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## COVID-19 PANDEMIC IS FAR FROM OVER, WARNS PM



*Keeping watch: In the past one week, as many as 888 new cases have been reported on average every day in India. PTI*

*Modi asks officials to increase whole genome sequencing to help identify emerging variants, at a meeting to assess the recent rise in COVID-19 and influenza cases and public health readiness*

The COVID-19 pandemic is far from over, Prime Minister Narendra Modi cautioned on Wednesday, emphasising the need to monitor the status of the disease across the country on a regular basis.

At a high-level review meeting, Mr. Modi directed officials to increase whole genome sequencing of COVID-positive samples, using the designated INSACOG laboratories, as this would support the tracking of any new and emerging variants, and facilitate a timely response.

At the meeting, officials assessed the current COVID and influenza situation in the country, and urged that COVID-appropriate behaviour be put in place in hospitals. They advised senior citizens and those with co-morbidities to adhere to the protocol when visiting crowded areas.

The review comes against the backdrop of a spike in influenza cases and a rise in COVID cases over the past two weeks. Officials at the meeting discussed preparedness in terms of health infrastructure and logistics, the status of vaccination, the emergence of new COVID-19 variants and influenza types and their public health implications for the country.

In the week ending Wednesday, 888 new cases were reported on average every day in India, with a weekly positivity rate of 0.98%. Globally, the daily average of new cases was 1.08 lakh during the same week, according to a statement by the Central government.

The Prime Minister directed officials to follow up with the States to ensure effective monitoring of all cases of influenza-like illnesses (ILI) and Severe Acute Respiratory Illnesses (SARI), with testing for influenza, SARS-CoV-2 and adenovirus.

He stressed the need to ensure the availability of the required drugs and logistics for influenza and COVID-19 cases across health facilities, along with the availability of sufficient beds and health human resources. States have been advised to continue focusing on the five-fold strategy of Test-Track-Treat-Vaccination and COVID-appropriate behaviour.

## THE PROTESTS IN FRANCE OVER PENSION REFORMS

### EXPLAINER

#### The story so far:

On March 17, protesters in France clashed with the police at the Place de la Concorde in Paris amid growing unrest over the government's decision to change the state pension age from 62 to 64.

#### What is the new pension reform?

In France, all retirees get a state pension. Mandatory payroll taxes paid by those currently working fund the pension of retirees, meaning generations have been able to retire with assured, state-backed pensions. The government now argues that as life expectancy in France increases, so does its ageing population which means more retirees than new entrants in the workforce. This would cause the current pension system to fall short in the coming decades. According to the administration's projections, while there were 2.1 workers putting money into the system for every one retiree in 2000, this figure dropped to 1.7 workers per retiree in 2020, and is expected to further slide to 1.2 by 2070.

The government says the measure to gradually raise the legal retirement age by three months every year, till it reaches 64 by 2030, is "indispensable" in order to balance the pension system and keep it financially viable. While announcing the last-minute decision to use a special provision in the Constitution to push through the contentious pension reform without holding a vote in the National Assembly, French Prime Minister Elizabeth Borne said: "We cannot gamble on the future of our pensions. That reform is necessary."

However, there are some exceptions. Those starting work between the ages of 14 to 19 will be able to seek early retirement, as will public workers engaged in physically or mentally arduous jobs. But the minimum retirement age only applies to those who have worked enough years to qualify. French newspaper Le Monde notes that like in the present system, many women who pause their careers to raise children and people who study for longer and start their careers late, must work till the age of 67 to retire with full pension benefits.



*In flames: A protest by the railway workers a few days after the French government pushed the pensions reform through Parliament without a vote. AFP*

*Why is the Macron government pushing through a reform which will increase the state pension age by two years? Are there exceptions to the new system? Why are the people protesting against this reform? Why is it said that the pension system creates interdependence between generations?*

The government highlighted the potential outcomes of the pension reform, stating that new retirees will get a guaranteed minimum pension of not less than 85% of the total minimum wage — about 1,200 euros per month at current levels. The government also plans to index the pensions to inflation levels for those who receive minimum incomes, a year after retirement. It says that the pensions of the

poorest 30% of retirees will increase by 2-5%.

