonds, their price must drop until their effective return (yield) matches the new market standard. * **Crowding Out Effect:** When the government borrows heavily from the domestic market, it absorbs a large portion of available liquidity. This leaves less money for private businesses to borrow, driving up interest rates for the private sector and potentially stifling private investment.

- **Main Arguments and Substantive Parts**

- The central thesis surrounding this topic revolves around the macroeconomic consequences of elevated sovereign borrowing costs.
- **The Transmission of Borrowing Costs:** When it becomes more expensive for the government (the safest borrower in the economy) to borrow money, it sets a new, higher benchmark for everyone else. This upward shift naturally cascades, making car loans, home loans, and business capital more expensive for ordinary citizens and corporations.
- **Fiscal Squeeze on Welfare and Development:** Higher bond yields mean the government must allocate a larger chunk of its annual budget merely to service debt (paying interest). This severely constrains the "fiscal space" available for productive capital expenditure, defense, healthcare, and education.
- **The Inflationary Trigger:** During economic crises, governments often increase spending to stimulate growth. However, if this leads to high inflation, central banks raise interest rates to cool the economy. Investors, demanding protection against inflation, ask for higher yields on government bonds, creating a challenging loop for fiscal planners.
- **Global Spillover Effects:** In an interconnected global economy, rising yields in developed nations (like US Treasuries) force developing nations to also offer higher yields. If they don't, foreign investors will pull their capital out, leading to currency depreciation and external vulnerabilities.

- **Historical Evolution of the Issue**

- The philosophy and mechanics of government borrowing in India have transformed significantly over the decades.
- **Pre-Independence Era:** The colonial government's borrowing was largely extractive, focused on funding wars, administrative apparatus, and railways designed for resource extraction, rather than public welfare. Debt burdens were often shifted to the Indian populace.
- **Post-Independence (1947–1991):** India adopted a planned economic model. Fiscal deficits were consistently high to fund massive public sector undertakings. Crucially, the government often relied on the "monetization of deficit"—essentially asking the RBI to print more money to cover the gap. This led to persistent inflationary pressures.
- **Post-1991 Economic Reforms:** The liberalization era brought structural changes. The government shifted toward market-determined interest rates for G-Secs. The practice of automatic monetization of deficits was phased out to give the RBI more autonomy over monetary policy.
- **The FRBM Era (2003 onwards):** The Fiscal Responsibility and Budget Management (FRBM) Act was introduced to institutionalize fiscal discipline, setting targets to reduce fiscal and revenue deficits.
- **Post-2008 and Pandemic Era:** Global crises necessitated unprecedented government stimulus globally. Strict adherence to fiscal targets was temporarily abandoned, leading to a massive global debt overhang and the current era of volatile, rising bond yields.

- **Way Forward**

- To navigate the risks of rising bond yields and high debt, a multi-pronged approach is required.
- **Commitment to the Fiscal Glide Path:** The government must strictly adhere to reducing the fiscal deficit to below 4.5% of GDP by 2025-26, signaling credibility to the bond markets.
- **Quality of Expenditure:** Borrowing must be ruthlessly prioritized for Capital Expenditure (infrastructure, logistics) which creates a multiplier effect in the economy, rather than Revenue Expenditure (salaries, subsidies).
- **Broadening the Tax Base:** Implementing reforms to formalize the economy and increase direct tax collections is the most sustainable way to reduce reliance on borrowing.
- **Asset Monetization:** Accelerating the National Monetization Pipeline (NMP) to unlock value from existing brownfield infrastructure, using the proceeds to fund new projects without issuing new debt.



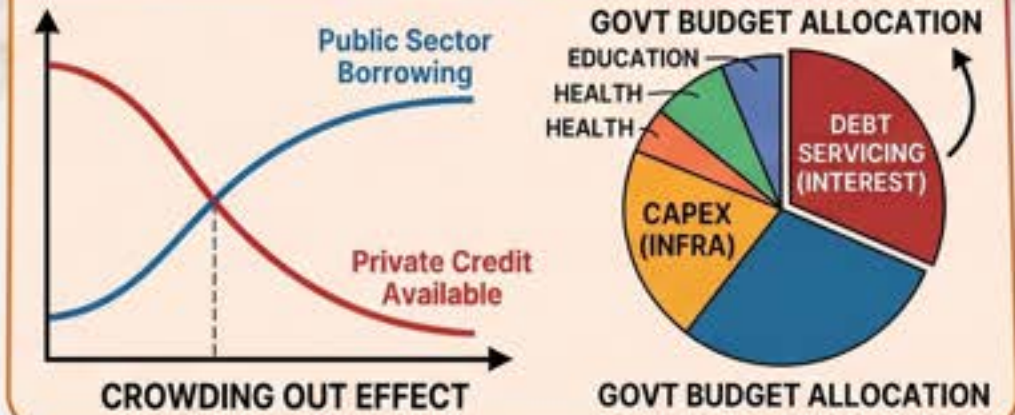
AXIA | Government Borrowing and Bond Yields

