

● POLITY




● ECONOMICS

● TECHNOLOGY

● ECOLOGY

PERSONALITIES - AWARDS AND HONOURS

BHARAT RATNA FOR SWAMINATHAN, RAO, CHARAN SINGH

		
Dr. M.S. SWAMINATHAN (7 August 1925 - 28 September 2023)	P.V. NARASIMHA RAO (28 June 1921 - 23 December 2004)	CHAUDHARY CHARAN SINGH (23 December 1902 - 29 May 1987)
<ul style="list-style-type: none"> ■ Agricultural scientist & agronomist ■ Born in Kumbakonam, Tamil Nadu ■ Played an instrumental role in Green Revolution and towards food self-sufficiency in India 	<ul style="list-style-type: none"> ■ Former Prime Minister of India (1991-96) ■ Born in Warangal, Telangana ■ Credited with steering the liberalisation of Indian Economy 	<ul style="list-style-type: none"> ■ Former Prime Minister of India (1979-80) ■ Born in Noorpur, Uttar Pradesh ■ Leader of the Lok Dal, credited as a leader of farmers in north India

CONTEXT: The Bharat Ratna will be conferred on former Prime Ministers P.V. Narasimha Rao and Chaudhary Charan Singh, as well as Green Revolution pioneer M.S. Swaminathan, adding to the two awardees already announced earlier this year — socialist leader Karpoori Thakur, and former Deputy Prime Minister L.K. Advani.

A Rashtrapati Bhavan communique made the announcement on Friday announced conferring former Prime Ministers P.V. Narasimha Rao and Chaudhary Charan Singh, as well as Green Revolution pioneer M.S. Swaminathan.

This year's tally of five Bharat Ratna awardees, one more than the four announced in 1999, is the highest that has ever been announced in a single year. Four of the five awards announced this year are posthumous.

INTERNATIONAL RELATIONS

THE DECLINE OF AMERICA'S LEADERSHIP

CONTEXT: The traditional strengths of America are its values platform, its military power, its pivotal position in the global financial system, and as a technology pioneer. The energetic pro-American lobby in India advocates ever-closer engagement with the United States, rejecting arguments about its diminishing influence.

In 2023, China had an economy, a fifth larger than that of the U.S. on purchasing power parity. The major challenges faced by India are illegal immigration and deficits in the rule of law, secondary education, public health, new technologies, and the national debt rising to \$ 32 trillion.

After the Second World War, the U.S. shaped the rules-based international system. In practice, rules-based order it was neither centred on rules nor was it entirely global. It was a power-based system established by the U.S. and its allies, and Washington considered itself exempt from its norms, particularly

those prohibiting interference in the internal affairs of other countries. The American wars in Afghanistan and Iraq dissipated America's credibility due to its emphasis on military expeditionism, evidenced by about 750 military bases in 80 countries.

Polarisation, issue of legitimacy

Washington is failing to leverage its standing in the international environment, thereby empowering polarisation politically, economically and culturally. The U.S. withdrew from the Trans-Pacific Partnership that emphasised human rights, transparency and liberal democracy, and also from many other international obligations. While U.S. sought international dominance, domestic polarisation induced ideological separation, rendering cooperation in its two-party system non-existent.

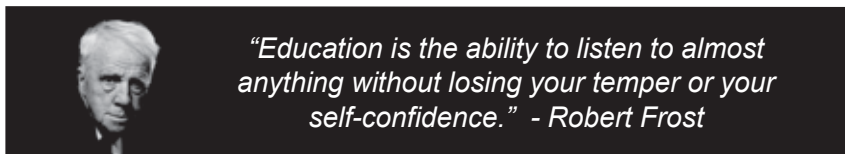
In the West and parts of Asia, open liberalism and globalisation made links of community, family and society brittle, with many feeling excluded from economic progress. Individual freedom was juxtaposed against state, society and law, and the movements of people have resulted in a backlash against immigration, feeding populist movements.

There is now a shift in power equations, with challenges to the legitimacy of institutions and leaderships. American soft power, such as its entertainment industry, which is non-government and unregulated, balances some negativity, as do enduring alliances in Southeast Asia and Europe, though U.S. complicity with Israel's violence against Palestinians has scrambled all its pre-existing policies in West Asia.

Moves by China and Russia

The leaders of China and Russia are determined to maintain their authoritarian regimes and seek to reshape the international system, using trade, pressure and diasporic ties to obstruct the spread of western democratic values that have held sway for decades. In parts of Asia and Africa, western liberalism is often interpreted at worst as a smoke screen for neo-imperialism, and at best as an insensitive expression of American and European arrogance. And although there is no chance of dethroning the international financial settlement infrastructure soon, BRICS' policies seem to herald a contest between local currencies and the dollar because the risks in the current dollar-centric system are unacceptably high.