#### Why are people protesting?

France currently has one of the lowest qualifying ages for a state pension among big European economies, The Guardian notes. The French cherish the retirement system, as well as national healthcare, as it is seen as hard-earned, having been introduced by the National Resistance Council after the Second World War, when the country was reeling from the aftermath of the war.

Generations of workers have accepted high mandatory taxes to fund the pension system because it creates interdependence and guarantees state-backed pension earnings. The new system means current workers will have to work longer to sustain pensions for the ballooning aged population. Observers also worry that the reform will negatively affect blue-collar workers who often start working young, have shorter life expectancies, or have less optimum working conditions compared to white-collar workers. Opponents of the reform argue that instead of altering the pension age, the government could have balanced the

system through other measures like increasing payroll taxes paid by workers, taxing the wealthy more, or not tying pensions to inflation.

#### What's next?

After Ms. Borne used special powers to pass the Pension Bill in the Assembly without a vote, two Opposition Groups filed no-confidence motions against the Macron government. However, these motions have not succeeded. Meanwhile, protests continued to intensify, turning violent in some places, with the police banning demonstrations in parts of Central Paris. So, far eight nationwide protests have taken place since mid-January. Over 10,000 tonnes of garbage piled up on the streets of Paris as sanitation workers refused to end their strike. Traffic and fuel deliveries were also impacted by protest actions. The left-wing CGT, one of the biggest trade unions spearheading the protests, has asked members to stop work at schools, factories, and other places. Teachers' unions have also called for strikes.

## GOVT. WILL ATTEMPT TO OPEN CORRIDOR TO SHARDA PEETH IN PoK FOR DEVOTEES: SHAH



The Maa Sharda Devi temple in Kupwara, which was inaugurated by Home Minister Amit Shah on Wednesday. ANI

It could be on the lines of the Kartarpur corridor in Punjab, says Union Home Minister after inaugurating the Maa Sharda Devi temple near the Line of Control in Jammu and Kashmir

Union Home Minister Amit Shah on Wednesday said the government would move forward to open a corridor to the Sharda Peeth in Pakistan-occupied-Kashmir (PoK) on the lines of the Kartarpur corridor.

The Sharda Peeth, a revered site for the Hindu community, is located in the Neelum Valley in PoK across Teetwal village along the Line of Control (LoC) in Kupwara district of Jammu and Kashmir.

Mr. Shah was responding to a suggestion made by the convener of the Save

Sharda Committee Kashmir, Ravindra Pandita, who requested that the Sharda Peeth corridor should be made operational on the lines of the Kartarpur corridor, which was opened in 2019.

The corridor links two important Sikh shrines — Dera Baba Nanak in Gurdaspur district of Punjab and Gurudwara Darbar Sahib in Kartarpur, Pakistan — and allows pilgrims to travel visa-free. The Minister said the Peeth was a historical centre of India's cultural, religious and educational heritage and the government — under the leadership of Prime Minister Narendra Modi — would definitely move forward to open it for devotees on the lines of the Kartarpur corridor.

Mr. Shah also virtually inaugurated the Maa Sharda Devi temple at Kupwara on Wednesday. He said the architecture and construction of the temple was done according to the Hindu scriptures under the aegis of Sharda Peeth. The idol of Sharda Maa, donated by the Sringeri Math on January 24, was installed in the temple, he added.

#### Important step

"The reconstruction of Maa Sharda's temple in Kupwara is a necessary and important step in the direction of discovery of Sharda-civilisation and promotion of Sharda-script. Once upon a time, Sharda Peeth was considered the centre of knowledge in the Indian subcontinent, scholars from all over the country used to come here in search of scriptures and spiritual knowledge. Sharda script is the original script of our Kashmir, which has been named after Maa Sharda," he said.