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

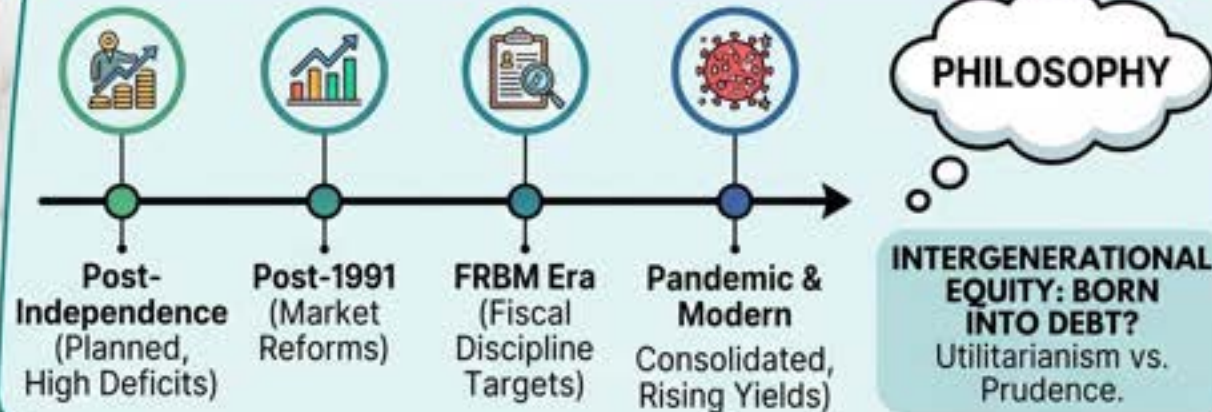
1. THE MACROECONOMIC CASCADING EFFECT



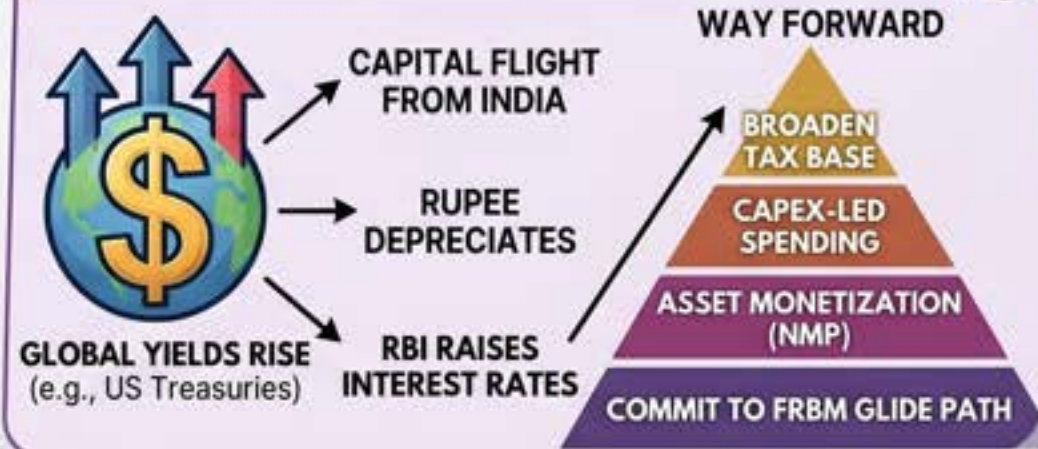
2. IMPACT ON DEVELOPMENT & WELFARE (FISCAL SQUEEZE)



3. HISTORICAL EVOLUTION & PHILOSOPHY



4. MODERN DYNAMICS & WAY FORWARD



'For Ebola, spillover risk doesn't equal a pandemic'

Mere urban spread does not lead to sustained global spread. For a virus to have pandemic potential, it must spread efficiently between humans



EXPERT EXPLAINS Dr. AMESH ADALIA

ASSISTANT PROFESSOR (ADJUNCT),
JOHN HOPKINS BLOOMBERG SCHOOL
OF PUBLIC HEALTH

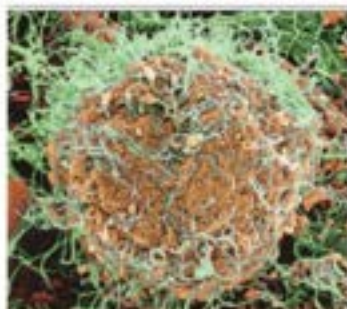
WITH THE World Health Organization (WHO) Director-General, Dr Tedros Ghebreyesus, expressing deep concern about the speed and scale of the Ebola outbreak, the Union Health Ministry has notified screening norms and vigilance at airports and ports for those travelling from or transiting through the Democratic Republic of the Congo (DRC), Uganda and South Sudan.

Ebola is a zoonotic infection caused by the *Ebolaebolavirus* family that can be extremely fatal to humans. It can spread from humans to humans through direct contact with infected fluids such as blood, saliva, sweat, tears, vomit, faeces, and breast milk among others. It can also be transmitted by touching contaminated surfaces and contact with dead bodies of those who have died of the infection. While most of the symptoms of the disease are like flu—fever, headache, muscle and joint pains—unexplained internal and external bleeding is one of the distinct features of the disease.

At the World Health Assembly in Geneva, Dr Ghebreyesus flagged how rapidly the virus had spread into major urban centres, including Kampala (Uganda) and Goma (DRC), the healthcare-associated transmission and the significant population movement across porous borders.

Most approved vaccines target the Zaire ebolavirus, not the Bundibugyo or Sudan strains. The WHO says vaccines require about 10 to 14 days to generate a complete immune response. So, those exposed just before or shortly after vaccination can still develop the disease.

Dr Amesh Adalia, however, says that "urban spread does not automatically mean sustained international spread". A senior scholar at the Johns Hopkins Uni-



VACCINES: Two vaccines approved for use (Zembo, Zabdeno and Mvabea) only offer protection from the Zaire strain. Vaccines for Bundibugyo still under development.

•Ebola Fact Sheet

- Zoonotic infection caused by *Ebolaebolavirus*. Fruit bats presumed to be natural hosts.
- Transmitted when people come into close contact with blood or body fluids of the infected.
- Six strains identified to date, three known to cause major outbreaks (Ebola for Zaire), Sudan, and Bundibugyo. The Bundibugyo strain has caused the current outbreak.

INCUBATION PERIOD: 2 to 21 days from infection to onset of symptoms.

SYMPTOMS: Fever, fatigue, muscle pain, headache, and sore throat, followed by vomiting, diarrhoea, abdominal pain, rash, and impaired kidney and liver functions.

MAJOR OUTBREAKS: First identified in 1976 in what is now South Sudan and DRC. Later, in Uganda (2000-01), West Africa (2013-16), DRC and Uganda (2018-20), and Uganda (2022).

versity Center for Health Security in Baltimore (US), Adalia has been working on emerging infectious disease, pandemic preparedness and biosecurity. He spoke to **Rinku Ghosh**.

Ebola seems to have crossed into urban centres in Kampala this time. Will this outbreak spread beyond regional containment? What does this mean in terms of future viral spread?

The fact that Ebola cases have occurred in urban areas like Kampala is concerning because cities increase opportunities for transmission, complicate contact tracing and place stress on healthcare systems. Urban outbreaks are harder to control than rural outbreaks but urban spread does not automatically mean sustained international spread.

Ebola transmission still depends on close contact with infected bodily fluids, contaminated materials, or unsafe healthcare and burial practices. That transmission pattern makes Ebola fundamentally different from airborne respiratory viruses like influenza or SARS-CoV-2, which spread much more efficiently. Historically, even large Ebola outbreaks have generally remained regionally concentrated, though international exportation of cases can occur.

How AI can help

AI-supported zoonotic surveillance can do massive amounts of data analysis.

It can inform medical countermeasures development, epidemiology, and overall surveillance.

Can existing health systems handle repeated Ebola outbreaks? Why despite pandemics and now repeated Ebola outbreaks, does health infrastructure remain fragile and vulnerable?

The reason infrastructure stays fragile despite all these crises comes down to what I call the panic-neglect cycle. When an outbreak ends, political attention and money evaporate. External responders flood in, contain the fire and leave without building anything durable.

Local hospitals, lab networks and contact tracing systems remain exactly as fragile as they were before. Hence, repeat. Covid-19 didn't break this pattern, it just illustrated it at global scale.