U.S.-China security and economic competition is the central issue in the world today, and will be potentially dangerous in the years to come. China campaigns to project power with traditional and non-traditional techniques, such as the Confucius Institutes, TikTok and gaming. Its prowess in high technology and geo-engineering inspire admiration, along with its programme of overseas infrastructure financing unmatched by any other country. Due to internal dissonance, the U.S. has failed to assume leadership in Artificial Intelligence when compared to China and the European Union, which are setting the standards.



ECONOMICS AND DEVELOPMENT

PRUDENCE PREVAILS

CONTEXT: The RBI's Monetary Policy Committee (MPC) has prudently opted to persist with its objective of 'ensuring that inflation progressively aligns to the target' by keeping benchmark interest rates unchanged, and sticking with its stance of 'withdrawal of accommodation'.

At a time when 'large and repetitive price shocks are interrupting the pace of disinflation', the RBI's Monetary Policy Committee (MPC) has committed to keep monetary policy unambiguously disinflationary to contain inflation. The RBI Monetary Policy Committee (MPC) has kept the repo rate unchanged at 6.5 % for a sixth straight meeting, observing uncertainties in food prices. Given food's substantial share in the consumption basket, large and repeated food price shocks have the potential to ripple outward and undermine the goal of price stability by de-anchoring inflation expectations.

The domestic economic momentum remain strong, continue to impinge on the headline inflation trajectory. The tangible risk that food price pressures could become more generalised and impact broader headline inflation was the main consideration. Headline retail inflation, which had eased from July's 15-month peak of 7.4 % to 4.87 % in October rebounded to a four-month high of 5.69 % in December, with food price gains gauged by the Consumer Food Price Index racing ahead to 9.53 %, a sizeable 292 basis points faster than October's 6.61 %.

The MPC's downward revision of its projection for average retail inflation in the January-March quarter to 5.0 %, 20 basis points lower than its December forecast, reflects the small comfort policymakers have taken from the improvement in rabi sowing as well as a seasonal correction in vegetable prices. Policymakers need to stay steadfast in their resolve to durably slow price gains towards the 4 % target or risk dampening consumption and thereby undermining the growth momentum.

Addressing the Pakistan Muslim League-Nawaz (PML-N) supporters at the party's central secretariat here, Mr. Sharif said his party respects the mandate of all parties, including the Independent candidates backed by jailed former Premier Imran Khan's party.

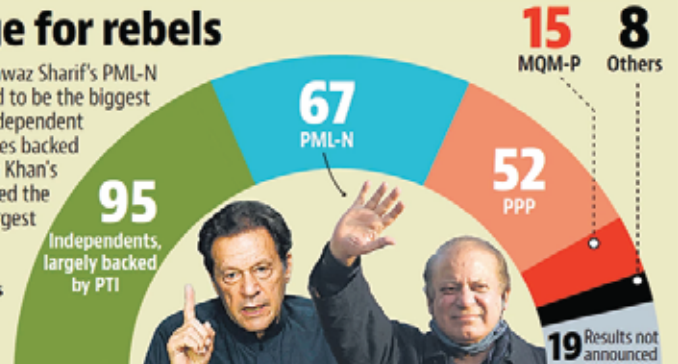
How Pakistan voted

The results of the elections were delayed through Friday, with final numbers still trickling in late into the night. This also led to allegations of fudging and tampering of ballots.

Edge for rebels

While Nawaz Sharif's PML-N appeared to be the biggest party, independent candidates backed by Imran Khan's PTI formed the single largest bloc

Leading as at 11pm:
Source:
GEO TV



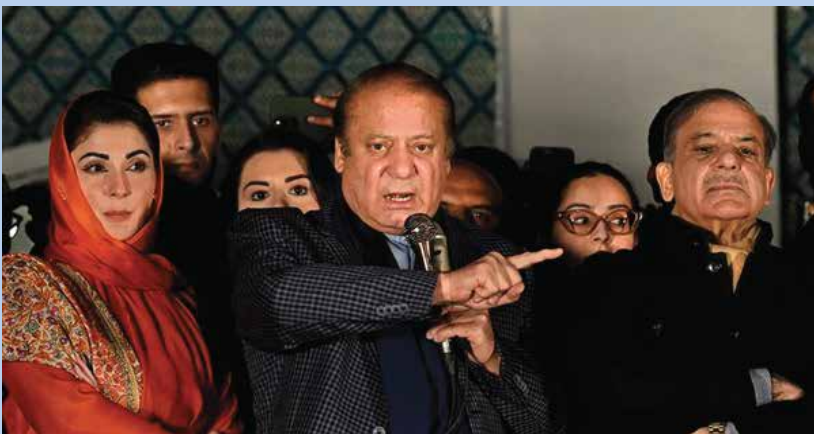
Mr. Sharif, the three-time former Premier, said there is a need for all the political parties to sit together and form a government to pull Pakistan out of its difficulties.