Mr. Shah said that since the reading down of Article 370, the Kashmir Valley and Jammu were once again returning to their old traditions, civilisation and "Ganga-Jamuni tehzeeb". The government had taken efforts for cultural rejuvenation of the region, he added.

The Minister said systematic restoration and repair work was going on at 123 places, including many temples and Sufi places. In the first phase, 35 places were being renovated at the cost of ₹65 crore.

Mr. Shah said 31 mega cultural programmes were organised by identifying 75 religious places and Sufi shrines.

Twenty cultural festivals were also organised in the districts to help revive old heritage, he said.

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## RUSSIA, CHINA VOW TO DEEPEN RELATIONS; TAKE AIM AT WEST

*Toast to ties: Vladimir Putin and Xi Jinping during a reception following their talks at the Kremlin on Tuesday.AFP*

*Xi and Putin criticise the U.S. 'Indo-Pacific strategy' and call out attempts to 'politicise' multilateral groupings; both sides also agree 'a package of 80 bilateral projects worth around \$165 billion'*

China and Russia on Wednesday unveiled a broad long-term blueprint for their deepening relations, pledging to work together to push back against the U.S. Indo-Pacific strategy as well as attempts to "politicise" multilateral platforms.

A joint statement, released in Mandarin and Russian, following Chinese President Xi Jinping's visit to Moscow and talks with President Vladimir Putin, said both sides "firmly condemn the politicisation" of multilateral platforms and "attempts of certain countries to fill the agenda of multilateral platforms with unrelated issues and dilute the primary mission of the relevant mechanisms."

This reference pointed to sharp divisions in the G-20 ahead of this year's summit to be hosted by India. China and Russia earlier this month opposed references to the Ukraine war leading to the failure of the G-20 Foreign Ministers' meeting in New Delhi to issue a collective statement.

The lengthy joint statement also expressed "serious concern over NATO's continued strengthening of military-security ties with Asia-Pacific countries" and said both sides "oppose the cobbling together of a closed and exclusive bloc structure in the Asia-Pacific region, creating bloc politics and camp confrontation". Chinese officials have previously referred to the India-U.S.-Australia-Japan Quad as an "exclusive bloc". The statement accused the U.S. of following "a Cold War mentality" and said its Indo-Pacific strategy "has a negative impact on peace and stability in the region."

### **Inclusive security**

Instead, the joint statement said, China and Russia were "committed to building an equal, open and inclusive security system in the Asia-Pacific region that does not target third countries", pointedly using the term "Asia-Pacific" and not Indo-Pacific.

Both Mr. Xi and Mr. Putin hailed the state of their relations following lengthy talks in Moscow. The Chinese leader once again referenced Beijing's position paper on the Ukraine crisis, but the visit didn't appear to suggest any major breakthrough in Chinese efforts to broker a peace in Ukraine, which Chinese media have highlighted in the wake of the recent landmark Saudi-Iran deal signed in Beijing. The Chinese Foreign Ministry on Wednesday didn't comment on reports suggesting Mr. Xi would shortly hold a telephone call with Ukraine President Volodymyr Zelensky.

The joint statement criticised the West over Ukraine, saying both sides "oppose the practice by any country or group of countries to seek advantages in the military, political and other areas to the detriment of the legitimate security interests of other countries."

It said the "Russian side welcomes China's willingness to play a positive role for



the political and diplomatic settlement of the Ukraine crisis".

Mr. Xi on Tuesday stressed the longevity of China-Russia ties, saying relations were "consistent with historical logic and a strategic choice of China." "It will not be changed by any turn of events," he said, adding that "changes unseen in a century are evolving faster and the international balance of power is undergoing a profound shift."

Both pledged to work together in multilateral groupings including BRICS, and also to take forward collaboration in the recently dormant Russia-India-China grouping. The two sides also said they would "support each other firmly in safeguarding their core interests, first and foremost sovereignty, territorial integrity, security and development interests." Russia said it supports China on Taiwan and also "firmly supports China's initiatives to safeguard its sovereignty and territorial integrity."