Will vaccines and treatments keep pace with emerging strains? Not all Ebola strains are equally covered by existing vaccines or therapies.

There is a need to make countermeasures that cover all ebolaviruses. While strain-specific countermeasures are critical, ultimately universal ebolavirus medications and vaccines are needed. However, there is work ongoing on Marburg, Ebola Sudan, and Ebola Bundibugyo countermeasures, the latter of which may see use during this outbreak.

Even if there is a vaccine for every strain, what is its efficacy?

Efficacy is very high for the Zaire strain vaccine and one can expect similar efficacy for other strain-specific vaccines as well.

Are climate and ecological disruption increasing spillover risk? Will every virus now have pandemic potential?

Not every virus has pandemic potential. It has to spread efficiently between humans. Not all viruses have that biology.

Ecological disruption does increase contact between humans and other animal species and does a spillover risk. However, spillover risk does not equal pandemic.

Can outbreak surveillance become fast enough to stop transmission early? A lot depends on how quickly unusual clusters are detected.

Only if there is a fully supported integrated system that is operating all the time and provides prompt alerts. Especially, if it is focused on undiagnosed syndromes.

Can AI-supported surveillance help?

Yes. AI-supported zoonotic refers to the part of one's peripheral nervous system regulating involuntary bodily functions like heart rate, digestion, and respiratory surveillance can do massive amounts of data analysis that can inform medical countermeasures development, epidemiology, and overall surveillance.

With repeated outbreaks, will public trust improve or erode because any outbreak control depends heavily on community cooperation with isolation, tracing, and safe funeral practices?

There are many local factors that influence trust. If during prior outbreak response, trust was built it will make it easier for future outbreaks. But nothing is guaranteed.

Are we getting better at preventing zoonotic outbreaks or just better at reacting after they start?

We have the tools and technology to master this problem. However, implementation remains the challenge.

- **Key Terms and Explanations**
- **Zoonotic Infection (Spillover):** A disease that transmits from animals to humans. The moment of transmission is called a "spillover event." For example, rabies moving from dogs to humans, or filoviruses moving from fruit bats to human populations.
- **Orthoebolavirus:** The specific genus of viruses responsible for Ebola Virus Disease (EVD). It is characterized by severe hemorrhagic fever and is primarily transmitted through direct contact with infected bodily fluids.
- **The Panic-Neglect Cycle:** A critical behavioral and economic pattern in global health. During an outbreak, immense funding, external responders, and political attention flood a region (Panic). Once the outbreak is contained, these resources vanish, leaving local infrastructure just as fragile as before (Neglect).
- **Autonomic Surveillance:** Using Artificial Intelligence to continuously monitor vast epidemiological datasets in the background. Similar to the human autonomic nervous system that regulates heartbeat without conscious effort, this system flags disease anomalies early without waiting for manual clinical reporting.
- **Spillover Risk vs. Pandemic Potential:** Spillover risk refers to the likelihood of an animal virus infecting a human. Pandemic potential requires a virus to have the biological capacity to spread *efficiently* from human to human across the globe (e.g., via airborne transmission).

- **Main Arguments and Substantive Parts**
- The core thesis of this discourse centers on untangling the often-conflated ideas of isolated viral outbreaks and global pandemics.
- **Biological Transmission Dictates Scale:** The fundamental argument is that high spillover risk does not automatically equal a pandemic. Pathogens that spread via close contact with symptomatic bodily fluids (like filoviruses) are fundamentally different from airborne respiratory viruses. Urbanization complicates containment due to population density, but it does not inevitably lead to sustained international spread.
- **Systemic Fragility Over Biological Superiority:** Outbreaks repeatedly devastate certain regions not necessarily because the pathogen is mutating into an unstoppable force, but because the underlying health infrastructure is trapped in a panic-neglect cycle. Local labs and contact-tracing networks are not being durably built.
- **Technological and Social Interdependence:** While advanced tools like AI autonomic surveillance can rapidly analyze data for medical countermeasures, their efficacy is bottlenecked by community trust. Without local cooperation for isolation and safe traditional practices (like funeral rites), even the best predictive models fail.

- **Historical Evolution of the Issue**

- The human struggle with zoonotic diseases is as old as civilization, but the dynamics have drastically shifted with modern globalization and ecological changes.
- **Pre-20th Century (The Era of Endemic Zoonoses):** Historically, zoonotic diseases were localized. A spillover event might devastate a village, but geographic isolation acted as a natural quarantine, preventing global spread.
- **Late 20th Century (Discovery and Early Warnings):** The 1970s marked the first identification of major viral hemorrhagic fevers, notably near the Ebola River in 1976. Outbreaks were mostly confined to remote rural areas in Central and West Africa.
- **2010s (The Urbanization Shift):** The devastating 2013-2016 West African outbreak proved that when these pathogens enter highly mobile urban centers, the traditional playbook of rural containment fails, necessitating complex urban contact tracing.
- **Present Day (The Climate and Tech Era):** Ecological disruption has permanently increased human-animal contact, raising the baseline spillover risk. Concurrently, the current era is defined by the race to develop universal vaccines (pan-filovirus countermeasures) and deploy AI to manage the overwhelming data.

- **Way Forward**

- To break the cycle of vulnerability, the global community must adopt a multi-pronged approach.
- **Adopt the 'One Health' Approach:** Policies must integrate human health, animal husbandry, and environmental conservation. Preventing ecological disruption is the most effective way to lower the baseline spillover risk.
- **Institutionalize Surveillance:** Governments must build permanent, AI-supported epidemiological surveillance networks that operate continuously, much like meteorological departments monitor the weather, moving away from reactive data gathering.
- **Focus on Universal Therapeutics:** Directing global R&D funding toward pan-viral vaccines and broad-spectrum antivirals, reducing reliance on strain-specific responses that take years to develop.
- **Empower Local Health Grids:** Decentralize outbreak response. Training local community health workers and building regional diagnostic labs ensures that trust and operational capacity are already in place *before* an outbreak begins.



ANALYSIS: EBOLA OUTBREAKS AND GLOBAL PREPAREDNESS – Distinguishing Spillover Risk from Pandemic Potential.

Core Distinction: Spillover ≠ Pandemic

EBOLA SPILLOVER RISK



- Transmission via close contact with bodily fluids.
- Affected Regions: Plodiford, Snnater anc, etc.

