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# TATHASTU

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## NATO Plus – Should India join?

**News:** United States Permanent Representative to NATO, Julianne Smith quoted: The NATO alliance is open to more engagement, should India seek that. Several other discussions have been on-going seeking India's closer participation.

### What is NATO and NATO plus?

- NATO is an intergovernmental military alliance comprising 31-member states, mainly from Europe and North America. It aims to ensure the freedom and security of its members through political and military cooperation.
- NATO Plus includes **five more member nations** which are treaty allies of the US— **Australia, Japan, South Korea, New Zealand and Israel**. The term 'NATO Plus' is not officially recognised within NATO itself but has been used in discussions regarding the potential expansion of the alliance.
- The focus of NATO Plus is on containing China. Therefore, considering its disputes with China, India remains a missing link in the framework.



### What are advantages for India in joining NATO plus?

- In light of increasing **regional security challenges**, India joining the NATO Plus framework could provide it with a **security umbrella**. With protection and deterrence against potential threats.
- India could also **gain access to advanced military technologies, intelligence-sharing platforms, and inter-operability** with other member-states.
- **China's rise** and its **aggression** has made a strong India-US partnership a necessity. If China continues with its assertive and aggressive foreign policy agenda against India, India may have pragmatic engagement with NATO.
- Long-term dependence on Russia for military, strategic needs may not do well for India considering economic issues Russia is likely to face in the near to long term.

### Why India should do away from joining NATO plus?

- If India joins NATO Plus, it will directly impact India's strong, ties with Russia. Russia has been useful to India in dealing with regional security challenges and, in moderating the stance of China. Even if Russia is increasingly inching towards China, it continues to remain a valuable partner for us.
- India has traditionally maintained a policy of **strategic autonomy**, allowing it to engage with various nations and blocs based on its own interests. Joining NATO could potentially risk India's strategic autonomy.
- Being part of a military framework will limit India's freedom of action and prevent it from pursuing an independent policy towards China.
- Considering our own bilateral issues with China and a strategy for the Indo-Pacific, being part of the Taiwan strategy of the U.S. under NATO Plus will complicate India's security.
- India is a middle power with great-power aspirations. It has been the leading voice for the Global South at world forums. A junior-partner status in an alliance would mean giving up its great-power aspirations. It would make it difficult for India to rise as the third pole.

### Way Forward

- India's priorities lie in addressing its own regional dynamics that includes a unique set of security challenges such as border disputes, terrorism, and regional conflicts.
- NATO has certain competencies to deal with such issues, its larger geopolitical agenda starting from Eurasia to the Indo-Pacific may divert resources and attention away from these pressing issues and, therefore, will not be of much help to India.

**Source – The Hindu**

## A macro-view of Fiscal health of states

**News:** Here we will discuss about the fiscal operations of the Indian states and understand the importance of improving state finances to improve country's fiscal situation.

### Background:

- Indian states mobilize over a third of total revenue, spend 60% of combined government expenditure, and have around 40% share in government borrowing.
- The basis of this analysis relies on the data collected from the budgets (2023-24) of 17 major States in India.

### Key Findings:

- The **general government deficit and debt**, which increased during the COVID-19 pandemic, **has started to recede**.
- There have been significant post-pandemic fiscal corrections at the Union and State levels.
- The **Union level fiscal deficit** declined from **9.1% of GDP in 2020-21 to 5.9% in 2023-24 (BE)**.
- **All-State fiscal deficit** was **4.1% of GDP in 2020-21**, and it is expected to be **2.9% of GDP** for the major States in 2023-24 (BE).

### Which factors contributed to betterment in Fiscal situation?

The 17 major States contained their fiscal deficits despite revenue contraction during the peak of the COVID-19 pandemic.

- Better Union-State fiscal co-ordination has helped.
- States were successful to reprioritize expenditure and quickly contain the fiscal deficit.
- Improved GST collection and higher tax devolution.
- Non-GST revenues are also showing signs of recovery after the pandemic in most States.

### What challenges need to be addressed?

- The reduction in the fiscal deficit has not been accompanied by a corresponding reduction in revenue deficit. Out of 17 major states, 13 states have a deficit in the revenue account in 2023-24 (BE). They also have large state to GSDP ratio.
- The all-State share of revenue deficit in fiscal deficit for the same year is expected to be 27%.
- The 12th Finance Commission identified three States (Kerala, Punjab, West Bengal) as fiscally stressed States, in term of revenue deficit. The number has now increased to seven.

### Way Forward

The focus should be brought back to the management of the revenue deficit. Following steps may help.

- Linking interest-free loans to States with a reduction in revenue deficit can prevent diversion of borrowed resources and incentivize fiscal discipline.
- Implementing performance incentive grants based on revenue deficit reduction can further encourage fiscal balance and quality expenditure.