### **Economic cooperation**

Besides a joint statement, both sides also announced a "Plan to Promote the Key Elements of Russian-Chinese Economic Cooperation until 2030." Mr. Putin said both sides had agreed "a package of 80 important and promising bilateral projects in various fields worth around \$165 billion."

"Russia is a strategic supplier of oil, natural gas, including LNG, coal, and electricity to China," he said. "Russian gas supplies to China are to reach at least 98 billion cubic metres by 2030, plus 100 million tonnes of liquefied natural gas. We have just discussed a good project, the new Power of Siberia-2 gas pipeline across Mongolia. We have reached agreement on most of the deal's parameters. Russia will export 50 billion cubic metres of gas from reliable, stable supplies."

## CHINA BOOSTS SOUTH PACIFIC INFLUENCE WITH SOLOMONS PORT DEAL

A state-backed Chinese company has won a contract to develop a key port in the Solomon Islands, a major victory in Beijing's quest to gain a strategic toe-hold in the South Pacific.

Solomon Islands' government on Tuesday announced that the China Civil Engineering Construction Corporation had been chosen to lead a \$170 million project to develop the international port in the capital Honiara.

The Solomons have become the unlikely epicentre of a diplomatic tussle between China and the U.S., after it signed a secret security pact with Beijing in 2022. Both China and Solomon Islands denied the pact would lead to the establishment of a permanent Chinese naval base.

Major infrastructure projects in the sprawling South Pacific archipelago are increasingly reliant on Chinese investment, notably the construction of a new stadium for the upcoming Pacific Games in Honiara.

The Honiara port contract was revealed on the same day that White House envoy Kurt Campbell visited Honiara as part of Washington's latest push to combat China's swelling economic and diplomatic footprint.

Mr. Campbell met with Prime Minister Manasseh Sogavare, who was instrumental in turning Solomon Islands towards China after severing diplomatic ties with Taiwan.

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# NUMBER OF FOREIGN BUSINESSES EXITING INDIA SURPASS NEW ENTRANTS

Since 2018, more than 550 overseas firms ceased operations in the country, while just under 470 companies set up business over the same period, official data show: analysts advise caution in interpretation given COVID, global economic slowdown

The number of foreign companies quitting India have exceeded the number of new entrants since 2018, with foreign businesses setting up shop in the country falling to at least a five-year low in 2022, as per official data.

While almost 470 new foreign investors set up business in India between 2018 and 2022, more than 550 overseas firms ceased operations and become inactive in the same period. During this period, 2019 was the only year when the number of foreign firms that started India operations (137) outnumbered the 133 firms that shut and became inactive.

In 2022, 64 new foreign investors started operations in India, the lowest figure since 2018 while just one new overseas business has begun operations (as of March 9) in 2023.

Firms exiting the country last year added up to 78, while two firms have closed operations between January 1 and March 9, data shared by the Minister of State for Corporate Affairs Rao Inderjit Singh in the Rajya Sabha show.

Investment experts advised caution in interpreting the data.

“A company may have been active in previous years and then shut down or become inactive in the said period,” said Sawant Singh, co-founding partner at Phoenix Legal. “Moreover, the reducing trend of companies setting up in recent years is on account of COVID and global recessionary trends,” he noted.

## Revolving door

Data since 2018 indicates foreign firm exits outnumber entries

Year	No. of foreign firms that started India operations	No. of foreign companies that ceased operations
2018	102	111
2019	137	133
2020	90	120
2021	75	115
2022	64	78
2023*	1	2
<b>Total</b>	<b>469</b>	<b>559</b>

\*till March 9, 2023

Source: Ministry of Corporate Affairs

# SLUMP IN CHINESE DEMAND LEADS DRAG ON INDIA'S ENGINEERING EXPORTS



Duller appetite: Engineering exports to China declined 54% in the first 11 months of FY23, EEPC data show. File photo

A sharp decline in Chinese imports of Indian engineering goods, along with marked dips in orders from 10 of the top 25 markets for the sector, is hurting the industry that accounts for a quarter of India's total goods exports.