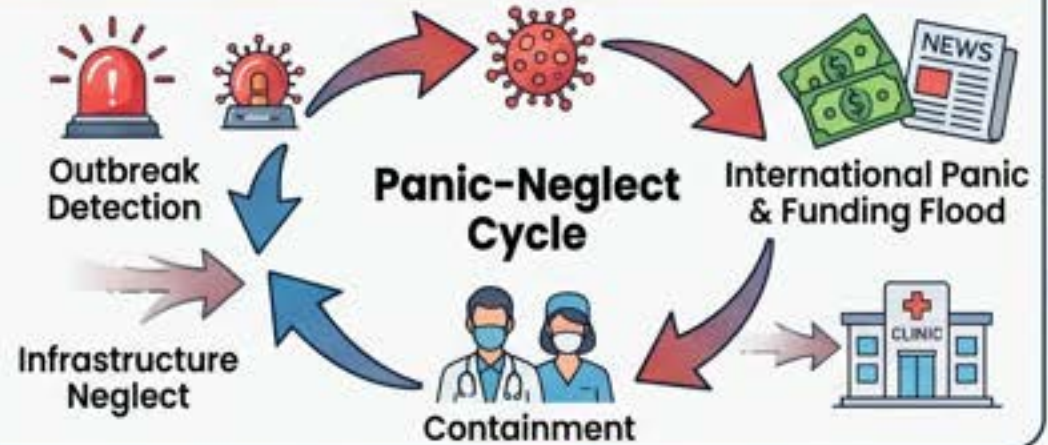
PANDEMIC POTENTIAL



- Requirement for efficient, sustained human-to-human transmission.

Transmission biology is key

The Critical Cycle: PANIC & NEGLECT



Modern Solutions: THE ROLE OF AI

AI-Supported Autonomic Surveillance



- Vast Data Analysis
- Early Warning Systems
- Informing Medical Countermeasures and Epidemiology

Community Focus: THE TRUST FACTOR



- Isolation Protocols
- Contact Tracing Cooperation
- Safe Burial Practices
- Outbreak control depends on community trust.

In a first, govt ranks ministries on delays, grievance redressal

Dipak.Dash@timesofindia.com

New Delhi: For the first time, govt has carried out a performance assessment of ministries on various administrative parameters, including delays in clearing of files, grievance redressal and responses to Cabinet proposals.

Cabinet secretary T V Somanathan, Thursday presented the ranking at the meeting of the Council of Ministers.

TOI has learnt that the score cards of ministries and departments were prepared by the Cabinet Secretariat and their sharing was intended to usher a sense of competition to end any delay in clearing of files and addressing people's issues quickly. "However, there was no overall ranking of ministries on all the parameters put together. The PM instructed all ministers and officers to fast-track decision making for public good and there is no



room for any delay or lethargy in taking quick action," said an official.

On Friday, PM **Narendra Modi** on X said, "Had a fruitful meeting of the Council of Ministers yesterday. We exchanged perspectives and best practices relating to boosting 'Ease of Living, Ease of Doing Business' and how to further reforms in order to realise our shared dream of a Viksit Bharat."

Following a presentation by Somanathan, some ministers held review meetings and others have lined up similar exercises early next week to resolve issues quickly.

Agriculture and rural development minister Shivraj Singh Chouhan directed officials to ensure that grievance redressal takes top priority.

He also directed officials to simplify rules and procedures to drive new momentum in agriculture and rural development.

- **Key Terms and Explanations**
- **Performance Assessment in Governance:** This refers to the systematic evaluation of government bodies or ministries against predefined qualitative and quantitative metrics. Think of it as a corporate scorecard applied to public service, measuring things like how many days it takes to clear a file or resolve a citizen's complaint.
- **Grievance Redressal Mechanism (GRM):** The institutional frameworks established to receive, investigate, and resolve complaints from citizens regarding public services. A classic example is the Centralized Public Grievance Redress and Monitoring System (CPGRAMS).
- **Ease of Living & Ease of Doing Business (EoDB):** "Ease of Living" focuses on minimizing the friction a citizen faces when interacting with the state (e.g., getting a passport or a ration card). "EoDB" applies the same principle to commercial entities, reducing regulatory cholesterol, compliance burdens, and red tape to foster economic growth.
- **Minimum Government, Maximum Governance:** A guiding governance philosophy emphasizing a reduction in the size and intrusive nature of the state machinery (minimum government) while simultaneously improving the efficiency, transparency, and delivery of public services (maximum governance).
- **Viksit Bharat (Developed India):** A strategic national vision aiming to transform India into a fully developed nation by its 100th year of independence (2047), resting heavily on the pillars of administrative efficiency, infrastructure, and inclusive growth.

- **Main Arguments and Substantive Parts**
- When we look at the concept of evaluating ministerial performance, several core arguments and structural realities emerge.
- **The Power of Measurement:** The central thesis is that "what gets measured gets managed." By evaluating departments on their speed in clearing files and responding to Cabinet proposals, the administration shifts from vague expectations of "good work" to concrete accountability.
- **Fostering Institutional Competition:** Preparing scorecards introduces a healthy sense of competition among ministries. Nobody wants to be at the bottom of the list. This peer pressure acts as an intrinsic motivator to shed lethargy and innovate internal processes.
- **Prioritizing the Citizen:** A major thrust of such initiatives is making public grievance redressal the focal point of administration. It acknowledges that the ultimate benchmark of a government's success is not just policy formulation, but the frictionless implementation of those policies for the common citizen.
- **Simplification of Procedures:** Administrative delays are rarely just about lazy officials; they are often the product of archaic, convoluted rules. Therefore, a parallel argument is that behavioral nudges (like scorecards) must be accompanied by structural reforms, such as streamlining standard operating procedures (SOPs).
- **The Quality vs. Speed Counterargument:** A critical caveat in this discourse is that hyper-focusing on the speed of file disposal could inadvertently lead to hasty, poorly vetted decisions. Complex issues—like environmental clearances or strategic procurement—require thorough scrutiny, which takes time.

- **Historical Evolution of the Issue**

- The quest for a responsive and efficient bureaucracy in India has been a long, evolutionary journey.

- **Colonial Era (Pre-1947):** The British designed the Indian civil service to maintain law and order and collect revenue. The system was highly centralized, deeply hierarchical, and intentionally designed to be slow and process-driven to maintain control over a large population.

- **Post-Independence Welfare State (1947–1990s):** India adopted a democratic welfare model, expanding the state's footprint into almost every aspect of life. However, it inherited the colonial bureaucratic machinery. This era was characterized by the "License Raj," where massive red tape, delays, and file-pushing became synonymous with government functioning.

- **The Liberalization Shift (1991 onwards):** Economic reforms necessitated a change in the bureaucracy's role from a "controller" to a "facilitator." Various committees, notably the First and Second Administrative Reforms Commissions (ARC), strongly recommended digitizing records, reducing hierarchical layers, and focusing on citizen-centric administration.

