Mains Master

FTAs need to deliver for a buoyant external trade

Context

- The NDA government has sought to transform India's external trade sector since 2014, aiming to double exports and increase its global market share.
- Despite challenges, India's goods and services exports achieved a record $776 billion in 2022-23.

Background

- Global factors hindering India's export growth over the past decade include:
  - Economic uncertainty and protectionist trends
  - High commodity prices
  - COVID-19 pandemic
  - Geopolitical tensions (e.g., Russia-Ukraine war, Hamas-Israel tensions)

Present Status of India's Trade

- **Exports:**
  - Fluctuated in line with global demand.
  - Grew from $314 billion (2013-14) to $451 billion (2022-23), average annual growth of just over 4%.
  - India's share of global goods exports increased marginally from 1.7% (2014) to 1.8% (2023).
- **Imports:**
  - Outpaced exports, growing at over 5% annually from $450 billion (2013-14) to $716 billion (2022-23).
  - Contributed to a ballooning trade deficit, reaching $265 billion (2022-23) from $136 billion (2013-14).
  - High-value imports in oil and gold are major deficit drivers.
- Services Exports:
  - Increased from $167 billion (2013-14) to $322 billion (2022-23).
  - Grew slightly faster than goods exports, with robust performance in telecom, IT, transport, and travel.

Challenges

- WTO-compatible Export Promotion: India struggles to design schemes within WTO norms (e.g., the transition from MEIS to RoDTEP).
- China Factor: Managing the swelling trade deficit with China, fueled by rising imports.
- FTA Utilization: Fully leveraging existing FTAs (with Japan, South Korea, ASEAN) to boost exports has been a challenge.

Policies and Government Schemes

- **Foreign Trade Policy (FTP):** FTP 2023 replaces previous 5-year plans with open-ended timeframes and ambitious targets:
  - $1 trillion goods export by 2030
  - $1 trillion services export by 2030
- **Free Trade Agreements (FTAs):** Emphasis on new FTAs with developed nations and blocs:
  - Recent FTAs: Mauritius, UAE, Australia, EFTA
  - Upcoming: Oman, UK (post-elections), and the ambitious India-EU FTA
- **Production Linked Incentive (PLI):** Focus on boosting domestic manufacturing capabilities to support export growth.
- **Remission of Duties and Taxes for Export Products (RoDTEP):** WTO-compatible export scheme, carefully calibrated to offset input duties.

Critical Examination

- Internal policy hurdles and external factors have held back India's export potential.
- FTA success isn't guaranteed – impacts on domestic industry and actual trade benefits need evaluation.

Way Forward

- India needs to navigate a challenging global economic landscape and geopolitical tensions.
- Strategic use of existing and upcoming FTAs is vital, along with product and market diversification efforts.
- Addressing the China trade imbalance remains a complex but critical task.

A maritime bastion

Historical Context

- **British Era:**
  - **Purpose of penal colony:** The A&N Islands weren't merely a place of exile but were designed to inflict harsh conditions and break the spirit of Indian revolutionaries fighting for independence.
  - **Conditions:** Inmates faced severe isolation, disease outbreaks, and forced labor, leading to significant loss of life. The infamous Cellular Jail is a grim reminder of this period.
- **Post-Independence Vulnerability:**
  - **British intentions:** The British Chiefs of Staff's recommendation highlights the strategic value they saw in the islands, desiring to keep them even while granting India independence. British PM Atlee ultimately overruled this due to India's agreement to the Partition plan.
  - **Indonesian ambitions:** The incident with the Indonesian President in 1965 underscores that other regional powers recognized the value of the A&N Islands and were willing to opportunistically seize them if given the chance.
- **Gradual Indian Consolidation:**
  - **1962 Detachment:** The initial force of 150 sailors marks a symbolic beginning, showing India's first efforts to exert control, however limited it may have been at the time.
  - **1976 Fortress:** This upgrade indicates an evolving awareness of the A&N's importance – moving from a small detachment to establishing a more robust defensive posture.
  - **2001 ANC:** The creation of a unified command was a watershed moment. It brought all three services (Army, Navy, Air Force) and the Coast Guard under one command, showing India was finally treating the A&N as a critical theater of operations.