While engineering goods exports have dipped in seven of the first 11 months of 2022-23 and are down 4.24% year-on-year, shipments to China have plummeted 54% so far, with the monthly decline decelerating to 33.3% in February. Other major markets to have clocked a downturn between April 2022 and February 2023 include Korea (-30.6%), Vietnam (-28.6%), Turkey (-21.9%), Thailand (-12.5%), UAE (-10.4%) and Japan (-5.9%), as per data shared by India's Engineering Export Promotion Council (EEPC) on Wednesday.

A dozen out of 34 engineering panels [categories of items] have recorded negative growth in exports so far in FY23, compared with the year-earlier period.

Iron and steel slides

“Major decline was witnessed in iron and steel segment, non-ferrous segment, two- and three-wheelers, railway transport, bicycle parts and project goods,” an EEPC analysis noted.

On the positive side, some large countries have scaled up orders from India, albeit from a relatively lower base. Engineering exports to Saudi Arabia have risen 56.7%, followed by exports to Singapore (37.8%), Netherlands (36.4%), Canada (27.6%) and France (22.3%).

# ABOLITION IS THE WAY

The issue is the death penalty itself, not merely the method of execution

Forty years after holding that the mode of executing prisoners by hanging cannot be termed too cruel or barbaric, the Supreme Court of India has now ventured to find out if there is a more dignified and less painful method to carry out death sentences. The idea of finding an alternative mode of execution, one considered less painful and involves little cruelty, has been part of the wider debate on whether the death penalty should be abolished. Judicial and administrative thinking have leaned towards backing both the idea of capital punishment and the practice of hanging. The Bench has sought fresh data to substantiate the argument that a more humane means of execution can be found. There are two leading judgments on the issue — Bachan Singh vs State of Punjab (1980), which upheld the death penalty, but limited it to the ‘rarest of rare cases’, and Deena Dayal vs Union of India And Others (1983), which upheld the method by ruling that hanging is “as painless as possible” and “causes no great-

er pain than any other known method”. The 35th Report of the Law Commission (1967) had noted that while electrocution, use of a gas chamber and lethal injection were considered by some to be less painful, it was not in a position to come to a conclusion. It refrained from recommending any change.

Even though the Supreme Court has not favoured abolition, it has developed a robust and humane jurisprudence that has made it difficult for the executive to carry out death sentences. It has restricted its use to the ‘rarest of rare cases’, mandated a balancing of aggravating and mitigating circumstances before sending someone to the gallows, and allowed a post-appeal review hearing in open court. At the same time, it has evolved a clemency jurisprudence that makes decisions on mercy petitions justiciable and penalises undue delay in disposing of mercy pleas by commuting death sentences to life. The question now before the Court provides yet another opportunity to humanise its approach

further. Empirical evidence suggests that hanging need not result in an early or painful death, while there is a body of proof that shows electrocution and lethal injection have their own forms of cruelty. The Union government contends that hanging should be retained, not only because it is not cruel or inhuman but also because it accounts for the least number of botched-up

executions. The real issue, however, is that any form of execution is a fall from humaneness, offends human dignity and perpetrates cruelty. Debating the mode only deepens the moral dilemma of whether the taking of life is the best response to the taking of life. If eliminating cruelty and indignity is the aim, abolition is the answer.

## THE LIMITS OF AMERICAN POWER IN WEST ASIA

In 1980, faced with the prospect of the Soviet Union expanding its reach to the Gulf, the Carter administration in the United States came up with an aggressive approach. In the previous year, the U.S. had suffered twin setbacks in Asia — in February, the Shah's regime in Iran, one of the pillars of America's West Asia policy, collapsed; and in December, the Soviets sent the Red Army to Afghanistan. Outlining his policy, framed by Zbigniew Brzezinski, President Jimmy Carter had said in his State of the Union address on January 23, 1980, that "any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the U.S., and such an assault will be repelled by any means necessary, including military force".