Mr. Sharif announced that he has tasked his younger brother and PML-N president Shehbaz Sharif to reach out to the Pakistan Peoples' Party's Asif Ali Zardari, Jamiat Ulema-e-Islam (F) chief Fazlur Rehman and Muttahida Qaumi Movement's Khalid Maqbool Siddiqui for the formation of a coalition government.

The Election Commission of Pakistan (ECP) data shows that results of 222 constituencies have been declared, which include 95 Independent winners – mostly supported by Mr. Khan's Pakistan Tehreek e Insaaf or PTI. The PML-N has won 67 seats, the PPP 52 and smaller parties 8. To form a government, a party must win 133 seats out of 265 in the National Assembly.

INTERNATIONAL RELATIONS

SHARIF URGES RIVAL PARTIES TO JOIN HANDS TO FORM COALITION



CONTEXT: Former Prime Minister Nawaz Sharif on Friday urged rival political parties to join hands to form a stable coalition government to "rebuild" Pakistan, saying all institutions should together play a positive role in bringing the cash-strapped country out of its difficulties.

ECONOMICS AND DEVELOPMENT

'NBFC-P2PS UNDERPLAYING RISKS; SOME PRACTICES NOT WITHIN NORMS'

CONTEXT: Reserve Bank of India Deputy Governor M. Rajeshwar Rao NOTED Some business practices of NBFC-P2P (peer-to-peer) lenders appear to not be in line with regulatory guidelines and such lenders have been underplaying certain business risks.

He also dismissed constant requests from NBFCs (Non-banking financial corporations) to convert into banks, saying they have evolved to serve specific economic functions, and it is uncharacteristic for them to act like banks. A large proportion of lenders on NBFC-P2Ps are individuals, and they are not expected to be well-equipped to understand the risks involved in providing credit. Instead of educating the lenders about the inherent risks in the lending activity, NBFC-P2Ps have been observed to underplay the risks through various means such as promising high or assured returns, structuring the transactions, providing anytime fund recall facilities. Since NBFC-P2Ps do not undertake credit risk on themselves and operate as a "meeting place for lenders and borrowers," their regulations have been kept at basic entry-level requirements.

INTERNATIONAL RELATIONS

U.S.-CHINA TUSSLE, WARSHIPS IN INDIAN OCEAN DOMINATE IOC CONFERENCE

CONTEXT: Sri Lankan President Ranil Wickremesinghe, inaugurating the Indian Ocean Conference in Perth on Friday noted the militarisation of the Indian Ocean and “great power rivalry” as a growing concerns for smaller countries in the region.



As External Affairs Minister S. Jaishankar spoke of challenges to international rule of law from the Red Sea to the Indo-Pacific, taking aim specifically at China, Australian Foreign Minister Penny Wong said it was necessary to find ways to reduce conflict in the region.

‘No justification’

Delivering a keynote address at the conference organised by the India Foundation, Mr. Jaishankar noted “instability increases when long-standing agreements are no longer observed, with no credible justification to justify a change of stance”. In a veiled reference to China’s amassing of troops at the Line of Actual Control since April 2020, Mr. Jaishankar also made an oblique reference to Chinese actions in the South China Sea, as he spoke of the challenges to freedom of navigation and overflights, and a disregard for internationally negotiated regimes like UNCLOS as “disturbing”.

Sri Lankan President Wickremesinghe said several countries, including India, the U.S., Australia, the UAE, Saudi Arabia, and China were all increasing their naval presence in the Indian Ocean “significantly”. Balancing between the great power rivalry is becoming an increasingly more complex task. As a result, the space for manoeuvrability for littoral states is shrinking fast as this rivalry in the Indian Ocean Region (IOR) intensifies and spills over into decision making on political, economic and security issues.

Adding tensions

Last month, Sri Lanka announced a one-year moratorium on all foreign research ships docking at its ports, after India objected to dual purpose “spy ships” being allowed into Colombo and Hambantota ports. The moratorium came even as a Chinese warship Xiang Yang Hong 3 made plans to dock in Male for what the Maldives government called a routine “port call”, but added to tensions between the Muizzu and Modi governments, already roiled by Maldives’s demand that Indian soldiers leave the islands in the next few months.

‘Sovereign choices’

The “global power axis” had shifted to the region due to its economies of scale and purchasing power. Over 70 % of the world’s container trade and 80% of the energy trade passes through the sea-lines of this region.

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ECONOMICS AND DEVELOPMENT

INDIAN OIL-ADANI GAS JV TO INVEST \$300 MILLION TO DOUBLE GAS SALES

CONTEXT: CONTEXT: Indian Oil-Adani Gas Pvt. Ltd. will invest ₹25 billion (\$301.24 million) over four years as it looks to double gas sales to small industries and households in India.

The company, an equal joint venture (JV) of refiner Indian Oil Corp and Adani Total Gas, daily sells about one million standard cubic metre of gas through its 300 retail outlets. The JV aims at doubling gas sales in four years and expand infrastructure to more than 600 retail outlets during the period to meet India’s rising gas demand.

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