Strategic Significance

- **Location:**
  - Proximity: The specific distances to Myanmar, Indonesia, and Thailand emphasize that the A&N sit at the crossroads of vital waterways and potential adversaries.
  - Malacca Control: The ability to monitor (and potentially disrupt) shipping through the Malacca Strait gives India significant leverage in the Indo-Pacific. This chokepoint is crucial for global energy supplies and trade.
- **Security Concerns:**
  - Sparse Population: The fact that so few islands are inhabited creates a massive challenge in monitoring and protecting the entire territory from intrusion by hostile forces or non-state actors.

India's Changing Approach

- **Shift from Neglect:**
  - Previous Outlook: The long period of neglect reflects India's inward-looking tendencies post-independence and focus on continental borders.
  - Reasons for Change: China's growing naval power and ambitions in the Indian Ocean have been the primary catalyst for India re-evaluating its maritime priorities.

- **Security Focus:**
  - Advanced Platforms: The mention of these assets suggests the A&N won't just be a defensive outpost but capable of housing long-range missiles, advanced aircraft, and warships for power projection.
  - Surveillance: Upgrade indicates a focus on persistent monitoring of the surrounding seas and airspace for early detection of threats.
  - Troop presence: Sending significant numbers of troops highlights India's commitment to defending the islands from any attempted seizure.
- **Power Projection & Cooperation:**
  - Countering China: The PLAN's (People's Liberation Army Navy) activities confirm China's designs in the region and India's resolve to push back directly from the A&N.
  - Regional Hub: The cooperative aspect shows India isn't just seeking military dominance, but envisions the A&N as a place where like-minded nations can work together on shared security concerns.

Remarkable support for religious pluralism

Context

- India's longstanding tradition of religious pluralism and co-existence of multiple faiths.
- Recent sociopolitical tensions and the rise of voices advocating for a "Hindu Rashtra" raise concerns about threats to India's secular principles.

Background

- A pre-poll survey was conducted to assess public sentiment on religious pluralism and tolerance in India.

Findings of the Survey

- **Overwhelming Support for Pluralism:** A significant majority (79%) endorse the idea that India belongs equally to all religions, emphasizing the strength of religious tolerance as a core value.
- **Majority View Transcends Religious Lines:** This belief is shared by roughly 8 out of 10 Hindus, not solely held by religious minorities.
- **Stronger Support Among the Young and Educated:** Support for pluralism is slightly greater among younger generations (81%) compared to older demographics (73%) and increases with education level.
- **Urban vs. Rural Divide:** Urban residents exhibit greater support for religious pluralism than those in rural areas.

Recent Polarization Narratives Challenged

- The survey findings dispel the misconception that a sharp religious divide in politics mirrors a similar societal fracture.

Highlighting India's Age-Old Pluralism

- **Centuries of Coexistence:** India's history is marked by the arrival and integration of diverse faiths, including Hinduism, Buddhism, Jainism, Sikhism, Islam, Christianity, Judaism, and Zoroastrianism. This long-standing intermingling has given rise to a rich tapestry of religious practices and beliefs.
- **Syncretic Traditions:** India's pluralism is not just about the co-existence of religions, but the active exchange and blending of ideas and traditions. We see this in the Sufi and Bhakti movements within Islam and Hinduism, in shared religious sites, and even in hybrid festivals and artistic expressions.
- **Constitutional Safeguards:** This enduring legacy of pluralism is enshrined in the Indian Constitution. Its secular nature provides equal rights and protections for all religions, fostering an environment of respect and mutual acceptance.