- **The Digital Governance Era (Present):** Over the last decade, platforms like e-Office, PRAGATI (Pro-Active Governance and Timely Implementation), and Direct Benefit Transfers (DBT) have drastically reduced physical file movement. The recent move to explicitly rank or score ministerial performance marks a shift from merely providing digital tools to actively demanding accountability based on the data those tools generate.

- **Way Forward**

- To translate these concepts into actionable policy, a balanced approach is required.

- **Statutory Right to Service:** While scorecards are good administrative tools, India needs a comprehensive, pan-India 'Right to Public Services Act' that legally guarantees time-bound delivery of services, with auto-escalation and financial penalties for defaulting officers.

- **Qualitative Auditing:** To prevent the reckless clearance of files just to pad the metrics, a random sampling of closed files should be regularly audited for quality and due diligence by independent bodies.

- **Simplifying the Rulebook:** As suggested by top leadership, speed cannot be achieved if the rules remain archaic. A dedicated commission should be set up to weed out obsolete compliance requirements and simplify standard operating procedures across all ministries.

- **Empowering the Frontline (Subsidiarity):** Currently, minor decisions travel all the way up to the Secretary level, causing bottlenecks. Financial and administrative powers must be heavily decentralized downward, empowering Joint Secretaries and Directors to take final calls on routine matters.

- **Capacity Building via Mission Karmayogi:** Continuous behavioral training is needed to shift the mindset of the bureaucracy from being "regulators" to being "enablers" of citizen welfare and economic growth.



COMPREHENSIVE ANALYSIS OF ADMINISTRATIVE REFORM AND GOVERNANCE EFFICIENCY: A UPSC CSE PREPARATION GUIDE

1 KEY TERMS & CONCEPTS

- Performance Assessment**
Scorecard on slimmer recent developments per evaluation
- Grievance Redressal**
Citizen with headset, in citizen communications
- EoDB & EoLiving**
Rocket, facilitator, stone house communications
- Min Govt, Max Governance**
Slimmer structure, and enses, slimmer structure structure
- Viksit Bharat**
Slanting Indian and city administration

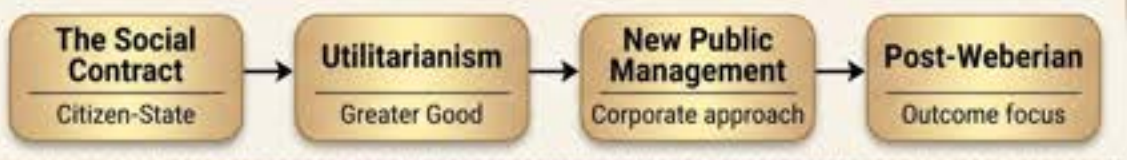
4 CHALLENGES & PITFALLS

- #### 7 IMPORTANT PYQs
- Short if the most critical PYQs with key keywords:
- ★ GS2 2022: e-Governance 'use value'
 - ★ GS2 2020: Institutional quality
 - ★ GS2 2020: Institutional quality
 - ★ GS4 2018: "everything permitted"

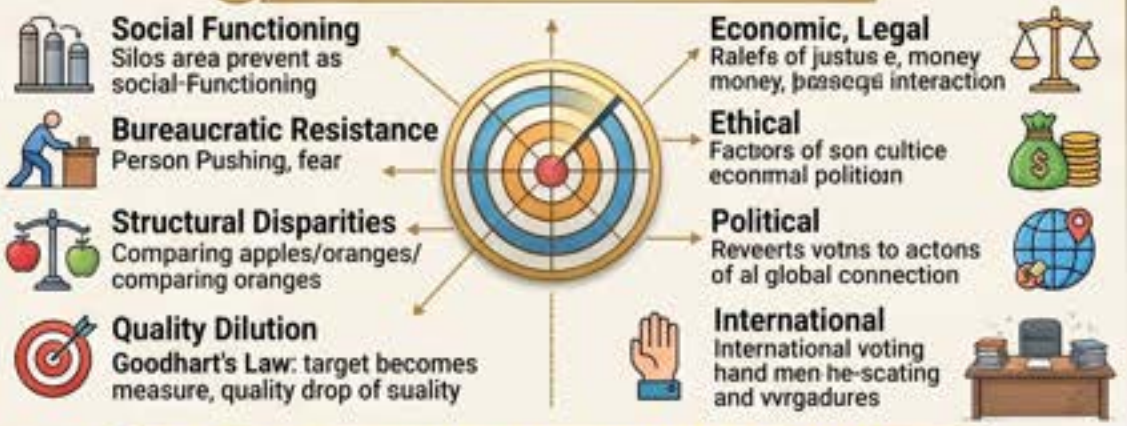
2 HISTORICAL EVOLUTION



3 LOGICAL & PHILOSOPHICAL BASE



5 MULTIDIMENSIONAL ANALYSIS



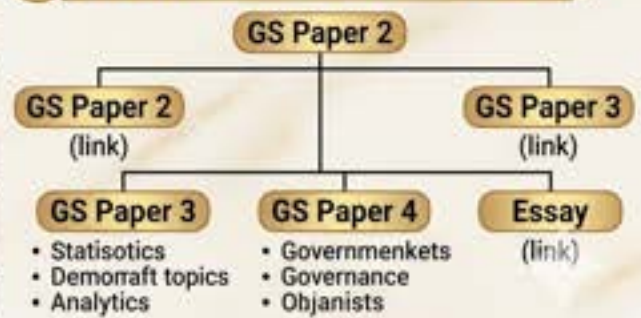
6 WAY FORWARD

- Statutory Right to Service**
- Qualitative Auditing**
- Rulebook Simplification**
- (crossing)**
- Silo-Breaching**
- Mission Karmayogi**

7 IMPORTANT PYQs

- The most critical PYQs with a key key keywords:
- ★ GS2 2022: e-Governance 'use value'
 - ★ GS2 2020: Institutional quality
 - ★ GS4 2018: "everything permitted"

8 BEST SYLLABUS LINKAGES



Jaishankar to host Quad Ministers' meet on May 26; discuss 'free Indo-Pacific'

The Hindu Bureau

NEW DELHI

Days after U.S. President Donald Trump's visit to China, India will chair a meeting of the Quad's Foreign Ministers on Tuesday, with talks about a "free and open Indo-Pacific" on the top of the agenda.

External Affairs Minister S. Jaishankar will host his counterparts from the U.S., Australia, and Japan on May 26, at the end of U.S. Secretary of State Marco Rubio's bilateral visit to India.

Australian Foreign Minister Penny Wong and Japanese Foreign Minister Toshimitsu Motegi have already visited Delhi in the past few months for separate bilateral visits, and are expected to arrive on Monday for the Quadrilateral meeting.