## Unsafe WASH practices

**News:** Recently, according to a report by the **World Health Organization (WHO)** titled "**Burden of Disease Attributable to Unsafe Drinking Water, Sanitation and Hygiene: 2019 Update**," unsafe WASH practices have led to significant loss of lives and widespread disease burden.

### Background:

- The report summarizes the estimates of the burden of disease attributable to unsafe drinking water, sanitation, and hygiene for the year 2019 for four health outcomes - diarrhoea, acute respiratory infections, soil-transmitted helminthiasis, and undernutrition

### What is WASH?

- WASH is an acronym that stands for the interrelated areas of Water, Sanitation, and Hygiene.

## What are SDGs linked to WASH?

- SDG 3 → Good Health and Well-being - WASH is essential for preventing the spread of diseases and promoting good health.
- SDG 6 → Clean Water and Sanitation
- SDG 12 → Responsible Consumption and Production - WASH is critical to ensure responsible consumption and production of water resources.
- SDG 13 → Climate Action - Climate change can impact access to safe drinking water, sanitation, and hygiene, making WASH an important component of climate action.

## Key Findings:

- **Unsafe WASH** was responsible for an estimated **1.4 million deaths in 2019**, accounting for 2.5% of the total global deaths and 4.9% of the total global disability-adjusted life years (DALYs).
- **Diarrhoea** was the leading cause of death and DALYs attributable to unsafe WASH, followed by undernutrition, acute respiratory infections and soil-transmitted helminthiasis.
- **Children under 5 years** of age were the **most affected** by unsafe WASH, bearing 72% of the deaths and 70% of the DALYs.
- The burden of disease attributable to unsafe WASH varied significantly across regions, with the highest burden in sub-Saharan Africa, followed by South-East Asia and Eastern Mediterranean.
- **Improving access to safe WASH** could prevent an **estimated 1.4 million deaths per year** and **reduce the global disease burden by 6.6%**.
- Achieving universal access to safe WASH by 2030, as envisioned by the SDG 6, would require significant investments and efforts in terms of infrastructure, governance, monitoring and behaviour change.

## Indian Ocean Geoid Low

**News:** Researchers at the Indian Institute of Science have revealed the secrets of the giant gravity hole that rests in the Indian Ocean.

### What is Indian Ocean Geoid Low?

- The Indian Ocean Geoid Low (IOGL) is a giant '**gravity hole**' in the Indian Ocean, where the **gravity is lower than average** and the **sea level is 106 meters lower than the global average**.
- It is the **largest** and **deepest geoid anomaly** on Earth, covering more than three million square kilometres.
- The IOGL is a result of a **mass deficit** inside the Earth's mantle beneath the Indian Ocean, caused by the interaction of plumes and slabs. Plumes are hot, buoyant upwellings of mantle material that rise from the core-mantle boundary, while slabs are cold, dense downwellings of tectonic plates that sink into the mantle.

### TAKING A DEEP LOOK

**What is a Geoid** | The earth's surface is not a perfect ellipsoid but is more like an irregular shaped potato. Therefore, **scientists use an imaginary sea level shape called 'geoid' which has highs and lows from place to place.** The Indian Ocean exhibits the **largest drop** in the world, a depression of around **106 metres**

**What is a tectonic plate** | The **earth's outer shell is broken into massive pieces** of rock which are **around 100kms thick.** Called **tectonic plates**, they float over an underlying thick layer of hot, molten magma

### How did the scientists reveal the secrets? What went into the process?

- A study by Indian scientists, published in Geophysical Research Letters in 2023, showed that the IOGL was formed by plumes that originated from the edges of the **African Large Low Shear Velocity Province (LLSVP)**, a massive thermochemical pile at the core-mantle boundary. These plumes were triggered by slabs from the **Tethys Ocean**, a long-lost sea that subducted under Africa and Eurasia millions of years ago.

- The study used **global mantle convection models** to reconstruct the plate tectonic movements and mantle dynamics since 140 million years ago, and showed that the IOGL took its present shape about **20 million years ago**, when the plumes spread within the upper mantle.
- The study also explored various parameters that affect the shape and amplitude of the IOGL, such as the density and viscosity of the LLSVP, the Clapeyron slope and density jump at 660 km depth, and the strength of slabs.

#### How does IOGL affect ocean current?

- The IOGL affects ocean currents by creating a **pressure gradient** that drives the flow of water from high to low geoid regions.
- The IOGL also influences the **thermohaline circulation**, which is the global conveyor belt of ocean currents driven by differences in temperature and salinity.
- The IOGL **may also have implications for climate change**, as it modulates the heat and salt transport by ocean currents, which in turn affect the atmospheric circulation and precipitation patterns over the Indian Ocean region.

## RBI panel recommendations for Internationalization of Rupee

**News:** Reserve Bank of India(RBI) Inter-Departmental Group (IDG) has recommended several measures for Internationalization of rupee.