Unique Feature of Indian Society

- **Beyond Mere Tolerance:** India's model of pluralism doesn't simply imply passive tolerance but active celebration of diversity. While many nations grapple with religious conflicts, India showcases a lived reality where individuals can proudly maintain their distinct religious identities while belonging to a larger shared national identity.
- **Unity in Diversity:** The motto of 'Unity in Diversity' perfectly captures this spirit. It emphasizes that a common Indian identity can flourish amidst a multitude of regional, linguistic, and religious differences.
- **Challenges and Resilience:** Certainly, communal tensions and incidents of violence have occurred throughout Indian history. Yet, the resilience of the pluralistic fabric lies in its ability to bounce back, with the majority of the population consistently reaffirming the values of tolerance and coexistence.

Way Forward for Inclusive Pluralism

- Public opinion offers a strong foundation to strengthen initiatives that promote interfaith understanding and dialogue.
- It is crucial to address the root causes of communal tensions and work towards an inclusive, pluralistic future for India.

Is transparency lacking in candidate disclosure?

Here are the key points in bullet form, including the relevant court cases:

- Supreme Court ruled in a recent case that candidates need not disclose every detail in election affidavits unless information is substantial

- Concerns over candidates allegedly concealing income, assets in affidavits, raising transparency issues (e.g. Rajeev Chandrashekhar case)

- Around 19% candidates in 2019 Lok Sabha elections faced serious criminal charges like rape, murder

- Some candidates filed incomplete affidavits, left columns blank to circumvent disclosure rules (Resurgence India vs EC case, 2013)

- Law Commission, EC recommended:
  - Stricter punishment for filing false affidavits, making it ground for disqualification
  - Debarring candidates charged with offences over 5 years imprisonment from contesting
  - Speedy trials in false affidavit cases

- Supreme Court directed in Public Interest Foundation vs Union of India case (2018) for candidates, parties to publicize criminal records thrice before polls

- Debarring chargesheeted candidates could be misused, but other reforms crucial:
  - Implementing strict penalties for false affidavits
  - Increasing transparency in disclosing criminal records
  - Enabling informed voter choices through better disclosure mechanisms

- Supreme Court held in ADR vs Union of India case (2002) that voters have right to know criminal antecedents, income, assets of candidates

Prelims Booster

ISRO's 'zero orbital debris' milestone

- 🛰️ **ISRO's Zero Orbital Debris Milestone:**
  ISRO achieved a significant milestone by ensuring practically zero debris in Earth's orbit after the PSLV-C58/XPoSat mission, utilizing the PSLV Orbital Experimental Module-3 (POEM-3) to transform the last stage of the rocket into an orbital station and safely de-orbit it to prevent space debris accumulation.

- 🚀 **Purpose of POEM-3:**
  POEM-3, developed by the Vikram Sarabhai Space Centre, repurposes the spent fourth stage of a PSLV rocket as an orbital platform for scientific experiments, contributing to space debris mitigation efforts by facilitating controlled re-entry into the Earth's atmosphere.

- 🛰️ **Space Debris Risks:**
  With the escalating number of satellites in orbit, space debris poses a significant threat to space assets, including defunct satellites, rocket fragments, and debris from anti-satellite tests, highlighting the importance of responsible space practices and debris mitigation strategies.

Indian start-up funding sees revival, VC investments double in Q1 2024

- 💰 **Venture Capital Fundamentals:**
  VC involves investing in startups for equity, fueling growth and innovation with high-risk, high-reward potential.

- 🚀 **Startup Support:**
  VCs provide funding, mentorship, and strategic advice, nurturing breakthrough ideas and disruptive technologies.

- 💰 **Investment Strategy:**
  VCs target startups at different stages, aiming for long-term gains through acquisitions or IPO exits.

- 📊 **Global Impact:**
  Key VC hubs like Silicon Valley and Bengaluru drive entrepreneurship, fostering successful companies like Apple and Google.