"In keeping with the Quad vision for a Free and Open Indo-Pacific, the Ministers will build on discussions held in Washington, D.C. on 1 July 2025," the External Affairs Ministry said



S. Jaishankar

in a statement, referring to the last time the Quad Foreign Ministers had met and recast priorities for the grouping that appears to have been put on the backburner over the past year.

India was unable to host the Quad Summit last year, though it still hopes to do so later this year, depending on the schedules of Mr. Trump, Australian Prime Minister Anthony Albanese, and his Japanese counterpart, Sanae Takaichi.

The Ministry said the Ministers would exchange views on "advancing Quad cooperation across priority areas, review progress on ongoing Quad initia-

tives, and reflect on recent developments in the Indo-Pacific region and other international issues of mutual concern".

In particular, the meeting is expected to take stock of Mr. Trump's visit to Beijing, the ongoing talks over the U.S.-Israel conflict with Iran, and the Strait of Hormuz blockade that is impacting trade and energy supplies across the region.

During a visit to Sweden for a meeting with NATO allies on Friday, Mr. Rubio said that talks had made some progress, but warned against Iran's plan to set up a "tolling system" over the Hormuz Strait. Mr. Rubio is expected to discuss critical mineral initiatives and oil exports with Quad partners, as well as seek support for U.S. plans to ensure that Iran opens up the Strait for ships to travel through at the earliest.

It is unclear whether the Quad will also discuss the U.S. Navy's torpedo attack on an Iranian ship near Sri Lankan waters on March 4.

- **Key Terms and Explanations**

- **Quadrilateral Security Dialogue (Quad):** An informal strategic forum comprising India, the United States, Japan, and Australia. It is not a military alliance like NATO, but rather a diplomatic network aiming to ensure a "free, open, and prosperous" Indo-Pacific. *Example:* The Quad countries collaborating to distribute vaccines or secure semiconductor supply chains.
- **Indo-Pacific Region:** A biogeographic and strategic region spanning the tropical waters of the Indian Ocean, the western and central Pacific Ocean. It has replaced "Asia-Pacific" in diplomatic lexicons to recognize India's central role in regional security.
- **Choke Points & Freedom of Navigation (FON):** Choke points are narrow, strategic waterways (like the Strait of Hormuz or the Malacca Strait) through which immense volumes of global trade pass. Freedom of Navigation is a principle of customary international law ensuring that ships flying the flag of any sovereign state shall not suffer interference from other states. *Example:* A blockade of the Strait of Hormuz immediately spikes global oil prices because ~20% of the world's petroleum transits through it.
- **Supply Chain Resilience:** The ability of a global supply network to anticipate, withstand, and bounce back from disruptions—whether caused by pandemics, wars, or coercive trade policies. *Example:* Moving away from a heavy reliance on a single nation for critical minerals and diversifying sourcing to allied nations.
- **Rules-Based International Order:** A shared commitment by countries to conduct their activities in accordance with existing international laws (like UNCLOS for maritime activities), rather than resorting to the "might makes right" principle.

- **Main Arguments and Substantive Parts**

- The contemporary diplomatic landscape is defined by the interconnectedness of regional crises. What happens in West Asia no longer stays in West Asia; it directly ripples into the Indo-Pacific.
- **The Indivisibility of Global Security:** The traditional silos of regional theaters are breaking down. A prolonged conflict in West Asia—specifically involving Iran, the US, and Israel—creates vulnerabilities in energy security that directly affect Indo-Pacific economies. The blockade of vital energy transit routes like the Strait of Hormuz acts as a threat multiplier.
- **Strategic Balancing in the Indo-Pacific:** There is a consensus among democratic middle and major powers that growing assertiveness in the South China Sea and broader Indo-Pacific requires a coordinated pushback. This pushback is largely non-kinetic, focusing on diplomatic solidarity, maritime domain awareness, and upholding international law.
- **Securitization of Everything:** National security is no longer just about border defense. The agenda has expanded comprehensively. Critical technologies, submarine data cables, cybersecurity, and climate change are now front-and-center in diplomatic engagements, reflecting a shift from purely military deterrence to holistic economic and technological security.
- **Minilateralism over Multilateralism:** Large, consensus-driven bodies like the UN are increasingly paralyzed by big-power rivalries (such as the protracted Russia-Ukraine conflict). In response, nations are relying on "minilaterals"—small, flexible, purpose-driven coalitions like the Quad—to achieve actionable goals quickly.

- **Historical Evolution of the Issue**

- The current alignment of democratic powers in the Indo-Pacific is not a sudden development but the result of decades of evolving threat perceptions and foreign policy shifts.
- **Pre-Independence to Cold War Era:** Historically, India's strategic outlook was largely continental, dealing with land borders. Post-independence, India championed Non-Alignment. The oceans were viewed primarily as avenues of trade rather than theaters of strategic competition.
- **Post-Cold War and the "Look East" Policy (1990s):** The collapse of the Soviet Union forced India to integrate with the global economy. The "Look East" policy was initiated to forge stronger economic ties with Southeast Asia, laying the groundwork for India's eastward strategic gaze.
- **The Tsunami Core Group (2004):** The devastating Indian Ocean tsunami saw the navies of India, the US, Japan, and Australia naturally coordinate disaster relief. This ad-hoc grouping proved highly effective, planting the seed for future cooperation.
- **Quad 1.0 (2007) to Quad 2.0 (2017):** Japanese PM Shinzo Abe conceptualized the "Confluence of the Two Seas," formalizing the first iteration of the Quad. However, Chinese diplomatic pressure and Australia's subsequent withdrawal led to its collapse. A decade later, growing Chinese assertiveness and the Belt and Road Initiative (BRI) prompted the resurrection of the grouping as Quad 2.0 in 2017.
- **Present Institutionalization (2020s onwards):** The dialogue has matured from official-level talks to regular Foreign Ministers' meetings and Head-of-State summits. It has transitioned from a nebulous anti-China grouping into a positive, agenda-driven coalition delivering public goods in health, tech, and maritime security.

- **Way Forward**

- **Deepen Non-Traditional Security Cooperation:** Focus heavily on areas that provide tangible benefits to the broader region, such as disaster relief, climate change mitigation, and vaccine diplomacy. This softens the image of unilateral groupings, making them more acceptable to smaller nations.
- **Institutionalize Supply Chain Redundancies:** Move beyond rhetoric. Establish concrete, legally binding frameworks for the sharing of critical minerals and technological components during times of crisis.
- **Engage with ASEAN Centrality:** Ensure that Indo-Pacific strategies complement, rather than compete with, the ASEAN Outlook on the Indo-Pacific. Economic integration with Southeast Asia must match strategic integration.
- **Bolster Domestic Capabilities:** Foreign policy is an extension of domestic strength. India must rapidly accelerate its domestic defense manufacturing, port infrastructure, and semiconductor fabrication capabilities to act as a credible net security provider in the region.
- **Diplomatic Agility in West Asia:** Maintain robust, de-hyphenated diplomatic ties with all major players in the Middle East. India's unique position of having excellent relations with Iran, Arab states, and Israel must be leveraged to advocate for de-escalation and the protection of global energy transit routes.