#### Background:

- Reserve Bank of India(RBI) had set up an **Inter-Departmental Group (IDG)** under RBI Executive Director **Radha Shyam Ratho**.

#### What is Internationalization of Rupee?

- Internationalization of the rupee is a process that involves **increasing the use of the Indian currency in cross-border transactions**, such as trade, investment, borrowing and lending.
- It can have various benefits for India, such as reducing the exchange rate risk, enhancing the global role and influence of India, diversifying the sources of funding, and promoting the development of domestic financial markets.



#### What are the short term measures suggested by committee?

- Enabling rupee as an **additional settlement currency** in existing multilateral mechanisms, such as **Asian Clearing Union (ACU)**, to promote its use in regional trade and payments.
- **Integrating Indian payment systems** with other countries for cross-border transactions, such as allowing non-residents to **open INR accounts in India or abroad**, and **enabling interoperability** between UPI and other payment systems.
- **Inclusion of Government Securities (G-Secs) in global bond indices** to attract more foreign portfolio investors (FPIs) to the Indian debt market and increase the demand for rupee-denominated assets.
- **Providing equitable incentives to exporters** for rupee trade settlement, such as allowing them to retain a higher percentage of their export proceeds in INR accounts or offering them concessional interest rates on pre-shipment or post-shipment credit in INR.

#### What are the long term measures?

- **Reviewing taxes on Masala bonds** (rupee-denominated bonds issued outside India by Indian entities) to make them more attractive for issuers and investors.
- **International use of Real Time Gross Settlement (RTGS)** system for cross-border trade transactions to reduce transaction costs and time lag.

- **Allowing banking services in rupee outside India** through offshore branches of Indian banks or foreign banks.
- **Inclusion of the rupee in Special Drawing Rights (SDR) basket** of the International Monetary Fund (IMF).
- **Examining taxation issues** in financial markets to harmonize tax regimes of India and other financial centers. For example, rationalizing securities transaction tax (STT) or stamp duty on financial transactions to make them more competitive with other jurisdictions.

Source – Moneycontrol, Indian Express

## Facts for Prelims

### Ambergris

**News:** A pathologist has recently discovered Ambergris in a dead whale, which could be worth nearly Rs 4 crore.

**What is Ambergris?**

- Ambergris is a solid, waxy, flammable substance of a dull grey or blackish colour produced in the digestive system of sperm whales. It is sometimes found floating on the sea or washed up on coastlines.
- It is rare and highly valued by perfume makers as a fixative that allows the scent to endure much longer. Ambergris has a marine, fecal odor when fresh, but it acquires a sweet, earthy scent as it ages.

**Is its trade regulated?**

- It is seen that there is a ban on the possession and trade of ambergris in countries like the USA, Australia and India. But in several other countries, it is still a tradable commodity.
- In the Indian context, sperm whales are a protected species under Schedule 2 of the Wildlife Protection Act therefore possession or trade of its by-products, including Ambergris and its byproducts, is illegal under provisions of the Wildlife Protection Act, 1972.

### SWAMIH investment fund

**News:** Recently, PM Modi congratulated new homeowners in Bengaluru's first project under SWAMIH Fund which has helped more than 3000 families in owning their dream homes.

**What is SWAMIH investment fund?**

- The Special window for affordable and mid-income housing (SWAMIH) investment fund is a **social impact fund** that aims to provide **priority debt financing** for the completion of stressed, brownfield and RERA-registered residential projects that fall in the affordable, mid-income housing category.
- The fund is **sponsored by the Ministry of Finance**, Government of India, and is **managed by SBICAP Ventures Ltd**, a State Bank Group company.
- The Fund's presence in a project often acts as a catalyst for better collections and sales primarily in projects that were delayed for years.
- The fund has so far provided final approval to about 130 projects with sanctions worth over Rs 12,000 crore.

## CMV and ToMV

**News:** Tomato growers in Maharashtra and Karnataka have reported crop losses due to attacks by two different viruses → The **cucumber mosaic virus** (CMV) in Maharashtra and the **tomato mosaic virus** (ToMV) in Karnataka.

### About:

- CMV and ToMV are two **plant pathogenic viruses** that can infect a wide range of crops, especially tomatoes and cucurbits (such as cucumbers, melons, squash, etc.).
- They belong to **different viral families**, but cause similar symptoms in plants, such as leaf mosaic or mottling, yellowing, ringspots, stunting, and distortion of leaves, flowers and fruits.
- **CMV** is spread by **aphids**, which are sap-sucking insects that transmit the virus from plant to plant. CMV can also be spread by human touch, infected seeds, saplings, tools, or parasitic weeds such as dodder.
- **ToMV** is mainly spread by **infected seeds**, saplings, tools, or human touch. It can also be transmitted by some aphid species, but less efficiently than CMV.
- These viruses can cause significant losses in yield and quality of the affected crops.