The Carter doctrine would continue to guide the policy of successive administrations towards the Gulf and ensure that the region remained an exclusive American sphere of influence — until recently. Of late, there has been much talk about the shifting sands of Arabia. It was, however, on full display when Saudi Arabia and Iran reached an agreement earlier this month, in secret talks hosted by China, to normalise relations. Put it in context: the U.S. remained a spectator when its global rival (China) brought together one of its allies (Saudi Arabia) and a sworn enemy (Iran) to reach a potential game-changing pact in a region (Gulf) which it considered as an exclusive sphere of influence. It practically marked an end to the Carter Doctrine.

Past mistakes

This did not happen overnight. Over the past 20 years, the U.S. has made a host of mistakes in West Asia, which has led to a decline in its overall influence and an associated policy recalibration by its allies. Take the cases of Iraq, Syria and Iran — one, a country the U.S. invaded, brought regime change and occupied; two, a country where it sought regime change without a full-scale invasion; and three, a country which it sought to both contain and engage.

When the U.S. invaded Iraq (ground), on March 20, 2003, it was at the peak of its power. America's Arab allies lined up to support the war. But what they saw, from a security perspective, was the mindless destruction of the Iraqi state, which triggered sectarian bloodshed and led to the rise of radical Islamist outfits such as al Qaeda in Iraq, which later transformed into the Islamic State, further destabilising the region. From a geopolitical point of view, the Iraq invasion took down a buffer that the Sunni Arab Gulf monarchies had between themselves and a Shia theocratic Iran, and offered post-Saddam Iraq on a platter to Shia parties that had had historical ties with Tehran.

When the Syrian civil war broke out, Arab monarchies found it an opportunity to push Iran back by taking out the regime in Damascus. The U.S. supported the regime change bloc, called for President Bashar al-Assad to go, offered aid to the rebels, and launched a secretive Central Intelligence Agency (CIA) programme. But, having burnt its fingers in Afghanistan, Iraq and Libya, the U.S.'s appetite for another full-scale military intervention was already diminishing. When the U.S. stopped short of an intervention in Syria, Russia and Iran moved fast, turning around the civil war. America's allies, from Saudi Arabia to Jordan and Qatar to Turkey, who all had bet on anti-Assad forces, helplessly watched as the Syrian Army and Iran-trained militias, covered by Russian jets, destroyed the rebellion.

American President Barack Obama, who realised that the U.S.'s endless

entanglements in the region were slowing down its attempts to address emerging conventional challenges, reached out to Iran and struck a multilateral deal on its nuclear programme. The Obama plan was to reach a détente with Iran and persuade America's Arab allies and Tehran to "share" the region. But the U.S. cutting a deal with Tehran at a time when the U.S.'s own actions had made Iran stronger angered both its Gulf allies and Israel. When U.S. President Donald Trump destroyed the nuclear deal, they welcomed it. But Mr. Trump did not have an alternative to check Iran's immediate conventional military power. When Tehran responded to Mr. Trump's "maximum pressure" with maximum resistance, particularly targeting Saudi Arabia and the United Arab Emirates (UAE), the U.S. looked away.

Current limitations

Today, the U.S. is aware of its limitations. It is also facing bigger conventional challenges elsewhere. So, to address this task of retaining America's influence in West Asia with reduced commitments, the U.S. came up with the proposal of collectivising its alliances — bringing Arab allies and Israel closer so that Israel can take a larger security role in a collective front against Iran.

But this approach has at least three problems. One, with its deprioritisation of West Asia, the U.S.'s leverage over its allies is slipping, which is emboldening the allies to take their own foreign decisions.