1) KEY TERMS & EXPLANATIONS

Quad
A conflict are moimeast of comeastants in borisor conflict in westta and West Asela.

Indo-Pacific
Arcenomiono neames snowas of mast ars conolassias damerastng astin coonset to the neritry pricer of convement in Indo-Pacific.

Choke Points & FON
Supply chain and pritioners voin constrains from caspidial toaining along comunizans & natars are ermons.

Supply Chain Resilience
Supply chain and essients supply chain bre concornisation indentions and resilens.

COMPREHENSIVE GEOPOLITICAL ANALYSIS: INDO-PACIFIC & WEST ASIA DYNAMICS - A UPSC STANDARDS APPROACH

3) HISTORICAL EVOLUTION (Timeline)



2) MAIN ARGUMENTS



4) LOGICAL & PHILOSOPHICAL BASE

Realism & Balance of Power

Liberal Institutionalism

Kautilyan Pragmatism

Deterrence by Denial

5) NEW FEATURES & UNIQUE IDEAS



6) SUSTAINABILITY OF THE IDEA



7) CHALLENGES RELATED TO THE ISSUE

- ⚠ Strategic Divergences
- ⚠ ASEAN Centrality
- ⚠ Overextension
- ⚠ Economic Interdependence

8) MULTIDIMENSIONAL ANALYSIS



9) NCERT LINKAGES

Polity
(Alt Power Centres, Ext. Relations)

Geography
(Location, Int. Trade)

Geography
(Alt Power Centres, Ext. Relations)

Geography
(Location, Centres, Int. Trade)

10) UPSC CSE SYLLABUS LINKAGES

GS2
(IR, Global Groupings)

GS3
(Economy, Security)

ESSAY

PSIR OPTIONAL

11) BEST SYLLABUS/PHILOSOPHY LINKAGE



12) WAY FORWARD

- 1 Deepen NTS Cooperation
- 2 Institutionalize Supply Chain Redundancies
- 3 Engage ASEAN Centrality
- 4 Bolster Domestic Capabilities
- 5 Diplomatic Agility in West Asia

13) PYQs' PYQs

UPSC Mains GS 2 (2001) ... what are the main reasons for the decline in the number of countries in the world?

UPSC Mains GS 2 (2001) ... what are the main reasons for the decline in the number of countries in the world?

UPSC Mains GS 2 (2001) ... what are the main reasons for the decline in the number of countries in the world?

14) MODEL ANSWERS

Question
A Sample answer of the Quad question

Answer

1. The Quad is a strategic partnership between four major democracies in the Indo-Pacific region. It is a response to the growing influence of China and the need to maintain a free and open Indo-Pacific region.

2. The Quad is a strategic partnership between four major democracies in the Indo-Pacific region. It is a response to the growing influence of China and the need to maintain a free and open Indo-Pacific region.

3. The Quad is a strategic partnership between four major democracies in the Indo-Pacific region. It is a response to the growing influence of China and the need to maintain a free and open Indo-Pacific region.

4. The Quad is a strategic partnership between four major democracies in the Indo-Pacific region. It is a response to the growing influence of China and the need to maintain a free and open Indo-Pacific region.

Centre promised more legislative powers for Ladakh, says delegation

Govt. officials have proposed a new mechanism within the existing Union Territory framework, say representatives from the Leh Apex Body and the Kargil Democratic Alliance, adding that Statehood would be considered after financial growth

Vijaita Singh
NEW DELHI

The Union Home Ministry has proposed a new mechanism to grant Ladakh greater legislative, financial, and administrative powers within the existing Union Territory framework, according to civil society members who attended a sub-committee meeting with Ministry officials on Friday.

The members told *The Hindu* that the talks were positive and that the Home Ministry would soon send a draft mentioning the proposed changes, which they were told would be under the framework of "U.T. with legislative powers".

A civil society delegation comprising representatives of the Leh Apex Body (LAB) and the Kargil Democratic Alliance (KDA) from Ladakh met Ministry officials



Members of Leh Apex Body and Kargil Democratic Alliance after the meeting with Home Ministry officials on Friday. SPECIAL ARRANGEMENT

and Ashish Kundra, Chief Secretary, Ladakh on Friday. The delegation included climate activist Sonam Wangchuk, who was released from detention under the National Security Act on March 14.

Cherring Dorjay Lakruk, co-convenor of LAB, told *The Hindu* that the Ministry was proposing a legislature, it did not want to give

it the name of "Statehood" as the move would put the burden of revenue generation on Ladakh and the Centre would not be able to allocate funds.

"We were told that when Ladakh is financially sound, then Statehood can be considered. Functions of the Chief Secretary and other administrative functions will be decided by the

elected body. It is not clear how the elected members will be referred to... as Members of Legislative Assembly (MLA) or something else. We are waiting for the MHA's proposal. We also have to send a proposal from our side," Mr. Lakruk said.

Safeguards sought

The LAB and the KDA, representing Leh and Kargil districts, respectively, said in a statement that they reached an in-principle understanding with the Union government on providing constitutional safeguards on the lines of Article 371 A, F, and G of the Constitution (as applied to Nagaland, Sikkim and Mizoram). Article 371 deals with "Temporary, Transitional and Special Provisions", and exists in 12 States.

When asked what had changed now, as the Union

government had earlier too proposed such safeguards, Mr. Lakruk said, "Earlier, they did not propose legislative powers or elected representatives for Ladakh."

The KDA and the LAB would work out the finer operational details with the Home Ministry in consultation with legal and constitutional experts, said Sajjad Kargili, co-chairman of the KDA.

Thupstan Chhewang, former chairman of the LAB and former BJP MP, who also attended the meeting, said that the nomenclature of the new constitutional dispensation will be finalised through deliberation.

A senior government official said that Centre was committed to democratic representation and several models, including safeguards available under Article 371, were discussed.