Second, Israel's continuing occupation of the Palestinian territories could play a spoiler in the bid to collectivise alliances. The UAE not only agreed to normalise ties with Israel through the Abraham Accords but also amended ties with Iran and warmed up to Syria and Turkey. Saudi Arabia, on the other side, resisted embracing Israel. Instead, the Kingdom, arguably the most powerful Arab country, saw an alternative for stability in the China-mediated peace plan with Iran. Third, Israel, the lynchpin of America's collectivisation strategy, itself is resisting American influence. Israel's new government is moving ahead with its judicial overhaul plan despite pressure from Washington. Israel also refused to join the western sanctions against Russia, and refused to send weapons to Ukraine.

Multi-pillar region

As the U.S.'s deprioritisation of West Asia is leaving behind a vacuum, its allies are trying to establish more predictable ties with friends and foes, creating their own spheres of influence and emerging as the new pillars of the region. Israel wants to strengthen its ties with the Arab world to face down Iran without compromising on Palestine. Iran wants to break out of the economic chokehold of sanctions and realise its true potential. Turkey wants to swing back to a region which it once dominated, and Saudi Arabia wants to become the natural leader of the Arab world. And China, the new superpower on the block, wants to make sure that its economic interests are protected.

This does not mean that America is going to retreat from the region. The U.S. has several bases and tens of thousands of troops deployed across the region, and it will continue to play a major security role. But the Gulf or the larger West Asia is no longer an exclusive American sphere of influence, as Mr. Carter and Zbigniew Brzezinski had imagined. It is too early to say whether the regional realignments, including the Saudi-Iran reconciliation, would survive the infamously fractious geopolitics of West Asia. But there are three constants in this whirlwind — America's declining ability to shape geopolitical outcomes in the region, China's continued rise and a growing appetite for the U.S.'s allies to make autonomous foreign policy choices. This is new terrain for America in West Asia.

## THE OLD PENSION SCHEME AS A BURDEN ON THE POOR

The demand for the old pension scheme (OPS) is growing especially after a few States announced that they would be reverting to it. The mainstream scourging of OPS is centered on a preconceived notion of inefficiency and a doctrine of fiscal deficit. Nevertheless, there is a need to disentangle the consequences of OPS from the neoliberal setup and examine the policy from the class and welfare perspectives.

In consonance with the spirit of the National Pension System (NPS), the Sixth Pay Commission had substantially increased the basic salary of government employees to cover pension contributions and promote savings for post-re-

irement expenses. The basic monthly salary of a Class 4 employee (Seventh pay norm) is ₹25,000. The World Inequality Report 2022 estimated the average monthly income of the bottom 50% of the population to be ₹4,468, whereas it is ₹14,669.7 for the middle 40% (sixth ninth decile). The salary of a government employee is higher than the income of more than 90% of the population. Thus, the OPS acts as a regressive redistribution mechanism favouring a better-off class. The minimum pension a government employee earns is ₹9,000 (Sixth pay norms). Whereas, social security pension set by a supervisory bureaucracy does not exceed ₹500 in 14 States; the amount is ₹2,000 in a few States.

### Rising pension liabilities

The pension liabilities of the government increased due to a substantial hike under the Sixth pay matrix as it was politically tricky to withdraw the OPS for existing employees when the NPS was introduced. As a result, pension liabilities substantially increased to 9% of total States expenditure, and are expected to increase in the future. The pension liabilities of States account for 1.2% of GDP as on 2021-22. From 2004 to 2019, the pension expenditure of States registered an average annual growth of 16%, whereas total expenditure growth stood at 12.8%. The aggregate receipts of State governments had an average growth of a mere 13.41%. Assuming this rate constant, the share of pension expenditure will account for 14.7% of total State expenditures by 2040, and 19.4% by 2050.

### Burden falls on those at the base

Many State governments have yet to implement the Seventh pay norms, whereas some States have reportedly not paid arrears of the Sixth pay. In a neoliberal framework, governments, especially at the State level, do not have fiscal autonomy. Currently, the bottom 50% of the population bears the iniquitous burden of indirect taxation six times more than their income. Due to the OPS, the bottom of the pyramid population with a monthly income much less than that of government employees has to bear the incubus burden which will sled them into destitution and abject poverty.

The median age of the Indian population is approaching 30 years, and the population composition in many States will become older over the next two to three decades. Public provision of education and health care is indispensable to harness the demographic dividend. However, these two sectors require more human resources. The recruitment with OPS poses expenditure challenges for providing public goods, depriving a large population of basic necessities. Hence, the OPS compels governments to compress an already low social sector expenditure, thus pushing the marginalised into a downward spiral of indigence.

The OPS facilitates a further monopolisation of future labour markets in the private sector by this proprietary class. Historical experience in post-independent India confirms these trends, where sophistry and fastidious socialist rhetoric were used by the supervisory bureaucracy to consolidate its position and emerge as a dominant proprietary class. A democratically elected government in a developing country with highly unequal income distribution should focus on the redistribution of resources at its command to improve the living conditions of the impoverished.

### Resource distribution must be equitable

Opposition to the OPS should not be a weapon for downsizing the government but used to argue for a more equitable distribution of resources and expansion of universal provisions of public goods. A participatory pension for government employees will provide a more egalitarian outcome in an economy with acute income inequality. To protect employees (especially those in the lower rung in the hierarchy) from the vagaries of the market, the government can tweak the NPS to provide a guaranteed monthly return. Administrative reforms are required to address unequal pay among various ranks of employees.

The disenchantment with neoliberalism is the primary reason for the invigorated demand for the OPS. Government employees as a group with a voice and easy access to decision-making can coalesce to push for a rationalisation of political executives' pensions and profligacy, which are a major burden on the exchequer. They can also exert influence to pursue progressive taxation of the top 10% (who own 72% of wealth) to address poverty and growing inequality. Such policy measures are indispensable when widespread hunger results in death among children under the age of five, and 229 million are still poor.

## FINAL SOLUTION

*Concerted effort alone can save earth from worst of climate change effects*

The influential Intergovernmental Panel on Climate Change (IPCC) has made public its final 'Synthesis' report, which is part of the Sixth Assessment Cycle. Since 1990, when the IPCC began publicising its compilation of global scientific research linking greenhouse gas emissions with changes in weather and climate, the evidence that human actions are nudging the world closer to irreversible cataclysms has only grown stronger. The IPCC's various assessment cycles have played a significant role in it. There is little by way of new information in the latest report that was made public after weeklong deliberations at Interlaken, Switzerland. This is because it is a synthesis of reports that since 2018 have not only bolstered the human link in warming but also analysed, from multiple angles, the implications of not meeting the 2015 Paris Agreement, of endeavouring to keep temperatures from rising 1.5°C above pre-industrial times.

The report stresses the need for finance to flow from developed countries to developing countries and the need to compensate countries that are poised to lose the most from climate change, to help them build resilience. In a summary for policymakers, the latest synthesis report says that the planet's best chance to keep temperatures below 1.5°C is to ensure greenhouse gas emissions are reduced to 48% of 2019 levels by 2030 and 99% by 2050. Currently, the policies

declared by countries collectively, if implemented entirely, are poised to see temperatures rise 2.5°C to 3.2°C by 2100. The latest report may weigh in significantly at the next session of the Conference of Parties scheduled in Dubai in November where a Global Stocktake — countries laying out what they have so far done to achieve commitments laid out in the Paris Agreement — is likely to be the highlight of proceedings. The IPCC reports have generally been viewed as a portent of doom but the current report also talks about the falling cost of solar and wind power, and the expansion of electric vehicle fleets. However, Paris Agreement targets cannot be met without negative emissions, or carbon dioxide removal and would entail untested technologies that now appear to be impractically expensive. India has "welcomed" the report and said that several sections underline its stated position: that the climate crisis is due to unequal contributions, and that climate justice must underlie mitigation and adaptation. However, India must also not ignore the other message that only a concerted effort, with countries stretching beyond their comfort zones, can give the planet a fighting chance to stave off the worst.



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