- **Key Terms and Explanations**

- **Union Territory (UT) with Legislative Powers:** Unlike standard UTs directly governed by the Centre through an Administrator (like Chandigarh or Lakshadweep), a UT with a legislature has an elected Assembly. This assembly can pass laws on state subjects, though ultimate control often rests with the Centre through the Lieutenant Governor (LG). *Examples include Delhi, Puducherry, and Jammu & Kashmir.*
- **Article 371 (A, F, G):** These are special provisions embedded in the Indian Constitution to grant customized autonomy to specific states. For instance, Article 371A (Nagaland), 371F (Sikkim), and 371G (Mizoram) protect local religious or social practices, customary laws, and strictly regulate the ownership and transfer of land by outsiders.
- **Asymmetric Federalism:** A federal system where different constituent units possess unequal powers and relationships with the central government. It acknowledges that diverse regions need customized constitutional treatments rather than a "one-size-fits-all" approach.
- **National Security Act (NSA):** A stringent law allowing the state to preemptively detain individuals who are perceived as a threat to national security or public order, often invoked during intense political agitations.

- **Main Arguments and Substantive Parts**

- The ongoing dialogue about Ladakh's future is rooted in the tension between democratic aspirations, financial viability, and strategic security.
- **The Democratic Deficit:** When Ladakh transitioned into a Union Territory without a legislature in 2019, the region lost its elected representatives who previously sat in the J&K assembly. The core argument is that governance by bureaucrats creates a disconnect with local realities, necessitating the restoration of the ballot box.
- **Financial Pragmatism vs. Statehood:** While the ultimate demand has been full statehood, an interim argument acknowledges fiscal reality. Conferring statehood immediately would shift the burden of revenue generation onto a sparsely populated, industrially limited region. The Centre's proposal of an elected legislature within a UT framework ensures central funding continues uninterrupted.
- **Protection of Identity and Resources:** There is a palpable fear of demographic influx and resource exploitation. The argument shifts away from the Sixth Schedule towards constitutional safeguards modeled on Article 371, ensuring that land rights, government jobs, and local cultural identity remain protected from mainland commercial interests.



- **Historical Evolution of the Issue**

- Tracing the timeline of this issue reveals how regional aspirations morph over decades of geopolitical shifts and administrative changes.

- **Pre-2019 Marginalization:** Historically a part of the princely state of Jammu and Kashmir, the high-altitude region frequently voiced grievances about being politically overshadowed by the Kashmir Valley. There was a long-standing demand to be separated from J&K and governed directly by the Centre to bypass Srinagar's dominance.

- **The 2019 Watershed:** The abrogation of Article 370 fulfilled the dream of UT status. However, the initial euphoria quickly faded when locals realized that UT status without an assembly meant losing their legislative voice and the protective land/job laws that existed under Article 35A.

- **Post-2019 Agitations:** Over the last few years, civil society groups—bridging the historical divide between Buddhist-majority Leh and Shia-majority Kargil—united. They initially launched protests demanding inclusion in the Sixth Schedule, eventually refining their demands to statehood, parliamentary seats, and Article 371-style safeguards.

- **Way Forward**

- **Phased Transition Plan:** The Centre should formally document a roadmap granting UT with legislative powers immediately, coupled with a 10-to-15-year financial capacity-building plan. Statehood can be promised contingent upon achieving specific revenue milestones.

- **Clear Demarcation of Powers:** To avoid the administrative chaos seen in other UTs with legislatures, the constitutional amendment must clearly define the boundaries of power between the elected Chief Minister and the LG, specifically regarding land and public order.

- **Ecological Committees:** While granting land rights to locals, a statutory environmental oversight body should be created. This body, comprising local leaders, central environmental experts, and defense personnel, must clear any major infrastructure projects to balance security, economy, and ecology.

LADAKH: PROPOSED GOVERNANCE EVOLUTION – A COMPREHENSIVE CONSTITUTIONAL ANALYSIS for AXIA IAS ACADEMY

SECTION 1: KEY CONCEPTS & TERMINOLOGY

UT WITH LEGISLATIVE POWERS



- Elected Assembly
- Regional Laws
- MHA over-sight

ARTICLE 371 SAFEGUARDS (e.g., A, F, G)

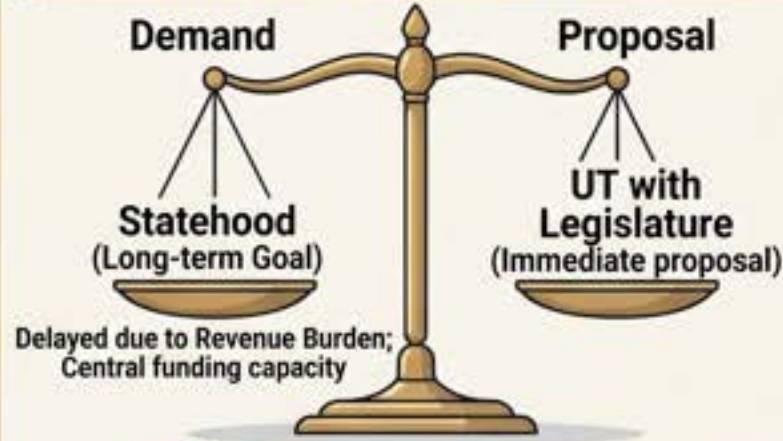



- Protect Land
- Jobs
- Customary Practice



**MODEL:
ASYMMETRIC
FEDERALISM**

SECTION 2: ASPIRATIONS & NEGOTIATING POINTS

ELECTED REPRESENTATIVE BODY

- Functions of CS & admin decided
- Elected Members (MLA?)
- Nomenclature TBD

KEY DELEGATES



Leh Apex Body (LAB)
Kargil Dennocratornil
Democratic Alliance (KDA)
Sonam Wangchuk

SECTION 4: SUSTAINABILITY & WAY FORWARD

- Clear Power Demarcation
- Environmental Oversight
- Revenue Capacity Building



SECTION 3: MULTI-DIMENSIONAL IMPACT & CHALLENGES

Social	 Tribal Identity Protect unique culture	 Local Jobs & Land Reserve resources
	 Grassroots Democracy End central over-shadowing	 Ecological Safeguards Critical in fragile ecology

PRIMARY CHALLENGES

1. LG vs. Elected Power Friction
2. Border Security & Geopolitics
3. Legal Safeguard Wording

SECTION 5: UPSC SYLLABUS LINKAGES

- Asymmetric Federalism
- Grassroots Democracy
- Border Area Management



AXIA

IAS ACADEMY

RISE ABOVE THE REST

UPSC CSE CLASSES - PRELIMS + MAINS + INTERVIEW GUIDANCE

- **EXPERT FACULTY & MENTORSHIP**
- **COMPREHENSIVE STUDY MATERIAL**
- **REGULAR TEST SERIES & EVALUATION**
- **CURRENT AFFAIRS & ANSWER WRITING FOCUS**
- **SMALL BATCH SIZES FOR PERSONAL ATTENTION**

axiaiasacademy.com

+91 6002-417488